

can now be passed with a qualified majority (about 70 per cent approval).

The heads of government meet twice yearly for two days of informal talks in what have become known as European councils, or summits. Meetings of this sort began in the 1970s and were formally acknowledged in the Single European Act amendments of 1986. The European Council allows the leaders of the member states to speak frankly and resolve conflicts that their ministers may have failed to resolve.

A third EC institution is the **European Parliament**. It is composed of 518 members elected in Europe-wide elections every five years and is the only EC institution where members are elected through direct universal suffrage. In other respects, however, it is very different from a parliament such as Canada's as it is primarily an advisory body without the power to introduce or implement new legislation. Nor does it have the power of the Council of Ministers to veto legislation it does not like.

The European Parliament serves three main functions:

- It gives its opinion on proposed legislation to the Commission and Council of Ministers (in some cases its opinion must be sought, though its advice does not need to be taken); it may propose amendments, which in certain cases can only be ignored by unanimous vote in Council.
- It plays a role in establishing the Community budget, and can either pass or reject it.
- It brings a measure of democratic control to the European Community by submitting questions to the Council or Commission to which they must respond.

In theory, Parliament can dismiss the Commission, but this power has remained untested.

The **Court of Justice** is the court to which the Commission, the member states, companies or individuals appeal if they have a grievance about how Community law is being applied. It consists of 13 judges and six advocates-general. The Court's jurisdiction is limited to European Community law and therefore decisions of the supreme courts of national governments cannot be appealed to it (unless these involve interpretations of Community law).

A fifth EC institution, the **Economic and Social Committee**, is consulted by the Commission and Council of Ministers on a wide range of issues. The influence of this committee, whose members represent interest groups such as labour, teachers and farmers, could grow, particularly as the Community attempts to grapple with the social dimension of 1992.

Revenues to operate all these institutions and their activities come from a portion of the value-added tax charged consumers (similar to Canadian sales tax) as well as import duties applied to goods entering the EC. Compared to the national governments, the EC as an organization is relatively small. Its budget amounts to less than 3 per cent of the combined national budgets of its member states.

EC External Trade

The Treaty of Rome stipulates that the European Community should represent its members on matters of trade with other countries. Thus, EC officials (along with member state officials) attend meetings of the General Agreement on Tariffs and Trade (GATT) and the Organization for Economic Co-operation and Development (OECD) and speak on behalf of member states, when trade-related issues are discussed.