

Prime Minister Gro Harlem Brundtland
The Marking Ceremony of the Start of the Troll Gas Sales Agreement

Brügge, 29 April 1994

It is a great pleasure to be present here today, to celebrate the start of the gas deliveries under the Troll Gas Sales Agreements.

This event is a very important milestone for Norway as an energy supplier to Europe.

I would also like to congratulate all the parties involved in facilitating the start of gas deliveries according to schedule in October last year.

You know that the giant Troll field was discovered in 1979. In 1986, after years of negotiations, the final agreements were signed with German, French, Belgian, Austrian and the Dutch companies, and later the name of Spain was added. The first gas deliveries under the contracts, coming from the Sleipner Field, started in October last year. In 1996 the Troll field will come on stream. The plateau level will be reached after the turn of the century.

Gas delivered under the Troll Gas Sales Agreements will continue to flow so long into the future, that my great grandchildren will experience the benefits resulting from these sales. This illustrates the long perspective of the gas industry.

To me the long-term aspects of these contracts illustrate the importance of stable, predictable and good relations between producer and consumer countries, and between the commercial parties.

The self evident way in which this contract and this project has been concluded and executed, is evidence of a high level of organization and technical competence.

There were times when use of energy was equivalent - percentage by percentage - to economic activity expressed in gross national product. Fortunately, this is no longer the case. That link has been decoupled. Energy use is more efficient. Economic activity expands more than energy uses.

However, we have reached a stage in our development where we can no longer take for granted that economic growth will lead to increased employment. We can no longer be so sure that economic growth will be synonymous with progress.

At present, technological advances may lead to lay-offs rather than to new jobs. We are close to a region where coal-mining was a prime source of income for hundreds of thousands of families. Luckily, a lot of environmentally destructive energy uses and unhealthy workplaces have been abandoned. The challenge of modern society,

however, is to create new jobs at a higher rate than old ones are removed.

We are obviously on the wrong track when Europe spends 100 billion ECU on unemployment compensation and far less on active measures for reemployment. Paying people such sums for not doing anything is neither sustainable nor socially acceptable. There is more than enough that needs to be done in all our societies.

Moreover, if people are out of work, if they feel they are not being useful, there is a serious threat to the cohesion of our societies.

The challenge of Western Europe today is to organise our societies, generate activity and mobilize forces in pursuance of short-term as well as long-term goals.

There is a growing need to focus on knowledge and education as the ultimate resource and as an engine of growth and change. Natural resources are not what gives us wealth, but the way we utilize these resources. If resources alone would make us wealthy, we could have reached our present standard of living thousands of years ago.

Today's event demonstrates the high level of economic organization in Europe. In the future we will have to rise to new heights of political organization, where people are in the centre of attention. We cannot be content when our youth are in danger of not receiving an education or not knowing for what they are taking an education.

We cannot be content with a situation where the elderly fear for their pensions because all countries face the same pressure on their social security systems?

We cannot be content with a situation where environmental improvements are made hostage to the competitive watching-over-our-shoulders-attitude of countries guarding their competitive edge because common action is lacking.

The benefits of growth must be harnessed to secure greater opportunity for the people of Europe.

The best prospects for our future seems to lie in the inexhaustible potential of the human mind. Although investment in physical capital may yield decreasing returns, there is no reason to believe that investment in new knowledge is subject to such limitations.

On the contrary, the fact that recent technological breakthroughs coincide with general access to education suggests that we may only have seen the beginning of technological change.

Increased public and private funding of research and education will not in itself produce growth and development. Success requires quality as well as quantity. Moreover, teamwork is vital in developing and using knowledge. Competition is important as an incentive, but co-operation is necessary for success.

Rather than talking about the competitive advantage of nations I believe we should speak about their "co-operative advantage".

If Europe is unable to organize itself politically and enlarge the benefits to be shared by all, then it is difficult to see where and

how regional cooperation can be successful. It is with this global outlook in mind that the future of Europe must be constructed. The European Union must be made the modern contribution to Europe of the civilization of inter-state relations. All countries face the same challenges. The time is gone when each state could alone successfully pursue full employment, environmental excellence and just and equal opportunity.

Norway was among the poorest countries in Europe at the beginning of this century. We broke away from that predicament, not primarily by exploiting natural resources, such as fish and timber, hydropower and now oil and gas, but by sharing equally the benefits of revenues from the gifts with which we are endowed.

The situation is no different today. I do not believe in any automatic trickle down effect. I believe in the supremacy of democracy to harness such revenues and to reinvest in people. This must be the overriding objective of Europe in the face of 20 million unemployed.

It is in this light that the shared benefits of today's event should be seen. Oil and gas is Norway's most important export commodity, amounting to about 35 per cent of our total export value. In 1993 oil and gas contributed 15 per cent to gross national product.

The development of new policies for energy in Europe will clearly have a substantial effect on Norway regardless of whether we are a member of the European Union or not. It is in the interest of both the European Union and Norway that we are strongly involved in the processes where matters of mutual interest are being discussed. Energy illustrates why it is so important for Norway to achieve membership in the European Union. We should be in a position where we can voice our opinions on issues which are of vital importance to our country.

However, regardless of the membership issue, it is clear that Norway is very important to Europe's energy supply. The start of gas deliveries under the Troll agreements will further strengthen this position.

Thank you for your attention!