

EUROPEAN PARLIAMENT

Working Documents

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REPORT

drawn up on behalf of the Committee on Budgetary Control

on the discharge to be granted to the Administrative Board
of the European Foundation for the Improvement of Living and
Working Conditions in respect of the implementation of its
appropriations for the 1981 year & the comments
accompanying this decision

Rapporteur: Mr Edward KELLETT-BOWMAN

At its meeting on 2 November 1982, the Committee on Budgetary Control confirmed the mandate of Mr. KELLETT-BOWMAN as rapporteur for the discharge to be granted to the Administrative Board of the European Foundation for the Improvement of Living and Working Conditions in respect of the 1981 financial year.

On 31 December 1982, the Commission of the European Communities transmitted to Parliament the management accounts, financial statement, the report of the Court of Auditors in respect of the 1981 financial year and the replies to the observations of the Court of Auditors.

These documents were referred to the Committee on Budgetary Control on 7 March 1983.

At its meeting on 17 and 18 March 1983, the Committee on Budgetary Control considered the draft report and adopted the proposed decision by 11 votes in favour, 1 against and 3 abstentions and the comments by 10 votes in favour, 1 against and 3 abstentions.

Took part in the vote:- Mr. Aigner, chairman; Mr. Treacy, vice-chairman; Mrs. Boserup, vice-chairman; Mr. Price, vice-chairman; Mr. Edward Kellett-Bowman, rapporteur; Mr. Alber (deputising for Mr. Filippi); Mr. Gouthier; Mr. Jürgens; Mr. Key; Mrs. Nikolaou (deputising for Mr. Orlandi); Mr. Notenboom; Mr. Patterson; Mr. Ryan; Mr. Saby; Mr. Simonnet; Mr. Simpson (deputising for Mr. Battersby); Mrs. Van Hemeldonck.

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I

The Committee on Budgetary Control hereby submits to the European Parliament the following proposed decision:

Proposed decision

on the discharge to be granted to the Administrative Board of the European Foundation for the Improvement of Living and Working Conditions in respect of the implementation of its appropriations for the 1981 financial year

The European Parliament

- a) having regard to the Treaty establishing the EEC and in particular Article 206b thereof;
- b) having regard to the revenue and expenditure accounts of the European Foundation for the Improvement of Living and Working Conditions for the 1981 financial year;
- c) having regard to the report of the Court of Auditors on the 1981 accounts (Doc. 1- 1344/82);
- d) having regard to the report of the Committee on Budgetary Control (Doc. 1-70/83);
- e) recalling that the Treaty of 22 July 1975, duly ratified by all the Member States, conferred on the European Parliament final responsibility in relation to the grant of discharge in respect of the general budget of the EC;
- f) noting the improvements in presentation and internal control that were effected by the Foundation following the three previous resolutions¹ adopted by Parliament and taking into account the fact that the Court of Auditors' report on the 1981 accounts reveals no problems in relation to the management of the Foundation's appropriations;
- g) observing that the Foundation will be the subject of a special report to be considered by Parliament in the near future;

¹ OJ no. L180, page 13, 14.7.80
OJ no. L342, page 4, 28.11.81
OJ no. L144, page 4, 24.5.82

- Notes the following figures for the accounts of the European Foundation for the Improvement of Living and Working Conditions:

Financial Year	1981	%
<u>Revenue</u>		
From the Commission part of the budget	2,780,596.45	97.5
Bank interest	48,664.14	1.7
Other	23,758.89	0.8
	<u>2,953,019.48</u>	100.0
<u>Expenditure</u>		
Budget appropriations	2,896,000.00	100.0
Commitments	2,853,019.48	98.5
Appropriations unused	42,980.52	1.5
Payments	2,180,570.79	
Appropriations brought forward from previous year	851,650.95	
Payment from appropriations brought forward	842,201.33	
Unused appropriations brought forward	9,449.62	
Appropriations carried forward	672,448.69	

- Grants a discharge to the Administrative Board of the European Foundation for the Improvement of Living and Working Conditions, on the basis of the report of the Court of Auditors, in respect of the accounts for the financial year 1981;
- Instructs its President to communicate this decision and the attached comments to the Council, the Commission of the EC, the Court of Auditors and to the Administrative Board of the European Foundation for the Improvement of Living and Working Conditions, and to arrange for their publication in the Official Journal (L series).

II

The Committee on Budgetary Control hereby submits to the European Parliament the following motion for a resolution together with explanatory statement :

MOTION FOR A RESOLUTION

containing the comments accompanying the decision granting a discharge to the Administrative Board of the European Foundation for the Improvement of Living and Working Conditions in respect of its revenue and expenditure accounts for the financial year 1981

The European Parliament,

1. Asks the Council and the Commission of the EC and the Administrative Board of the European Foundation for the Improvement of Living and Working Conditions to take the necessary measures to comply with the following comments and calls on the Commission and the Administrative Board of the European Foundation for the Improvement of Living and Working Conditions to submit a written report by 1 October 1983 on the follow-up to these comments;

Closer involvement of the Foundation in the formulation of Community policy

2. Recalls that the regulation which established the Foundation effectively envisaged the involvement of this body in the formulation of Community policy; notes that, in the comments accompanying its discharge decision in respect of the 1979 financial year¹, it called on the Council and the Commission to ensure that, in future, the Foundation should be more closely involved in the formulation of Community policy; strongly urges that such fuller involvement be organised so that the Community may derive maximum benefit from the Foundation;

As regards financial control

3. Notes the views of the Court of Auditors in regard to the appointment of a Deputy Financial Controller at the Foundation; considers that this matter should be fully examined when the text of the revised Financial Regulation is available.

¹ OJ No. L 342, 28.11.81, page 6

B

Explanatory Statement

1. The European Foundation for the Improvement of Living and Working Conditions (EFILWC) was created by Council regulation, EEC 1365/75¹. This regulation followed on from the Council resolution of 21 January 1974² concerning a social action programme aimed at humanising living and working conditions.
2. Parliament has granted discharge to the EFILWC for each of the years 1976-1980 on the basis of a report drawn up by this Committee. On no occasion did problems of a fundamental nature come to light in the course of the examination of the accounts of the EFILWC. However, a number of relatively technical problems, of a general accounting nature, were observed. These related to annuality, the extent of carrying forwards of appropriations, the procedure for the approval of transfers within the EFILWC budget, the letting of the conference centre, accounts for construction work carried out, and some other minor matters. All of these problems were resolved to the full satisfaction of the Committee on Budgetary Control.
3. In the case of the 1981 accounts, the Court of Auditors certified that the Foundation's 1981 financial statements fairly reflect its revenue and expenditure for the year and its financial position at 31 December 1981.
4. The Court of Auditors points out that the use of imprest accounts weakens internal control in the Foundation by relegating the financial controller's checks and approval to a status of ex post facto control. Nevertheless, the Court of Auditors indicates that it has some sympathy with the Foundation's practical difficulties in obtaining the financial controller's approval in the case of urgent payments.

1 OJ L 139, 30.5.1975, page 1

2 OJ C 13, 12.2.1974, page 1

5. The Committee on Budgetary Control has been authorised to prepare an opinion for the Committee on the Environment, Public Health and Consumer Protection. In this future opinion, the Committee will indicate possible ways in which the living conditions aspect of the role of the EFILWC could be strengthened and it will also go into other aspects of the satellite. Also, the Committee will deal further with the EFILWC in the report which it is to present, on satellites generally, in the course of the next couple of months. Therefore, given the approval of the Court of Auditors, the Committee recommends that discharge be granted. The Comments accompanying the decision are self-explanatory.

6. Following are some tables relative to the operation of the EFILWC which will give members a fuller view of various aspects of the activity of the EFILWC.

TABLE 1

Expenditure of the EFILWC, per quarter over recent years

		(ECU)				
		Quarter 1978	1979	1980	1981	1982
Chapter I Staff	1	112.403	132.316	170.059	277.792	318.240
	2	136.067	160.173	233.831	289.870	361.636
	3	124.235	194.993	244.460	301.948	361.637
	4	218.890	208.920	414.519	338.182	405.033
	Total :	591.595	696.402	1.062.869	1.207.792	1.446.546
Chapter II Administrative	1	23.338	28.518	50.269	89.211	79.895
	2	40.842	28.518	65.350	69.386	98.917
	3	67.097	57.037	57.810	85.907	68.481
	4	160.449	145.185	77.918	85.907	133.158
	Total :	291.726	259.258	251.347	330.411	380.451
Chapter III Operating	1	91.230	83.313	292.281	315.555	269.871
	2	574.751	452.275	212.568	355.000	573.475
	3	118.599	214.235	252.424	157.778	202.403
	4	127.723	440.373	571.277	486.482	640.943
	Total :	912.303	1.190.196	1.328.550	1.314.815	1.686.692
TOTAL		1.795.624	2.145.856	2.642.766	2.853.018	3.513.689

TABLE 2Receipts other than EC budget subsidies

Item	1978	1979	1980	1981	1982
2000 Proceeds of the sale of movable and immovable property		82		3194	5690
2100 Proceeds of letting and hiring		3363	5138	8467	9560
2300 Reimbursement of Sundry Expenditure	459	20832	8558	12096	12950
2500 Revenue from investments or loans; bank interest and other items	52685	44461	52525	48664	62375
Total	53144	68738	66221	72421	90575

TABLE 3Publications, Printing and Dissemination in 1982

Language	No. of volumes published	No. of copies printed	DISSEMINATION	
			Foundation's mailing lists	Individual requests
English	25	6,537	3,661	2,023
French	13	4,446	3,418	563
German	15	3,704	2,698	421
Italian	12	2,469	2,142	271
Danish	15	5,835	4,851	240
Dutch	16	3,008	2,307	294
Greek	11	1,565	650	9
Total	107	27,564	19,727	3,821

TABLE 4

Translation Work

Details for 1982 and 1981 :

Year	Original Pages	Translation Pages					Cost of External (ECU)
		Total	in House	%	External	%	
1982	5678	13220	4288	32	8932	68	233.000
1981	3658	11816	2000	17	9816	83	294.000

TABLE 5

Printing Work

Inside Foundation	<u>1979</u>		<u>1980</u>		<u>1981</u>		<u>1982</u>	
	Quantity	%	Quantity	%	Quantity	%	Quantity	%
Photocopying	182.913	16	410.480	6	595.987	10	710.487	14
Offset	767.193	66	2.801.089	38	1.989.374	33	1.760.790	35
<u>Total</u> :	950.106	82	3.211.569	44	2.585.361	43	2.471.273	49
Outside Foundation								
Offset	208.350	18	4.109.428	56	3.421.060	57	2.550.412	51
<u>Total</u> :	1.158.456	100	7.320.997	100	6.006.421	100	5.021.689	100

