Report
drawn up on behalf of the Committee on Social Affairs and Employment

on the proposal from the Commission of the European Communities to the Council (Doc. 70/74) for a Regulation on the establishment of a European Vocational Training Centre

Rapporteur: Mr Ferruccio PISONI
By letter of 29 January 1974 the President of the Council of the European Communities requested the European Parliament to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a regulation on the establishment of a European Vocational Training Centre.

In its sitting of 13 May 1974, the European Parliament referred this proposal to the Committee on Social Affairs and Employment as the committee responsible and the Committee on Cultural Affairs and Youth and the Committee on Budgets for their opinions.

On 10 April 1974 the Committee on Social Affairs and Employment appointed Mr PISONI rapporteur. It considered this proposal at its meetings of 30 and 31 May and 3 and 4 September 1974.

At the latter meeting the committee adopted the motion for a resolution and the explanatory statement unanimously, with two abstentions.

The following were present: Mr Bertrand, chairman; Mr Adams and Mr Marras, vice-chairmen; Mr Pisoni, rapporteur; Mr Albertsen, Mr Artzinger (deputizing for Mr Rosati), Mr Bermani, Mr Brégégère, Mr Dondelinger, Mr Durand, Mr Girardin, Mr Glinne, Mr van der Gun, Mr Härzschel, Mr Laudrin, Lord O'Hagan, Mr Pètre, Mr Schwabe, Mr Terrenoire and Mr Yeats.

The opinions of the Committee on Cultural Affairs and Youth and the Committee on Budgets are attached.

PE 37.080/fin.
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The Committee on Social Affairs and Employment hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the communication and proposal from the Commission of the European Communities to the Council for a regulation on the establishment of a European Vocational Training Centre

The European Parliament,

- having regard to the communication and the proposal from the Commission of the European Communities to the Council¹;
- having been consulted by the Council (Doc. 70/74),
- having regard to the report of the Committee on Social Affairs and Employment and the opinions of the Committee on Cultural Affairs and Youth and the Committee on Budgets (Doc. 231/74);

1. Notes that a new impetus must be given to Community action in the area of vocational training, having regard to the disappointing results of past activity;

2. Views the proposed Centre as an effective instrument for action and incentive at Community level;

3. Approves the Commission's proposal for the establishment of this Centre;

4. Believes that the main function of the Centre should be to submit the results of its work to the Commission which would then use them in initiating action and formulating Community legal instruments;

¹ See OJ No. C 72 of 27.6.74, p.17
5. Stresses therefore the need for the Centre to enjoy autonomy and to have the power of initiative, although it must act in close cooperation with the Community institutions so as to contribute effectively to the coordination of action in the area of vocational training;

6. Also believes that a second task of the Centre, in view of its relatively limited organizational structure, should be to make use of the existing structures in the individual Member States; within that framework it should then organize and finance the implementation of specific operations, experiments and pilot projects whose results should be communicated to all the interested circles so that similar action is initiated throughout the Community;

7. Considers the operational budget of the Centre altogether inadequate, in comparison with its functional expenditure or the budget of other Institutes whose creation has been proposed by the Commission, especially when the tasks entrusted to it are taken into account; and feels therefore that the Commission must provide for a substantial increase in the operational budget and the Council must make the necessary appropriations available;

8. Considers it vital for the future Centre to work out European profiles for the various occupations, and harmonized plans for courses and training programmes so as to facilitate the mutual recognition of diplomas and qualifications;

9. Expresses its own satisfaction at the fact that the social partners are adequately represented on the Management Board of the Centre;

10. Suggests on the other hand that the strength of the Experts Committee should be increased, as the present figure of two experts per Member State does not allow adequate representation of national technical and scientific circles;

11. With reference to the seat of the Centre, urges the Commission to make practical proposals;

12. Invites the Commission to make the following amendments to its proposal pursuant to Article 149, second para, of the EEC Treaty;

13. Instructs its President to forward this resolution and the accompanying report to the Council and Commission of the European Communities.
Proposal for a regulation on the establishment of a European Vocational Training Centre

Preamble and recital unchanged

Articles 1 to 5 unchanged

### Article 6

1. The Experts Committee shall be composed of 18 members. Each Member State shall nominate two members.

They shall be selected on account of their theoretical knowledge and practical experience in the various fields connected with vocational training.

2. The Committee members shall be appointed by the Management Board for three years. Their mandate shall be renewable.

### Article 11

The Management Board shall adopt by 31 March at the latest the general report on the activities, the financial situation and the work programme of the Centre, and shall submit them to the Commission of the European Communities.
FINANCIAL RECORD

1. Legal and administrative information

2. Description etc.

3. Expenditure
   (a) Estimate of the appropriations required
   (b) Method of calculating the appropriations required for the 1975 financial year (full year)

Functional expenditure

Operational expenditure

- Preparation of operational documentation (documentation proper, selection and operation)
  140,000 u.a.

- Dissemination of information (manuals, courses, information bulletins, etc.)
  100,000 u.a.

- Actions and contributions to development and coordination of research
  280,000 u.a.

sub-total
  520,000 u.a.

Total : 1975
  1,200,000 u.a.

- Preparation of operational documentation (documentation proper, selection and operation)
  140,000 u.a.

- Dissemination of information (manuals, courses, information bulletins, etc.)
  100,000 u.a.

- Actions and contributions to development and coordination of research
  280,000 u.a.

- Organization of pilot experiments, subsidies, study grants, symposia, meetings, congresses, experiments
  1,000,000 u.a.

Total operational expenditure
  1,520,000 u.a.

Total : 1975
  2,200,000 u.a.
EXPLANATORY STATEMENT

I. General

1. Following the report drawn up last year by your rapporteur on the first measures to implement a Community vocational training policy\(^1\), the European Parliament already expressed its appreciation of the idea to establish the European Vocational Training Centre and asked for it to be endowed with the necessary financial resources to carry out its important tasks.

When the Commission of the European Communities presented its social action programme providing specifically for the creation of the Centre, the European Parliament therefore confirmed its approval and appreciation, on the grounds that vocational training should be one of the priority tasks to which the Community should give its attention\(^2\).

2. In the action programme approved by the Council by its resolution of 21 January 1974\(^3\), the Council noted the Commission's undertaking to submit to it proposals for the creation of the Centre by 1 April 1974. The European Parliament feels bound to express its satisfaction at the fact that the Commission has complied with its undertaking and respected the set time limit, although it has not done so in the case of the other two actions which were to have been presented to the Council by 1 April, namely measures in favour of migrant workers and measures to protect workers in the event of change of ownership or mergers of undertakings.

3. In essence therefore the European Parliament wishes merely to confirm its previous position and approve the proposal from the Commission now before us. Nevertheless a number of observations must be made on the aims, structure and characteristics of the Centre if it is to be an effective instrument of action and incentive at Community level.

II. Role of the Centre

4. It would be superfluous to repeat here what has already been said many times regarding the inadequacy of Community policy in the sector of vocational training.

Confining ourselves to the essential facts and referring for greater detail to the abovementioned report No. 83/73 by the same rapporteur, it seems necessary to point out that the general principles established by the Council on 2 April 1963 for the implementation of a Community vocational training

\(^{1}\) See report by Mr Pisoni, Doc. 83/73, para. 16 of the motion for a resolution and section 20 of explanatory statement.

\(^{2}\) See report by Mr Girardin, Doc. 256/73.

\(^{3}\) See OJ C 13 of 12.2.74, p.1.
policy have remained a dead letter. In addition the first programme prepared by the Commission in 1965 has not proved very successful, as the Commission itself admits\(^1\), and the action begun in 1973 on the basis of the priority projects approved by the Council in March 1973 has not brought particularly satisfactory results to judge by what the report says about the development of the social situation in the Community in 1973\(^2\), indicating as it does that the only Community activities in this area have been the organization of a few seminars and the proposed publication in 1974 of an information bulletin.

5. The need for a vigorous renewal of Community activity in this area is therefore apparent. The Centre could provide an appropriate instrument for this purpose. But what tasks will be entrusted to it and what possibilities will it have for action and intervention?

The purpose of the Centre will be to play a part in attaining 'full and better employment', in accordance with the aims outlined in the social action programme which endorses the Council's intention to implement a common vocational training policy with a view to attaining progressively the principal objectives thereof, especially approximation of training standards, in particular by setting up a European Vocational Training Centre\(^3\).

Training standards cannot be harmonized from the above, but through a natural process resulting from exchange of experience, backed by the necessary technical means and contacts between the national authorities. One of the responsibilities of the Centre will be to ensure that these conditions obtain.

It will have its own legal personality and enjoy a high degree of autonomy. It will be able to organize experimental courses and programmes and develop new teaching and training methods. The Centre is not therefore designed to replace the Community bodies in developing and implementing Community policy in the field of vocational training but to provide them, particularly the Commission, with the necessary technical and scientific support. However, in addition, it will autonomously promote action at European level. This latter aspect is the most original and a positive feature of the proposal.

The Centre will therefore need a highly qualified staff, composed of experts of international renown capable of carrying out this task.

\(^{1}\) See OJ C 81 of 12.8.71, p. 5

\(^{2}\) See Doc. 2/74, para. 24, p. 27 and para. 91, pp. 70 and 71

\(^{3}\) See OJ C 13 of 12.2.74, p. 2
6. In the view of the Social Affairs Committee the activities of the Centre should be concentrated in three main directions:

(a) autonomously promoting action and communicating the results of its work to all the interested circles so that similar steps are taken throughout the Community;

(b) on the basis of its work, submitting practical proposals to the Commission of the Communities. The Centre would in fact enjoy an enormous advantage over similar existing institutes: it has the backing of a body, the Commission, which is an executive in the sense that it can immediately convert the Centre's suggestions into practical proposals to be submitted to the Council of Ministers and then into Community legal instruments on the basis of the Treaty;

(c) thirdly, since the Centre will have a rather limited organizational structure, it must use the existing infrastructure of the Member States and finance experiments and pilot projects in the various states. It should therefore intervene in a practical and effective manner by giving its support - above all financial - to initiatives which may be worked out by the Member States themselves in agreement with the Centre or by itself promoting such initiatives.

7. These assumptions lead to a number of practical consequences.

Firstly, extremely close cooperation between the Centre and the Commission and other Community institutions is essential. While the Centre has as its task the formulation of suggestions to the Commission and the encouragement of initiatives likely to bring about a Community vocational training policy, only the coordination of its activities with those of the institutions can avoid duplication and dispersion of efforts. The exchange of information and suggestions must be reciprocal in order to avoid this risk.

8. Secondly, and this is the most important point, the operational budget of the Centre must be increased if it is not to be condemned to perform exclusively theoretical work and studies. In fact the complete budget for 1975, as shown in the financial record annexed to the Commission's proposal, amounts to a total of 1,200,000 u.a., made up of 680,000 for functional expenditure and only 520,000 for operational expenditure. In the second year, the budget is to increase to 1,450,000 and in 1977 to 1,800,000. Comparing these figures with the budget of another institute which the Commission has recently proposed should be founded in the context
of the social action programme namely the European Foundation for the Improvement of Living and Working Conditions, the total budget for the first year is 4,500,000 u.a. and the operational budget 2,860,000 u.a., and the European Parliament proposed an increase on this figure to enable the Foundation to pursue wider practical activities.

The operational budget of the Centre is distributed between three main headings: collection of operational documentation (140,000 u.a.), dissemination of information (100,000 u.a.), actions and contributions for the development and coordination of research (280,000 u.a.). No mention is made of the award of subsidies and study grants for instructors, the organization of congresses, seminars, apprenticeships, and the financing of pilot experiments in Member States in order to make use of the existing structures in those countries to achieve valid results at Community level.

9. A distinct impression is therefore gained that the future Centre is to be confined to action of coordinating and disseminating information; this is likely to make its existence superfluous, as it would have little impact at national and Community level because of the lack of financial resources and adequate possibilities of action.

For 1974, the Community's budget includes an appropriation of 350,000 u.a. (as against 330,000 in 1973) for vocational training activities; the amount set aside for the operational expenditure of the Centre (520,000 u.a.) is slightly higher and it could certainly not do much more than the Commission is doing at present which, as we have seen, is not a great deal. Moreover the Centre would have extremely high functional expenditure (680,000 u.a.), out of all proportion to its effective impact.

Might it not in the last resort be more useful, if vocational training is to be encouraged in the Community, to devote the entire figure of 1,200,000 units of account set aside for the Centre to intensifying the Commission's activities in this sector by increasing the number of staff allocated to it and making them responsible for performing directly the tasks which would otherwise be entrusted to the Centre?
10. One final comment on the tasks of the Centre: the Committee on Social Affairs and Employment unanimously stressed the importance of defining European profiles for the different occupations, in other words to the harmonization of courses of study and preparation so as to facilitate the mutual recognition of diplomas and qualifications. A precedent does exist in the form of the Commission's 1969 monograph, 'European scheme for training qualified machine-took operators', which was warmly welcomed by the European Parliament, but the Commission was unable to move on to cover other occupations. However, action in this field would assume great importance since, amongst other things, it would make it easier for the qualifications obtained in their country of origin by migrant workers to be recognized abroad.

III. Organs of the Centre

11. As far as the Management Board of the Centre is concerned, the committee is gratified that the social partners are to be adequately represented on it; this was not the case for example with the European Foundation for the Improvement of Living and Working Conditions referred to earlier. This Board would in fact consist of 15 members, 5 representing the employers, 5 the trade unions, and 5 the Commission; the President of the Management Board would be chosen among the 5 members appointed by the Commission and assisted by 2 Vice-Presidents chosen from the other two groups.

12. On the other hand, as regards the Experts Committee which would have consultative functions and be composed of 18 members, two from each State, certain reservations seem appropriate.

In fact two members for each country seems a small number as it would be desirable for the Committee's membership to consist not only of leading theoreticians or senior government officials, but also of persons with practical experience of vocational training gained for example by directing national training centres over a period of years. The number of experts from each country should therefore be raised to four, making a total of 36.

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1 See COM(69) 439 final, 5.6.1969
2 See JARROT report, Doc. 154/69-70
IV. Seat of the Centre

13. In Article 1 of its proposal, the Commission does not resolve the question of the seat and leaves a decision on this matter to the Council. The European Parliament, as it has already done in the case of the European Foundation for the Improvement of Living and Working Conditions, might invite the Commission to determine the seat. For functional reasons and to ensure maximum efficiency this seat would have to be Brussels where the Commission and Council are located; this is the only way of guaranteeing the necessary coordination.

14. If on the other hand the Council opts for a different seat, a city such as Turin would be a good choice where the ILO International Centre is already established and where the problems of vocational training arise in an acute manner because of the presence of many thousands of immigrant workers from the depressed regions of Italy who are deprived of any occupational qualifications. Alternatively a city situated in a depressed region of Italy or of some other country might be suggested, as it would enable the real problems of vocational training to be studied effectively on the spot and the possibility of setting up training centres financed by the Community to be examined directly, as the Commission proposed in the first draft of its social action programme, although it subsequently abandoned this idea.

V. The suggestions of the Committee on Cultural Affairs and Youth

15. The Social Affairs Committee discussed at length the suggestions put forward in Mr Nielsen's opinion for the Committee on Cultural Affairs and Youth. In particular, it examined the proposal to change the present name of the Centre to 'European Vocational Training and Guidance Centre'. This proposal was also supported by the rapporteur for the Social Affairs Committee, who took the view that training and guidance were two closely linked aspects and that it was therefore worthwhile inserting specifically among the aims and tasks of the Centre that of encouraging deeper study and greater awareness of the increasingly acute problems arising in the vocational guidance of young people at the end of their studies, so as to work out the best methods of obtaining better results.

Other members of the Committee, however, expressed doubts, fearing that too broad an extension of the Centre's tasks might make it less effective. Moreover, it was stressed that vocational guidance was closely linked to the situation on the labour market, and that the Centre could not keep abreast of this without departing too far from its institutional role.
16. At the end of the discussion the Committee decided by a majority not to accept the proposal from the Committee on Cultural Affairs and Youth and therefore to leave the Commission's text unchanged. The same decision was taken in respect of the two other suggestions put forward by that committee.
Opinion of the Committee on Cultural Affairs and Youth

Draftsman: Mr Knud NIELSEN

On 8 May 1974 the Committee on Cultural Affairs and Youth appointed Mr Knud Nielsen draftsman of the opinion.

It considered the draft opinion at its meeting of 19 June 1974 and adopted it unanimously.

The following were present: Mr Broeksz, chairman; Mr McDonald, vice-chairman; Mr Knud Nielsen, draftsman; Mr Brewis, Mr de Broglie, Mr Calewaert, Mr de Sanctis, Mr Glesener, Mr John Hill, Mr Hougardy, Mr Hunault, Mr Klepsch, Mr Laban, Mr Vandewiele (deputizing for Mr van der Sanden), Mr Seefeld and Mr Thornley.
Introduction

1. As stated in the explanatory memorandum and the recitals, the Commission's proposal for a regulation relating to the programme adopted in 1963 pursuant to Article 128 of the EEC Treaty, is based on the Council's resolution adopting the social action programme and on Articles 118 and 41 of the Treaty.

Generally speaking, the Commission considers that vocational training measures are basically part of the social policy which is to be implemented in the different sectors of economic activity, especially in the industrial and agricultural sectors.

2. The Committee on Cultural Affairs and Youth considers that whereas socio-economic aspects are important in matters of vocational training, general education and the development of the individual are decisive factors, especially for the young.

Efforts must be made to eliminate any dead-ends in the educational systems and to avoid restricting teachers to limited areas of education.

Vocational training concerns everybody, both young and old. Furthermore, mutual recognition of diplomas, as laid down in Article 57 of the EEC Treaty, implies the approximation of the various standards of education.

There is also the fact that common measures in the field of vocational training must include information both on the training itself and employment opportunities which it will bring.

These arguments amply justify consideration of the proposed regulation and the submission of proposals reflecting its own thinking on the matter by the Committee on Cultural Affairs and Youth.

Objectives of the European Vocational Training Centre

3. There are no grounds for discussing the legal basis of the proposal for a regulation.

The objective is to create a European Vocational Training Centre whose task will be the promotion and development of vocational training and continuous training at Community level (Article 2).

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1 OJ No. C 13/1, 12 February 1974, p. 1
Work of the European Vocational Training Centre

4. The European Vocational Training Centre is to be responsible for encouraging the exchange of information and experience through:
- assembling a selected documentation particularly on new developments and research in this field, as well as on problems related to the structure of vocational training
- ensuring the dissemination of useful information
- contributing to the development and coordination of research.

The statute and structure of the European Vocational Training Centre

Statute

5. The Centre is to be a body with its own legal personality. It will have operational functions which will in no way detract from the role and purpose of the Advisory Committee on Vocational Training, created by the Council's decision of 2 April 1963.

Structures

6. The centre is to comprise:
- a fifteen-member tripartite management board composed of representatives of employers' organizations, workers' organizations and members appointed by the Commission;

'The Management Board shall be responsible for the general activity of the Centre.

It shall adopt its rules of procedure and other provisions necessary for the administration of the Centre. The staff regulations and the financial regulations shall be adopted in agreement with the Commission.

It shall appoint the Director of the Centre, and draw up his terms of employment.

It shall decide on the creation of ad hoc working parties within the framework of the annual programme of activities. It shall regularly inform the Commission of the European Communities of its activities.' (Article 5)

- an experts committee with 18 members, which 'shall give opinions on questions submitted to it by the chairman of the Management Board or by the Director of the Centre. It may, of its own initiative, examine any question relevant to the objectives of the Centre..' (Article 7)
Observations and conclusions of the Committee on Cultural Affairs and Youth

7. In principle, the Committee on Cultural Affairs and Youth approves the setting up of a European Vocational Training Centre as provided for in the Council's resolution of 21 January 1974.

It must, however, point out that nowhere in the Commission's proposal is there a clear definition of what is meant by 'vocational training' (formation professionelle, faglig uddannelse, beroepsopleiding) or of the categories of person for whom it is intended. It therefore requests the Commission to define 'vocational training' and state for what categories of person it is intended.

8. However, the committee does consider, and this is its first proposal, that the Centre should be called the European Vocational Training and Guidance Centre.

This means that the Centre should concern itself with vocational guidance as well as the other tasks connected with vocational training. Initially, its basic task could be to collect and distribute information on the various training opportunities available in the Member States and subsequent employment prospects. It could then go on to concern itself with the whole range of vocational guidance methods, in particular research and practical work being or still to be carried out in this field.

This is an activity which will promote the mobility of workers in most sectors, and particularly in those sectors which the Commission was most concerned with when it drew up its list of priority measures.

9. A second proposal which the Committee on Cultural Affairs and Youth puts forward is that the five members designated by the Commission for the management board should include teachers and persons in active employment.

One of the tasks of the management board is to decide on the creation of ad hoc working parties within the framework of the annual programme of activities. This is a very important task and teachers and people in active employment should be concerned in such decisions.

10. The third proposal concerns the participation of young people in the Centre. In view of the Centre's objectives, the Committee on Cultural Affairs and Youth believes that young people, who have a prime interest in vocational training, should be represented in it.

The Commission should allot a seat on the management board to a delegate of the European youth forum, which is soon to be created. This would be more than a symbolic gesture. The Community would thereby make clear its intention of giving youth a place in bodies which, although their role may be essentially an advisory one, make proposals affecting the future of young people. This delegate could present and explain documents prepared by the European youth forum.
Conclusion

11. The proposals of the Committee on Cultural Affairs and Youth might be considered liable to make the management board larger and less efficient.

The Committee on Cultural Affairs and Youth believes that this would not make the board less efficient but would open participation to the groups which are most interested.

The committee believes that responsibility for the work of the Centre should not be left to workers' organizations and experts alone. If the Community's actions and rules are to be genuinely accepted at grassroots level, the people must be given the opportunity of exerting influence within these structures without making them too cumbersome.

12. The Committee on Cultural Affairs and Youth hopes that the Committee on Social Affairs and Employment, as the committee responsible, will accept these proposals and that the Commission will include them in its proposal for a regulation.
By letter of 13 May, the Committee on Budgets was asked for its opinion on the proposal from the Commission of the European Communities to the Council for a regulation on establishment of a European Vocational Training Centre.

Mr Durand was appointed draftsman for the opinion on 1 June.

The Committee on Budgets adopted the draft opinion unanimously at its meeting of 17 September.\(^1\)

The following were present: Mr Spénale, chairman; Mr Aigner, vice-chairman; Mr Durand, draftsman; Mr Leenhardt, Mr Shaw and Mr Vernaschi.

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\(^1\) As there was no quorum, the unanimous vote of the Committee on Budgets should be taken as a guide and not as a formal opinion.
Introduction

1. The activities of the Commission of the European Communities in the field of vocational training are based on the provisions of Article 128 EEC and for a large part on the Council decision of 21 January 1974 concerning a social action programme. This decision stated the political will to adopt within a first stage measures aimed, among other things, at implementing a common vocational training policy, to be achieved mainly through the approximation of training standards. The Commission intends to achieve these aims by its proposal for the establishment of a European Vocational Training Centre.

The Commission Proposal

2. According to the Commission, the Centre shall aim to promote and develop vocational training and continuous training at Community level. It shall encourage the exchange of information and experience through:
   - assembling a selected documentation, particularly on new developments and research in this field, as well as on problems related to the structure of vocational training
   - ensuring the dissemination of useful information
   - contributing to the development and coordination of research

The Centre shall promote those initiatives which make a positive contribution to the implementation of a common policy on vocational training.

3. The Centre will be managed by a tripartite Management Committee consisting of representatives of the Commission, of the employers' organizations and of the workers' organizations (15 members). This structure will accord the social partners a special and responsible role.

   The Member States will designate high-level experts to make up the Experts Committee (18 members). This body is especially important, firstly because it draws up the list of candidates for the post of Director, and secondly because it delivers an opinion on the working programme of the Management Board. It also has a right of initiative and may submit proposals and give its opinion on the activities of the Centre.

   The proposal by the committee responsible to double the membership of this Experts Committee is not really acceptable as it might impair the Committee's working efficiency.

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1 cf. Article 2 of the proposal for a directive
The legal representative of the Centre is the Director, who carries out the decisions of the Management Board and is accountable for his activities to the Management Board.

4. The Commission wishes to restrict the staff of this Centre to between 20 and 25 very highly qualified and experienced people in the various fields of vocational training.

5. The Commission wants the Centre to cooperate closely with national and international centres, such as the ILO International Centre for Advanced Vocational and Technical Training in Turin, the OECD Centre in Paris, the European Centre for the promotion of initial and further training in agriculture (CEPFAR) and the appropriate national institutes in the Member States.

6. The Commission believes that the setting up of the Centre will in no way prejudice the role of the Advisory Committee on Vocational Training set up pursuant to the Council decision of 2 April 1963, which assists the Commission in laying down the general principles for implementing a common vocational policy. In spite of the different terms of reference of the two bodies, the Commission considers it appropriate for some members of the Advisory Committee to be represented on the Centre's Management Board.

Financial aspects of the proposal for a directive

7. The Commission proposes to finance the Centre mainly out of the annual subsidy borne by the budget of the European Communities. Accordingly the Management Committee will forward the accounts of all the revenue and expenditure of the Centre for the preceding financial year by 1 April of each year. For this purpose the Management Board shall, by 1 April of each year, transmit an estimate of the expenditure and revenue together with a request for a subsidy, which the Commission forwards to the budgetary authorities.

8. Article 14 of the proposal for a directive provides for the control of the Centre. The Management Board shall send the accounts of all the revenue and expenditure for the preceding financial year to the Audit Board. The Commission, which also receives the accounts and the Audit Board's report, transmits them to the budgetary authorities for examination. This gives the European Parliament full control over budgetary management.
9. The survey submitted on the total estimated appropriations required for the coming financial years is as follows:

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<th>Year</th>
<th>Appropriations (u.a.)</th>
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<tr>
<td>1975</td>
<td>600,000</td>
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<tr>
<td>1976</td>
<td>1,450,000</td>
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<td>1977</td>
<td>1,800,000</td>
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The figure for 1975 refers to a part of that year; it is based on the assumption that the Centre will be set up in July 1975.

In the following financial years an increase of 15 per cent based on general price trends should be established and a further 15 per cent for operational costs.

10. Examination of the Centre's financial requirements shows that functional expenditure considerably exceeds operational expenditure (for the full financial year 1975: 680,000 u.a. as against 520,000 u.a.). The committee responsible is right in saying that, in terms of the current distribution of appropriations, the Centre risks having to confine itself to functions which could well be carried out by Commission departments through appropriate use of the Commission's budget. If the European Centre for vocational training is to merit that name, its terms of reference must be such as to avoid any unnecessary duplication of work. The committee responsible proposes, therefore, that the operational expenditure should be raised by 1 million u.a., to be used mainly for financing pilot projects in Member States, seminars, practical courses, subsidies and study grants for instructors, organization of congresses, etc.

The Committee on Budgets recommends adoption of this proposal, provided that a detailed programme of action is submitted.

Conclusions

11. The Committee on Budgets congratulates the Commission on the directive it has proposed. In the interests of the efficiency of this Centre it suggests, subject to the reservation expressed in the previous paragraphs, the amendment proposed by the committee responsible should be adopted under which the operational expenditure is to be increased by the said amount.