## **EUROPEAN PARLIAMENT**

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# Working Documents

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## Report

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drawn up on behalf of the Committee on Social Affairs, Employment and Education

on the proposal from the Commission of the European Communities to the Council (Doc. 272/76) for a regulation amending Regulation (EEC) No. 1365/75 on the creation of a European Foundation for the improvement of living and working conditions

Rapporteur: Mr P. LEZZI

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By letter of 20 August 1976 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 amending Council Regulation (EEC) No. 1365/75 on the creation of a European Foundation for the improvement of living and working conditions.

On 27 August 1976 the President of the European Parliament referred this proposal to the Committee on Social Affairs, Employment and Education as the committee responsible and to the Committee on Budgets for its opinion.

On 18 February 1977, the Committee on Social Affairs, Employment and Education appointed Mr LEZZI rapporteur.

It considered the proposal at its meeting of 14 March 1977 and approved the accompanying report by ten votes to one, with three abstentions.

Present: Mr van der Gun, chairman; Mrs Dunwoody, vice-chairman; Mr Lezzi, rapporteur; Mr Adams, Mr Albers, Mr A. Bertrand (deputizing for Mr Granelli), Mrs Cassanmagnago-Cerretti, Mr Delmotte, Mr Dondelinger, Mr Ove Hansen, Mrs Kellett-Bowman, Mr H. W. Müller, Lord Murray of Gravesend, Mr Vandewiele and Mr Wawrzik.

The opinion of the Committee on Budgets is attached.

### CONTENTS

	Page
A. MOTION FOR A RESOLUTION	5
B. EXPLANATORY STATEMENT	6
Opinion of the Committee on Budgets	7

The Committee on Social Affairs, Employment and Education 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 proposal for a regulation amending Council Regulation (EEC) No. 1365/75 on the creation of a European Foundation for the improvement of living and working conditions

#### The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council;
- having been consulted by the Council pursuant to Article 235 of the EEC Treaty (Doc. 272/76);
- having regard to the report of the Committee on Social Affairs, Employment and Education and the opinion of the Committee on Budgets (Doc. 18/77);

Requests the Commission to withdraw its proposal for the reasons given in the accompanying explanatory statement.

<sup>1</sup> OJ No. C 252, 26.10.1976, p.2

#### EXPLANATORY STATEMENT

1. The Committee on Social Affairs, Employment and Education reached two separate conclusions with regard to the present proposal, the object of which is to add a second deputy director's post to the establishment plan of the Foundation.

On the one hand, it shares the view that the Foundation's work, the vital importance of which was emphasized by the committee in its consideration of the basic regulation, would undoubtedly be rendered more effective by increasing its staff.

On closer examination, this assumption proves to be the only argument in favour of approving the proposal.

However, since the proposal does not concern a post with executive duties, doubts certainly arise as to whether the above argument holds good in this case.

2. On the other hand, there are several telling arguments for not approving the proposal.

For instance, the Letter from the Council<sup>2</sup> concerning, <u>inter alia</u>, the Foundation shows that the establishment plan for 1976 and 1977 provides for a single post of deputy director, implying that the Council is opposed to the creation of an additional post at this level.

3. Lastly, the Committee on Social Affairs, Employment and Education also finds acceptable the argument put forward by the committee asked for its opinion<sup>3</sup>, although it would prefer to paraphrase it in more legalistic terminology by stating that, whatever the meaning of Article 235 of the EEC Treaty, it was certainly not written for the purpose of modifying an establishment plan by regulation.

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The Committee on Social Affairs, Employment and Education therefore asks Parliament to concur with its own position.

 $<sup>^{</sup>m l}$  Resolution of 12.6.1974, OJ No. C 76/74

<sup>&</sup>lt;sup>2</sup> Doc. 508/76

<sup>3</sup> Interim Opinion PE 47.673

#### OPINION OF THE COMMITTEE ON BUDGETS

Letter from the chairman of the committee, Mr LANGE, to the chairman of the Committee on Social Affairs, Employment and Education

Brussels, 28 April 1977

Dear Mr Chairman,

Same of the same

At its meeting on 27/28 April 1977 the Committee on Budgets once again examined the establishment plans of the European Centre for the Development of Vocational Training and the European Foundation for the Improvement of Living and Working Conditions (Doc. 508/76) and the proposal for a regulation amending Council Regulation (EEC) No. 1365/75 on the creation of a European Foundation for the improvement of living and working conditions (Doc. 272/76).

The Committee on Budgets is in full agreement with your committee's criticisms, and maintains its unfavourable opinion for the following reasons:

- the explanatory memorandum in the proposal for a regulation does not justify the creation of a second post of deputy director. The committee could only reach a different decision if a progress report on the initial activities of the institute were submitted to it.
- furthermore, the Committee on Budgets cannot agree to extensions being made to establishment plans by regulation outside the budgetary authorization procedure. This would be a flagrant violation of the European Parliament's budgetary powers.

In the matter of the publication of the establishment plans of the Centre and the Foundation, the Committee on Budgets finds that this is an infringement both of the general provisions of the Community's Financial Regulation and of Article 9 of the financial regulations of the Centre and of the Foundation respectively. These Articles require that the revenue and expenditure of the Foundation and the Centre be published simultaneously with the Budget of the Communities. However, despite the reservations of the Committee on Budgets, the establishment plan of the Foundation and the Centre were published in the Official Journal Nos. C 29 of 5.2.1977 and C 55 of 5.3.1977 respectively. The Budget of the Communities had not been published at that stage, and was not in fact published until 28.3.1977.

PE 47.927/fin.

In these circumstances the committee - through the President of the European Parl. ...ent - will call on the Commission to take all steps required to ensure that the posts on the basis of these two establishment plans are not filled until the Committee on Budgets has been given adequate proof of the necessity of this expenditure.

Yours faithfully,

#### Erwin LANGE

Present: Mr LANGE, Chairman; Mr COINTAT, Vice-Chairman; Mr Van AERSSEN and Mr ALBERTIN, Lord BRUCE of DONITION, Mr DALYELL, Mr FRÜH,
Mr HAMILTON, Mr MAIGAARD, Mr MARTENC, MEINTZ, Mr NOTENBOOM, Mr SCHREIBER,
Mr SHAW, Mr SPINELLI, Mr TERRENOIR, Mr WÜRTZ and Mr YEATS.