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Report

on behalf of the Committee on Budgets

on the draft estimates of revenue and expenditure of the European Parliament for the 1978 financial year

Rapporteur: Mr M. COINTAT

1.2.1

At its meeting of 16 March 1977 the Committee on Budgets appointed \mbox{Mr} COINTAT rapporteur.

At its meeting of 21 April the Bureau drew up the provisional preliminary draft estimates of Parliament, pursuant to Rule 50 (1) of the Rules of Procedure.

The Committee on Budgets considered this document (PE 48.431/BUR) on 28 April and 16 May 1977 on the basis of a note from the Secretary General (PE 48.171/BUR). At the latter meeting it drew up its opinion (PE 49.023/fin.) for the Bureau.

At its meeting of 27 May 1977 the Bureau adopted the preliminary draft estimates and referred them to the Committee on Budgets by letter of 31 May 1977.

The committee considered the preliminary draft estimates on 8 June 1977.

At that meeting it considered and unanimously adopted the draft report and draft estimates.

Present: Mr LANGE, chairman; Mr COINTAT, vice-chairman and rapporteur; Mr ALBER, Lord BESSBOROUGH, Lord BRUCE of DONINGTON, Mr CLERFAŸT, Mr F. HANSEN, Mr RADOUX, Mr SCHREIBER, Mr SPINELLI and Mr WÜRTZ.

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

MOTION FOR A RESOLUTION

on the draft estimates of revenue and expenditure of the European Parliament for the 1978 financial year

The European Parliament,

- having regard to Rules 49 and '00 of its Rules of Procedure,
- having regard to the draft estimates drawn up by its committee responsible and to the report on the draft estimates (Doc.155/77),

1. Points out that

- (a) the draft estimates for 1978 are intended to cover the normal evolution of parliamentary activities and of the work of the Secretariat;
- (b) the establishment plan must correspond to real and permanent needs arising from the special working conditions of Parliament and of its Secretariat (in particular the lack of a single seat and the multi-lingual system);
- (c) it considers it appropriate, during consideration of the annual budget of the Communities, to review its decisions relating to the enlargement of the establishment plan in the light of real needs and the guidelines from the Committee on Budgets which would enable rationalization measures to be taken;
- (d) it has taken no account of the needs of a directly-elected Parliament since a great many administrative decisions on this matter are still outstanding;
- (e) it will therefore be necessary during 1978 to submit a supplementary and amending budget;
- (f) having regard to the inevitable repercussions of direct elections on the estimates and on the establishment plan, it will be essential, when the time comes to draw up the supplementary and amending budget, to make a detailed study of the desirable organization of the activities of Parliament in order to achieve rationalization and to make substantial savings;
- (g) pending the supplementary and amending budget, it has held down as far as possible - to a greater extent than in previous years - the increase in appropriations for the financial year, limiting it to 3.6% compared with 1977;

Changes in the establishment plan

Permanent establishment plan

- 2. Creates 83 new permanent posts, to be frozen in accordance with the principles laid down in paragraph l(c) and (f) of this resolution; abolishes 7 established posts;
- 3. Converts 30 local staff posts into established posts, since these are now permanent posts which have been filled for at least four years; also converts 51 auxiliary staff posts into established posts;
- 4. Furthermore, creates 3 reserve posts for officials seconded to the secretariat of the political groups and also abolishes 3 such posts;
- 5. Regrades 15 permanent posts on the establishment plan, considering that the level of the tasks performed is higher than the present grade and that in certain cases there are grounds for awarding promotion after several years; grants one promotion on a personal basis to LA/3;

Temporary establishment plan

- 6. Creates 2 posts for the secretariat of the political groups to be frozen in accordance with the decisions taken on the creation of established posts - and regrades 7; also creates 2 additional posts for the Office of the President;
 - 7. Breaks down the posts created (frozen), converted or regraded as shown below;

As regards the actual estimates

- g. Adopts its estimates of revenue and expenditure for 1978 at 70,625,744.25 u.a. corresponding to 85,500,217 EUA, according to the breakdown set out below;
- 9. Instructs its President, according to the budgetary provisions of the Treaties, to forward this resolution, the draft estimates annexed thereto and the report of its committee responsible to the Commission of the European Communities and, for information, to the Council.

CHANGES IN THE ESTABLISHMENT PLAN

(a)	Breakdown of the 83 new permanent posts (frozen):
	1 A 5-4
	2 A 7-6
	5 B 1
	6 в 3-2
	9 в 5-4
	3 C 1
	35 C 3-2
	2 C 5-4
	1 D 1
	7 LA 5-4
	12 LA 6-5
	7 D 3-2 posts abolished
(b)	Breakdown of the conversion of 30 local staff posts into established
	posts:
	2 C 1
	3 C ∃-2
	7 C 5-4
	18 D 3-2
/ - \	Purchase of the communication of 51 availings shoff mosts into
(0)	Breakdown of the conversion of 51 auxiliary staff posts into
	established posts:
	1 B 5-4
	1 C 1
	45 C 3-2
	4 D 3-2
(d)	Breakdown of the 3 new reserve posts for officials seconded to the
	secretariat of the political groups:
	1 C 1
	1 C 3
	1 C 4
	and abolition of
	1 B 5
	2 C 2

(e) Breakdown of the regrading of 15 permanent posts:

0

0 0

1 promotion on a personal basis to LA 3

(f) Breakdown of the two new posts (frozen) for the political groups:

and regrading of 7 posts for the political groups:

(g) Breakdown of the 2 new posts for the Office of the President:

1 D 1

ESTIMATES OF REVENUE

TITLE 4 - DEDUCTIONS FROM STAFF REMUNERATION	7,273,655.50
Chapter 40 - Proceeds of taxation on the salaries, wages and allowances of officials and other servants - Parliament - Share of the Audit Board - Share of the ECSC Auditor	5,274,200 5,188,800 74,150 11,250
Chapter 41 - Staff contributions to the pension scheme . - Parliament	1,999,455.50
TITLE 9 - MISCELLANEOUS REVENUE	766,880
Chapter 90 - Proceeds of the sale of movable and immovable property	65,800
Article 900 - Proceeds of sale of movable property	15,800
Article 902 - Sale of publications, printed works and films	50,000
Chapter 93 - Repayment of miscellaneous expenditure	501,000
Article 930 - Repayment of expenditure on account of another institution	
- Parliament	500,000
- Share of the Audit Board	1,000
Chapter 95 - Miscellaneous income	200,080
Article 950 - Income from investments and loans, bank interest and other items	
ParliamentShare of the Audit BoardShare of the ECSC Auditor	200,000 75 5
Article 951 - Differences on exchange	p.m.
Chapter 99 - Other revenue	p.m.
Total of own resources	8,040,535.50
Contributions to be collected	62,585,208.75

ESTIMATES OF EXPENDITURE TOTAL 70,625,744.25 u.a.

corresponding to 85,500,217 EUA

TITLE I - EX		54,449,990	
Chapter 10 -	Members of the Institution 5,9	959,000	
Article 100 -	Salaries, allowances and payments related to salaries	835,000	
Item 1000 -	Basic salaries	-	
Item 1001 -	Residence allowances	-	
Item 1002 -	Family allowances	-	
Item 1003 -	Representation allowances	-	
Item 1004 -	Travel and subsistence allowances. Notice of meetings and connected expenditure	835,000	
Article 101 -	Accident and sickness insurance and other social welfare expenditure	134,000	
Article 102 -	Temporary allowances	-	
Article 103 -	Pensions	_	
Item 1031 -	Retirement pensions	-	
Article 105 -	Language courses for Members	30,000	
Article 106 -	Members' secretarial expenses 1,	830,000	
Article 109 -	Provisional appropriations for changes in the remuneration and allowances payable to Members of the European Parliament	130,000	
Chapter 11 -	Staff	••••	45,180,790
Article 110 -	Officials and temporary staff holding a post provided for in the list of posts	673,900	
Item 1100 -	Basic salaries	444,600	
Item 1101 -	Family allowances 2,	490,200	
Item 1102 -	Expatriation allowances (inc. those granted under Art.97 of the ECSC Staff Regulations)	394,100	
Item 1103 -	Temporary fixed allowances	345,000	
Article 111 -	Other staff	921,000	

Item 1110 -	Auxiliary staff	1,250,000
Item llll -	Auxiliary interpreters	-
Item 1112 -	Local staff	660,000
Item 1113 -	Special advisors	11,000
Article 112-	Pensions and severance grants	-
Item 1123 -	Severance grants	-
Article 113-	Sickness and accident insurance and occupational diseases	1,173,000
Item 1130 -	Sickness insurance	878,800
Item 1131 -	Accident insurance and occupational diseases	294,200
Article 114-	Miscellaneous allowances and grants .	335,390
Item 1140 -	Childbirth allowances and death grants	18,000
Item 1141 -	Travel expenses on annual leave	233,500
Item 1142 -	Accommodation and transport expenses	-
Item 1143 -	Fixed special duty allowances	45,850
Item 1144 -	Fixed travel allowances	28,040
Item 1145 -	Special allowance in accordance with Article 78 of the financial regulation	10,000
Item 1149 -	Other allowances and refunds	p.m.
	Overtime	350,000
Article 116-		290,000
4	Supplementary services	1,297,500
	-	1,297,500
rtem 1170 -	Freelance interpreters and conference officers	1,207,500
Item 1171 -	Freelance proof-readers	-
Item 1172 -	Other services and work sent out for translation and typing	90,000
Article 119-	Provisional appropriations for changes in the remuneration payable to officials and other servants	3,140,000

Chapter 12	-	Allowances and expenses on entering and on leaving the service and on transfer	1,127,000
Article 120	-	Miscellaneous expenditure on staff recruitment	77,000
Article 121	-	Travel expenses (including members of the family)	15,000
Item 1211	-	Staff	15,000
Article 122		Installation, resettlement and transfer allowances	346,200
Item 1221	-	Staff	346,200
Article 123	-	Removal expenses	238,800
Item 1231	-	Staff	238,800
Article 124	-	Temporary daily subsistence allowances	200,000
Item 1241	-	Staff	200,000
Article 125	-	Allowances for staff placed on non- active status, retired in the interests of the service or dismissed	250,000
Article 129	-	Provisional appropriations for changes in the remuneration and allowances payable to officials and other servants	p.m.
Chapter 13	-	Expenditure relating to missions and duty travel	1,700,000
Article 130	-	Mission expenses, duty travel expenses and other ancillary expenditure	1,700,000
Item 1301	-	Staff	1,700,000
Item 1302	-	Special equipment for missions	-
Chapter 14	-	Expenditure on social welfare	265,200
Article 140	-	Special assistance grants	10,000
Article 141	-	Staff social relations	20,000
Article 142	-	Restaurants and canteens	24,200
Article 143	-	Medical service	66,000
Article 149	-	Other social expenditure	145,000
Item 1490	-	Other expenditure	145,000
Item 1491		Fitting out of an intercommunity sports centre	p.m.

Chapter 15	 Internal training courses and vocational training of staff 	218,000
Article 150	- Cost of organising internal training courses	65,000
Article 151	 Language courses, refresher courses, further vocational training and information of staff 	153,000
	ILDINGS, EQUIPMENT AND MISCELLANEOUS OPERAT	ING 12,891,048.75
Chapter 20	- Immovable property investments	-
Article 200	- Acquisition of immovable property	-
Article 201	- Construction of buildings	-
Article 202	- Other expenditure preliminary to the acquisition of immovable property or to the construction of buildings	p.m.
Chapter 21	- Rental of buildings and incidental expenditure	5,972,118
Article 210	- Rent	4,007,518
Item 2100	- Rent	4,005,618
Item 2101	- Deposits	1,900
Article 211	- Insurance	17,100
Article 212	- Water, gas, electricity and heating .	532,000
Article 213	- Cleaning and maintenance	760,000
Article 214	- Fitting out of premises	142,500
Article 215	- Security and surveillance of buildings	380,000
Article 219	- Other expenditure	133,000
Chapter 22	- Movable property and ancillary expenses	1,704,295.25
Article 220	- Office machinery	236,759
Item 2200	- Initial equipment	118,275
Item 2201	- Renewals	51,984
Item 2202	- Hire	4,750
Item 2203	- Maintenance, use and repair	61,750

Article 221	_	Furniture	157,700
Item 2210	-	Initial equipment	95,000
Item 2211	-	Renewals	57,000
Jtem 2212	-	Hire	950
Item 2213		Maintenance, use and repair	4,750
Article 222	-	Technical equipment and installation	840,180
Item 2220	-	Initial equipment	281,580
Item 2221	-	Renewals	243,200
Item 2222	-	Hire	237,500
Item 2223		Maintenance, use and repair	77,900
Article 223	-	Transport equipment	269,800
Item 2230	-	Initial equipment	
Item 2231	-	Renewals	46,550
Item 2232	-	Hire	118,750
Icom 2233	_	Maintenance, use and repair	104,500
Article 225	-	Documentation and library expenses	199,856.25
Item 2250	-	Library expenses, purchase of books	42,156.25
ftem 2251		Special library documentation and reproduction equipment	34,200
Item 2252	-	Subscriptions to newspapers, periodicals	46,265
Item 2253	-	Subscriptions to news agencies	71,250
Item 2254	-	Binding and storage of library books	5 , 985
Chapter 23	-	Current administrative expenditure	1,594,765
Article 230	-	Stationery and office supplies	679,250
Article 231	-	Postal charges and telecommunications	707,750

Item 2310	-	Postage on correspondence and delivery charges	356,250
Item 2311	-	Telephone, telegraph, telex, television	351,500
Article 232	-	Financial charges	2,945
Item 2320	-	Bank charges	2,850
Item 2321	-	Differences on exchange	p.m.
[tem 2329	-	Other financial charges	95
Article 233	_	Legal expenses	12,540
Article 234	-	Damages	p.m.
Article 235	-	Other operating expenditure	192,280
Item 2350	-	Miscellaneous insurance	7,600
Item 2351	_	Uniforms and working clothes	57,000
Item 235 2	-	Miscellaneous expenditure on internal meetings	38,000
Item 2353	-	Departmental removals	47,500
Item 2354	-	Petty expenses	33,250
1tem 2359		Other operating expenditure (contribution to secretarial expenses of the President's office)	8,930
Article 239	-	Loan of services between institutions	-
Item 2390	-	Services of the Official Publications Office	(977,402.47)
Item 2391	_	Joint interpreting service	-
Item 2393	-	Participation of the European Parliament in the Legal Information Service	p.m.
Chapter 24	-	Entertainment and representation expenses	117,847.50
Article 240	-	Entertainment and representation expenses	117,847.50
Item 2400	_	Members of the Institution	99,275
Item 2401	_	Staff	7,315
Item 2402	-	Fund for expenses in accordance with Article 53 of the Rules of Procedure of the European Parliament	11,257.50

Chapter 25	-	Expenditure for formal and other meetings	14,250
Article 250	-	Formal and informal meetings	14,250
Article 251	_	Committees	-
Article 255	-	Miscellaneous expenditure on organisation of and participation in conferences and congresses and in meetings organised outside the places of work of the Institution	-
Chapter 26	-	Expenditure on studies, surveys and consultations	9,500
Article 260	-	Limited consultations, studies and surveys	9,500
Chapter 27	-	Expenditure on publishing and information	2,739,325
Article 270	-	Official Journal	1,081,575
Article 271		Publications	1,557,050
11cm 2710	-	General publications	1,457,300
1tem 2719	~	Publications and information expenditure	99,750
Article 272	-	Expenditure on information and participation in public events	100,700
Item 2720	-	Expenditure on information, publicity and participation in public events	9 9, 750
Item 2721	-	Participation of the Communities in international exhibitions	950
Chapter 29		Subsidies and financial contributions	738,948
Article 290	-	Subsidies for research at institutions of higher education	p.m.
Article 294	-	Scholarships	168,948
Item 2940	-	Scholarships granted for research and study	35,948
Item 2941	-	Scholarships granted for further vocational training of conference interpreters	p.m.
Item 2942	_	Other scholarships	133,000

Article 299	- Other subsidies and financial contributions towards inspection costs	570,000	
Item 2990	- Subsidies and financial contributions towards the cost of group visits	570,000	
Item 2991	- Subsidies towards the cost of visits by high-ranking persons from the Member States	p.m.	
	RESULTING FROM THE INSTITUTION ARRYING OUT SPECIAL FUNCTIONS	•••••	2,599,505.50
Chapter 37	- Expenditure relating to certain institutions and bodies	2,599,505.50	
Article 370	- Expenditure relating to the European Parliament	1,774,000	
Item 3700	- Expenditure on inter-parliamentary institutions stipulated in the ACP-EEC Convention of Lomé	285,000	
1tem 3701	- Expenditure on the Joint Parliament- ary Committee provided for within the Tramework of the association with Greece	114,000	
Item 3702	- Expenditure on the Joint Parliament- ary Committee provided for within the framework of the association with Turkey	114,000	
Item 3704	- Expenditure on parliamentary contacts set up under the association with Malta	19,000	
Item 3705	- Contribution to secretarial expenses of the political groups of the Europe an Parliament	782,000	
Item 3706	- Other political activities	460,000	
Article 374	- Share of the Expenditure of the Audit Board	702,150.50	
Article 375	- Share of the expenditure of the ECSC Auditor	123,355	
TITLE 10 - C	THER EXPENDITURE	• • • • • • • • •	685,200
Chapter 100	- Provisional appropriations		-

Chapter 101 - 0	Contingency reserve		685,200
Article 1010 -			685,200
Article 1011 -		• • • • • • • • • • • • • • • • • • • •	-
	Reserve to cover any appropriations result difference between for the E.U.A.	ring from the precast exchange and actual	
	rates on conversion		p.m.

EXPLANATORY STATEMENT

INTRODUCTION

- 1. The Committee on Budgets draws up the report on the draft estimates of revenue and expenditure of the European Parliament for the following financial year after the provisions of Rules 49 (Parliament's establishment plan) and 50 (drawing up the estimates) of the Rules of Procedure have been applied. The deliberations of the Committee on Budgets are therefore the outcome of a double consideration of the contents of the estimates by the Bureau and by your committee.
- 2. In view of the forthcoming election of the European Parliament by direct universal suffrage, your rapporteur considers that the presentation of the 1978 budget is a suitable occasion for drawing up a balance sheet summarizing past developments and looking towards the future of the activities and structures of this Assembly; this balance sheet will deal mainly with:
- trends in the estimates from 1970 to the present day;
- the <u>current problems</u> posed by the specific conditions under which Parliament and its Secretariat work;
- some <u>hypotheses</u> as to the future activities of the elected Parliament and the adjustments to the budget and the establishment plan made necessary by the arrival of 410 directly-elected Members.

This last point will only be touched upon since there are many unknown factors involved in organizing the activities of the new Parliament and no specific proposals will be put forward on the budget and the establishment plan. The consequences of this election will, moreover, in the view of the Committee on Budgets and the Bureau, be the subject of a supplementary budget to be drawn up in 1978 when direct elections take place. This is the only way of getting to close. grips with problems which have as yet only been partially clarified.

These points will make up the <u>first part of this report</u>. <u>The</u>

<u>second part</u> will be devoted to consideration of and deliberation on the
<u>stablishment plan and the appropriations for 1978</u>.

DEVELOPMENTS SINCE 1970

- 3. At institutional level, the last few years have been dominated by the entry into force of the Treaty of 21 April 1970, which has, in two stages (1970-1975 and 1975 onwards), considerably strengthened Parliament's budgetary powers as regards both budgetary authorization and control over implementation of the budget. At Community level, by far the most important event and one which has considerably affected Parliament's estimates, establishment plan, organization and activities has been the enlargement of the Communities in 1973.
- 4. The brief analysis given below of the development of the establishment plan, appropriations and organizational problems since 1970 is mainly based on a document drawn up for the Committee on Budgets, at its request, by the Secretariat of the European Parliament (PE 45.629).

Main aspects of the development of the establishment plan since 1970

5. The year 1973, when the Community was enlarged, marked an important turning point in the growth of staff. This growth, brought about mainly by the large increase in the number of LA and C category posts (the two phenomena being linked), was due, in particular, to the introduction of two new official languages.

A further cause of the increase in the establishment plan for translators was the fact that under the four-language system there was a high degree of interchangeability among translators, which has been made more difficult by the transition to the six language-system.

Developments

6. Since 1970, the numbers of staff in each category have grown at approximately the same rate, except for translators. The following table illustrates this progression.

Breakdown of staff growth since 1970 by category

Total		1970		L971	1	972	19	73	197	4	19	75	19	76
	503	%	553	%	595	%	1016	%	1056	%	1082	%	1277	%
Category A	81	16.10	85	15.37	96	16.13	153	15.06	160	15.15	162	14.97	169	13.23
LA	100	19.88	132	23. 87	136	22.86	262	25.79	263	24.91	263	24.31	267	20.91
В	63	12.52	65	11.75	67	11.26	139	13.68	153	14.49	157	14.51	173	13.55
С	228	45.33	238	43.04	257	43.19	410	40.35	424	40.15	444	41.04	534	41.82
D	30	5.96	32	5.79	38	6.39	51	5.02	55	5.21	55	5.08	133	10.42

7. The effects of enlargement were the same in all the institutions - at least as regards activities which are comparable between the Community institutions.

TOTAL STAFF 1

Institutions	1972	1973	1974	1975	1976	1977
Parliament	646	1,086	1,096	1,206	1,404	1,537
Council	668	1,218	1,330	1,481	1,501	1,508
Commission	8,156	9,184	9,573	9,959	10,182	10,618
Court of Justice	138	223	254	261	264	275

Growth of the budget since 1970

8. Parliament's expenditure since 1970 has grown as follows:

Year	Expenditure in millions of u.a.	Increase over previous year	1970 = 100
1970	9.341	~	100
1971	11.016	+ 17.9 %	118
1972	15.018	+ 36.3 %	161
1973	23.044	+ 53.4 %	247
1974	32.210	+ 39.8 %	345
1975	39.688	+ 23.2 %	425
1976	(52 .12 1) ²	(+ 31.3 %)	(558)

These figures clearly reflect the consequences of enlargement, which necessitated a supplementary budget in 1972 and caused an increase of 53.4% in actual expenditure in 1973. This increase mainly concerned staff expenditure, which rose in absolute value from 8.8 million u.a. in 1972 to 18.3 million u.a. in 1973, and rents which, over the same period, rose from 0.5 to 2.6 million u.a., while the growth in absolute value of expenditure in respect of Members of Parliament was 1.5 million u.a. (from 1.08 to 2.6 million u.a.) ³.

Authorized by the annual budget

²Budgetary estimates

³ See also the table given in paragraph 10

The main factors in Parliament's cost structure

9. The main factors in Parliament's expenditure, illustrated below, have shown the following increases or decreases:

Percentage of total expenditure	1970	1971	1972	1973	1974	1975	1976
Members Staff	10.5		7.2 58.9	8.3 56.4	8.2 56.8	9.3 58.9	9.4 61.2
00022	• • • • • • • • • • • • • • • • • • • •						

Categories of expenditure which have increased proportionally during this period include the following:

Percentage of total expenditure	1970	1971	1972	1973	1974	1975	1976
Rents	3.77	3.58	3.62	5.83	8.07	5.99	5.96
Political groups	1.18	1.00	0.93	1.41	1.56	1.55	1.54
Office supplies	0.14	1.57	1.94	2.09	1.72	1.29	1.03

Certain categories of expenditure, on the other hand, have decreased proportionally; examples are:

Percentage of total expenditure	1970	1971	1972	1973	1974	1975	1976
Staff Missions Publications	4.87 3.49	4.82	4.51 1.44	4.20 1.64	3.88 1.53	3.35	2.53 2.03
Associated states (institutions)	1.98	1.98	1.56	1.58	1.14	1.18	0.95
Visitors grou ps	1.30	1.15	1.27	1.06	1.08	0.98	1.08

10. Since 1972, the figures for growth in expenditure in respect of staff and Members are as follows:

	Total expenditure	Staff		Members	
1972	15,017,533.18	9,756,147.01	64.97%	1,086,289.47	7.23%
1973	23,044,199.11	14,638,434.82	63.52%	1,917,527.90	8.32%
1974	32,210,293.40	20,978,459.74	65.13%	2,636,872.86	8.19%
1975	39,688,435.78	25,860,317.98	65.16%	3,690,743.44	9.30%
1976	45,989,859.54	30,520,486.58	66.36%	4,342,717.96	9.44%
1977+	68,166,260.50 ²	42,815,930	62.81%	5,821,050	8.54%
1978+	71,170,220.50 ³	48,490,990	68.13%	5,959,000	8.37%

+budget appropriations

¹The data are taken from Doc. PE 45.629, section 14.1 (Report on the problem of rationalizing the work of the Secretariat of the European Parliament), to which figures for 1976 have been added

²Excluding supplementary estimate No. 1 for 1977

³Figure to be revised in the light of the deliberations of the Bureau and the Committee on Budgets

11. The budget appropriations of Parliament and of the other Community institutions have increased as follows since 1972:

TOTAL APPROPRIATIONS

Institutions	1972	1973	1974	1975	1976	1977
Parliament	14,087,895	25 ,323,17 5	33,236,383	41,597,229	52,121,209	65,742,497
Council	22,311,685	33,920,915	40,720,637	50,472,467	64,450,658	70,213,682
Commission	4,064,417,963	4,179,014,911	4,997,566,703	5,723,893,644,7	499,103,901	8,651,927,540
Court of Justice	3,817,320	7,023,240	7,942,200	9,320,020	11,183,380	12,143,150

PROBLEMS EXPERIENCED IN THE LAST TWO YEARS

12. Faced with the constant growth of the establishment plan and staff numbers - justified by the increase in Parliament's activities - the Committee on Budgets, particularly when considering the estimates for 1977, gave particular attention to the efficiency of the various services and the potential for rationalization.

It also attempted in 1975 and 1976 to reduce estimated expenditure to bring it into line as far as possible with actual expenditure. In dealing with the question of the rationalization of work, the Committee on Budgets bore in mind the objective limits to this rationalization: the multi-lingual system, the dispersion of Parliament's places of work and the nature of activities carried out by Members holding a dual mandate (national and Community).

- 13. In the light of these considerations, the Secretariat drew up a very detailed document, which it referred to the Committee on Budgets (PE 45.629), on the problem of rationalizing its services. This document shows through a thorough analysis and a number of apposite examples that:
- the efficiency of budgetary management must be judged with reference to the highly specific nature of Parliament's work;
- the present organization, which was set up to meet the needs of Parliament's activities is, in the final analysis, the most appropriate;
- there is relatively little scope for economy measures in view of the rather rigid and unavoidable nature of most of the expenditure.

Appropriations authorized by the annual budget.

- 14. This text points out that the Secretariat has no control over the following expenditure:
- expenditure in respect of members of the institution (the frequency and duration of meetings being fixed by the organs of Parliament;
- staff mission and travel expenses, since these depend on the meetings of the organs of Parliament;
- rental of buildings occupied by the Secretariat (no wastage of space);
- expenditure assumed by Parliament in respect of publications (budget in the Official Journal, Report of Proceedings, etc.);
- the considerable expenditure (more than 60% of each set of estimates) on staff.
- 15. The document in question outlines the breakdown of staff by function as shown in the table below, which clearly illustrates some of the considerations discussed above 1:

Functions	Number of Permanent posts	Percentage of total permanent posts
Language services	750	60
Staff requirements arising from the lack of a single seat for the Communities	130	10
Services to members	80	6
Assistance with the activities of members and parliamentary organs	120	10
Information and public relations	77	6
Administration of premises	70	6

This table (Paragraph 7.3 of Doc. PE 45.629) was drawn up on the basis of the draft estimates adopted by Parliament in June 1977. Certain amendments were made during the deliberations in October 1977. They do not, however, change the overall breakdown of the establishment plan.

- 16. It adds that the expenditure items which might be rationalized are probably those which, although of an unavoidable nature, leave a certain margin for manoeuvre as to the amount (particularly current operating expenditure and expenditure on materials and equipment).
- 17. It states in conclusion that a reduction of staff expenditure cannot be achieved by cutting back the present establishment plan without a corresponding reduction in the services required. The document points out that the only way of stabilizing this expenditure consists of limiting staff increases in future. This is particularly important in view of the decisions Parliament will have to take when the establishment plan is modified to meet the requirements of the directly elected Parliament.

The rapporteur also considers that a detailed study must be made of the organization of the Parliament's activities when the time comes to draw up the supplementary and amending budget for 1978, with a view to creating the minimum reception structure necessary for the 410 directly elected members.

That study must of necessity result in a rationalization of activities and hence in substantial savings on staff and appropriations. Without attempting to set out an exhaustive list of possible economies, it will suffice here to draw attention to the possibility of reducing the number of debates in plenary sitting by systematically resorting to the procedure without debate or without report for the consideration of texts which are in the nature of regulations rather than legislation.

Moreover, the scale of printing and distribution of documents could be substantially curtailed by a thorough review of the present criteria which are, however, based on the requirements considered essential up to now by the bodies of Parliament.

18. The following data, significant in themselves, support these considerations, with which the rapporteur is in agreement and which he considers to be well-founded.

The breakdown of posts by Directorate-General is as follows (establishment plan for 1977):

Directorate-General for Sessional and General Services

A 17 2.78%

LA 214 35.08%

B 45 7.37%

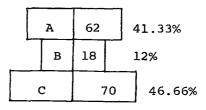
C 301 49.3%

20

3.45%

TOTAL: 610

Directorate-General for Committees and Inter-Parliamentary Delegations



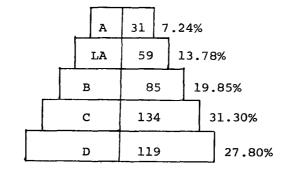
TOTAL : 150

Directorate-General for Information and Public Relations

A 32
B 18 21.17%
C 35 41.17%

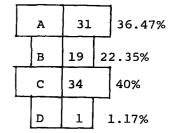
TOTAL: 85

Directorate-General for Administration,
Personnel and Finance



TOTAL: 428

Directorate-General for Research and Documentation



TOTAL: 85

- 19. The complexity of the administrative structure, which is unavoidable in view of the current nature of Parliament®s activities, may be indirectly illustrated by the following three examples:
- (a) the complete procedure for referral to a committee responsible or asked for its opinion is as follows:

29

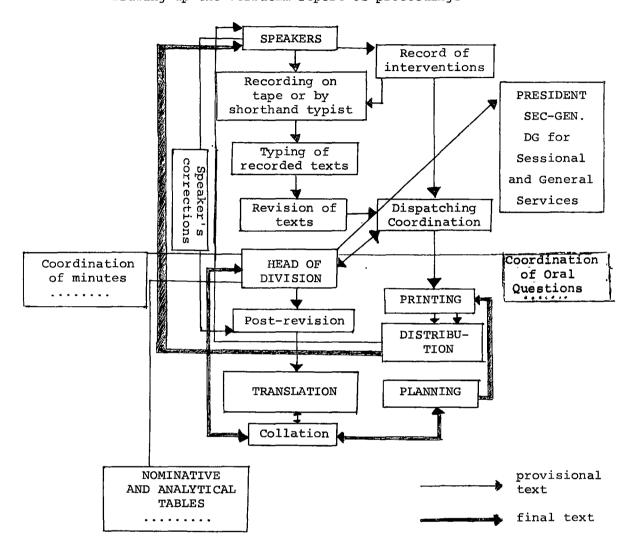
49.107 /fin.

¹See Doc. PE 45.629, p.10

The procedure is the same whether the committee is that asked for its opinion or the committee responsible.

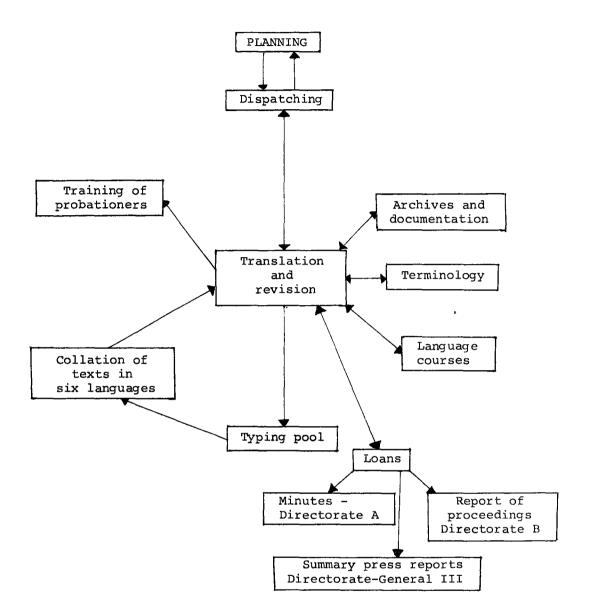
(b) The drawing up of the Reports of Proceedings involves the following procedure1:

REPORTS OF PROCEEDINGS AND INDEXES DIVISION
Drawing up the verbatim report of proceedings



¹Doc. PE 45.629, p.15

(c) The following diagram illustrates the operation of the translation departments $^{\mathbf{l}}:$



¹Doc. PE 45.629, p.35

20. A final table must be given to show the number of missions and days spent on mission (in 1976) required owing to the dispersal of the places of work:

	Cat. A	Cat. B	Cat. C	Cat. D	Auxil.	Loc. Aux.	<u>Total</u>
D.G. I							
missions days on mission	635 2759	116 605	595 3 151	12 54	77 336	14 26	1449 6931
D.G. II							
missions days on mission	1281 3078	212 635	428 1721	- -	4 9	- -	1925 5443
D.G. III							
missions days on mission	476 1308	58 257	162 677	- -	4 11	- -	700 2253
D.G. IV							
missions days on mission	1550 4074	394 1677	698 3164	1092 4140	45 227	186 450	3965 13732
D.G. V							
missions days on mission	468 891	32 140	65 276	-	20 29	- -	585 1336
Office of the Secrand Financial Cont	etary-Genera rol Division	<u>a1</u> 1					
missions days on mission	3 7 72	9 42	24 80	30 27	2 8	-	102 229
Office of the Pres	ident						
missions days on mission	93 207	29 90	16 50	70 169	<u>-</u> -	- -	208 516
			GR	AND TOTAL for	missions		8934
-			GR	AND TOTAL fo	r days spent	on mission	30440

MAIN FEATURES OF THE DEVELOPMENT OF THE WORK OF PARLIAMENT AND OF THE SECRETARIAT

The main features for 1976 may be summarized as follows:

Directorate-General for Sessional and General Services

21. Between 1973 and 1976 the increase in the workload, particularly as regards sessional activities, ranged from 14 to 100%. The number of days on which debates were held increased by 14% (from 50 to 57); the number of debating hours by 27% (from 252 to 322); reports and other own-initiative resolutions by 100% and parliamentary questions by 40% (oral questions from 49 to 107 and questions put during Question Time from 146 to 259).

The total number of pages published by Parliament in the Official Journal rose from 7,984 to 16,231, with the report of proceedings increasing from 2,437 to 3,304 pages.

Finally, 1976 saw a considerable increase in the compilation of files on the action taken by the other institutions on the opinions and resolutions of Parliament and the preparation of quarterly and annual reports on this subject.

As regards translation as such, the number of pages translated in 1973 and 1976 was as follows:

		<u>1973</u>	<u>1976</u>
into	Danish	22,914	25,945
into	German	21,434	23,595
into	English	22,772	23,032
into	French	16,592	18,887
into	Italian	22,600	23,573
into	Dutch	22,536	22,836

25,489 pages were sent for translation outside Parliament.

The number of duplicated, offset-printed and typographic pages increased from 62,088,544 in 1973 to 83,436,321 in 1976.

On the basis of the latter figures, the Committee on Budgets believes that efforts should be made to reduce the distribution of documents, a view shared by the general services. Henceforth,

Members' documents will be distributed only at their request, with the obvious exception of the agenda and the report of proceedings.

Directorate-General for Committees and Inter-Parliamentary Delegations

22. In 1976, 206 reports were adopted, 157 opinions, 15 resolutions without report, 14 oral questions with debate and 18 proposals for a procedure without report.

During the same year the committees, sub-committees and working parties held 261 meetings spread over 420 days (as compared with 231 and 350 in 1975).

In addition, there were : - 12 joint meetings (10 in 1975)

- 6 hearings

The European Parliament delegations responsible for contacts with the parliaments of third countries held 11 meetings (21 in 1975).

In all 296 meetings, hearings and fact-finding missions were organized during 1976 (270 in 1975).

Of the 261 meetings mentioned in the second paragraph of this section - 184 were held in Brussels, (176 in 1975)

- 35 in Strasbourg, (36 in 1975)

- 30 in Luxembourg, (15 in 1975), and

- 12 in other places, (15 in 1975).

Directorate-General for Information

23. The activities of this Directorate-General increased considerably, in particular with the prospect of the election of Parliament by direct universal suffrage.

Press cuttings on direct elections yielded 16,000 articles. The information services largely contributed to this result.

Considerable efforts also went into the provision of information for the press and in particular the radio and television sectors. The programme for the reception of visitors in Parliament's usual meeting places (Luxembourg and Strasbourg) continued to expand. 11,728 visitors were received in Strasbourg in 1975 and 11,407 in 1976. The corresponding figures for Luxembourg were 7,179 and 10,220.

Directorate General for Administration, Personnel and Finance

24. The activities of the General Administration increased as a result of the work connected with the new building in Strasbourg, the fitting out of the tower building in Luxembourg and the new office space rented in Brussels.

The Personnel Directorate carried out 27,000 administrative operations concerning about 1,500 persons.

The Finance Directorate is in the process or reorganization in view of the increased workload due in part to the new internal rules for the implementation of the budget of Parliament.

The Accounts Department also extended the use of its data processing equipment both from the point of view of hardware (expansion of memory bank) and from the point of view of softward (improvement of listings supplied to the authorizing officers).

25. The workload of the Interpretation Directorate may be summarized as follows (in interpreter/days):

- European Parliament	10,684	(10,475 in 19	75)
- Commission	7,134	(6,567 in 19	75)
- Court of Justice	926	(898 in 19	75)
	18,744	(17,940 in 19	75)

Directorate-General for Research and Documentation

26. The amount of research work increased by 30% in 1976. 598 projects were carried out representing 3,833 pages intended for: the political groups, which tripled their requests (90); the President's office and the Secretary-General's office, which doubled their requests (51); requests from individual members (237); and, finally, projects carried out by the Directorate-General on its own initiative (72).

These figures provide ample justification for the requests for changes in the establishment plan and for the appropriations necessary to cover the increase in workload which, as pointed out above, is fairly substantial.

FORWARD STUDY OF DEVELOPMENTS IN THE LIGHT OF ELECTIONS TO PARLIAMENT BY DIRECT UNIVERSAL SUFFRAGE

27. Forward studies of this type are bound to be speculative in as much as we do not know what solutions will be found to the problems facing the Parliament elected by direct universal suffrage.

Most of the material consequences of this very important event will be determined by the new Parliament itself. The supplementary or amending budget which is bound to be presented in 1978 will take account only of the first needs arising from the launching of the new Parliament.

Thus, the supplementary budget will cover little more than the minimum arrangements to ensure that the 410 members of Parliament enjoy good working conditions from the beginning of their terms of office.

However, the need to be financially prepared and responsible, makes the rapporteur feel that even at this early stage he should try to outline, necessarily in a brief and even arbitrary way, the impact of the future enlargement of Parliament on the budget.

Moreover, it should be pointed out that precisely because of this impact, the increase in appropriations for 1978 has been reduced as much as possible (3.6% by comparison with 1977, i.e. the smallest increase for many years).

The increase in appropriations

28. The changes in the estimates in connection with elections by direct universal suffrage may be summarized as follows:

as regards the appropriations necessary for the Members of the Institution

- 29. Two hypotheses may be put forward:
- the minimum hypothesis, which is based on the current appropriations entered under Chapter 10 for Members of the Institution; and
- the maximum hypothesis, based not on travel and accommodation expenses for meetings and convocations but on a fixed monthly allowance.
- 30. On the basis of the first hypothesis the amount set aside for this purpose in the budget would be at least twice the current figure (12 m u.a. as opposed to 6 m u.a.), since the number of elected Members will be more than double the present number. In addition, a further 2 m u.a. will be necessary to cover increases in expenditure on rental, particularly in Brussels and Luxembourg where there will be a need for suitable conference rooms and for far more offices than at present.
- 31. The maximum hypothesis, which is based on the granting of a fixed monthly allowance, would involve an increase of 22 to 30 m u.a. depending on whether or not account is taken of expenditure on office facilities, services to Members and the maintenance of buildings.

as regards administration as such

- 32. The minimum hypothesis for the expansion of the establishment plan is that it should be increased by 10% over the existing number of posts. A smaller increase would scarcely be possible in view of the fact that the number of Members of Parliament will be doubled. Clearly, however, such an increase which is after all comparatively modest presupposes the rationalization of Parliament's activities and hence of its departments. The additional appropriations needed to cover salaries would thus be in the region of 2,500,000 u.a. Obviously provision would also have to be made for the rental of new offices and the resulting costs.
- 33. A more ambitious hypothesis of the changes in the establishment plan that would be necessitated by the elections would take account of:
- the need to increase the linguistic staff (translators) by at least 10% in view of the inevitable increase in translation work;

- the need to increase by at least 1/3 the rest of the establishment plan, in other words the posts relating more specifically to parliamentary work.

With this hypothesis the additional appropriations for staff salaries would be approximately 6,000,000 u.a. Obviously the rental and charges for the new buildings would have to be added to this figure.

34. The above figures are given only as a guide for further consideration.

It should be stressed once more that they represent only an incomplete prediction of what might happen, and they might even be erroneous.

However, the rapporteur, considers it desirable to express some initial ideas on the subject in order to draw attention to the extent to which the estimates and the establishment plan might be affected by innovations connected, in the development of the activities of Parliament, with elections by direct universal suffrage.

35. While such figures cannot be used to draw an exact comparison in view of the difference between the situations, it might perhaps be useful to point out in this connection that the enlargement of the Communities entailed an increase of about 68% in the establishment plan (from 646 to 1,086 posts) and of about 79.4% in appropriations (from 14,087,895 in 1972 to 25,323,175 u.a. in 1973).

PART TWO

ESTIMATES FOR 1978

A. The establishment plan

36. The decisions of the Bureau of Parliament and the Committee on Budgets were based on Rules 49 and 50 of the Rules of Procedure and make no allowance for the requirements of Parliament after its election by direct universal suffrage. The changes approved are intended to meet the current increase in the workload which must in any case be dealt with. This increase in workload was illustrated in the first part of this draft report. The proposals relating to the establishment plan (PE 49.138/BUR) adopted by the Committee on Budgets at its meeting of 17 May 1977 and set out in this second part, were all approved by the Bureau at its meeting of 27 May 1977.

However, when adopting the draft estimates and this report on 8 June 1977, the Committee on Budgets felt it appropriate to freeze the 83 new posts. It regards it as essential for Parliament, when considering the draft budget of the Communities (autumn 1977), to review the decision relating to the enlargement of the establishment plan in the light of real needs and the guidelines from the committee which would enable rationalization measures to be taken.

Creation of posts

37. The Secretary-General has proposed the creation of 76 posts (83 new posts less seven posts to be abolished) in the various Directorates-General and of one temporary post in the President's Office.

The rapporteur has satisfied himself that the requests, which all relate to duties which are already being carried out by the Secretariat and place too heavy a burden on existing staff, are justified. This assessment is based on an analysis of each individual request. At first sight, these proposals may appear exaggerated but this is not the case if we take into account the effects of a <u>multilingual system</u> on the establishment (and also on appropriations) and of the <u>lack of a single seat</u>.

It should be noted in this connection that over 60% of the staff (800 out of 1,350) will be engaged in linguistic duties; the lack of a single seat and the existence of three places of work create a requirement for 135 officials, i.e. 10% of the staff.

However, the 83 new posts remain frozen for the reasons given in the previous paragraph.

38. These 83 new posts include 19 reviser and translator posts in the Directorate-General for Sessional and General Services.

These requests (7 revisers and 12 translators) and the requests for 12 C 3/2 secretaries are justified by the increased workload 1 .

With regard to the problem of the size of each translation unit, the rapporteur felt that in general two translators and one reviser was a balanced structure and that this should be the future objective for the translation directorate as a whole.

For the number of pages translated see paragraph 21 of this explanatory statement. It must also be borne in mind that some of the staff(revisers) working in the reports of proceedings service also belong to the translation directorate.

The 83 new posts are broken down as follows:

A 5-4	1	1 - DG I
A 7-6	2	1 - DG III 1 - DG V
в 1	5	1 - DG III 4 - DG IV
в 3-2	6	1 - DG I 1 - DG III 2 - DG IV 2 - DG V
в 5-4	9	5 - DG I 1 - DG II 1 - DG III 1 - DG IV 1 - DG V
c 1	3	<pre>1 - DG I 1 - DG IV 1 - Staff Committee</pre>
c 3-2	35	15 - DG I 2 - DG II 2 - DG III 13 - DG IV 3 - DG V
C 5-4	2	1 - DG III 1 - DG IV
D 1	1	1 - DG IV
LA 5-4	7	7 - DG I
LA 6-5	12	12 - DG I

⁸³ posts (frozen for the reasons given in paragraph 1 (c), and (f) of the resolution) less 7 D 3-2 posts to be abolished

Conversion of local posts into established posts

39. These 30 conversions are intended to implement the decisions of principle taken in 1975 and 1976 by the Bureau of Parliament and the Committee on Budgets to progressively convert into statutory posts those local staff posts which involved duties of a permanent nature and had been filled by the same incumbent for at least four years.

The corresponding appropriations have not been calculated for a period of 12 months since these conversions will take place by stages, depending on seniority of service, as follows:

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- 15 at 1.1.1978
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- 19 at 1.7.1978
- 6 at 31.12.1978

The posts are being created in the following grades:

15 posts at 1.1.1978:

- (a) 5 D 3-2
 - 3 D 3-2
 - 1 C 5-4
- (b) 1 C 1
 - 2 C 3-2
 - 2 C 5-4
 - 1 D 3-2

9 posts at 1.7.1978:

5 D 3-2

3 C 5-4

7 C 1

6 posts at 31.12.1978:

4 D 3-2

1 C 5-4

1 C 3-2

Conversion of auxiliary posts into established posts

40. A number of auxiliary posts are proposed for conversion since they now reflect permanent requirements.

The rapporteur and the majority of the members of the Committee on Budgets considered that staff policy should include in the permanent establishment those staff members who have carried out certain duties on a regular and continuous basis for a number of years.

It has been decided, with the agreement of the Bureau, that this rule should be applied globally and not in successive stages in order to rule out any discrimination.

It is proposed to convert 51 posts, broken down as follows:

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- 24 C 3/2 in the typing pool;

- 1 B 5/4 in the Mail Department;

- 20 C 3/2 ) secretaries and clerical officers in the

1 C 1 Directorate-General for Administration, Personnel and and Finance;

4 D 3/2 in the Directorate-General for Information and Public Relations.
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41. The following arguments can also be put forward in support of this solution. A sound administrative policy requires that limited use be made in future of auxiliary staff who are by definition supernumerary. Officials on leave of absence or on sick leave should be replaced by temporary staff who can be recruited against existing posts.

Auxiliary staff may of course be necessary if a genuine additional requirement arose. It is essential, however, to restrict the number of supernumerary staff members since otherwise discussions of the establishment plan by Parliament and its various bodies might well lose all point.

If auxiliary staff were recruited otherwise than on this basis, this could even be construed as a means of circumventing any decisions taken at the time of adoption of the annual estimates to limit staff increases under the establishment plan.

By the same token temporary absences foreseeable at the beginning of the year (leave on personal grounds, secondment etc.) could be better catered for by making provision, pursuant to the principle of staff mobility, for replacement teams rather than recruiting auxiliary staff.

Your rapporteur would also stress the need to recruit auxiliary staff on the basis of certain fixed principles, including the use of reserve lists drawn up following open competitions. Any other solution might well in the last analysis have an adverse effect on the normal recruitment procedure provided for in the Staff Regulations when it came to filling a permanent post.

Regradings and modification of career structures

42. The Bureau and the Committee on Budgets have accepted the proposed 15 regradings (which are in fact promotions) justified by the higher level of duties carried out by the incumbents of the posts or by the desirability of moving to a higher grade officials who are both competent and eligible for promotion but are blocked in career brackets covering only two grades.

These regradings are as follows:

- 1 A 7/6 to A 5/4	(assistant financial controller);
- 1 B 5/4 to B 3/2	(control of budgetary authorizations in
	the financial control service);
- 1 C 3/2 to C 1	(Office of the Secretary-General);
- 1 B 5/4 to B 3/2	(administration of the 200 staff members
	assigned to the typing pool);
- 1 B 1 to A 7/6	(central secretariat of the Directorate-
	<pre>General for Committees);</pre>
- 3 A 7/6 to A 5/4	(Committee secretariats);
- 1 A 5/4 to A 3	(setting up of the Budget Division in the
	Directorate-General for Administration);
- 1 A 7/6 to A 5/4	(Assistant accounting officer to the
	<pre>Institution);</pre>
- 1 C 3/2 to C 1	(Secretariat of the Head of the Social
	Affairs Division in the Directorate-
	General for Administration);
- 2 C 3/2 to C 1	(Switchboard supervisors in Luxembourg)

- The ad personam promotion to LA 3 of an interpreter who merits promotion but has reached the last step in her career bracket (LA 4/8);
- 1 C 3/2 to C 1 (Management of Robert Schuman scholarship programmes).

0 0

43. Half of the new posts should be created in the higher grade and half in the lower grade of the career bracket. This was decided in order to take account, as far as the conversion of local or auxiliary staff posts into permanet posts is concerned, of the present situation and, as far as the new posts proper are concerned, of the career structure and possiblities of promotion.

Structure of the Committee on Budgets' secretariat

44. The resolution adopted by Parliament on 14 December 1976 on the discharge to be given to the Commission of the European Communities in respect of the accounts for 1972 to 1974 stressed, inter alia, the need for the secretariat of the Committee on Budgets and its Control Subcommittee to be adequately staffed. The Parliament emphasized 'the need for preserving the unicity of the Secretariat of the Committee on Budgets and of the Control Subcommittee so as to ensure that the complementary nature of authorization and auditing of the budget was not disturbed, and with this end in view, proposed that the joint secretariat be raised to the level of a directorate and that it be appropriately reinforced'.

With its present staff, the secretariat coped with an increased workload in 1976, when there were almost twice as many meetings as the year before (53 as against 30, spread over 71 days in all). Its staff will shortly be increased by the recruitment of officials to fill the new posts created in 1977 (3 A, 1 B, 3 C).

Paragraph 16 of the resolution.

These officials will have to cope with the increased workload mentioned above which has so far been taken care of by the present staff through overtime and a permanent duty roster on every day of the week, particularly during the five months of the budgetary period.

The work of the secretariat is unlikely to level off in 1978. On the contrary. During the next few months the setting up of the Court of Auditors will make it more urgent to adapt the structures of the Committee on Budgets, which should in fact be designated the 'Financial Committee'.

The Committee on Budgets will be required to carry out the preparatory work on the discharge decision which is now the responsibility of Parliament pursuant to the Treaty of 22 July 1975; different working methods from those of national parliaments will have to be adopted, mainly because the European Parliament still has no legislative powers. In order to meet this requirement and the need for permanent contact and cooperation with the members of the Court of Auditors (who will probably be assigned far greater control responsibilities than the present part-time members of the Audit Board) the present organization of the secretariat will have to be changed.

The principle of the upgrading of the secretariat, as proposed in paragraph 16 of the resolution of 14 December 1976, was unanimously upheld by the Committee on Budgets at its meetings of 24 May 1977.

Reserve posts for officials seconded to the political group secretariats

45. The Committee on Budgets approves the adjustments to the reserve proposed for 1978, consisting of the abolition of one B 5 and two C 2 posts and the creation of one C 1, one C 3 and one C 4 post. This adjustment updates the decision taken by Parliament last year to set up this reserve so as to enable the respective departments of the secretariat to fill vacancies created by the secondment of officials to the group secretariats.

Change in the establishment plan of the political groups

46. The political groups have requested (PE 49.026) the creation of one C 3/2 post in the Christian-Democratic Group and one C 3/2 post in the Communist Group, together with the following post regradings:

- 1 A 7 to A 6 in the Christian-Democratic Group
- 1 B 3 to B 2 in the Liberal and Democratic Group
- 1 B 3 to B 1 in the Liberal and Democratic Group
- 1 A 7 to A 6 in the Group of European Progressive Democrats
- 1 A 7 to A 6 in the Communist and Allies Group
- and 1 B 3 to B 1 plus 1 C 3 to C 2 in the same group.

These requests have been approved by the Committee on Budgets and the Bureau. The committee has frozen the two new posts in accordance with the decisions relating to established posts.

Consultation of the Staff Committee

47. It should be pointed out that this year the proposals were adopted after specific consultation of the staff committee.

Recruitment and promotion policy

- 48. In commenting on the establishment plan for 1978 the Committee on Budgets also considers it necessary to stress the need for a thorough review of Parliament's recruitment and promotion policy. It has stressed in this connexion that:
- (a) it is of the opinion that the costs borne by the Institution on the occasion of each open competition, often involving the presence of several hundred (sometime even several thousand) candidates to recruit only a few officials, often fewer than the number of staff organizing the competition, are excessive;
- (b) it therefore considers that radical changes should be made in the external recruitment procedure;
- (c) it would very much like the procedures for filling posts to be speeded up and, aware of the cumbersome nature of the provisions laid down in the Staff Regulations, is counting on the rapidity of administrative decisions, selection board proceedings and decisions of the appointing authority as a means of remedying these drawbacks;
- (d) similarly, more than one hundred internal competitions are arranged every year. This high number could be advantageously cut down by adopting a more generalized promotion policy and by holding annual internal competitions instead to establish

for each career a kind of reserve list which might later be extended. The Committee on Budgets considers that this solution would avoid several of the existing disadvantages such as loss of time by selection boards, excessive delays in filling the various posts and the organization of individual competition procedures;

(e) a clear, transparent recruitment and promotion policy must be based on publication of the results of external and internal competitions; the Committee on Budgets believes this to be in the interest both of the Institution and of the candidates.

B. The actual estimates

- 49. The draft estimates which the Committee on Budgets draws up and submits to Parliament are expressed in the old budgetary units of account in order to permit comparison with the draft estimates of previous financial years. However, these draft estimates must henceforth be expressed in the new European unit of account (EUA). This rule will be followed by each of the Community institutions and consequently the budget of the Communities will this year be drawn up entirely in the new unit of account. This conversion will entail a numerical increase of about 20%.
- 50. The budgetary proposals considered by the Committee on Budgets provided for the entry in the estimates of an overall amount of 71,170,200 u.a. representing a 4.4% increase on the draft estimates for 1977 (68,166,260.50 u.a.). The Committee on Budgets did not give its unreserved approval to these proposals for the following reasons:
- firstly, owing to its desire to restrict expenditure to a minimum,
- secondly, because the rate of utilization of the draft estimates for 1976 made it possible to reduce budget estimates somewhat,
- finally, because it considered that it was desirable at this stage to propose the smallest possible increase given that supplementary draft estimates will in any case by necessary in 1978 (in consequence of the election of the European Parliament by direct universal suffrage, which constitutes an additional reason for greater restraint).

The Committee on Budgets had proposed, in conformity with the procedure it followed in 1976, that the increase in respect of certain items (21 items, reduced to 13 in the nomenclature for the budget applicable in 1978) should be reduced.

It had then also proposed a cut of 5% in all items in the draft estimates, with the obvious exception of those relating to staff.

The Bureau did not feel able to accept the first of these two proposals. It did on the other ham partly accept the second. However, it considers that the 5% deducted from each of the operational items (i.e. except those under Chapter 1 relating to staff and members of the institutions) should be transferred to Chapter 100 (provisional appropriations). The Bureau feels that this would be a more logical situation given that 1978 will be a special year in which a supplementary budget will be presented and there is therefore nothing to be gained by merely cancelling the 5%.

At its meeting of 8 June the Committee on Budgets adopted the draft estimates, deleting the appropriations resulting from the 5% cut, which the Bureau proposed to enter under Chapter 100 (706,476.25 u.a.).

In consequence of these considerations, the appropriations shown in the estimates amount to 70,625,744.25 u.a. or, in new units of account, 85,500,217 EUA. This represents an increase of 3.6% over 1977.

Main comments on the estimates of expenditure

51. The main items of expenditure proposed, which alone represent 85.3% of all appropriations, were as follows:

Expenditure relating to members	<u>u.a.</u>	as a % of total expenditure, approx:
of the institution	5,959,000	8.4%
(Chapter 10)		
Staff expenditure		
(including all incidental costs, Chapters 11, 12,13, 14 and 15)	48,490,990	68.1%
Rental of buildings and		
incidental expenditure		
(Chapter 21)	5,972,118	8.8%

(a) Expenditure relating to Members of the Institution

52. The proposed expenditure relating to members is based on the status quo. In observing the status quo it has been assumed that the same number of plenary sessions, committee and other meetings will be held as in 1977. There has been a slight increase in the estimates as compared with 1977, from 5,821,050 u.a. to 5,959,000 u.a. - an increase of 2.3%.

(b) Staff expenditure

53. Direct expenditure relating to staff comes under Chapters 11, 12, 13, 14 and 15 of the budget. Staff expenditure as a percentage of the total budget has been relatively constant in the last few years, but there will be a slight increase in the financial year 1977, from 65% to 68.1%. This is partly due to the new method of calculating gross salaries adopted by the Council and also to the general stabilization of operating expenditure.

(c) Expenditure relating to the rental of buildings and incidental expenditure

54. In 1977 6.3 m u.a. (or 8.8%) were entered in the budget. For 1978 these appropriations have been increased to 5.97 m u.a., which still corresponds to approximately 8.8% of the total budget. This figure does not make allowance for the possible rental of additional premises.

(d) Expenditure relating to the political groups

55. The groups have requested a 15% increase in the appropriations placed at their disposal in 1977 under items 3705 and 3706 which concern the contribution to secretarial expenses of the political groups and other political activities respectively.

The figures for 1977, which were 680,000 u.a. and 400,000 u.a. respectively, are therefore increased to 782,000 u.a. and 460,000 u.a.

ANNEX

EUROPEAN PARLIAMENT

DRAFT ESTIMATES
1978

Introductory note

concerning the draft estimates

for the financial year 1978

To allow a comparison to be made with the 1977 figures, the appropriations are expressed in the old unit of account (u.a.). The original estimates were drawn up in national currencies, i.e. almost entirely in Belgian francs, and were then converted at the rate Bfrs 50 = 1 u.a.

In view of the decision to use the new European unit of account (EUA) in the 1978 budget, the figures entered will have to be reconverted. The rate proposed by the Commission will be that applicable at 1 February 1977, i.e. Bfrs 41.3015 = 1 EUA. The application of this rate will thus entail a theoretical increase of more than 20% on the old unit of account.

It should further be noted that the 1977 appropriations take account of amending and supplementary budget No. 1/1977, which had to be introduced following the Council's decision of 21 December 1976 on remunerations.

REVENUE

Contribution of the European Communities to the financing of Parliament expenditure for the financial year 1978

N	ature of expenditure	Total expenditure U.A.
Expenditure	•	70,625,744,25
	Own resources	8.040.535,50
	Contributions due	62,585,208,75

OWN RESOURCES

· Total	Nature of revenue	Chap. Art.		Title
U.A.				
	Deductions from staff remuneration			4
	Proceeds of taxation on the salaries, wages and allowances of officials and other servants	40	'	
5.188.800,- 74.150,- 11.250,-	 Parliament Share of the Audit Board Share of the ECSC Auditor 			
5.274.200,-	Total under Chapter 40			
1.972.200,- 23.455,50 3.800,-	Staff contributions to the pension scheme - Parliament - Share of the Audit Board - Share of the ECSC Auditor	41		=
1.999.455,50	Total under Chapter 41			
7,273,655,50	Total under Title 4			
	Miscellaneous revenue			9
1	Proceeds of the sale of movable and immovable property	90		
15.800,-	Proceeds of sale of movable property	900		
50,000,-	Sale of publications, printed works and films	902		
65,800,-	Total under Chapter 90			
	Repayment of miscellaneous expenditure	93		
500,000,- 1,000,-	Repayment of expenditure on account of another institution - Parliament - Share of the Audit Board	930		
501,000,-	Miscellaneous income Total under Chapter 93	95	!	
200 _° 000°- 75°- 5°-	Income from investments and loans, bank interest and other items — Parliament — Share of the Audit Board — Share of the ECSC Auditor	950		
200.080,-	Total under Article 950			
token entry	Differences on exchange	951		
200.080,-	Total under Chapter 95			
token entry	Other revenue	99	9	
766.880,-	Total under Title 9			
8.040.535,50	Grand total			

Half the revenue estimated for the Audit Board and the ECSC Auditor is entered under the section of the budget relating to the European Parliament and the other half under the section relating to the Council. The Audit Board and the ECSC Auditor are not yet in a position to indicate their estimated revenue. The figures shown are the same as in 1977, including the resources provided for in amending and supplementary budget No. 1/1977.

General summary of appropriations for 1978 and 1977 and expenditure 1976

Titles		U.A.			
Chapters	Description	Appropriations 1978	Appropriations 1977 (*)	Expenditure 1976 (1)	
Title 1	Expenditure relating to persons working with the Institution				
Chap. 10	Member of the Institution	5.959.000	5.821.050,	4.342.717.96	
Chap. 11	Staff	45,180,790,-	40.010.630	28.138.071.06	
Chap. 12	Allowances and expenses on entering and on leaving the service and on transfer	1,127,000,-	665,500,-	880.929.70	
Chap. 13	Expenditure relating to missions and duty travel	1.700.000,-	1,700,000,-	1,165,937,20	
Chap. 14	Expenditure on social welfare	265,200,-	250,500,~	196.814,62	
Chap. 15	Internal training courses and vocational training of staff	218,000,-	189.300,-	138,734,00	
÷	Total under Title 1	54.449.990,-	48.636.980,-	34.863.204,54	
Title 2	Buildings, equipment and miscellaneous operating expenditure				
Chap. 20	Immovable property investments	-		_	
Chap. 21	Rental of buildings and incidental expenditure	5.972.118,-	6.030.390,-	4.540.811,36	
Chap. 22	Movable property and ancillary expenses	1.704.295,25	1.426.250,-	1.275.337.04	
Chap. 23	Current administrative expenditure	1,594,765	1,654,650,-	1.045.356.00	
Chap. 24	Entertainment and representation expenses	117.847,50	122.485,-	105,346,54	
Chap. 25	Expenditure for formal and other meetings	14,250,~	15.000,-	5,587,08	
Chap. 26	Expenditure on studies, surveys and consultations	9,500,-	1.000,-	65	
Chap. 27	Expenditure on publishing and information	2,739,325,-	2,470,000,-	1,734,012,64	
Chap. 29	Subsidies and financial contributions	738.948,-	671_000	539,248,48	
	Total under Title 2	12,891,048,75	12.390.775,-	9.245.699,14	
Title 3	Expenditure resulting from the Institution carrying out special functions				
Chap. 37	Expenditure relating to certain institutions and bodies	2,599,505,50	2,465,505,50	1.880.955,86	
	Total under Title 3	2,599,505,50	2,465,505,50	1,880,955,86	
Title 10	Other expenditure				
Chap. 100	Provisional appropriations		* 033 000		
Chap. 100	Contingency reserve	685,200.	4.023.000,- 650.000,-		
Chap. 102	Reserve to cover any shortfall in appropriations resulting from the difference between forecast excrange rates for the EUA and actual rates on	token entry		-	
i :	e anversion.	1			
	Total under Title 10	685,200,-	4.673.000,-		
	Grand total	70,625,744,25	68,166,260,50	45 . 93 9.85 9,54	
	(*) including approximations provided for in amen				

EXPENDITURE

$\begin{tabular}{ll} \textbf{TITLE 1}\\ \textbf{EXPENDITURE RELATING TO PERSONS WORKING WITH THE INSTITUTION} \\ \end{tabular}.$

CHAPTER 10 - MEMBERS OF THE INSTITUTION

			.U.A.			
Art.	Item	Description	Appropriations 1978	Appropriations 1977 (*)	Expenditure 1976	
100		Salaries, allowances and payments related to salaries				
	1000	Basic salaries	-	œ	8 0	
	1001	Residence allowances	•	-		
:	1002	Family allowances	-	-		
	1003	Representation allowances	•	-	-	
	1004	Travel and subsistence allowances. Notice of meetings and connected expenditure	3.835.000,-	3.835.000,-	2.845.790,60	
		Total under Article 100	3,835,000,-	3.835.000,-	2.845.790,60	
101		Accident and sickness insurance and other social welfare expenditure	134,000,-	134,000,~	293,687,76	
102		Temporary allowances	-		-	
103		Pensions				
	1030 ,	Retirement pensions	63	-	•	
	1031	Invalidity pensions	6		-	
	1032	Survivors' pensions	e	-	-	
105		Language courses for Members	30.000,-	22.050,-	15,239,60	
106		Member's secretarial expenses	1.830.000,-	1.710.000,-	1.188,000,00	
109		Provisional appropriations for changes in the remuneration and allowances payable to Members of the European Parliament	130,000,-	120,000,-		
		TOTAL UNDER CHAPTER 10	5.959.000,-	5.821.050,-	4.342.717,96	
		(*) The #1977 Appropriations* columns in thi in amending and supplementary budget No.		e appropriations	provided for	
				PE 49	107/fin.	

EXPENDITURE

TITLE 1

EXPENDITURE RELATING TO PERSONS WORKING WITH THE INSTITUTION

CHAPTER 10 — MEMBERS OF THE INSTITUTION

Art.	Item	Remarks
		•
		•
-		
105		More Members attending courses and higher teaching fees
		PE 49 107/fin.

CHAPTER 11 - STAFF

Art. Item		n Description	.U.A			
			Appropriations 1978	Appropriations 1977	Expenditure 1976	
110		Officials and temporary staff holding a post provided for in the list of posts				
	1100	Basic salaries	29,444,600,-	25,340,000,-	12.377.705,8	
	1101	Family allowances	2,490,200,-	2.150.000,-	1,040,960,2	
	1102	Expatriation allowances (including those granted under Art. 97 of the ECSC Staff Regulations)	4.394.100,-	3,980,000,-	1.821.035,0	
	1103	Temporary fixed allowances	345,000,-	280,000,-	143,628,0	
:		Total under Article 110	36.673.900,-	31.750.000,-	15,383,329,1	
111		Other Staff	,			
	1110	Auxiliary staff	1.250.000,-	1.434.000,-	966.248,9	
	1111	Auxiliary interpreters	•	_	-	
	1112	Local staff	660,000,-	600.000,-	954.244,4	
	1113	Special advisors	11.000,-	6.000,-	18.496,9	
		Total under Article 111	1,921,000,-	2.040.000,-	1.938.990,2	
112		Pensions and severance grants				
	1123 ^	Severance grants	-	-	-	
		Total under Article 112	-	-	_	
113		Sickness and accident insurance and occupational diseases				
	1130	Sickness insurance	878.800,-	843,000,-	587,234,62	
	1131	Accident insurance and occupational diseases	294,200,-	290,000,-	143,624,80	
		Total under Article 113	1.173.000,-	1.133.000,-	730.859,42	
				PE 4	9 107/fin	

CHAPTER 11 - STAFF

Art.	Item	Remarks
110	1100	The increase is based on the creation of 162 new posts (which includes the conversion of 81 auxiliary and local staff posts into established posts) and also takes account of the normal advancement of officials. The appropriation has been calculated on the following basis: posts authorized in the 1977 establishment plan
	1101	Family allowances include (Art.67 of the Staff Regulations): the household allowance, the allowance for children and other dependants and the education allowance. Breakdown of appropriation: - 1977 posts
	1102	These allowances are paid to officials fulfilling the conditions laid down in Article 4 of Annex VII to the Staff Regulations of Officials. Breakdown of appropriation: - 1977 posts
	1103	These allowances are granted to Category C officials employed as typists and shorthand-typists. Breakdown of appropriation: - 1977 posts
111	1110	The decrease in expenditure under this item following the conversion of 51 auxiliary staff posts into established posts is only partly reflected in the reduction shown, since the expenditure on auxiliaries recruited for part-sessions has increased as a result of the workload created by the holding of part-sessions in the new building in Strasbourg.
	1112	The increase is necessary because the 1977 appropriation is proving to be inadequate. Allowance has been made, however, for the conversion of 30 local staff posts into established posts.
	1113	Increase due to the engagement of an extra doctor for part-sessions.
113	1130	Appropriation to cover the cost of the Institution's contribution to the common sickness insurance scheme (percentage of basic salary). Breakdown of appropriation:
	1131	- 1977 posts

CHAPTER 11 - STAFF (cont.)

				U.A.	
Art.	Item	Description	Appropriations 1978	Appropriations 1977	Expenditure 1976
. [.] 14		Miscellaneous allowances and grants			
	1140	Childbirth allowances and death grants	18,000,-	18,000,-	8,193,
	1141	Travel expenses on annual leave	233,500,-	185.000,-	192,982,
	1142	Accommodation and transport expenses	-	-	co
	1143	Fixed special duty allowances	45.850,-	40,800,-	35,294,
	1144	Fixed travel allowances	28,040,-	23.720,-	19,592,
	1145	Special allowance in accordance with Article 78 of the financial regulation	10,000,-	10.000;-	-
	1149	Other allowances and refunds	token entry	110,-	8,628,
		Total under Article 114	335,390,-	277.630,-	265,690,
115		Overtime ,	350_000,-	315,000,-	173.066,
116		Weightings	290,000,-	260,000,-	8.672.898,
117		Supplementary services			
	1170	Freelance interpreters and conference officers	1.207.500,-	1,150,000,-	907,236,
	1171	Freelance proof-readers	-	-	- :
	1172	Other services and work sent out for translation and typing	90,000,-	75,000,-	66,000,
		Total under Article 117	1.297.500,-	1.225.000,-	973.236,
119		Provisional appropriations for changes in the remuneration payable to officials and other servants	3.140.000,-	3,010,000,-	
		TOTAL UNDER CHAPTER 11 .	45.180.790,-	40.010.630,-	28.138.071,
				PE 4	9 107/fi

CHAPTER 11 - STAFF (cont.)

Art.	Item	Remarks
114	1140	Provision is made for the payment of these allowances and grants in Articles 70, 74 and 75 of the Staff Regulations.
÷	1141	Officials are entitled to the (flat-rate) payment of the cost of travel from their place of employment to their place of origin for themselves and their families (Art. 8 of Annex VII to the Staff Regulations). In 1976 the appropriations for this item were increased by means of a transfer. Provision should also be made for an increase in railway fares and in the number of recipients.
	1143	Fixed special duty allowances pursuant to Article 14 of Annex VII to the Staff Regulations.
	1144	Fixed travel allowances pursuant to Article 15 of Annex VII to the Staff Regulations.
	1145	Under the third subparagraph of Article 78(3) of the Financial Regulation and Article 85 of the implementing provisions, a special indexed allowance is granted to accounting officers, assistant accounting officers and administrators of advance funds.
116		Appropriation for the payment of weightings in accordance with the decisions taken by the Council.
117	1170	This appropriation is set aside for the services of freelance interpreters. On the other hand, a sum of 500,000 u.a. has been entered under Chapter 93, Article 930 in the revenue estimates to allow for payment of services performed by the European Parliament's interpreters.
	1172	Additional appropriations justified by the increase in the Institution's activities (translations and work for the Archives commissioned from specialists) and the higher rates charged.

CHAPTER 12 – ALLOWANCES AND EXPENSES ON ENTERING AND ON LEAVING THE SERVICE AND ON TRANSFER

CHAPTER 13 – EXPENDITURE RELATING TO MISSIONS AND DUTY TRAVEL

				U.A.	
Art.	Item	Description	Appropriations 1978	Appropriations 1977	Expenditure 1976
120		Miscellaneous expenditure on staff recruit- ment	77.000,-	77.000,-	67.741,74
121		Travel expenses (including members of the family)			
	1211	Staff	15,000,-	15.000,-	8,547,44
122		Installation, resettlement and transfer allow- ances			
	1221	Staff	346,200,-	160.000,-	178.378,1
123		Removal expenses			
	1231	Staff	238,800,-	73,500,-	97.168,00
124		Temporary daily subsistence allowances			
	1241	Staff	200,000,-	100.000,-	174,809,3
125		Allowances for staff placed on non-active status, retired in the interests of the service or dismissed	250,000,~	240,000,-	354,285,08
129		Provisional appropriations for changes in the remuneration and allowances payable to officials and other servants	token entry	Stee	
		TOTAL UNDER CHAPTER 12	1.127.000,-	665,500,-	880.929,70
CHAPT	ER 13				·
130		Mission expenses, duty travel expenses and other anvillary expenditure			
	1301	Staff	1.700.000,-	1.700.000,-	1.165.937,20
	1302	Special equipment for missions	-	-	-
		TOTAL UNDER CHAPTER 13	1.700.000,-	1.700.000,-	1.155.937.20
				PE 4	9 107/fi

CHAPTER 12 – ALLOWANCES AND EXPENSES ON ENTERING AND ON LEAVING THE SERVICE AND ON TRANSFER

CHAPTER 13 – EXPENDITURE RELATING TO MISSIONS AND DUTY TRAVEL

	Art. Ite	·m	Remark	xs	
lace lace due to the adjustment of basic salaries.	122			of basic salaries.	

CHAPTER 14 — EXPENDITURE ON SOCIAL WELFARE
CHAPTER 15 — INTERNAL TRAINING COURSES AND VOCATIONAL TRAINING OF STAFF

ſ 				U.A.	
Art.	Item	Description	Appropriations 1978	Appropriations 1977	Expenditure 1976
140		Special assistance grants	10,000,-	10,000,-	2,223,60
141		Staff social relations	20,000,~	18.500,-	16,900,00
142		Restaurants and canteens	24,200,-	22,000,-	19,340,00
143		Medical service	66,000,-	55,000,	47。945,02
149		Other social expenditure			
	1490	Other expenditure	145,000,-	145.000,-	110,406,00
	1491	Fitting out of an intercommunity sports centre	token entry	token entry	-
		TOTAL UNDER CHAPTER 14	265,200,-	250,500,-	196,814,62
СНАРТЕ	R 15				
150		Cost of organising internal training courses	65,000,-	65.000,-	45,771,44
151	•	Language courses, refresher courses, further vocational training and information of staff	153.000,-	124,300,-	92,962,56
		TOTAL UNDER CHAPTER 15	218,000,-	189,300,-	138.734,00
		TOTAL UNDER TITLE I	54.449.990,-	48.636.980,-	34.863.204,54
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CHAPTER 14 – EXPENDITURE ON SOCIAL WELFARE CHAPTER 15 – INTERNAL TRAINING COURSES AND VOCATIONAL TRAINING OF STAFF

Art.	Item	Remarks
140		This appropriation is to cover action taken in respect of officials and other servants in special situations (in particular pursuant to Art. 76 of the Staff Regulations)
141		This appropriation is to provide financial backing for schemes designed to promote social contacts between staff of different nationalities, e.g. subsidies to staff clubs, sports associations, cultural societies, etc
142		An appropriation of 35,200 u.a. has been entered under Article 1010 to cover the possible extension of the canteen/cafeteria.
143		Pharmaceutical products for the medical section - cost of procedures for the granting of invalidity pensions - increase in the amount reimbursed for annual medical check-ups.
149	1490	The appropriation under this Article covers all other aid and subsidies for staff and their families, e.g. for the créche, day nurseries, holiday camps, domestic help, legal assistance, etc. It also includes a subsidy to the Staff Committee.
150		This appropriation is to cover the organization of training courses for young university students in the various departments of the European Parliament, the object being to give them intensive training, particularly as conference interpreters and translators.
151		These appropriations are to cover expenditure on language and technical courses in the European Parliament and courses abroad, teaching materials, management courses, private study courses, the library and courses in preparation for new duties.

TITLE 2 BUILDINGS, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE

CHAPTER 20 – IMMOVABLE PROPERTY INVESTMENTS CHAPTER 21 – RENTAL OF BUILDINGS AND INCIDENTAL EXPENDITURE

				' U.A.	
Art.	Item	Description	Appropriations 1978	Appropriations 1977	Expenditure 1976
200		Acquisition of immovable property	-	ta.	-
201		Construction of buildings	-	-	-
202		Other expenditure preliminary to the acquisition of immovable property or to the construction of buildings	token entry	token entry	Cas
		TOTAL UNDER CHAPTER 20		-	-
СНАРТЕ	APTER 21				
210		Rent			
	2100	Rent	4,005,618,-	3,818,440,-	3,203,654,14
	2101	Deposits	1,900,-	2,000,-	-
		Total under Article 210	4.007.518,-	3,820,440,-	3.203.654,14
211		Insurance	17.100,-	19.950,-	13,109,32
212		Water, gas, electricity and heating	532,000,-	560,000,-	292,695,16
213		Cleaning and maintenance	760,000,-	800,000,-	506,048,66
214		Fitting out of premises	142,500,-	420,000,-	266,356,44
215 219		Security and surveillance of buildings Other expenditure	380,000,- 133,000,-	410,000,-	258,947,64
		TOTAL UNDER CHAPTER 21	5,972,118,-	6.030.390,-	4.540.811,36
}					

TITLE 2 BUILDINGS, EQUIPMENT AND MISCELLANEOUS OPERATING EXPENDITURE

CHAPTER 20 – IMMOVABLE PROPERTY INVESTMENTS CHAPTER 21 – RENTAL OF BUILDINGS AND INCIDENTAL EXPENDITURE

Art.	Item	Remarks
210	2100	LUXEMBOURG - Robert Schuman Building 2,052,000 u.a. Tower Building 1,140,000 u.a. other buildings 105,450 u.a. BRUSSELS 340,100 u.a. STRASBOURG 287,318 u.a. Outside offices 42,750 u.a. Rental of conference rooms 38,000 u.a. 4,005,618 u.a.
		These figures include all rents of buildings at present occupied by the European Parliament in Luxembourg, Brussels, Strasbourg and the capitals of the Member States The sums can only be approximate in view of the variations in the cost of living index. The total does not include the rent of the new day nursery to be built at Kirchberg. A budgetary reserve should therefore be provided under Article 1010 to meet this major item of expenditure (200,000 u.a.)
211	,	This appropriation is to cover payments due under the contracts concluded with insurance companies in respect of the buildings occupied by the European Parliament.
214		This appropriation is to cover expenditure arising from the fitting out of buildings and alterations thereto. It breaks down as follows: (a) buildings in Luxembourg 57,000 u.a. (b) buildings in Strasbourg 38,000 u.a. (c) alterations to the telephone installations in Brussels and various outside offices 47,500 u.a. 142,500 u.a.
215 (new articl	.e)	Cost of maintaining a security and surveillance service in all the buildings occupied by the European Parliament (included under Art. 219 in 1976 and 1977)
219		Appropriation to cover a part of the charges incurred in connection with the buildings and other current expenditure not provided for under the other articles of Chapter 21. This expenditure breaks down as follows: Luxembourg

CHAPTER 22 – MOVABLE PROPERTY AND ANCILLARY EXPENSES

				U.A.	- OF ALL -
Ait.	Item	Description	Appropriations 1978	Appropriations 1977	Expenditure 1976
220		Office muchinery			
	2200	Initial equipment	118.275,-	46,750,-	43.614,64
	2201	Renewals	51.984,-	55,400,-	15.097,46
	2202	Hire	4.750,-	1,000,-	96,00
	2203	Maintenance, use and repair	61.750,-	65,000,-	49.776,12
		Total under Article 220	236.759,-	168,150,-	108,584,22
22Î		Furniture			
	2210	Initial equipment	95,000,-	210,000,-	178.548,48
	2211	Renewals	57,000,-	50,000,-	23,904,66
	2212	Hire	950,-	1.000	•
	2213	Maintenance, use and repair	4.750,-	5,000,-	1,603,24
		Total under Article 221	157,700,-	266,000,-	204,056,38
222		Technical equipment and installation			
	2220	Initial equipment	281,580,-	255,600,-	325.844,92
	2221	Renewals	243, 200,-	46,200,~	35,636,26
	2222	Hire	237.500,-	190,000,-	209,462,18
	2223	Maintenance, use and repair	77.900,-	82,000,-	63,846,22
		Total under Article 222	840.180,-	573.800,-	634,789,58
223		Transport equipment			
	2230	Initial equipment	45	7,000,-	24.144,70
	2231	Renewals	46,550,-	35,000,-	40.742,36
	2232	Hire	118,750,-	125.000,-	74.038,86
	2233	Maintenance, use and repair	104.500,-	110,000,-	70.921,82
		Total under Article 223	269,800,	277.000,-	209.847,74

CHAPTER 22 MOVABLE PROPERTY AND ANCILLARY EXPENSES

Art.	Item	Remarks
220	2200	This appropriation is for the purchase of additional office machinery for the Secretariat, the political groups and Members in Luxembourg, Strasbourg and Brussels.
	2202	This appropriation is intended primarily to cover the hire of typewriters for competitions held outside the Institution.
	2210	Provision must be made in particular for: - additional furniture requirements in Strasbourg and Luxembourg, - equipping the new offices in Brussels. Provision has been made under Article 101 for the possible extension of the Luxembourg canteen in 1978.
221	2211	Renewal of furniture in the Tower building (average age 15 years).
222	2220	This appropriation is to cover expenditure on new equipment, particularly for the conferences service (three 8-channel interpretation units for 100 delegates to take account of the increased number of meetings abroad) and for the publication and reproduction services.
	2221	This appropriation is intended primarily to cover the renewal of a large type-setting machine and 4 offset-litho photocopying machines in the reproduction section.
	2222	This appropriation is to cover the hire of technical equipment for conferences held at places other than the normal centres, data processing and telephone switch-board facilities and photocopying machines.
223	2231	Provision must be made for the renewal of 7 vehicles during the 1978 financial year.
	2232	This appropriation is to cover the hire of cars, taxis and coaches in places where meetings are held.
		PE 49 107/fin.

PAPIAMENT

CHAPTER 22 -- MOVABLE PROPERTY AND ANCILLARY EXPENSES (cont.) CHAPTER 23 -- CURRENT ADMINISTRATIVE EXPENDITURE

				U.A.	
Art.	Item	Description	Appropriations 1978	Appropriations 1977	Expenditure 1976
225		Documentation and library expenses			
	2250	Library expenses, purchase of books	42.156,25	35,500,-	29,500,
	2251	Special library documentation and reproduction equipment	34, 200,-	2 <u>.00</u> 0,-	800,
	2252	Subscriptions to newspapers, periodicals	46 _° 265 ,-	41.260,-	28.041,
	2253	Subscriptions to news agencies	71.250,-	57,500,-	53.717.
÷	2254	Binding and storage of library books	5, 985,-	5,040,-	6,000
		Total under Article 225	199,856,25	141,300,-	118.059,
		TOTAL UNDER CHAPTER 22	1,704,295,25	1.426.250,-	1.275.337
СНАРТЕ	 ER 23				
230		Stationery and office supplies	679,250,-	715,000,-	472,008
231		Postal charges and telecommunications			
	2310	Postage on correspondence and delivery charges	356,250,-	350,000,-	191.615
	2311	Telephone, telegraph, telex, television	351,500,-	355,000,-	241.637
		Total under Article 231	707.750,-	705.000,-	433,252
232		Financial charges			
	2320	Bank charges	2.850,-	1,000,-	2,000
	2321	Differences on exchange	token entry	token entry	-
	2329	Other financial charges	95,-	100,-	-
		Total under Article 232	2,945,-	1,100,-	2,000
				PE 4	9 107/ f :

CHAPTER 22 – MOVABLE PROPERTY AND ANCILLARY EXPENSES (cont.) CHAPTER 23 – CURRENT ADMINISTRATIVE EXPENDITURE

	r 	
Art.	Item	Remarks
225	2250	This appropriation is essential for the extension and renewal of general reference books and for keeping the library stock, in particular official publications, up to date An appropriation of 12,825 u.a. is entered under this
		item for the purchase and renewal of dictionaries, encyclopaedias and manuals for the language service.
	2251	This appropriation is to cover the hire of three terminals linked to the CELEX data processing system and the modernization of equipment in the library.
	2252	These appropriations are to cover subscriptions to news- papers and periodicals for:
		(1) the Directorate-General for Information 15:200 u.a. (2) the Directorate-General for Research and Documentation
	2253	This appropriation is to cover the costs of subscriptions to press agencies for teleprinter services and press and information bulletins.
_	2254	This appropriation is to cover the cost of having books bound outside the Institution.
231	2310	This appropriation is to cover postage and delivery charges for ordinary correspondence, reports, publications and other documents, postage on parcels and customs clearance costs. The volume of material sent by post is increasing, as are postal charges.
	2311	The appropriations for Item 2311 are allocated as follows: 2311/01 telegraph, telex
232	2320	A larger appropriation is necessary because of the volume of bank transactions.
	2329	Subject to the provisions of Article 78 of the Financial Regulation, this provision is to cover any cash shortages and the loss or deterioration of moneys or assets.

CHAPTER 23 – CURRENT ADMINISTRATIVE EXPENDITURE (cont.)

				U.A	
Art.	Item	Description	Appropriations 1978	Appropriations 1977	Expenditure 1976
233	i i	Legal expenses	12,540,-	12,000,-	11.387,40
234		Damages .	token entry	1_000,-	
235		Other operating expenditure			
	2350	Miscellaneous insurance	7,600,-	7,375,-	5,304,08
	2351	Uniforms and working clothes	57,000,-	50,000,-	41.291,48
2	2352	Miscellaneous expenditure on internal meetings	38,000,-	35,000,-	27.315,12
	2353	Departmental removals	47,500,-	100,000,-	25,864,18
	2354	Petty expenses	33.250,-	20,000,-	18,757,98
	2359	Other operating expenditure (contribution to secretarial expenses of the President's Office)	8,930,-	8,175,-	8,175,00
		Total under Article 235	192,280,-	220,550,-	126.707,84
239		Loan of services between institutions			
	2390	Services of the Official Publications Office	(977,402,47)	(1,012,128,-)	(740.643,-)
	2391	Joint interpreting service	-	-	•
	2393	Participation of the European Parliament in the Legal Information Service	token entry	token entry	-
		Total under Article 239	-	•	-
	1.	TOTAL UNDER CHAPTER 23	1,594,765,=	1.654.650,-	1,045,356,00
		•			•
				PE	49 107/fi
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CHAPTER 23 — CURRENT ADMINISTRATIVE EXPENDITURE (cont.)

Art.	Item	Remarks
233		The appropriations for this article are to cover the various expenses and costs incurred as a result of legal proceedings.
235	2350	Insurance - against risks incurred by the accounting officer, assistant accounting officers and administrators of advanced funds referred to in Article 78 of the Financial Regulation, - for the transport of equipment.
	2351	This appropriation is to cover the purchase and maintenance of: - uniforms for messengers and drivers, - working clothes for storeroom, workshop and canteen staff.
	2352	This appropriation is to cover the cost of refreshments served at meetings of parliamentary bodies.
	2354	This item covers expenditure on bus fares, various snacks, timetables, guides, etc. Demands on the appropriation under this item are increasing, and costs are rising.
239	2390	Pro forma entry to cover services of the Official Publications Office (intervention costs). The actual appropriations to pay for the activities of the Office are entered in Annex 2 to Section III of the Budget (Commission).
		PE 49 107/fin.

CHAPTER 24 ENTERTAINMENT AND REPRESENTATION EXPENSES

CHAPTER 25 EXPENDITURE FOR FORMAL AND OTHER MEETINGS

CHAPTER 26 - EXPENDITURE ON STUDIES, SURVEYS AND CONSULTATIONS

			U.A.		
Art.	Item	Description	Appropriations 1978	Appropriations	Expenditure 1976
240		Entertainment and Representation Expenses			
	2400	Members of the Institution	99,275,-	104.500,-	90,267,1
	2401	Staff	7,315,-	7.700,-	4.794,4
	2402	Fund for expenses in accordance with Article 53 of the Rules of Procedure of the European Parliament	11.257,50	10,285,-	10,285,0
:		Total under Article 240	117.847,50	122,485,-	105,346,5
		TOTAL UNDER CHAPTER 24	117.847,50	122,485,-	105,346,5
СНАРТІ	: ER: 25				
250		Formal and informal meetings	14,250,-	15,000,-	5,587,0
251		Committees	-	-	-
255	-	Miscellaneous expenditure on organization of and participation in conferences and congresses and in meetings organized outside the places of work of the Institution	-	-	-
		TOTAL UNDER CHAPTER 25	14,250,-	15,000,-	5,587,0
СНАРТІ	ER 26				
260		Limited consultations, studies and surveys	9,500,-	1,000,-	-
		TOTAL UNDER CHAPTER 26	9.500,-	1,000,-	-
		-			

CHAPTER 24 – ENTERTAINMENT AND REPRESENTATION EXPENSES

CHAPTER 25 – EXPENDITURE FOR FORMAL AND OTHER MEETINGS

CHAPTER 26 – EXPENDITURE ON STUDIES, SURVEYS AND CONSULTATIONS

Art.	Item	Remarks
		•
250		Appropriation to cover the travel, subsistence and incidental expenses of experts and other persons invited to participate in committee, study group or working party meetings.
262		
260		Appropriation to cover the cost of a study that may be undertaken in connection with data processing.
		PF 40 107/Fin

CHAPTER 27 - EXPENDITURE ON PUBLISHING AND INFORMATION

				υ. λ.	
Art.	Item	Description	Appropriations 1978	Appropriations 1977	Expenditure 1976
270		Official Journal	1.081.575,-	990.000,-	721.470,76
271		Publications .			
ęs	2710	General publications	1.457.300,-	1.279.000,-	852,445,70
ę,	2719	Publications and information expenditure	99.750,-	100,000,-	79,654,78
		Total under Article 271	1,557,050,-	1.379.000,-	932,100,48
272		Expenditure on information and participation in public events			
	2720	Expenditure on information, publicity and participation in public events	99.750,-	100,000,-	80.441,40
	2721	Participation of the Communities in international exhibitions	950,	1.000,-	
		Total under Article 272	100,700,-	101,000,-	80,441,40
		TOTAL UNDER CHAPTER 27	2.739.325,-	2.470.000,-	1,734,012,64
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HAPTER 27 – EXPENDITURE ON PUBLISHING AND INFORMATION

Art.	Item	Remarks
270		This appropriation covers the costs of printing the texts which Parliament is obliged to publish in the Official Journal of the Communities in application of its Rules of Procedure (Rules 17, 36 and 45) and of the Rules of Procedure of the ACP-EEC Consultative Assembly. Since 1975 Parliament has also borne the cost of publishing the issue of the Official Journal containing the general budget of the Communities and the issues containing the supplementary budgets.
271	2710	This appropriation is to cover the cost of publishing the report of proceedings (provisional 'rainbow' edition and final edition in six languages), the indexes to these reports, the report of proceedings of the joint meeting of Members of Parliament and Members of the Assembly of the Council of Europe and documents which the Directorate-General for Research and Documentation intends to issue. Breakdown of appropriation: (a) publications relating to debates 1,162,800 u.a. (b) other publications of a general nature
	2719	This appropriation is to cover expenditure arising from the publication of information material other than that printed in the Secretariat's own services.
272	2720	This appropriation is to cover expenditure arising from the organization of press conferences and invitations to journalists to attend part-sessions of the European Parliament, and contributions to the operating costs of the International Press Centre in Brussels, European journalists' associations, etc.
	•	PE 49 107/fin.

CHAPTER 29 - SUBSIDIES AND FINANCIAL CONTRIBUTIONS

				U.A.	
Art.	Itein	Description	Appropriations 1978	Appropriations 1977	Expenditure 1976
290		Subsidies for research at institutions of higher education	token entry	token entry	-
294		Scholarships			
	2940	Scholarships granted for research and study	35,948,-	26,000,-	19.857,10
	2941	Scholarships granted for further vocational training of conference interpreters	token entry	token entry	-
	2942	Other scholarships	133,000,-	120,000,-	22,625,3
;		Total under Article 294	168,948,-	146,000,-	42,482,5
299		Other subsidies and financial contributions towards inspection costs			
	2990	Subsidies and financial contributions towards the cost of group visits	570_0000,-	525,000,-	496,765,9
	2991	Subsidies towards the cost of visits by high-ranking persons from the Member States	token entry	token entry	
		Total under Article 299	570,000,-	525.000,-	496.765,9
		TOTAL UNDER CHAPTER 29	738.948,-	671,000,-	539,248,1
		TOTAL UNDER TITLE 2	12,891,048,7	12,390,775,-	9.245.699,

CHAPTER 29 – SUBSIDIES AND FINANCIAL CONTRIBUTIONS

Art.	Item	Remarks
294		
2 J -	2940	Robert Schuman scholarships granted to young persons from universities for work within the Directorate-General for Research and Documentation.
-	2942	This appropriation is to cover the scholarships granted to young nationals of the North American and Latin American countries.
299	2990	Appropriation to cover subsidies granted for group
		visits during and between part-sessions and the refund of expenses incurred during study visits.
	•	

TITLE 3
EXPENDITURE RESULTING FROM THE INSTITUTION CARRYING OUT SPECIAL FUNCTIONS
CHAPTER 37 — EXPENDITURE RELATING TO CERTAIN INSTITUTIONS AND BODIES
...

			U.A.		
Art.	Item	Description	Appropriations 1978	Appropriations 1977	Expenditure 1976
370		Expenditure relating to the European Parliament		·	
	3700	Expenditure on inter-parliamentary institutions stipulated in the ACP-EEC Convention of Lomé	285,000,-	300,000,-	270.069,6
	3701	Expenditure on the Joint Parliamentary Committee provided for within the framework of the association with Greece	114,000,-	120,000,-	85_340_1
:	3702	Expenditure on the Joint Parliamentary Committee provided for within the framework of the association with Turkey	114,000,-	120.000,-	79.941,
	3704	Expenditure on parliamentary contacts set up under the association with Malta	19,000,-	20,000,-	-
	3705	Contribution to secretarial expenses of the political groups of the European Parliament	782,000,-	680.000,-	592,723,
	3706	Other political activities	460.000,-	400.000,-	115.000,
		Total under Article 370	1,774,000,-	1.640.000,-	1.143.074,
374		Share of the Expenditure of the Audit Board	702,150,50	702,150,50	620,381,
375		Share of the expenditure of the ECSC Auditor	123,355,-	123,355,-	117.500,
		TOTAL UNDER CHAPTER 37	2,599,505,50	2,465,505,50	1,880,955,
		TOTAL UNDER TITLE 3	2,599,505,50	2.465.505,50	1,880,955,
				2	

TITLE 3 EXPENDITURE RESULTING FROM THE INSTITUTION CARRYING OUT SPECIAL FUNCTIONS CHAPTER 37 — EXPENDITURE RELATING TO CERTAIN INSTITUTIONS AND BODIES

Art.	ltem	Remarks
-		
374 and 375	•	The Audit Board and the ESCS Auditor have not yet submitted their expenditure estimates. The appropriations entered are therefore the same as for 1977, and include appropriations provided for in amending and supplementary budget No. 1/1977.

TITLE 10 OTHER EXPENDITURE

CHAPTER 100 - PROVISIONAL APPROPRIATIONS

CHAPTER 101 – CONTINGENCY RESERVE

	1	INGE RATES FOR THE E.U.A. AND ACTUAL RATES ON	E.U.A.	U.A.	
Chap.	Art.	Description	Appropriations 1978	Appropriations 1977	Expenditu 1976
100		Provisional appropriations			
	1000		-	1,023,000,-	_
	1001		-	3.000.000,-	
2		TOTAL UNDER CHAPTER 100	•	4.023.000,-	•
101		Contingency reserve			
	1010		685,200,-	650,000,-	æ
	1011		•	token entry	
		TOTAL UNDER CHAPTER 101	685,200,-	650,000,-	
02		Reserve to cover any shortfall in appropriations resulting from the difference between forecast exchange rates for the EUA and actual rates on conversion	token entry		
		TOTAL UNDER CHAPTER 102	token entry		
,		TOTAL UNDER TITLE 10	685,200,-	4.673.000,-	•
		GRAND TOTAL	70.625.744,25	68.166.260,50	45_989_ 859
				PE	49 107,

TITLE 10 OTHER EXPENDITURE

IAPTER 100 - PROVISIONAL APPROPRIATIONS

IAPTER 101 - CONTINGENCY RESERVE

HAPTER 10	2 -	RESERVE TO	COVER	ANY	SHORTFALL	IN	APPROPRIATIONS	RESULTING
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TEST TIME		KEDBRAD 10 COADY 1841 DIGHTIMED IN MILKOLKE		
Chap.	Art.	FROM THE DIFFERENCE BETWEEN FORECAST EXCHANTHE EUA AND ACTUAL RATES ON CONVERSION Remarks	NGE RATES	FOR
<u>.</u>	1010	Extension of the canteen/cafeteria in the Robert Schuman Building	50,000	u.a.
		60% increase in appropriation to cover the operating costs of the enlarged canteen/cafeteria	35,200	u.a.
		Rent for and fitting out of the new day nursery	300,000	u.a.
		Expenditure not provided for	300,000	u.a.
	,		685,200	u.a.
			PE 49 10	0 7/fi i

POSTS AUTHORIZED FOR 1978

	Grade	Permanent	Reserve (4)	Tempora	Temporary		
Category				Office of the President Staff Committee	Political groups		
Non-category		1					
A	1 2 3 4 5 6 7	5 14 49 (1) 39 23 (2) 28 22	1	1 1 2	6 5 12 8 25		
	Total	180 `	2	4	65		
B	1 2 3 4	37 39 40 (2)	1 .	1	5 7 10		
	Total	209	1 .	2	22 4		
С	1 2 3 4	148 262 178 (2) 92	13 . 1 2	1 2	14 30 2		
	Total	680 ,	18	3	46 '		
D	1 2 3	46 65 59		2			
	Total	170 ′		2 .	3		
LA	, 3 4 (4 5 (5 7	13 9 61 (3) 36 75 64	1				
	Total	34					
	1	292	2				
GRAND TOTAL		1,532 (6)	23	11	133 (7)		

- (1) including 1 A 2 post ad personam
- (2) including 1 blocked post (D.G. III audio-visual)
- (3) including 1 LA 3 post ad personam
- (4) Posts authorized to replace officials seconded to the political groups
- (5) Staff Committee
- (6) 83 posts created for 1978 are frozen
- (7) 2 posts created for 1978 are frozen