

European Communities

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EUROPEAN PARLIAMENT

# Working Documents

1983-1984

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24 October 1983

DOCUMENT 1-895/83

## Report

drawn up on behalf of the Committee on Budgets

on Section I - PARLIAMENT - of the draft general  
budget of the European Communities for the  
financial year 1984 (Doc. 1-800/83)

Rapporteur: Mr G. PFENNIG

PE 86.762/fin.



On 29 November 1982 the Committee on Budgets appointed Mr PFENNIG rapporteur on Section I - Parliament - of the draft general budget of the European Communities for the financial year 1984.

At its meeting of 17 October 1983 the Committee on Budgets considered the draft amendment annexed hereto and adopted it, the other amendments shown in the table being rejected.

At the same meeting it also adopted the following motion for a resolution with 23 votes in favour and one abstention.

The following were present at the time of the vote: Mr Lange, chairman; Mr Notenboom, first vice-chairman; Mrs Barbarella, second vice-chairman; Mr Pfennig, rapporteur; Mr Abens, Mr Adonnino, Mr Arndt, Mr Balfour, Mr Barbagli, Mrs Boserup, Lord Douro, Mr Gouthier, Mr R. Jackson, Mr Kellett-Bowman, Mr Key (deputizing for Mr Fich), Mr Langes, Mrs Nebout, Mr Newton Dunn, Mr Kalliopi Nikolaou, Mr O'Mahony, Mr Protopapadakis, Mr Saby, Sir James Scott-Hopkins (deputizing for Mr Price) and Mr Simonnet.

The report was tabled on 19 October 1983.

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Annex: Table showing the results of the votes on the draft  
amendments

Draft amendment No. 517

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 Section I 'Parliament' of the draft general budget of the European Communities for the financial year 1984.

The European Parliament,

- having regard to Section I - Parliament - of the draft general budget of the European Communities for the financial year 1984 established by the Council (estimates of Parliament's revenue and expenditure) (Doc. 1-800/83),
  - having regard to the resolution it passed on 18 May 1982 when the budget estimates were adopted<sup>1</sup>,
  - having regard to the report of the Committee on Budgets (Doc. 1-895/83),
  - having regard to the stringent attitude adopted in its discussions on the provisional and final budget estimates towards the creation of new posts, the conversion of existing posts and increases in appropriations,
1. Confirms the decisions it adopted on 18 May 1982 and leaves unchanged the total amount of budget appropriations of 239,127,804 ECU decided at the time, as well as the establishment plan;
  2. Points out that the approach it has taken, which, not counting the special expenditure on the second direct elections, involves a reduction in appropriations of 0.2% compared with the 1983 figure, has served as an example to the other Institutions where the rates of budget increase have been relatively low;

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<sup>1</sup> OJ No. C 161, 20.6.1983, p. 86

3. Stresses that as a result of its extreme stringency in all chapters of the budget, the level of appropriations, particularly in Chapter 11, has been cut so fine that transfers can no longer be ruled out; rejects for this reason the Council's call for further across-the-board cuts in its budget;
4. Considers that it would be desirable in this connection for the responsible departments in its secretariat to take part along with the Council and the Commission in the institutional planning discussions so that a standard approach, or at least one based on the same premises, is adopted in the matter of the calculation of appropriations, particularly in Chapters 11 and 12;
5. Stresses once more in response to the comments made by the Council<sup>1</sup> that the retention of Chapter 91 of the revenue section relating to the (voluntary) contribution of Members to a retirement pension scheme is a transitional measure;
6. Instructs its Secretary-General to transfer 2 A 7/6 and 1 B 5/4 posts from the existing establishment plan to provide the Political Affairs Committee with appropriately qualified staff to cope with the steady increase in its workload, particularly in the field of human rights<sup>2</sup>; believes that in this way it can avoid creating new posts for this purpose;
7. Recalls its resolution of 18 May 1983, particularly paragraphs 14-19 thereof, and calls on the Bureau to forward immediately to the Committee on Budgets the new report to be submitted shortly by the Steering Committee on Data Processing, adapted, where necessary, to the five-year plan, so that the Committee on Budgets can draw any necessary inferences from it before Parliament's budget is finally settled;
8. Refers once again in this connection to paragraph 21 of its resolution of 18 May 1983 and stresses the need for a qualitative overhaul of Parliament's secretariat, using the current establishment plan for the purpose; instructs its Committee on Budgets to draw up its own specific proposals and to present the budgetary implications thereof in good time, before the final version of the 1984 budget is drawn up;

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<sup>1</sup> Volume 7, Council's Explanatory Memorandum on the draft general budget, p. 20

<sup>2</sup> See 1983 Annual Report

9. Urges that individual services be reorganized at long last as there will no longer be enough money in the 1984 financial year for them to go on working in the previous way;
10. Reminds the Bureau and the Secretary-General of its resolution on the draft budget estimates of 13 May 1982 and on the draft of Section I 'Parliament' of 28 October 1982, in which it recommended that staff salaries should be paid in ECU in order to maintain their purchasing power; calls on the Committee on Budgets to report on the measures that have been taken in the meantime to comply with this request;
11. Undertakes, for its part, to incorporate in the remarks column the structure of the breakdown of certain budget lines introduced by means of a blanket amendment applicable to all the Institutions, and instructs the administration to provide the figures required for the breakdown of the appropriations before the final version of the budget is drawn up; calls also for the budget to be made more transparent in future by the breakdown of articles into individual items, as has been done, for example, with Article 151 in the case of the Court of Auditors.

EXPLANATORY STATEMENT1. General considerations

In principle, there is little to add to the explanatory statement contained in the report of 16 May 1983 from the Committee on Budgets (Doc. 1-298/83), as regards both the establishment plan and the growth of appropriations and actual expenditure. The rapporteur simply wishes to add a few remarks which, following perusal of the budgets of the other Institutions, seem to be worth making on the way in which Parliament's budget has been arranged and the quality of the establishment plan.

It should be pointed out at the start that the stringent approach adopted in establishing Parliament's estimates had a positive effect on the other Institutions which have not insisted on the reinstatement of the appropriations and staff cuts made by the Council.

2. Break-down and arrangement of Parliament's budget

The rapporteur concedes that the cuts in a number of chapters which were proposed by him, introduced during the period of close cooperation between the administration, the Bureau and himself, and accepted by the Committee on Budgets, might cause difficulties with the implementation of the 1984 budget. This is why in several letters to the Secretary-General the rapporteur had made it clear, and insisted on the point, that starting with the implementation of the 1983 budget, great care would need to be taken in planning operations that might have financial repercussions on the 1984 financial year.

There is no denying that the widespread uncertainty as to the growth of real expenditure in 1984 is essentially attributable to inaccurate estimates of expenditure under the individual budgetary items and thus to the poor quality of internal financial schedules. Hence the need to insist even more strongly that the administration of Parliament should cooperate more closely with the other Institutions, taking part with them in the activities of Council and Commission working parties, and, working on the basis of parameters provided by the Commission, uniform bases of calculation and a



system developed for the purpose by the Council, help to improve the method of checking the appropriations actually required, particularly in the staffing sector.

In looking through the draft budget of the other Institutions, the rapporteur found a number of good examples of the break-down of certain budget items which ought to be copied by all of the Institutions in the remarks column. The only purpose here is to achieve greater budget transparency, making it easier to obtain a picture of spending under various sub-items and its development over the years, and also to lay down a number of standard rules on such matters as the replacement life of office machinery or furniture.

### 3. Restructuring of the secretariat

In paragraphs 6, 18 and 21 of the motion for a resolution of 8 May 1983 and also in part II of the explanatory statement on the establishment plan, the rapporteur already singled out priority areas for a qualitative reorganization of the secretariat based on staff mobility and restructuring measures predicated on the introduction of data processing techniques.

On the eve of the second direct elections to the European Parliament the time would seem to have come to follow up the creation of the necessary material conditions (substantial expansion of the establishment plan to cope with twice the number of Members) by concentrating more closely on the content of parliamentary activities.

It will be clear from a careful perusal of the establishment plan that Parliament has little to set against the extensive and highly specialized apparatus available to the Council and Commission. Parliament's establishment plan shows that even after the substantial increase in staff, direct services and expertise provided to Members, i.e. by the committee secretariats and the Research and Documentation Directorate, currently involve no more than approximately 15% of the total staff of the secretariat.

Even when the Directorate-General for Information and Public Relations, whose work for Parliament assumes special importance in the run-up to the second direct elections, is included, the figure rises no higher than about

22%, or 553 posts. Counting only the A grade staff in Directorates-General II and V, the figure obtained is 134!

This again raises the question as to whether, in order to avoid a further substantial increase in staff numbers in the financial years ahead, stronger emphasis should not be laid in Parliament's existing establishment plan on the staff mobility aspect decided on by the Bureau and also supported by the Staff Committee. The chief implication of this would be a transfer of posts from Directorates-General I and IV to the other directorates-general. The planned introduction on an extensive scale of data processing and computerized office equipment in the secretariat makes it particularly necessary not to let pass the opportunity for reorganization and restructuring. The rapporteur reserves the right to put forward specific proposals in this area to the Committee on Budgets for the 1984 budget.

#### 4. The introduction of the ECU for salary payments

Already in his report on the draft estimates the rapporteur pointed out that the previous year's rapporteur had called for staff salaries to be paid in ECU. Following this, the Bureau instructed the Secretary-General to look into the practical feasibility of this proposal and he set up a working party of experienced officials for this purpose. The working party's report was submitted last September. Since then, an inter-institutional working party has attempted to make further headway but there is no evidence of any progress in the matter. The rapporteur would therefore propose that a situation report be submitted to the Committee on Budgets allowing it to draw its own conclusions as to how Parliament should proceed in this matter.

#### Decisions of the Committee on Budgets on 17 October 1983

The decisions of the Committee on Budgets on the individual draft amendments are shown in the table below.

In the event of draft amendment No. 218 being adopted in plenary, the committee decided that these possible creations of posts would not be allowed to give rise to any additional expenditure, and instructed the rapporteur to propose, if necessary, a corresponding reduction in the appropriation under Item 1110 'auxiliary staff'.

COMMUNITIES FOR 1984

At its meeting of 17 October 1983 the Committee on Budgets took the following decisions:

DA	No.	Budget line	tabled by	description	payment appropriation	COMMITTEE'S DELIBERATIONS		results of votes and explanations
						Decision or opinion		
						for	against	
	517	Remarks against var. articles and items	Mr PFENNIG		-	x		17/-/-
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	<u>ESTABLISHMENT PLAN</u>							
	218	List of posts	Mr GLINNE and others	7 new posts for the groups	-		x	9/10/0 The committee noted that there were no financial implications for 1984
	217	"	"	4 temp. posts for techn. coord. group	-		x	0/10/4 idem
	483	"	Mr PANNELLA	Abolition of 65 posts in the groups	- 2.1 m ECU		x	0/18/1
	46	"	Mr RUMOR (Pol. Comm.)	Creation of 3 posts for Pol. Comm. secretariat	+ 53,500		x	1/18/2 In its motion for a resolution the committee said that the posts needed for the human rights subcomm. should be taken from the existing Secretariat establishment.
	219	"	Konr. SCHÖN a.o.	1 up-grading ad personam (1 B 1 to 1 A 7/6)			x	4/13/1
<hr/>								
	<u>TITLE 2</u>							
	253	Item 2719	Mr PAPAPIETRO (Youth Comm.)	Exp. on publicity and promotion of publications	+ 1 m ECU		x	8/13/0) The committee felt that the old decisions on exp. on 2nd direct elections should be upheld.
	<u>TITLE 3</u>							
	482	Item 3708	Mr PANNELLA	Contrib. prep. next European elections	- 5.236 m ECU		x	1/22/0)

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DRAFT AMENDMENT

E U R O P E A N   P A R L I A M E N T

17 October 1983

Doc. 1-800/517

DRAFT  
GENERAL BUDGET OF THE EUROPEAN COMMUNITIES  
FOR THE FINANCIAL YEAR 1984

DRAFT AMENDMENT No. 517

tabled by Mr PFENNIG, rapporteur, on behalf of the Committee on Budgets

SECTION I - PARLIAMENT

A - Expenditure

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B - Compensation

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C - Revenue

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REMARKS

The remarks relating to the items listed in the annex should be supplemented - if this has not already been done - by breaking down a number of 'global items' to show the individual amounts or the appropriate indications.

Justification

In the budgets of some of the institutions, the breakdown of appropriations or other items of information are shown in such an exemplary fashion that all of the other institutions should proceed in the same manner. They help to achieve greater budget transparency by introducing, for instance, the same requirements as far as the replacement life of office machinery or furniture is concerned.



- Item 2220      New purchases of technical equipment and installations      ECU  
exact breakdown of use of appropriations
- Item 2221      Replacements  
exact indication of the equipment that needs replacing
- Item 2222      Hire of technical equipment and installations  
exact details of the items rented, e.g.  
- Photocopying machines  
- Telecopiers  
- Telephone system  
Word-processing machines, etc.
- Article 230     Stationery and office supplies  
exact breakdown of expenditure, e.g.  
- Offset paper  
- Writing and office material  
- Material required for postage  
- Photocopying costs  
- Printing costs
- Item 2311      Telephone calls, telegrams, telex  
This item should show the fixed costs of telephone rental and the charges for communications as well as for telegraph and telex communications .....
- The appropriation also covers:
- The costs of the telephone maintenance contract
  - The telex maintenance contract
  - The rental of telephone lines
  - The rental of telephone cross connections for terminals
- Reusable revenue amounts to

