

COMMISSION OF THE EUROPEAN COMMUNITIES

GENERAL BUDGET 1981

SECTION III - COMMISSION

COM(81) 200 final

Brussels, 14th April 1981

TRANSFER OF APPROPRIATIONS No 6/81
(non-compulsory expenditure)

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GENERAL BUDGET 1981
SECTION III (COMMISSION)

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(non-compulsory expenditure)

<u>FROM CHAPTER 101</u>	-	CONTINGENCY RESERVE
<u>TO CHAPTER 14</u>	-	EXPENDITURE ON SOCIAL WELFARE
Article 149	-	<u>Other social expenditure</u>

110 000 ECU

The Financial Controller approved this proposal on 27 March 1981 in accordance with Article 21(4) of the Financial Regulation and certified that the appropriations are available.

GROUNDS

The budgetary authority allocated the 1981 appropriations for Expenditure ~~on welfare to~~ the institutions as follows:

	% of basic salaries	amount per head (officials and local staff) (in ECU)	change on 1980
Parliament	0.64 %	146	+ 30.2 %
Council	0.68 %	151	- 6.1 %
Economic and Social Committee	0.88 %	203	+ 11,3 %
Commission ¹	0.16 %	45	- 39.6 %
Publications Office	0.59 %	101	+ 7.3 %
Court of Justice	0.59 %	141	+ 8.1 %
Court of Auditors	0.67 %	161	+ 5.6 %

¹ Staff paid from the administrative appropriations only.

In the case of the Commission, the above figure includes a 55.6% reduction in the appropriation for Article 149 (Other social expenditure). In justifying the reduction from 450 100 ECU in 1980 to 200 000 ECU in 1981, the Council said that assistance to parents for holiday camps under Article 149 should go only to officials in categories C and D. Parliament agreed with its rapporteur's view that, while the appropriations for some social welfare activities for Commission staff were on average lower than the appropriations for similar purposes in national budgets, no change should be made because of budgetary restrictions.

There are problems here both because 40% of the appropriation is allocated to holiday camps and because the appropriations are administered partly in Brussels and partly in Luxembourg.

As regards Brussels, where the Commission manages the appropriations independently, account has been taken of the budgetary authority's wish for economies to be made. The most expensive holiday camps have been withdrawn and parental contributions increased. Prices now include transport costs and have been so designed that only officials on relatively low incomes receive a Commission subsidy. As a result of these wide-ranging measures, holiday camps for the children of Brussels staff will cost only 91 000 ECU in 1981, down from 197 000 ECU in 1980, even though costs are up by between 25% and 30%. Forecast expenditure in Brussels has been reduced by 49.5% from 297 000 ECU in 1980 to 150 000 ECU.

The situation in Luxembourg is quite different: welfare appropriations there are managed by an Interinstitutional Committee on Social Activities representing all the institutions in Luxembourg. At the beginning of the financial year, the Committee decides on the activities it will undertake, determines its overall financial requirements and divides the amount among the various institutions in proportion to the number of officials employed.

The Committee requires 568 415 ECU for its 1981 activities, an increase of 1.6% over the 1980 figure. A large proportion of this sum (80.6%) will be used to pay local staff in the crèche, the child care centre and the after-school centre; most of the rest will be spent on holiday camps. Since 80% of the amount involves inescapable staff costs, there is less scope for economies than in Brussels unless the interinstitutional services are abandoned completely, but, given the situation in Luxembourg, they are quite indispensable.

Because of the reduction in appropriations, the Commission is no longer able to meet its obligations.

Because of changes in staff numbers and a 20% rise in the share paid by the smaller institutions because of certain infrastructure expenses, the Commission's contribution is only 28.2% instead of 32.22% in 1980.

The amount required is therefore 160 292 ECU (28.2% of 568 415 ECU). The appropriation entered is for 200 000 ECU, of which only 50 000 ECU are available for Luxembourg.

An increase of 110 000 ECU is therefore indispensable.

APPROPRIATIONS IN CHAPTER 101 ON

25 MARCH 1981

Amount entered in 1981 budget: 5 000 000 ECU

Transfers in progress		
Transfer	Article	Amount (in ECU)
2/81	262	1 000 000
	(210)	
5/81	(213)	665 000
	(217)	
	TOTAL	1 665 000

Still available: 3 335 000 ECU