



21.9.2018

OPINION

of the Committee on Budgets

for the Committee on Employment and Social Affairs

on the proposal for a regulation of the European Parliament and of the Council
establishing a European Labour Authority
(COM(2018)0131 – C8-0118/2018 – 2018/0064(COD))

Rapporteur for opinion: Jens Geier,

PA_Legam

SHORT JUSTIFICATION

The Rapporteur welcomes the Commission's proposal for a European Labour Authority and considers it an important step in achieving the Pillar of Social Rights. While the Commission proposal is a good starting point, the Rapporteur proposes to equip the Authority with more powers in order to successfully implement its role and to be a useful addition to the existing structures.

As a new priority, the Authority should be financed exclusively by fresh resources and not to the detriment of existing programmes. The Commission proposed to finance 70% of the budget of the authority by redeployments from the EU Programme for Employment and Social Innovation (EaSI) under the current MFF. While the authority has indeed similar tasks, the first years of the Authority will be dedicated to building up the organisation. Operational spending on social affairs should not be impeded and consequently, the financial resources for the authority need to be financed by fresh money.

When deciding the seat, the Rapporteur refers at the recommendations agreed by all Union institutions to apply an efficiency oriented and cost-saving approach. He believes that in order to do so it is vital that Union institutions decide the specific location of the agency rather than just the Member State.

The Rapporteur proposes to mirror the governance structure of the existing agencies in the field of employment and social affairs, i.e. continuing the tripartite governance structure. In order to ensure consistency and to avoid overlapping of tasks, special attention should be put on areas of potential synergies and overlapping tasks among Eurofound, Cedefop, ETF, EU-OSHA and the Authority.

Finally, further amendments aim to continue long-standing positions of the Committee on Budgets, such as the representation of the Parliament in the Management Board and enhanced flexibility when it comes to translation services.

AMENDMENTS

The Committee on Budgets calls on the Committee on Employment and Social Affairs, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a regulation Recital 6 a (new)

Text proposed by the Commission

Amendment

(6a) The Agency should proactively contribute to national and Union efforts while carrying out its tasks in full cooperation with Union institutions, bodies, offices and agencies, and Member States, avoiding any duplication of work, promoting synergy and complementarity and thus achieving coordination and fiscal savings.

Amendment 2

Proposal for a regulation Recital 15

Text proposed by the Commission

(15) In order to keep track of emerging trends, challenges, or loopholes in the areas of labour mobility and social security coordination, the Authority should develop an analytical and risk assessment capacity. This should involve carrying out labour market analyses and studies, as well as peer reviews. The authority should monitor potential imbalances in terms of skills and cross-border labour flows, including their possible impact on territorial cohesion. The Authority should also support the risk assessment referred to in Article 10 of Directive 2014/67/EU. The Authority should ensure synergies and complementarity with other Union Agencies or services or networks. This should include seeking input from SOLVIT and similar services on recurring problems encountered by individuals and businesses in the exercise of their rights in the areas under the scope of the Authority. The Authority should also facilitate and streamline data collection activities provided for by the relevant Union laws within its scope. This does not entail the creation of new reporting obligations for Member States.

Amendment

(15) In order to keep track of emerging trends, challenges, or loopholes in the areas of labour mobility and social security coordination, the Authority should develop an analytical and risk assessment capacity. This should involve carrying out labour market analyses and studies, as well as peer reviews. The authority should monitor potential imbalances in terms of skills and cross-border labour flows, including their possible impact on territorial cohesion. The Authority should also support the risk assessment referred to in Article 10 of Directive 2014/67/EU. The Authority should ensure synergies and complementarity with other Union Agencies or services or networks. This should include ***close collaboration with Eurofound on labour market analyses*** and seeking input from SOLVIT and similar services on recurring problems encountered by individuals and businesses in the exercise of their rights in the areas under the scope of the Authority. The Authority should also facilitate and streamline data collection activities provided for by the relevant Union laws within its scope. This does not entail the creation of new reporting obligations for Member States.

Amendment 3

Proposal for a regulation

Recital 24

Text proposed by the Commission

(24) To guarantee its full autonomy and independence, the Authority should be granted an autonomous budget, with revenue coming from the general budget of the Union, any voluntary financial contribution from the Member States and any contribution from third countries participating in the work of the Authority. In exceptional and duly justified cases it should also be in the position to receive delegation agreements or ad hoc grants, and to charge for publications and any service provided by the Authority.

Amendment

(24) To guarantee its full autonomy and independence, the Authority should be granted an autonomous budget, with revenue coming from the general budget of the Union, any voluntary financial contribution from the Member States and any contribution from third countries participating in the work of the Authority. ***The Authority's budget should be prepared in accordance with the principle of performance-based budgeting, taking into account the Authority's objectives and the expected results of its tasks.*** In exceptional and duly justified cases it should also be in the position to receive delegation agreements or ad hoc grants, and to charge for publications and any service provided by the Authority. ***The contribution from the Union budget should not be to the detriment of other Union programmes.***

Justification

Given that the first years of the operation of the Authority will be dedicated to building up, the operational activity of existing programmes such as EURES should not be endangered.

Amendment 4

Proposal for a regulation

Recital 28

Text proposed by the Commission

(28) The Authority's host Member State should provide the best possible conditions to ensure the proper functioning of the Authority.

Amendment

(28) The Authority's host Member State should provide the best possible conditions to ensure the proper functioning of the Authority. ***The Authority should cooperate closely with other Union institutions,***

agencies and bodies, especially those that have their seat in the same Member State, in order to achieve financial savings.

Amendment 5

Proposal for a regulation Recital 28 a (new)

Text proposed by the Commission

Amendment

(28a) When deciding on the location of the seat of the Authority, the prerogatives of both Parliament and Council as Union legislator should be fully respected and the recommendations of Inter-Institutional Working Group on decentralised agencies' resources should be taken into account. In line with recent procedures for the location of a Union agency, the Union institutions should not only agree on the Member State where the agency is to have its seat, but also on the specific location within that Member State.

Justification

Lo scopo è quello di evitare quanto successo in occasione della nuova ubicazione della sede dell'Agenzia Europea per i Medicinali, dove la procedura di assegnazione prevedeva la decisione mediante sorteggio - tra le offerte in situazione di parità - al termine della terza tornata di voto. In aggiunta, il Parlamento europeo non è stato coinvolto nel processo decisionale, nonostante le sue prerogative di co-legislatore e di primo garante del rispetto del principio democratico nell'Unione. La decisione, infatti, è stata presa a margine del Consiglio "Affari generali" e il Parlamento è stato meramente chiamato a confermarne la scelta mediante la procedura legislativa ordinaria.

Amendment 6

Proposal for a regulation Recital 30

Text proposed by the Commission

Amendment

(30) Within the framework of their respective competences, the Authority

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should cooperate with other agencies of the Union, in particular those established in the area of employment and social policy, building on their expertise and maximising synergies: the European Foundation for the Improvement of Living and Working Conditions (Eurofound), the European Centre for the Development of Vocational Training (Cedefop), the European Agency for Safety and Health at Work (EU-OSHA), and the European Training Foundation (ETF), as well as, as regards the fight against organised crime and trafficking in human beings, with the European Union Agency for Law Enforcement Cooperation (Europol) and European Union Agency for Criminal Justice Cooperation (Eurojust).

should cooperate with other agencies of the Union, in particular those established in the area of employment and social policy, building on their expertise and maximising synergies **and avoiding duplication and thus achieving financial savings**: the European Foundation for the Improvement of Living and Working Conditions (Eurofound), the European Centre for the Development of Vocational Training (Cedefop), the European Agency for Safety and Health at Work (EU-OSHA), and the European Training Foundation (ETF), as well as, as regards the fight against organised crime and trafficking in human beings, with the European Union Agency for Law Enforcement Cooperation (Europol) and European Union Agency for Criminal Justice Cooperation (Eurojust).

Justification

In line with the Common Approach, the agencies related to the field of employment and labour market shall make an efficient use of the limited resources available by seeking synergies and avoiding overlaps in their respective activities.

Amendment 7

Proposal for a regulation

Article 5 – paragraph 1 – point a

Text proposed by the Commission

(a) facilitate access to information by individuals and employers on rights and obligations in cross-border situations as well as access to cross-border labour mobility services, in accordance with Articles 6 and 7;

Amendment

(a) facilitate access to information by individuals **and social partners** on rights and obligations in cross-border situations as well as access to cross-border labour mobility services, in accordance with Articles 6 and 7;

Amendment 8

Proposal for a regulation

Article 5 – paragraph 1 – point g a (new)

(ga) promote cooperation and coordination at Union level among Member States, Union institutions, agencies and bodies in order to achieve fiscal savings, avoid duplication of work and promote synergy and complementarity as regards their activities.

Amendment 9

Proposal for a regulation Article 5 – paragraph 1 – point g a (new)

Text proposed by the Commission

Amendment

(ga) monitor Member States' voluntary return programmes that support individuals who want to return to their countries of origin after having been engaged in cross-border labour mobility.

Amendment 10

Proposal for a regulation Article 6 – paragraph 1 – point a

Text proposed by the Commission

Amendment

(a) provide relevant information on the rights and obligations of individuals in cross-border labour mobility situations;

(a) provide relevant information on the rights and obligations of individuals in cross-border labour mobility situations, ***including information on their social rights such as administrative, employment, health and housing services;***

Amendment 11

Proposal for a regulation Article 6 – paragraph 1 – point c

Text proposed by the Commission

Amendment

(c) provide relevant information to

(c) provide relevant information to ***the***

employers on labour rules, and the living and working conditions applicable to workers in cross-border labour mobility situations, including posted workers;

social partners on labour rules, and the living and working conditions applicable to workers in cross-border labour mobility situations, including posted workers;

Justification

The Authority should provide the information to both employers and employee organisations.

Amendment 12

Proposal for a regulation

Article 8 – paragraph 1 – subparagraph 2 – point b a (new)

Text proposed by the Commission

Amendment

(ba) in cooperation with the national authorities, support and fund advisory services for employees that are looking for or are in employment outside their country of origin.

Justification

The Authority needs to be empowered to not only inform, but also advise employees.

Amendment 13

Proposal for a regulation

Article 8 – paragraph 1 – subparagraph 2 a (new)

Text proposed by the Commission

Amendment

Where a national authority does not respond to a request within the deadline set by the Authority, it shall provide the Authority with the reasons for not doing so.

Amendment 14

Proposal for a regulation

Article 11 – paragraph 3

Text proposed by the Commission

3. The Authority shall **regularly report** its findings to the Commission, as well as directly to the Member States concerned, outlining possible measures to address identified weaknesses.

Amendment

3. The Authority shall **issue semi-annual reports on** its findings to the Commission, as well as directly to the Member States concerned, outlining possible measures to address identified weaknesses. ***These reports shall be made publicly available.***

Amendment 15

**Proposal for a regulation
Article 15 – paragraph 1**

Text proposed by the Commission

The Authority shall establish cooperation arrangements with other decentralised Union agencies where appropriate.

Amendment

The Authority shall establish cooperation arrangements with other decentralised Union agencies where appropriate, ***in particular with Eurofound, Cedefop, EU-OSHA and the ETF, in order to achieve coordination, promote synergies and avoid duplications in their activities for the sake of cost efficiency.***

Justification

In line with the Common Approach, the agencies related to the field of employment and labour market shall make an efficient use of the limited resources available by seeking synergies and avoiding overlaps in their respective activities.

Amendment 16

**Proposal for a regulation
Article 18 – paragraph 1**

Text proposed by the Commission

1. The Management Board shall be composed of one senior representative from each Member State **and** two representatives of the Commission, all of whom have voting rights.

Amendment

1. The Management Board shall be composed of one senior representative from each Member State, ***one member from each Member State's employers' organisations, one member from each Member State's employees' organisations,*** two representatives of the Commission ***and***

one member nominated by the European Parliament, all of whom have voting rights.

Justification

The amendment aims at mirroring the governance structure of the existing agencies with relation to the labour market and enhance the democratic scrutiny by providing for a member appointed by the European Parliament.

Amendment 17

Proposal for a regulation
Article 18 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. Four representatives, namely one from each of Eurofound, Cedefop, EU-OSHA and the ETF, may participate in the meetings of the Management Board as observers.

Justification

This amendment aims at increasing coordination between the agencies related to the field of employment and labour market.

Amendment 18

Proposal for a regulation
Article 25 – paragraph 1

Text proposed by the Commission

Amendment

1. Each year, the Executive Director shall draw up a draft single programming document containing in particular multi-annual and annual programming in accordance with Commission Delegated Regulation (EU) ***No 1271/2013***⁷³ and taking into account guidelines set by the Commission.

1. Each year, the Executive Director shall draw up a draft single programming document containing in particular multi-annual and annual programming in accordance with Commission Delegated Regulation (EU) ***No 1271/2013***⁷³ and taking into account guidelines set by the Commission, ***as well as the recommendations of the Inter-Institutional Working Group on agencies'***

resources.

⁷³ Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council (OJ L 328, 7.12.2013, p. 42).

⁷³ Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council (OJ L 328, 7.12.2013, p. 42).

Justification

The recommendations of the Inter-Institutional Working Group on Agencies shall be duly taken into account by the Agency when drawing up its single programming document.

Amendment 19

Proposal for a regulation Article 26 – paragraph 1 – subparagraph 1 (new)

Text proposed by the Commission

Amendment

Provisional draft estimate shall be based on the detailed objectives and the expected results of the annual work programme referred to in Article 25(3) and shall take into account the financial resources necessary to achieve those objectives and results, in accordance with the principle of performance-based budgeting.

Amendment 20

Proposal for a regulation Article 36 – paragraph 2

Text proposed by the Commission

Amendment

2. The translation services required for the functioning of the Authority shall be provided by the Translation Centre of the Bodies of the European Union.

2. The translation services required for the functioning of the Authority shall be provided by the Translation Centre of the Bodies of the European Union ***or other translation service providers in accordance with the procurement rules and within the limits established by the relevant financial rules.***

Justification

The proposed amendment aims at providing the Agency with some flexibility in terms of translation services.

Amendment 21

Proposal for a regulation Article 38 – paragraph 1

Text proposed by the Commission

1. In order to facilitate the combating of fraud, corruption and other unlawful activities in accordance with Regulation (EC) No 883/2013, ***within six months*** from the day that the Authority becomes operational, it shall accede to the Interinstitutional Agreement of 25 May 1999 concerning internal investigations by OLAF and adopt appropriate provisions applicable to all employees of the Authority using the template set out in the Annex to that Agreement.

Amendment

1. In order to facilitate the combating of fraud, corruption and other unlawful activities in accordance with Regulation (EC) No 883/2013 from the day that the Authority becomes operational, it shall accede to the Interinstitutional Agreement of 25 May 1999 concerning internal investigations by OLAF and adopt appropriate provisions applicable to all employees of the Authority using the template set out in the Annex to that Agreement.

Justification

Six month buffer period not needed in this context

Amendment 22

Proposal for a regulation Article 44 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. In order to achieve financial savings, the Authority shall cooperate closely with other Union institutions, agencies and bodies, especially those that have their seat in the same location.

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Establishing a European Labour Authority
References	COM(2018)0131 – C8-0118/2018 – 2018/0064(COD)
Committee responsible Date announced in plenary	EMPL 16.4.2018
Opinion by Date announced in plenary	BUDG 16.4.2018
Rapporteur Date appointed	Jens Geier 21.3.2018
Discussed in committee	10.7.2018
Date adopted	25.9.2018
Result of final vote	+: 30 –: 5 0: 1
Members present for the final vote	Nedzhmi Ali, Jean Arthuis, Reimer Böge, Lefteris Christoforou, Gérard Deprez, André Elissen, José Manuel Fernandes, Eider Gardiazabal Rubial, Jens Geier, Monika Hohlmeier, John Howarth, Zbigniew Kuźmiuk, Siegfried Mureşan, Jan Olbrycht, Răzvan Popa, Paul Rübig, Petri Sarvamaa, Jordi Solé, Eleftherios Synadinos, Indrek Tarand, Isabelle Thomas, Inese Vaidere, Monika Vana, Daniele Viotti, Marco Zanni, Manuel dos Santos, Stanisław Żółtek
Substitutes present for the final vote	Karine Gloanec Maurin, Giovanni La Via, Ivana Maletić, Andrey Novakov
Substitutes under Rule 200(2) present for the final vote	José Blanco López, Jonathan Bullock, Isabella De Monte, Sofia Ribeiro, Ruža Tomašić

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

30	+
ALDE	Nedzhmi Ali, Jean Arthuis, Gérard Deprez
ECR	Zbigniew Kuźmiuk, Ruža Tomašić
PPE	Reimer Böge, Lefteris Christoforou, José Manuel Fernandes, Monika Hohlmeier, Giovanni La Via, Ivana Maletić, Siegfried Mureşan, Andrey Novakov, Jan Olbrycht, Sofia Ribeiro, Petri Sarvamaa, Inese Vaidere
S&D	José Blanco López, Isabella De Monte, Eider Gardiazabal Rubial, Jens Geier, Karine Gloanec Maurin, John Howarth, Răzvan Popa, Manuel dos Santos, Isabelle Thomas, Daniele Viotti
VERTS/ALE	Jordi Solé, Indrek Tarand, Monika Vana

5	-
EFDD	Jonathan Bullock
ENF	André Elissen, Marco Zanni, Stanisław Żółtek
NI	Eleftherios Synadinos

1	0
PPE	Paul Rübig

Key to symbols:

+ : in favour

- : against

0 : abstention