The *Court of Auditors,* based in Luxembourg, comprises nine members who supervise Community expenditures.

The *Economic and Social Committee,* is a 144-member consultative body in Brussels representing labour, employers, agricultural, consumer and family organizations, advises the Community executive institutions on EEC and Euratom matters. A similar joint Consultative Committee advises the Commission and Council on affairs relating to the ECSC.

Superimposed on the institutions provided for by the Paris and Rome Treaties is the *European Council,* composed of the nine heads of government and the EC Commission president. Since December 1974, they confer three times a year to take strategic decisions on the broad direction of Community policy, to review major EC issues and to provide the EC with a continuing political impulse.

**Community Law**
The Paris and Rome Treaties are the Community's "constitution". They provide a policy framework and empower the Commission and Council to pass laws to carry out Community policy.

The main characteristics of Community law are:
–that it is an independent legal order;
–that it is common to all member states;

–that it takes precedence over any national law in the event of incompatibility between the two legal systems, whether the national law is prior or subsequent to the Community law in question.

**The Community Budget**
The Community budget is fixed by the Council of Ministers and the Parliament. In 1979, the Community will spend over $22 billion, of which about 73 per cent is for the agricultural sector (such as price supports and farm modernization). The remainder

will cover operating costs (almost 5.5 per cent), social and regional sectors (4 and 5 per cent respectively), research, energy, industry and transport policies (2.2 per cent) and development cooperation (3.6 per cent).

The budget is financed from the Community's "own resources", comprising agricultural levies, customs duties and up to 1 per cent of value-added tax, or GNP-based contributions.

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