



Renouveau & Démocratie

Trade Union of the European Institutions



Brussels, 19 October 2009

± 3%

NET PAY ADJUSTMENT 2009

R&D working to make the method work

According to first estimates by Eurostat, the method for the annual adaptation of salaries for EU staff in 2009 will result in an **increase of 3.6% of basic salaries**, effective retroactively as of 1 July 2009. The net effect on our salaries will be 3% on average.

This result partly compensates for losses in our purchasing power in 2008.

Let's not forget that overall, officials had already lost a considerable amount of their purchasing power since the introduction of the Kinnock staff regulations ('statut') in 2004

The pension contribution will increase once again in 2009, this time by 0.4%, to 11.3%. A further increase of the 'special levy' imposed by the Kinnock Reform since 2004, to the tune of 0.2% on average of the basic salary (this figure can rise as high as 0.42% in individual cases). This increase in the special levy will be felt on our salaries as of January 2010.

The calculation in detail:

+3.6% Method result:

inflation in Brussels plus parallelism in salaries of 8 MS

-0.4% increased pension contribution

-0.2% average special levy increase

Net salary increase

+/-3%

As **R&D** had forecast, certain one-off effects that worked to our disadvantage in the high inflation environment of 2008, have been compensated this year when inflation in Belgium was negative in mid year. Therefore the 2009 increase primarily reflects a time lag in the impact of the economic environment in Belgium, and salary increases in central civil services of a reference group of 8 Member States. This result is also the proof that the principle of the method of annual pay adjustments is a fair measure that needs to be defended.

At the same time **R&D** is insisting that the method needs to be technically adapted in order to better reflect the realities in the EU and its institutions (e.g. EU enlargement, contract agents etc), especially with regard to the consumption pattern of lower paid officials which is entirely possible within the framework of the existing staff regulations.

The impact of the worst economic crisis for 60 years will determine the outcome of our pay adaptation in the years to come. In 2012 the method will be reviewed. In an overall hostile environment against European integration on the whole and EU staff in particular it is ever more important to have a method that works.

There is something you can do to help **R&D making the method work better: in November 2009 Eurostat will launch the household survey (every 5 years) to determine EU staff's consumption patterns. The more replies to that comprehensive (and time consuming) questionnaire are made, the better the statistical base for future payment adaptations will be – the better the annual results.**

Please do make your contribution in time and effort!!!!