Amending budget 8/2008: European Economic and Social Committee EESC, adjustments of pay and pensions expenditure

2008/2287(BUD) - 06/10/2008 - Commission preliminary draft budget

PURPOSE: to present the Preliminary Draft Amending Budget (PDAB) No 9 to the general budget 2008: Section VI – European Economic and Social Committee.

CONTENT: PDAB No 9 for the year 2008 concerns only the European Economic and Social Committee (EESC) and covers the budgetary adjustments resulting from the fact that the increase in salaries and pensions was lower than that used as a basis for drawing up the 2008 preliminary draft.

The Preliminary Draft Budget (PDB) for 2008 presented by the EESC was based on an estimate of a 2.2% increase for pay and pensions.

On 17 December 2007 the Council, acting on a Commission proposal, adopted Regulation No 1558/2007 increasing with effect from 1 July 2007 the remuneration and pensions of officials and other servants of the European Communities by 1%. This is the increase that was applied to pay and pensions in 2007.

However, after the submission of the Commission proposal to the Council, Italy communicated new data concerning the increase in the remuneration of its civil servants with effect from 1 February 2007. Therefore the Commission presented a revised proposal increasing pay and pensions by a further 0.4% with effect from 1 July 2007.

The consequence for 2008 is that appropriations for pay and pensions can be reduced by about 0.6%. This is the result of two technical adjustments:

- the reduction of pay and pensions expenditure by about 0.8% due to the difference between the 2.2% estimated increase and the 1.4% actual increase;

- the increase of pay and pensions expenditure by about 0.2% due to the one-off backdated payment of 0.4% for the last six months of 2007.

Impact on the budget: according to the EESC's estimates, the impact on the budget resulting from the adjustment of salaries will reduce the general budget of the Communities (heading 5 – Administration) by **EUR 318 262**. The effect on pensions is reflected in the Commission's budget and has already been adjusted in amending budget No 3. Only the indirect effect on revenue (contributions to the pension scheme) is contained in this PDAB for the EESC, that is **EUR – 48 265 in revenue for the EESC and EUR – 318 262 in non compulsory expenditure**.