16 October 2013



## News on the reform and salary adjustment

In the legal case concerning the 2011 salary adjustment, the Court's Advocate General fully supported the Commission's view. The Court's judgment should be delivered in mid-November. It is hoped that the judgment (upholding the salary adjustment) will be executed in 2013. Otherwise, in 2014 (in view of the coming into force of the 2014-2020 MFF) payment of arrears will require budgetary reshuffle.

On the pension contribution rate adjustment, Member States consider that the Council is under no obligation to adjust it every year, but only every five years. On the other hand, if the Court follows in its judgment the Advocate General concerning the 2011 case, the solution for the 2012 salary adjustment should follow by way of consequence. The Court of Justice would be annoyed if the Commission v. Council dispute carries on.

On Thursday 10 October, the Council formally adopted the 2014 Reform (see attachment). The Regulation will be formally signed jointly during the 2nd October session in Strasbourg and published in the OJ end of October. The suspension of the Method will take effect immediately after this publication, while the remaining provisions will take effect on 1 January 2014.

2013 salary adjustment: In application of the freeze included in the Staff Regulations reform, there will be no change for Brussels and Luxembourg. However, the Commission is preparing a Regulation limited to adjusting the correction coefficients in relation to Brussels, for which no salary adjustment is made. The figures calculated by Eurostat, which would have applied in the absence of a freeze, were not communicated, on the grounds that it would awkward to release figures which have no legal value. Luxembourg (for which no correction coefficient applies) shows a further increase of its cost of living in relation to Brussels.