

TOGETHER Luxembourg

ENSEMBLE



Correction coefficient for Luxembourg: do not fool yourselves! No delegated act is possible and there are no tiny reforms, limited reforms or surgical reforms!



One local union has built their campaign around correction coefficient for Luxembourg promising to increase your salary of 10%-12% ...with no risk and any collateral damages.

Who could refuse such a gift? One must be crazy for not agreeing!

Still...ALL OTHER unions representing 75% of the staff in Luxemburg and 97% of the staff of the Commission are voicing very crucial concerns.

Are they all crazy? Are they all puppets of the nasty DG HR? Are they all only defending Brussels staff?

Let's see together ...

Three years ago...last elections ...

That same local union promising to increase your salary for free...got 25% of the votes in 2016 with the same empty promise. Still in 2016 all conditions were favorable: a Luxembourgish president at the Commission, no Brexit nor budgetary restrictions looming, and the correction coefficient is still not here.

Today ...new elections...

Last week when Commissioner Oettinger came to Luxembourg meeting with trade unions, did he announce that correction coefficient for Luxembourg will be introduced before the end of the Juncker Commission? Not at all!

Commissioner Oettinger rightly mentioned that under present political and financial conditions in Europe the Commission will not present any reform of the Staff Regulations, underlying that the consequences for the staff will be disastrous!

Did the above mentioned local Union object anything?

It must be recalled that Vice President Georgieva had already mentioned that in order to protect the staff from the devastating attacks of the Council the Staff Regulation must be kept in a vault under the ocean.

We don't have to explain further that it is not going to be any easier with a shaky Commission that does not even manage to go through EP hearings, and with Member States struggling over the new post-Brexit budget.

You still don't believe it? Ok, but let's see the facts

From the legal point of view:

Let's start with the option of delegated act

Annex XI of Staff Regulations envisages that: If Eurostat confirms that the difference (in cost of living) is significant (more than 5 %) and sustainable, the Commission shall enact, by means of delegated acts, a correction coefficient for that place.

Easy like abc? Not at all!

One does not need to be a lawyer to understand that a delegated act cannot go against the law.

Article 64 of the Staff Regulations states: "No correction coefficient shall be applicable in Belgium and Luxembourg".

Therefore, to adopt a correction coefficient for Luxembourg by delegated act is simply impossible because it is illegal.

You still cannot believe it?

Ok, let us try to follow the unreasonable approach of those who seem to consider that the legality is not a concern...where there is a will there is a way, they would argue...

Let us then imagine that the Commission just writes in its corner a delegated act!

Would that be enough for adopting the weighting for Luxembourg? Not at all!

Member States can withdraw the delegated power anytime and they have the right to oppose.

You still...still ...don't believe us ?

Read then article 112, paragraph 5 of the Staff Regulations which state that:

"A delegated act adopted pursuant to Articles 56a, 56b, 56c of the Staff Regulations, Article 13(3) of Annex VII or Article 9 of Annex XI thereto or Articles 28a(11) or 96(11) of the Conditions of Employment of Other Servants shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council"

IN ORDER TO ADOPT A DELEGATED ACT, THE AGREEMENT OF BOTH COUNCIL AND EUROPE-AN PARLEMENT ARE THEN REQUIRED!

Do you really think that Member States will happily spend almost A BILLION EURO in the next MFF to please tiny Luxembourg and us and not oppose?

Do you really think that Belgium, France, Germany as bordering countries would ever agree?

Do you really think that EU 13 Member States confronted with some 50% weighting and keeping on complaining about it... would ever agree?

Even if the co-legislators do not oppose, this would lead to two contradictory regulatory standards, one of which (Article 64 of the Staff Regulations) is a legal provision hierarchically superior to the delegated act.

What about a tiny, limited, "surgical" reforms?

The local trade union would seems to argue: if a delegated act is no possible... Let's then change Article 64 of Staff Regulations with a "surgical" reform!

How does it work?

The Commission goes to the EP and Council with a proposal to amend only Article 64 of the Staff Regulation... but the Commission proposes and EP and Member States decide!

Would they be so nice to not change anything else?

Like the Court of auditors has just recognized on its report (<u>link</u>), the results of the last two Reforms 2004 and 2014 show that the Commission has neither the strength nor the capacity to master the adoption process and its initial proposal comes out systematically and heavily worsened!

Do not fool yourselves: there are no tiny reforms, limited reforms or surgical reforms!

Indeed, once a reform proposal is presented, the Commission effectively loses control of the process.

The co-legislators are in no way restrained by the original proposal and can:

- ⇒ modify it,
- ⇒ make it worse in aspects that are presented,
- ⇒ add many other aspects that, as in 2014, are not covered by the original proposal,
- even include measures that were expressly excluded by the Commission by providing a detailed motivation justifying their noninclusion in the proposal.

Thus, the negotiations with the Council are much more like a social butchery than a robotic microsurgery theatre!

Not enough? Still dreaming of a tiny reform, hoping to rely on the support of the biggest Member states?

Well, read on the newspapers the cuts that **Germany** are proposing to the budget for the next MFF!

Not enough? You dream to rely on the support of **France**?

Have then a look of the publicly available annex to the French financial law available here and on page 31 you will realize that they also have plans for our Staff Regulations, namely to "revise" our pension system", to "modernize" allowances (goodbye 16%...), promotions, taxes.

In these circumstances, we hope that from now on everyone even the local trade union has finally understood that it is irresponsible to engage in "tiny reform" proposals aiming at "surgical and controlled" modifications of our Staff Regulations only limited to the aspects that would be covered by the proposal.

The truth is that if the Commission presents ANY PROPOSAL concerning our Staff Regulations, ALL MEMBER STATES will just jump on the occasion and push all this through finishing the work started in 2014. No one can deny it in good faith!

But this is not enough. Let's take care of some thousands colleagues living behind the border that this local trade union seem having decided to sacrifice.

The main difference in the price structure between Brussels and Luxembourg is housing.

Do you really think that it is politically defendable that you give a corrector coefficient on the basis of housing costs in Luxembourg to thousands of people living behind the border?

Let us not forget that most of those colleagues get an expatriation allowance that will immediately be put into question.

But if you don't care about these colleagues and you just want to keep your little power in the Local Staff

Committee...you are ready to take all possible risks even if your unrealistic proposal aims at gaining 10% for some, but at the same time losing 20% or may be more for others colleagues.

Are we denying this difference in the price that staff in Luxembourg is facing? No at all.

We are fully aware of the problem and we do not want in any way to deny it.

We propose measures that do not entail changing the Staff Regulations and we'll send our proposal to Commissioner Oettinger like he has requested trade unions to do at the end of the above mentioned meeting with them last week in Luxembourg.

Our proposals

Some examples of our proposal: a social allowance for housing managed via existing channels, such as CAS (Comité d'action Social). 0% loan for home acquisition. Those are two examples of totally feasible measures that could help the staff in Luxembourg without big risks.

Your suggestions...

And we are open to receiving your suggestions for any other measure that could help the staff without opening the door to a *next* Reform!

So beware of fake news! All the facts mentioned above are verifiable.

Ask the supporters of the so called "surgical reform" to provide you with their clear proposals about exact the legal procedure that they propose to follow taking into account all the above mentioned elements.

SAVE THE DATE 5 November 12h30-14h30 meeting room ARIA A-00-A075, and by videoconference in other buildings, rooms to be announced

Waiting for their explanations, we will organize an open conference-debate with specialized lawyers in order to provide you with a clear explanation about any legal aspects and to answer to any question that you would ask. We will reserve a seat also to our colleagues of the local union mentioned above who are kindly invited to explain their proposal.

