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**Subject:** Any adults in the room? Stop fooling us!



## Any adults in the room? Stop fooling us!

As we all know:

- The salaries in Luxembourg are the same as in Brussels. This is enshrined in article 64 of the Staff Regulations
- The accumulated purchasing power gap between these two worksites started to increase decades ago (1). In fact it could well be close to or even above 20%. The salary adaptation in December, negative for some colleagues and close to zero for most despite high inflation, makes things worse.
- The main element affecting Luxembourg-based staff, beyond this purchasing power gap, is the relatively higher cost of living in Luxembourg mainly (but not only) linked to accommodation costs.
- The institutions based in Luxembourg, after more than 20 years of the gap widening, finally issued in 2022 a plan of 12 actions (2) to enhance the attractiveness of Luxembourg as a place to live and work.
- The situation in the Commission services is dire: chronic understaffing, rising numbers of empty posts, rising usage of Contract and Temporary Agents vs decreasing numbers of Officials, rising usage of private service providers, who may or may not fulfil the requirements and overall, a diminishing number of posts being effectively attached to Luxembourg.
- For Luxembourg-based colleagues, there is an increasing proportion of them commuting across the border and also an increasing proportion of them taking any opportunity to get another job elsewhere. Incapacity to attract or retain staff and growing issues with delivering the tasks are facts.
- The trendy 'geographical balance' across sites that the Commission wishes to reach is locally getting further and further away. Indeed, the proportion of some nationalities is growing while other nationalities are locally close to extinction.
- Last but not least, for the colleagues who are lower on the salary scales: minimum-national-salary-compensation mechanisms exist in various Luxembourg-based EU institutions. Each institution has its own and provides different compensations for the same situation. These compensation differences, let's say for a given grade, are further creating competition between institutions. Indeed, the Parliament decided to amend its own minimum-wage rule in summer 2023 to make it much more advantageous than before. The Commission compensation mechanism was also always the 'least attractive' one. It is even more so now.

For the last few years DG HR repeatedly stated they were working with other institutions on a housing allowance as an income-compensation mechanism. The claimed reason for not yet having implemented it was due, of course, to budget constraints. The latest information indicates that the housing allowance for Luxembourg is no longer even on the agenda. That decision has obviously been taken without any consultation with the trade Unions or your elected staff representation (Local or Central Staff Committee). This seems to be yet another example of the total lack of formal discussions ('social dialogue').

- What will the Luxembourg-based institutions propose instead of a housing allowance?
- Is the decision of not using a housing allowance or any other compensation mechanism (let alone the one for colleagues under the minimum national salary) again linked to budget constraints?
- Is the decision to abandon a housing allowance just a way to again win a bit more time as our employer does not have any decent durable solution to the cost-of-living problem in Luxembourg?
- Is our Commission College (like the previous ones) trying to avoid its responsibilities towards staff?

This looks like a crooked tango where partners (employer and employees) never look in the same direction and, of course, don't really listen to each other. In a dysfunctional couple, at some stage one party must admit that it wants a divorce. The couple's conciliation (the 12-action plan to enhance the attractiveness of the Luxembourg EU institutions as a place to work) is perhaps doomed to fail. Why isn't the Commission just admitting that the Luxembourg Commission site will close down? Do Commission staff in Luxembourg need to go to the street to be heard and considered?

The undersigned trade Unions and staff associations and, through them, their overarching Representative Unions Federations at Commission level call for an immediate Social Dialogue on the attractiveness of Luxembourg as a place to live and work and a dedicated meeting with Commissioner Hahn.

*USFLuxembourg, FFPE Lux, U4U Lux, TAO Lux, R&D SE Luxembourg, Generation 2004*

(1) AIRINC 2019 REPORT REFERENCES [study-cost-of-living-eu-staff-luxembourg-final-report-26-09-2019.pdf \(europa.eu\)](#)

(2) 12 actions for Luxembourg: [12 actions](#)