







Brussels, 2 August 2022

Note for the attention of Mr Johannes HAHN Commissioner for Budget and Human Resources

Subject: Statement by the European Council Budget Committee of 13 July on the draft general budget of the European Union for the financial year 2023

All the staff unions of the European Commission, gathered in a Common Front, have taken note of the statement of the Council Budget Committee on the draft General Budget of the EU for 2023 (link) where the Commission is requested, in accordance with article 241 of the Treaty on the Functioning of the European Union (TFEU) to report to it, by the end of September 2022, on the effects and sustainability of automatic salary discounting in a context of high inflation and to submit any appropriate proposals to alleviate the pressure on administrative expenditure.

At your last meeting with the trade unions and professional organisations (OSPs) on 14 June, you pledged that the Commission would not bring forward a proposal to amend the Staff Regulations.

On 20 July, following the statement introduced by the Council's Budget Committee on 13 July and the OSPs' leaflets, DG HR organised an extraordinary meeting to present to the OSPs its position on this statement, i. e. that:

- the Council's statement is not such as to call into question your commitment not to reopen the Staff Regulations;
- the Commission will request strict compliance with the Staff Regulations in force as regards the application of the salary adjustment method in accordance with Annex XI and the acquired rights of each staff member.

The Common Front is grateful to DG HR for its rapid meeting with the OSPs and for clarifying your position.

The Common Front is keen to confirm with the utmost clarity that ALL OSPs are totally and unreservedly opposed to any new reform of the Staff Regulations.

In this respect, the Common Front wishes to recall that history is there to demonstrate that once the Commission presents a proposal at the request of the Council, the latter is perfectly free to broaden it, to distort it, to affect aspects not included in the Commission's initial

proposal and even to introduce those that it had expressly excluded by providing a detailed justification of its choice.

Thus, as the European Court of Auditors confirmed in its report "Implementation of the 2014 revision of the Staff Regulations and related measures in the Commission - Substantial savings but not without consequences for staff " (2019) (link), the 2004 and 2014 reforms generate and are still generating substantial savings, estimated at 56.1 billion euros between 2004 and 2064 ¹, well beyond what was foreseen in the Commission's initial proposal.

In that same report, the European Court of Auditors also pointed out that these last two reforms have not only had a negative impact on the working conditions of staff, above all of our Contract Agent (CA) and Secretary/Clerk (AST-SC) colleagues, but have also "reduced the attractiveness of the European Union as an employer, which is struggling to recruit sufficient staff, particularly from a number of Member States".

The situation is even more serious in Luxembourg where, due to the cost of living, a growing number of posts remain vacant and some salaries are below Luxembourg's minimum wage.

Moreover, the European Court of Auditors points out that Commission staff was the most affected. Unrecorded working hours were also observed in the report, as the internal recording system does not allow them to be taken into account (points 80-85 of the Court of Auditors' Special Report 2019).

Ever since, the international situation has worsened, the health crisis and widespread teleworking have had an even greater impact in terms of unpaid working hours and increased workload. In such a context and as mentioned during your last meeting with the OSPs, the Common Front supports the Commission in its willingness to ask for an increase in the budget to face the challenges ahead.

In view of the above, the Common Front asks the Commission:

- to pursue the line presented at the meeting of 14 June not to open the Staff Regulations and to apply Annex XI to the letter for the salary adjustment;
- to be consulted in a timely manner throughout the process to set up, within the framework of the current Staff Regulations, all measures allowing to improve the attractiveness of the European civil service as well as the working conditions of all colleagues.

¹ Data quoted from the Court of Auditors' Special Report 2019: <u>Implementation of the 2014 staff reform package at the Commission – Big savings but not without consequences for staff – p.20: Reform of the 2004 Staff Regulations: Savings on staff salaries and pensions 8 billion euros (2011 prices), savings on pensions 24.8 billion euros (2008 prices); 2014 Review of the Staff Regulations: Savings on staff salaries and pensions 2.7 billion euros (2011 prices), Savings on pensions 19.2 billion euros (2014 prices); Lower adjustment in 2011 and 2012: Savings on staff salaries and pensions 1.4 billion euros (2011 prices)</u>

Finally, the Common Front asks you to ensure that the Commission provides an adequate and firm response to the attacks against the European civil service that have recently been published in the press regarding the budgetary situation.

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