



Generation 2004

Newsletter no.5

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TOP STORY

“The Devil takes the hindmost” - Interview with MEP Ingeborg Grässle (IG), Member of the EP's Budgetary Control Committee



G2004: Dr. Grässle, you have made a name for yourself as a tireless and hard-working campaigner against mismanagement and for more accountability in the EU institutions. What do you think of the changes brought about by the recent (2014) staff reform? Does it address the public criticism of benefits and privileges of (certain) EU civil servants?

IG: The 2014 reform follows the same erroneous principles as the 2004 reform, namely that:

1. The reform brings only cuts, but no modernisation to the European public service.
2. "The devil takes the hindmost" - meaning that newcomers are made to carry the entire burden of the reform which, as I said, almost exclusively means cuts.

On the other hand, pressing questions remain open like: how can the EU remain attractive for young professionals from all Member States? How can the EU attract staff from highly competitive professions in the free economy?

3

2004-2014 Conference: time to move from words to actions

3

Joint Sickness Insurance Scheme (JSIS) "structural deficit" and "increased contribution rate" vs. annual report 2012 CGAM

4

G2004 office also in Luxembourg

4

Generation 2004 supports the abolition of reserved parking spaces

5

Membership

5

..... and finally some lighter moments ☺☺☺

Nothing is done to tackle the deadlock of the pension burden which is a real time bomb and where at the end of this financial period, a quarter of all administrative expenses will be used up for the effective payment of pension commitments that are being made today. That is going to be a very difficult situation, even though European officials contribute with a certain part of their income to the financing of the pensions of their retired peers.

The same holds true for some very high salaries of pre-2004 officials where at present, more than half of all salary payments goes to officials ranking in the staff levels AD 12, AD 13 and upwards! That's pure fiscal madness and the Commissioner responsible for this should be fired – today! The current situation is, in addition to these alarming facts, a great injustice towards all other people.

Thus, NO, the reform of 2014 fulfils none of the public expectations. Yet, however, nobody has really realised it. Also, up till now, nobody has realised the fact that this reform is set in stone until 2023 – nb: it is the only EU benefits regime that is valid beyond the year 2020. If this becomes common knowledge, the European public service will suffer even further damages. It is a grave error to discuss and decide everything concerning staff matters behind closed doors!

G2004: You became an MEP in 2004 - the year when a major reform of the staff regulations was pushed through, curtailing (for the generation of civil servants recruited after that reform) many of the benefits and privileges that had been criticised in public. However, this reform did not touch the 'acquired rights' of the older generations, and produced a certain number of unexpected results, with a clear disconnection in some cases between the level of responsibilities and the level of remuneration.¹ Has the reform achieved its expected objectives and have the savings been worth the inequality and divisions created within the EU public service?

IG: I regret that no analysis has been undertaken on the results achieved with the reform in 2004. No debate took place – neither in Parliament nor in any other EU institution – about what aims should have been achieved with the 2004 reform. No audit from the Court of Auditors was available on the effects of previous reforms. Everybody's only concern was not to let the topic go public.

In the Parliament the results of the negotiation in 2014 were never discussed in plenary. The President of the Parliament decided to pre-pone the vote in plenary that was initially scheduled on Wednesday, 3rd July 2014, to Tuesday, 2nd July 2014. No discussion – not even in the group meetings – was possible any more. So, most of the colleagues who voted on the reform did not know what they were voting on at all.

As the rapporteur of the Budgetary Control Committee I tried to make proposals aimed towards aligning responsibilities and managerial duties of officials with their respective salaries as well as the promotions that they were and now still are entitled to. Furthermore, already in May 2011, I tried to make other proposals that would have solved some of the more urgent problems.

The magical argument during the debates that I often encountered, the reason to refuse all changes to the pre-2004-generation's entitlements, was the protection of "vested rights" or as we call it in Germany "*Besitzstandswahrung*". I would have been very interested in having an in-depth legal study conducted about this and other bogus arguments that 'legally' prevented, and even prohibited – at least so I was told – changes to the Staff Regulations that would have endangered the status quo of (some) public officials.

If I look at the content of the 2014 reform, it is obvious that high-grade officials who designed this reform tried to put the whole burden of cuts on the lower grades and on to the "new generation". They followed the same intrinsic rules as the creators of the 2004 reform did: *Après nous - le deluge!!!*

G2004: You are currently campaigning for a third term in the European Parliament and you are committed to continue your important work on budgetary control. What do you see as the challenges and opportunities for your future work in this area?

IG: This may appear paradoxical, but after 10 years as a member in the Budgetary Control Committee of the European Parliament, I am profoundly optimistic; because for the first time we encounter a real lack of funds, a situation that was well known in the *Landtag* - the Parliament of the state of Baden-Württemberg in Germany - of which I was a member for eight years.

This situation of scarce funds will have a significant impact on us and our work at European level in the next five years. I am sure it will help to move things forward where *better spending* will be the major yardstick within all areas of public spending in Europe.

¹ Cf. "Equivalence between old and new career structures", Report to the European Parliament and Council, COM (2011) 171/2

Focussing on HR expenditure, we should have the courage to look at what is possible beyond simple bargaining and tit for tat. Changing the Staff Regulations must also tackle questions like:

- how can we provide for a fairer balance between “generations”?
- how can we spend our money more effectively and more efficiently?
- how can we spend public money better?

I, for one, would like to see less fear and fewer taboos when tackling these problems and I would wish for a common upheaval for a truly European civil service that is able to fulfil the dedicated task, instead of only being dedicated to defending its own privileges. In this respect I welcome the fresh and credible approach that you have brought up through Generation 2004.

G2004: Dr. Grässle, we thank you for these clear views.

2004-2014 Conference: time to move from words to actions

A decade after the reform of 01 May 2004, the EU civil service stands deeply divided into two distinct classes of officials: pre and post-2004.

By now, for better or for worse, almost all unions have recognised that there is *indeed* a "post-2004" problem; at least through written or spoken words; it is now high time to test whether this is just lip-service or whether indeed they are ready to move, together with Generation 2004, from words to concrete, corrective action.

We strongly believe that NOW is the right time to act together: when we are all looking with hope towards the arrival of a new, fairer Commission and Parliament.

To this end, Generation 2004 is inviting the leaders of all EU civil service unions to a **conference being held on 20 June** where together we may identify and agree upon a number of measures intended to address the injustices of the 2004 reform which we may then present to the new Commission later this year.

When: Friday 20 June 2014 from 0900-1400

Where: Jenk Hall, Charlemagne Building, Rue de la Loi

Invitations and further details to follow shortly

PLEASE SEE ALSO [here](#) Generation 2004's message to staff sent out on 01 May 2014

Joint Sickness Insurance Scheme (JSIS) "structural deficit" and "increased contribution rate" vs. annual report 2012 CGAM

We were surprised to read the following in the minutes of PMO's latest management meeting (1st April, 2014):

"Réunion VPS – HR – PMO: RAA 2013

ML présente les conclusions les plus importantes de la réunion avec le Vice-Président Šefčovič (VPS) sur le Rapport Annuel d'Activités (RAA) 2013 du PMO :

- *Le VPS félicite l'ensemble du personnel du PMO pour les résultats très positifs de cette année 2013 et du premier trimestre 2014 (voir présentation en pièce jointe) qui se montrent très prometteur dans le sens où il permet d'observer certains bénéfices obtenus de par la modernisation des outils du PMO (réduction des délais de remboursement et amélioration de la communication vis-à-vis de nos clients). Le VPS encourage ainsi le PMO à poursuivre sur la voie de la modernisation de son environnement de travail. Le VPS souligne également le succès du PMO dans la mise en œuvre correcte de la réforme du statut à partir du 1er janvier.*

- *Le VPS encourage la poursuite des travaux visant à examiner les possibilités d'approfondissement de notre collaboration à moyens termes avec les différentes institutions, agences et autres organes de l'UE, et soutient pleinement la nouvelle approche du PMO consistant à réévaluer les SLA (service level agreements) sur la base de coûts moyens réels, permettant ainsi de couvrir toutes les ressources jugées nécessaires pour assurer la charge de travail liée aux services couverts.*
- *Le VPS rappelle la nécessité de maintenir un niveau de surveillance élevé pour veiller à ne pas détériorer davantage l'équilibre financier RCAM (Régime Commun d'Assurance Maladie), dont le déficit structurel est pleinement reconnu. Il entend le moment venu remettre à son successeur un état des lieux précis ainsi qu'éventuellement des pistes de réflexion.*

Dans ce contexte, ML signale que l'AIACE (Association Internationale des Anciens des Communautés Européennes) a proposé d'augmenter le tiers de la contribution mis à la charge de l'affilié, tout en restant en dessous du seuil de 2% de son traitement de base, tel que prévu à l'article 72(1) du statut, ce qui permettrait une décision relevant des AIPN et ainsi d'éviter la procédure de codécision entre le Conseil et le Parlement européen."

This is indeed surprising, especially in light of the latest available management report from CGAM (see [here](#)) where we read that the 2004 reform and the latest "pay freeze" decisions were disastrous for JSIS:

- see p. 17, point 4.4.3, 2nd §: "without the pay freeze, the 2012 operational deficit would be – 1% instead of – 3,5%", or
- p. 20, point 4.6: "in 2004, the net assets covered 16 months spending, whilst in 2012, we are at 8.3 (with the pay freeze) or 8.7 months (without the pay freeze)"

Once more, it is all too obvious that "one-size fits all" decisions are about to be made (or will be made by the new Commission) to the effect that post-2004 colleagues will again "pay twice" through a number of measures ... the list of which is on page 26 of the report, and all these may be quite painful!

We are actually quite surprised that instead of taking into account the opinion of staff currently in service, the Šefčovič cabinet seems to rely more on AIACE! Maybe this is also why the latter – with their pensions much higher than current salaries – do not have to pay their 6% solidarity levy in spite of their pensions being indexed like salaries; or do we get it wrong, as usual???

Generation 2004 supports the abolition of reserved parking spaces

Generation 2004 has started an internal reflection on mobility, an issue that concerns us all. Last fall, the European Union Cyclists Group (EUCG) gave a thought-provoking presentation on the equal treatment of all transport modes during a meeting of the Brussels Local Staff Committee. Basically, EUCG argues that car drivers are given a subsidy in the form of free parking spaces that is much more substantial than any subsidies received by users of other transport modes. EUCG would like that a more balanced scheme of subsidies be proposed to encourage staff to switch to sustainable transport.

Generation 2004 cannot endorse EUCG's proposal at this stage because of its potentially divisive aspects and because it is not clear what the situation is in locations other than Brussels.

However, as one our founding principles is precisely the abolishment of unjustified privileges, we have a concrete proposal that would constitute a small step towards equal treatment of transport modes: Generation 2004 believes that reserved parking spaces could and should be abolished. Indeed:

1. Most (if not all) of those who benefit from reserved parking spaces are officials who could afford renting a parking space on the private market (typically managers).
2. Reserved parking is a sub-optimal use of space – i.e. spaces remain empty while other colleagues are struggling to find a space, including cyclists who often do not have enough space to park their bikes, in particular in summer.

Generation 2004 will shortly be making a proposal to DG HR along these lines; please do let us know what your views are on the issue of mobility.

G2004 office also in Luxembourg

Visit us in Luxembourg in the Jean Monnet Building:

JMO B2/027

Simply pass by and discuss with us issues of your concern during office hours or upon previous agreement.

Office hours:

Monday 14-17 (Josef)
Friday 14-17 (Ibolya)

Or call us:

Josef Hlavac: 32441/35514
Ibolya Mile: 31878/38021

Or email us:

REP-PERS-OSP-GENERATION-2004-LUX@ec.europa.eu

See you soon
Your LUX Generation 2004 team

If you identify with what you have read, and share our objectives, [please give us your support TANGIBLY by becoming a member](#).

Whilst **Generation 2004** is the home of EVERYONE who believes in equality, justice and solidarity, it is

✓ the *natural* home of ALL staff recruited after 01 May 2004

and *de facto*,

✓ the *natural* home of ALL staff recruited from the "new" (2004+) Member States

Contacts:

Stefan.GRECH@ec.europa.eu

Leja.SPILJAK@ec.europa.eu

Pascal.LE-GRAND@ec.europa.eu

Stefan.NISTOR@ec.europa.eu

Daniela.SIMIONESCU@ec.europa.eu

Wiki Page: click [here](#)

..... and finally some lighter moments ☺☺☺

G2004 message song of the month (with kind permission) – click



[here](#), sit back, turn up the volume and listen well (P.S. don't forget to work for an extra 2 minutes 29 seconds before you go home today). This one by special request from GG in Luxi Land ☺

Got any ideas for the G2004 song for next month? Send them along (with "Newsletter" in subject) to our DJ [here](#), together with any letters, ideas, articles, poems and other assorted forms of expression.