

**Union for Unity**



**Union pour l'Unité**

# Le Lien - The Link

**Pour un syndicalisme européen,  
citoyen, participatif et unitaire**

**Building a new kind of staff representation based  
on participation, unity and defence of  
the European project**

Janvier 2011 – n° 10

Extract  
Most important write-ups

## **Editorial**

### **Reform, yes, but don't change our Staff Regulations!**

The Kinnock reform has been imposed on staff. Some have perceived this as a necessary evil resulting from an unfavourable balance of power against EU institutions. So, 7 years after the end of its implementation, we witnessed the announcement of new reforms to further weaken the European Public Service, just when the economic crisis requires an increase in interventions by the European Communities and the re-enforcement of our institutions.

It is primarily the task of the College to work in this direction to promote European Union responses, to the current crisis. To do this, it will be necessary to establish a real system for the management of skills, with staff participation. Not just because the staff can propose a number of solutions or because their vision is sharper, but because if it is not an actor of its required evolution, taking solutions and implementing them, the Administration will continue to impose theoretical and ineffective rules and conditions, watered-down to their lowest common denominator, and relying on the passivity of all.

In this issue of Link, we find an initial analysis on a key issue, that of the over-55's. A first contribution to the on-going debate with the administration and within the CCP.

The staff also expects the College to refuse solutions advanced by some demagogic circles (alas, powerful among Member States) and defend the rights of the Civil Service, something that is not so difficult to do! It suffices to recall the "evils" of the previous reform as regards wages and pensions, as well as significant savings on payroll already made during the past 7 years. It also suffices to compare with the situation prevailing in other organizations or international firms, which are much more attractive on average, than the institutions. We must go on the offensive in terms of communication and not simply ignore the misinformation about our so-called "privileges", which the European press is fond of.

Below is an article that reviews the Kinnock reform; useful for refreshing the fading memory of those who attack or do not defend our institutions. We hope to create the conditions for a united defence of the European Public Service, this is the whole point of our actions.

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## **The European civil service has already experienced the reform policies that Member States civil services are currently facing.**

Under the guise of the financial crisis and austerity policies imposed on civil services, Member States try again at a European level to make budgetary savings at the expense of EU institutions' Staff. Since the 2004 reform has already allowed substantial savings by modifying salaries, contributions and allowances, it is reasonable to wonder whether the aim is not to further weaken the Commission and the European Union.

This austerity policy affects economic growth and, through the European civil service, European integration. It is unfair, as the European civil service has already been subject to austerity measures with the Kinnock Reform, the main elements of which are mentioned below. It is a threat to European integration, which needs a strong, competent and independent public service.

In the first article, U4U wishes to remind all the parties involved about some facts regarding this topic. It also aims to develop a strategic approach in this area in order to withstand new attacks while others are already prepared to give-in, instead of thinking about credible alternatives, such as pooling some services between institutions (e.g. translation, interpretation, buildings, security, IT services), concentrating European Parliament's services in a single place or re-centralising Community agencies to Brussels, which would provide real savings.

The EU civil service has already faced profound changes after the review of its Staff Regulations on May 1st, 2004.

Regarding remuneration, longer working careers and recruitments at a level 30% lower, from former A7/8 to AD5 in the new grid allowed considerable savings. Therefore, wage levels upon recruitment of civil servants have decreased by 30% since 2004, not to mention the massive use of contract staff. The latter represented more than 25% of the Commission's personnel in 2008 and earns noticeably less than the permanent officials and temporary agents. It should also be emphasized that civil servants recruited at a lower level will not be able to climb the career ladder as easily as before, which leads to economies too. For example, an AD5 recruited at the age of 35 is unlikely to reach an administrative grade higher than AD11, as he needs to be promoted eight times to become an AD12, the equivalent of a former A4. It is worth noting that the whole population of EU

officials lost four real automatic steps, whereas there were eight in the past.

In addition to longer working careers (empty grades) and the automatic reduction of steps, the Kinnock reform also led to a decrease in average remuneration of civil servants in place, before 2004; since provisions regarding household allowances allowed the Commission to save 44 million euro ( 2002 prices ) between 2004 and 2010. Besides, the termination of provisions enabling colleagues to transfer up to 35% of their salaries to their country of origin, allowed the Commission to save 111.5 million euro (2002 prices) between 2004 and 2010.

By the same token, the modifications regarding education allowance provisions introduced in the Staff Regulations enabled our institution to save 16.9 million euro (2002 prices) to the detriment of families. Finally, the modification of provisions on annual travel home, also permitted a saving of 13 million euro (2002 prices), between 2004 and 2010. These figures do not include budgetary savings made by the other institutions.

It must be kept in mind that the temporary contribution, still in force in 2003, was replaced by adjustments to existing provisions. Despite the promises made by the Commission, this contribution was reinstated in 2004: it increased over time and has now reached 5.5% of the salary of each official or agent, as from a certain amount. The Commission's budgetary projections show that this deduction constituted a loss of 148 million euro (2002 prices) for staff between 2003 and 2010, and will represent an annual loss of 9 million euro (2002 prices) from 2020 and of 12 million euro (2002 prices) from 2030.

In the field of pensions, the adaptation of the conditions for the pension scheme for staff recruited from 1 May 2004 (retirement age at 63, annual accrual-rate of 1.9%, end of the bonus scheme which existed before 2004) and the transitional arrangements for existing staff should result in significant savings for the EU budget. In a recent report for the Council, The Commission indeed estimates that the savings made in EU pensions thanks to the Kinnock reform will amount to almost 25 billion euro (2009 prices) between 2010 and 2050. It also plans that the reform of the pensions system will permit savings of over 1 billion euro (2009 prices) per year until 2050.

Furthermore, the application to pensioners of a country-based coefficient instead of capital city weighting, enabled the Commission to save 146 million euro (2002 prices) between 2004 and 2010. The new provisions applicable to invalidity allowances from 1 May 2004 also allowed our institution to reduce expenses by 5.6 million euro (2002 prices) between 2004 and 2010, and will enable an economy of 13.8 million euro per year by 2030.

Therefore, we can confirm that, in the field of pensions, the Kinnock reform anticipated by four years, what has been happening since the financial crisis. As a result of the reforms of recent years; the fundamentals of our pensions system fall into line with the average of Member States. Besides, the contributions paid by civil servants appear to be sufficient to fund the pensions as the system is based on a virtual actuarial balance and working people pay for the pensions. Since the 1960s, pensions are actually only funded by staff contributions and Member States do not pay for their contribution. Now is the time for them to comply with their obligations and to stop trying to make savings on EU civil servants' pensions.

In conclusion and without going into further details, the Kinnock reform and its pay and pensions package

for all officials working in the institutions allowed to save 564 million euro (2002 prices) over the period from 2003 to 2010. Following the same logic, the Commission considers that the Kinnock reform will help the EU budget to make 117 million euro (2002 prices) of annual savings from 2020, and 198 million euro (2002 prices) from 2030.

Who can say now that EU's civil service has not been significantly reformed and question the achievements even of current staff? Who can say now that the EU's administration did not undertake effective structural reforms in order to adapt to the situation and did not anticipate what is happening today?

In a future article, the "Link" will return to the comparison made by the Commission between the income of EU's officials and agents, and that of people working in similar organisations or international groups. We will see there, that we do not have to be ashamed of our salaries compared to those given in other organisations. The difference for the Member States is that our civil service has a public interest mission, serves the European integration, and intends to carry-on the conditions of its independence and competence. That is what is bothering Member States.

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## 55+: A question of culture

The subject of the optimal use by the Institution of those officials older than 55, started "spontaneously" within DGs - e.g. DG INFSO, which for historical reasons, had a staff population above 55, that was higher than the Commission average.

The Professional Careers Guidance Service of DG ADMIN, to which many of the 55+ resorted to, to find a solution to their professional distress, identified as a major problem, the difficulty of transferring to new posts, as well as the under-utilization of experienced and specialized staff. Today, because of the aging staff population in the Commission, some problems have become everyone's problems. To tackle these problems, the Institution does not currently offer any suitable solutions.

The problem is complex insofar as it affects all aspects of Staff policy, which is why it requires a serious examination of the current state of affairs and

discussions involving all parties concerned, to find solutions. The fate of the 55+ is dependent on recruitment to the Commission and is totally coupled to a career management system that is no longer left to the vagaries of chance, over the long-term.

The Commission has changed much over its 60-year history. It has grown, has had to adapt to successive enlargements and the increase in its activities, while having to respond quickly, despite budget and staff constraints. The Commission has dealt with problems in a fire-fighting fashion, dealing with one emergency after the other, rarely with a global vision and even less with a long-term vision. Its Staff policy is now a set of practices, all of which were established in response to a specific problem but, in doing so, has generated others, including inequality and inadequacy, which Staff experience. A serious reflection is needed. In the first step of this process which still remains to be organized and in which everyone is asked to participate, U4U has launched

this debate to try to better understand where the problems lie, share the analysis about their causes and their remedies and finally invite everyone to be creative. These thoughts are addressed to everyone, regardless of their age, as you will see.

### **What can be said about recruitment?**

The Commission recruits people via competitions, with incredibly diverse knowledge and experience to be assigned to particular posts: it may be the only time in a person's career where his/her real profile is taken into account. What happens to these people afterwards, when the time comes to transfer to a new job or when the job evolves and no longer matches the profile when recruited?

In general, they seek only to "resettle" officials in the Institution. Randomly by the publication of vacancies, the urgency to fill a particular post and the ability of management to recruit wisely; they find, or not, the possibility to reallocate people but not necessarily in a position optimal for the persons concerned nor for the institution. Recruiting for entry level suffers from a lack of long-term vision. It would be difficult to say for what it is really conducted. But the fact is there, the European vocation changes to that of motivations which are certainly legitimate, but less promising of meaning and ambition. If the economic environment and rising job insecurity fuel this trend, it is boosted by the abandonment of the testing of European cultural history during the entrance competitions.

That said, our institutions continue to recruit highly qualified people, and even through a perverse effect of economic crises, recruit hyper-qualified-staff into positions that do not require such. Management knows today, the difficulty in managing these growing disruptions, the result of a recruitment policy which is singularly lacking in strategy.

Recruitment is not only made at the commencement of employment. Each change of position is de facto a recruitment, so one is 'recruited' many times throughout a career in the Commission. Do not forget that change is also an opportunity, not just an obligation. This has made mobility a compulsory exercise, systematic and involving at a too rapid pace, that has turned this virtuous attempt into a form of coercion, painful for those affected and for management.

The institution is not equipped to properly assess the knowledge and experience acquired both before and after taking office. It can't guide/direct staff properly in the course of their career or identify the skills available inside the organization, that it needs; since the institution does not practice true professional

support, but fills posts haphazardly from the stock of officials available, all expertise mixed up.

### **What about mobility?**

To fight against conflicts of interest and the dangers of the personalization of a function, the Commission brought in 'forced' mobility. Applied rigidly and indiscriminately in all areas of the Commission, to all staff, forced-mobility leads to perverse effects which today are easily measurable:

- lack of continuity in the handling of business and loss of quality in the service;
- slow movement at the level of specialized knowledge and growth in the numbers of jacks-of-all-trades. A phenomenon which produces its own knock-on effects:
  - a unit sometimes works, given the time needed to learn new knowledge, with only a third of the operational workforce;
  - the image of the Commission outside suffers because Member States are alarmed to see the EC intervene in areas where it has no professional competence;
  - staff having to suffer being the "beginner" regularly. Everyone is not equally prepared for mobility or have the intellectual agility required for the absorption of new knowledge;
  - one trade being different from the other, the learning curves are different. Then, the newly trained, barely confident again in their new domain, are once more forced to change. This creates even greater insecurity.
- To enable inter-DG mobility, the Commission has no dynamic method: every DG is equipped with a HR department, they are able to identify in-house positions which emerge. But these services do not know how to organize mobility outside their DG on relevant positions for interested staff.

And mobility needs a framework. It takes focus, it takes training, and it takes leadership, once one comes to move to a new job.

### **What about training?**

To encourage mobility and provide the knowledge and skills it requires, the Commission has developed and expanded its training program, which is all very meritorious. However, does the offer cover comprehensively - and effectively - all needs?

- How is the reception of newcomers? What additional training do we intend to provide them to quickly embrace the complexity of our careers, with so many skills in them; how will they fit into a collective working organization; in short, courses that explain the meaning of the newcomer's task and objectives?

- How does one address the aging population and why does one not establish a database of skills, to be integrated into management skill centres, providing maximum mobility?

- And how is the required training received and evaluated in the career path of the official? When is a chance given to someone, to be able to practice what they have recently acquired?

The training is first & too often a statistical obligation

The Commission has a pool of potential trainers. Certainly, you can not just become a trainer, but can become full-time or part-time 'tutors' and many of us have lots of skills to pass on. This can be organized and follow a strategy of mentoring, for the benefit of newcomers to a team or in a training. This is also part of good management of the aging workforce. Take advantage of its more than 55 year-old staff, as some of the Member States do for their own population, is the guarantee to a more harmonious inter-generational solidarity.

Rather than widen the divide between young and old, between staff from the old Member States (MS) and those from the new, between officials and non-statutory-staff, the institution would benefit from smoothing the sense of injustice each category feels, that feeds from comparisons with side-by-side categories. The primary cause of frustration today is linked to lack of recognition: recognition of knowledge, skills, experience, commitment, performance. Because the mosaic of cultures gathered together, leads to many and varied perceptions, rather one then amalgamates rather than distinguishing, due to a sort of helplessness faced with the complexity of diversity. It establishes rules that apply to all forgetting that certain principles equally applied, also cause injustice.

### **What about personnel management?**

Personnel Management obeys short term rationalities - to fill a position - but does not in itself represent REAL staff management, a synthesis of evolution and personal development of each person, according to his/her actual skills and competencies necessary for the institution. Everyone moves depending on constraints (mobility) and opportunity (availability of

a post), sometimes s/he will miss where he was and the following post may not suit her/him exactly.

The work within the institution has changed considerably. The most frustrated among us would say that, although initially charged with meaning, it is drained away gradually due to the tyranny of the division of tasks on behalf of the need to separate those tasks which could be contracted out (allegedly at a lower cost to the institution) and those which were to remain in public hands. So, which profiles does the institution really need? Its needs are cyclical, it is striving for years to sub-contract to the maximum, and not to increase its payroll of new profiles without being able to reject those deemed 'obsolete'. On arrival, disparities of Staff Regulations, tasks emptied of meaning and interest, by being parcelled-up, and especially the abandonment of an image of competence and efficiency at the European level.

The institution is still dominated by a managerial model seen today in many ways as being obsolete. It suffers from a real lack of team motivation. Becoming a Boss is often an end in itself. Management, of which we too are a part of, sorely lacking in recruitment training or leadership skills. It is true. Few can identify the actual skills of a person and use them as they should. Few are able to motivate or manage the personalities within their team.

The competition among teams, has increased because of differences in regulations and less-than adequate recruitment - at all levels - and the practice of quite inappropriate evaluation & promotion methods.

We will have to solve all these problems by agreeing to face them. But that will not happen without us officials, on the ground. Not just because we can provide a number of solutions or because our vision is sharper, but because if we are not actors in our required evolution, taking part in working out solutions and also in their implementation, the Administration will continue to impose rules and procedures watered-down to the level of the lowest common denominator, thanks to general passivity.

### **We invite you to reflect together on the following topics:**

**Establish a Staff-Evaluation System designed as a management tool**

**Value teamwork, permit the emergence of collective knowledge and practice.**

**Create centres of competence and excellence**

**Make the work interesting and motivating, and consult staff at all levels**

**Design a training policy designed to improve staff skills and profiles**

**Strengthen the identity and values of the Institution and make them known.**

**Develop a policy of strategic mobility that accompanies the evolution of skills & give DG HR the means to implement this strategy.**

**Develop a system of functional careers, including Horizontal careers, to strengthen the Institution**

U4U will use your contributions to liven the upcoming CCP debate. Let's get writing!

**Join us ! Membership 10 €(donor members 50 €)**

**Participate in our actions, contribute to our projects, let your voice be heard !**

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