

Review

Committee of Staff Representatives of the Co-ordinated Organisations

No. 17 - July 2019















The purpose of this newsletter is to keep the Chairs of the Staff Association and AAPOCAD informed of the dossiers being discussed in the Co-ordination process and of the CRP's position with regard to those dossiers. For further information, we recommend that they consult their representative.

This newsletter will be published after every Co-ordination meeting, and will also be used to inform you of the agendas for meetings throughout the year.

Please do not hesitate to send us any suggestions you may have on how we can improve this newsletter to the best of our ability.

CO-ORDINATION MEETINGS IN JULY 2019

The representatives of Member countries (CCR), of the Secretaries- and Directors-General (CRSG) and of the staff (CRP) met on 1, 2, 3 and 4 July 2019 and discussed the following issues:

- 1. Education allowance
- 2. Reform of the Co-ordinated Pension Scheme (CPS)
- 3. Review of the contribution rate for officials to the Co-ordinated Pension Scheme (Article 41)
- 4. Review of the remuneration adjustment method
- 5. 2020 Programme of Work
- 6. Pension Scheme balance sheet at 31 December 2018
- 7. New salary structure at NATO
- 8. Review of OECD employment conditions
- 9. Next meetings

1. Education allowance

Nothing of note since the last meeting: the CRP again reminded the CCR that it wished to see the education allowance granted to all officials who were not nationals of their duty country, regardless of whether they were entitled to the expatriate allowance. It also drew their attention to the position of C grade officials who

met all the conditions for entitlement to the education allowance but were prevented from receiving it because of their professional category. The CRP took the view that this constituted grade discrimination.

The CCR was constantly returning to the table with new proposals for every single article. What was the most surprising, however, was that, with every meeting that passed, the CRSG, in terms dictated by the CCR, was rewriting the allowance as it currently stood.

The CRSG was expected to come back in September with two proposals: the allowance as it currently stood, and the version which has been proposed for months with the clarifications requested by the CCR.

2. Reform of the Co-ordinated Pension Scheme (CPS)

Several steps were taken to protest against the reform of the CPS:

• Letters to the Secretaries- and Directors-General

The CRP gave the CCR a document containing all the letters sent to the Secretaries- and Directors-General by the six Staff Associations and AAPOCAD, asking them to oppose the reopening of the CPS.

Petitions

The representatives of the ESA gave the Chairman of the CCR a list of 1 200 signatures received within a very short space of time.

AAPOCAD also submitted 2 955 signatures of retired staff.

• Demonstration at the OECD's Boulogne site on 2 July 2019 during the Co-ordination meetings Staff from NATO, the ECMWF, the ESA, the Council of Europe, EUMETSAT and our retired colleagues joined OECD officials in welcoming the CCR delegates with a vocal demand that the CCR uphold its commitments.

This was a significant mobilisation for the reason that, over and above the specific issue of the CPS, all commitments are under threat. Until now, the CCR had never changed the existing rights of serving and retired staff. Reforms were applied to future officials (expatriation, family-based allowances, etc.). Now, by proposing that our Councils change the benefits of the CPS for current pensioners and serving staff, the CCR was revealing its intention to change our rights as it pleased.

The Chairman of the CCR, moreover, had said that it was his opinion that prior commitments could be changed at a later date, and that commitments made now could themselves be subsequently reviewed, in complete disregard for the principle of State continuity, which guaranteed vital judicial stability.

For this reason, all officials need to come together to ensure that their Councils received the clear message that the proposal to change the benefits of serving staff and pensioners was unacceptable because it was a breach of country commitments and threatened the legal security of officials.

In the past, action by staff and legal risks had led to the Councils of the six Organisations backing down over a reform of the CPS.

In September, the CCR intended to enact its draft reform of the CPS, with the following key changes:

- > Removing entitlement to the education allowance for pensioners
- > Adjusting pensions on inflation
- Raising of the age of pension entitlement to 63

Your Staff Associations would inform you of the outcome of these talks.

3. Review of the contribution rate for officials to the Co-ordinated Pension Scheme (Article 41)

As we informed you in the last bulletin, the CRP had expressed reservations about the mortality tables and yields of long-term bonds.¹

The CCR decided to postpone the adoption of the new rates to after the September meetings, in case decisions on amendments to the CPS resulted in a need to review the calculations thereof.

4. Review of the remuneration adjustment method

Like the CRSG, the CRP maintained its position, namely that it considered that it was premature to reconsider the method put in place two years ago.

This items was not addressed during the meetings.

5. 2020 Programme of Work

The programme was approved, but the dates may change because of the OECD's Ministerial Meetings in May 2020.

6. Pension Scheme balance sheet at 31 December 2018

The CRP had no comment to make on the CRSG's report.

7. New salary structure at NATO

NATO informed us that the single spine would be implemented soon.

8. Review of OECD employment conditions

The OECD unveiled its proposal to recruit officials on appointments with no end dates in the future, abandoning the use of fixed-term and open-ended contracts. It also wanted to create a new salary structure, based on four job families with different pay scales.

9. Next meetings

The CRP will meet on 11 September 2019, ahead of the bilateral meeting between the CRSG and CRP on 12 September 2019 at the OECD's Boulogne site.

In the light of the threats hanging over our pension schemes, the Legal Working Group will meet on 11 September from 10:00 to 13:00 at OECD (Boulogne).

The CRP will meet again on 23 September 2019, ahead of the Co-ordination meetings of 24 – 26 September 2019 at OECD (Boulogne).

Regular CRP Delegates

AAPOCAD: John PARSONS / Council of Europe: Nathalie VERNEAU / ECMWF: Alain BATAILLÉ / ESA: Miguel LOPEZ / EUMETSAT: Julien ROGISSART / OECD: Jean-Pierre CUSSE / NATO: Gabriele CASCONE