Personalausschuss München
Staff Committee Munich
Le Comité du Personnel de Munich

Munich, 14.12.2020
sc20023mp – 0.2.1/0.2.2/0.3.1/4.2.1/4.2.2

Seven reasons to strike on 15 December 2020

Last week, the Local Staff Committee Munich held 7 Virtual Floor Meetings which were very well attended by around **1.000 staff members**. The attendance adds to the **1.300 attendees** of the General Assembly of 18-11-2020. For your records and for those who could not attend, we invite you to view the slides of the presentation.

In case you are still hesitating to go on strike, here is some last minute food for thought:

1. The new salary adjustment has nothing to do with the Covid-19 pandemic

The impact of the Covid-19 pandemic of the year 2020 will be calculated over the year 2021 for an application on 1 January 2022. The resulting adjustment for 2021 will be **0.00%** even if the local inflation is at 1,2% as expected or even more. This freeze is caused by the exception clause of the new salary adjustment procedure which is triggered when the real Gross Domestic Product of the EPC Contracting States decreases (Article 11 of Impl. R. Art. 64, Remuneration Adjustment) and delays any adjustment.

2. The strike is about respect

Upper management continues to treat EPO employees as third-class civil servants. Since 2015, the EPO has the worst career system among all International Organisations. Now it has also the worst salary adjustment procedure for at least the next 6 years. The production pressure has not decreased. Digitisation aims at getting rid of staff. Staff is perceived as a liability rather than as an asset.

3. Strike is the only authorised industrial action

The right to strike is fundamental and derives from the right to freedom of association. Since 2013, industrial actions can only be a collective and concerted work stoppage for a limited duration related to the conditions of employment (Article 30a(2) ServRegs and Circular 347). Go-slow or work-to-rule actions are forbidden. Strike is the only means of last resort allowed at the EPO.

4. EPO employees are not greedy. But EPO management is!

Since 2008, the New Pension Scheme (NPS) features an individual Salary Savings Plan (SSP) to which employee contribute every month. Because of the changes in the contribution rates, in 2020, an employee in grade **G6** made **2.500 €** of contributions and a **G16** employee made **40.000 €**, namely **16 times more**. The real meaning of greedy is taking more than you give. This is the current mindset of EPO management.

5. The new salary adjustment procedure is yet another broken promise

Mr Campinos broke his promise that there won't be any loss in purchasing power (Communiqué of 09-04-2020). This is not the first time that the EPO is breaking its promises. Before entering the Office, newcomers are told that would get 1 step every year or every 2 years and are shown simulations of how their Salary Savings Plan would consequently perform. However, on average and because of their "learning curve", newcomers score below these predictions. In addition to that, the changes in contribution rates (from 6,6% to 3,9%) are causing exponential losses for the future.

6. The future of newcomers is at risk

If our salary adjustments are lagging 1,5% each year below the costs of living, the impact on our purchasing power will be very damaging. A newly recruited employee who is 25 years old will retire with **41%** less purchasing power compared to today.

Moreover, the maximum pension for NPS employees is capped at 3.500 € net in Germany. If the new salary adjustment procedure is applied each year, each NPS employee will start his pension with the equivalent of **2.000 €** net (in today's money value), and each year after their purchasing power will still go down. Staff serving 25 years instead of 35 years before retiring can expect **1.400 €** net at the beginning for their pension. Staff in grade below G8 will also receive less than the cap. This pension will often be the only income for a couple that left their home country for the one joining the EPO.

7. The 2019 Financial Study proves again to be flawed

In 2019, Oliver Wyman & Mercer organized a Financial Study for Mr Campinos and identified in its Base-2 economic scenario a 3,8 € coverage gap. Today, the EPO funds (EPOTIF + RFPSS) are **3,9 BN€ above** the assumptions made by Mercer for the end of 2020. This sum alone already covers the gap. This proves again that the Financial Study was flawed and designed for the only purpose of cutting staff benefits.

Make 15 December count. To support you, we need you to support us.

To register for the strike, use the online strike registration tool (also accessible via *q/myfips* -> *Teleworking, time and leave* -> *Strike registration*).

The participation in the strike will be published by upper management. The staff representation has no access to the raw data. We hope that Mr Campinos has not entrusted his consultants from Mercer for the counting.

Your Local Staff Committee Munich