

No manipulation of the index with the OGBL!

On the night of March 30-31, 2022, after nine days of hard negotiations, the OGBL refused to agree to the unacceptable proposal made by the government during the tripartite meeting convened because of soaring energy prices. The OGBL refused to put its signature to an agreement that means nothing more than social dismantling in Luxembourg and thus refused to sell out the workforce in Luxembourg.

The OGBL entered this tripartite with the aim of strengthening the purchasing power of employees, pensioners and their families, not to weaken it. The agreement proposed by the government was in this context simply unacceptable to the OGBL for three main reasons.

- 1 -

Firstly, the government's proposal provided, in addition to the deferral of the index tranche which, according to Statec, would normally be due in August 2022, also to delay by at least one year each time any additional index triggers which might still occur in 2022 and 2023.

- 2 -

Secondly, a large part of the constructive proposals made by the OGBL during these negotiations were rejected out of hand by the government. Thus, it was not possible during these negotiations to envisage other possibilities than those retained before the tripartite by the government and the employers. There was no discussion of adjusting the tax scale to inflation or of other sources of tax revenue for the state, as the OGBL had demanded.

- 3 -

Thirdly, the financial measures proposed by the government to compensate for the postponement (by eight months) of the index tranche which is normally due to be triggered in August 2022 fell far short of any conceivable compromise for the OGBL.

The OGBL deeply regrets that the government has knelt before the employers, that it has used this important tripartite forum to orchestrate a social dismantling and a manipulation of the system of indexation of wages and pensions, which is one of the guarantors of social peace in Luxembourg.

The OGBL would also like to stress that he remained open to discussion throughout the negotiations and that he never stopped making proposals for a balanced agreement, but it must be noted that all discussions always ended up coming back to the question of the index and its manipulation.

Finally, the OGBL refused to agree to a vast operation of reverse redistribution (from the bottom to the top!!!), consisting of helping all companies, without distinction, with the purchasing power of employees, pensioners and their families.

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to orchestrate a social dismantling
and a manipulation of the index,
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of social peace in Luxembourg.**