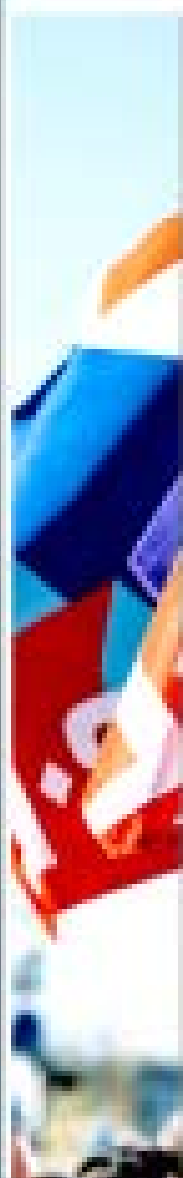


# DOSSIER

#3 2023 | SUPPLEMENT OF THE AKTUELL |

OGBL



**The OGBL invites itself  
to the election campaign**



# introduction

With the local elections barely behind us, another round of voting is on the horizon. On October 11, Luxembourg's voters will once again go to the polls, this time to decide the country's general political direction for the next five years. These are, of course, the parliamentary elections. The countdown has already begun. The various political parties participating in the elections have already started or are about to start their campaigns.

The policies of the next coalition that will emerge from these elections - what it will do and what it will not do - will of course, as always, have a direct impact on the world of work and on the hundreds of thousands of workers and pensioners in Luxembourg, whether they are Luxembourg nationals, live abroad or work as cross-border commuters. It goes without saying that these elections are of great interest to the country's largest trade union.

For this reason, the OGBL has decided to take part in this election campaign by first presenting its main demands to the

various political parties, to which we are dedicating this dossier of the Aktuell. The OGBL's demands for these legislative elections do not cover the entire spectrum of governmental competences. They focus exclusively on the most important issues that affect workers, pensioners and their families in their daily lives - in other words, precisely the area of competence of the OGBL.

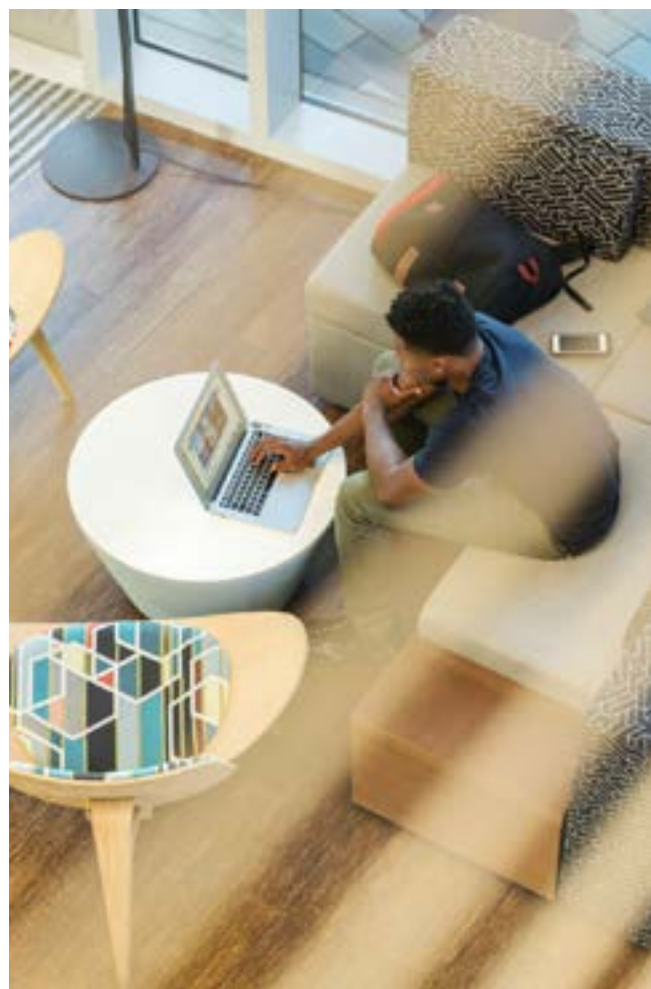
All political parties are welcome to adopt this list of demands, without any restrictions. Plagiarism is even explicitly welcome.

"A bon entendeur"...

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# A modern and progressive labor law



In 2018, the government agreement announced that “major reforms in terms of employment policies and skills development need to be pursued” and that labor legislation needed to be modernized. The agreement stipulated that these reforms would be discussed within the framework of a renewed and strengthened social dialogue.

Despite this stated determination, it is regrettable that these commitments have not been followed by action and that very few of the announced reforms have been implemented.

Much remains to be done. The OGBL therefore calls on the political parties to commit to the following:

## **A reform of the law on collective bargaining agreements**

The reform announced and promised for 2018 has still not seen the light of day, despite the target set by a European directive to increase the level of contractual coverage to 80%. The OGBL calls for this debate to be launched in order to guarantee better CBA coverage by facilitating and promoting the negotiation of sectoral CBAs, in particular by making them compulsory in the event of a request from the syndicates to open talks.

In order to promote better CBA coverage, the award of public contracts and the granting of state aid should be conditional on the existence of a CBA in the company applying for the contract.

With regard to the conciliation procedure within the National Conciliation Service (office national de conciliation - ONC), trade union resources should be expanded, in particular by authorizing the right to strike as a warning. In addition, the definition of collective disputes needs to be revised and the conciliation procedure needs to be clarified and improved in light of the growing number of challenges from employers that jeopardize this important tool of social dialogue.

## **A reform of job protection plans and social plans**

The legislation on job protection plans (plans de maintien dans l'emploi - PME) and social plans must be improved in order to protect workers and strengthen social dialogue in this type of situation. The negotiation of a PME must become an obligatory preliminary stage in any discussion between the social partners before a social plan aimed exclusively at a rapid and inhumane reduction of jobs is envisaged.

The time limits to be respected and the information to be provided in the context of these various procedures must be reviewed in order to guarantee serious negotiations between the social partners. The conciliation procedure before the ONC must also be guaranteed in the context of PME negotiations.

## **A structural increase in the minimum social wage**

Luxembourg is a leader in terms of risk of poverty among working people (“working poor”). To combat this phenomenon, we must guarantee a decent minimum social wage that allows people to live in dignity. In this context, the OGBL calls for a structural increase of the minimum social wage by 10%.

## **A reduction in working hours**

For many years, the OGBL has been demanding a reduction in working hours while maintaining full pay. In a context characterized by a growing demand on the part of workers for a better balance between free time and working time, an increase in the competitiveness of companies and high productivity, as well as a shortage of manpower and a lack of attractiveness in the professions, a reduction in working hours is essential. Given the heterogeneity of economic sectors, this reduction must be introduced by law at the national level, but its practical implementation must be discussed within the framework of collective agreements.

## **A right to part-time work**

In order to better reconcile private and professional life, a legal right to part-time work should be introduced, with a guaranteed

return to full-time work. The detailed arrangements should be determined through collective bargaining.

## **Strengthening workers’ rights in the event of bankruptcy**

The protection of employees in the event of bankruptcy must be improved. The ceiling for the super-privilege must be raised and all possible measures must be taken to avoid such bankruptcies by involving employee representatives more closely in the event of economic difficulties within the company through a transparent information obligation.

## **Regulate platform work**

The proliferation of the platform work model poses a risk to the working conditions and remuneration of thousands of people, given the lack of clear rules in this area to prevent abuses. Platform workers are in a subordinate position, not self-employed. The OGBL calls for strong legislation to regulate platforms and to combat the phenomenon of bogus self-employment by providing for a presumption of employment when certain criteria are met.

## **Adaptation of occupational health regulations**

In the context of major changes in the world of work and increasing risks to workers’ mental and physical health, a reform of occupational medicine is essential. The government’s decision to transfer responsibility for occupational health from the Ministry of Health to the Ministry of Labor should be only the first step in building a modern, preventive occupational health system. The creation of a single occupational health service, grouped by sector and run on a tripartite basis, is the only way to ensure real added value in occupational medicine to safeguard the health and well-being of workers.

Given the significant development of psychosocial risks in the world of work, the prevention of workers’ mental health must be a priority for occupational medicine, by adapting the various laws in force.

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Labor law must be modernized and strengthened  
to meet tomorrow’s challenges

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# The jobs of tomorrow are being invented today

In an environment of geopolitical uncertainty, and given the scale of the challenges of managing the ecological and technological transition, the OGBL has already warned of the growing skills shortages we are experiencing and the existing tensions in the labor market. The latter is aggravated by the existence of unattractive, even precarious job offers with low wages and working hours that prevent any social life or demand excessive flexibility. In this context, the OGBL calls for ambitious policies to promote quality unionized jobs that guarantee a just transition for all. In this context, the OGBL calls on political parties to commit themselves to:

- Compel employers to invest in the attractiveness and quality of jobs through social dialogue, collective bargaining and worker participation. Only by offering better wages and working conditions adapted to new lifestyles will we be able to cope with the various crises and sustain the recovery;
- Develop skills management strategies at national, sectoral and enterprise levels, with the participation of trade unions and their workers' representatives, including in the design and implementation of lifelong learning programs;
- Support the development of new, clean and innovative economic activities to underpin inclusive economic growth through the creation, transformation and maintenance of quality jobs. This includes reindustrializing the country to promote strategic autonomy, which has been undermined by the various crises;
- Guarantee human control over decision-making by strengthening worker participation and the role of collective bargaining in managing technological transformations and the use of artificial intelligence to guarantee sustainable, quality jobs;
- Establish conditions and social clauses linking all public aid, tax incentives and public procurement to the obligation to create quality jobs, to respect collective bargaining and trade union rights, and to respect human and environmental rights. We must put an end to the blank cheques given to corporations for nothing in return;



- Introduce a duty of care that takes into account respect for human rights, labor standards and environmental agreements throughout the corporate value chain to force companies to identify risks and take the necessary steps to address them;
- Ensure that social protection systems and employment policies are designed to facilitate transitions between jobs, including between sectors, by providing adequate schemes, income security and quality career guidance.

# Continuous vocational training: a key element in a changing world

As far as skills development is concerned, a real reform of vocational training has yet to see the light of day. The Standing Committee on Work and Employment (Comité permanent du Travail et de l'Emploi - CPTÉ) has been convened to support an initiative called „Skillsplang“, which is nothing more than a pilot project without any real added value for workers. The OGBL demands that the parties commit themselves to continuous vocational training (formation professionnelle continue - FPC):

- the earliest possible introduction of a genuine right to continuing training. This right must enable all workers to follow qualifying and validating training courses that take into account the changes that professions are undergoing in a context marked by ecological transition and technological change;
- the creation of a Tripartite National Council for the Monitoring and Evaluation of Continuing Vocational Training, in order to guarantee quality continuing vocational training and transparent funding;
- the creation of a national register of continuing vocational training, providing an objective picture of the needs and results of a coordinated national policy on continuing vocational training;

- the introduction of an obligation for every employer to draw up a social balance sheet in his company, in order to obtain a precise picture of both the wage structure and the existing and required skills, so as to be able to plan the necessary measures in the field of continuing vocational training. If this assessment reveals a negative trend in employment, the social partners must define the measures to be taken as part of a job protection plan (plan de maintien dans l'emploi - PME)
- a reform of individual training leave, introducing a right to individual training leave for each employee. This right would provide for 10 days of training per year, linked to the individual. Such a reform would have the particular advantage of making vocational training more attractive;
- the creation of in-company training periods during the employee's normal working hours;
- facilitating and adapting the validation of acquired experience in order to facilitate the recognition of acquired skills;
- a review of the financing of continuous vocational training, with a greater contribution from employers who do not make efforts in the field of continuous training or who do not guarantee apprenticeships.





# Fair taxation for an ambitious budgetary policy

In order to establish tax justice in Luxembourg and to reduce inequalities in our society, as well as to ensure a financially strong State capable of implementing an ambitious fiscal and social policy in order to prepare our country for the challenges of the future, the OGBL calls on the political parties to make concrete commitments:

- for an automatic adjustment of the personal income tax scale in line with inflation, in order to counteract the phenomenon of «cold progression», i.e. higher taxation when an index bracket expires, and «Nettoindexklau». Against this background, it is also necessary to make a further adjustment to the scale of around 5.5 index brackets to ensure full adjustment from 2017;
- for a more social design of the tax scale, including an exemption of the social minimum wage (without tax credits), a flattening of the «Mëttelstandsbockel» by widening tax brackets and shifting progressivity towards higher incomes, and the introduction of higher marginal tax rates for very high incomes;
- for a regular adjustment of eligibility thresholds and tax credit amounts in line with inflation. Without such adjustment, tax credits lose their real value and the number of beneficiaries declines over the years;
- for an adjustment of the amounts of the various tax deductions: insurance premiums, travel expenses, procurement costs, special expenses, etc. These amounts have not been adjusted for more than 20 years, resulting in increased tax pressure;
- for a more consistent taxation of capital income, which is currently largely favored over salaries or pensions. In particular, dividends and capital gains on financial assets should be fully taxed and the additional exemption of 1,500 euros (in class 1) on capital income should be abolished;
- for the reintroduction of the wealth tax («impôt sur la richesse»). It is unacceptable and unfair that large fortunes should not contribute to the financing of tasks in the public interest;
- for the introduction of an inheritance tax for direct descendants, with a progressive tax rate and an indexed exemption (up to 2 million euros and the house occupied by the owner);
- for a policy that supports international initiatives to combat tax evasion by multinationals, opposes further cuts in corporate tax rates, and calls for an analysis of the impact of past cuts on public revenues, business creation and employment;
- for an ambitious investment policy to prepare the country for the digital, social and environmental transition and to guarantee access for all citizens to services and goods in the areas of education, training, health, research, public transport, energy, etc. In this context, a commitment at European level must be made to budgetary rules that are better adapted to these challenges, in particular by excluding capital expenditure from the calculation of the budget deficit under the excessive deficit procedure («golden rule of public finances»);
- for a revision of class 1a, in order to put an end to the injustices that particularly affect single parents and widows and widowers.



# Poverty can be fought!

Successive editions of the «Panorama Social» published by the Chamber of Employees clearly show that precariousness and the risk of poverty have increased sharply in recent years, against a background of massive growth in inequality.

The OGBL calls on the political parties to commit themselves to a change of course towards a more social policy, including the following measures:

- a structural increase in the amounts of the Social Inclusion Income and the Income for the Severely Disabled, allowing recipients to have an amount at least equal to the reference budget established by the State for the different categories of households;
- an increase in the number of recipients of the cost-of-living allowance and the automatic indexation of the various amounts of the allowance to inflation, as well as their regular adjustment to the evolution of real wages, in order to avoid any deterioration in the face of changes in the cost of living;
- an increase in the maximum duration of full unemployment benefits to 365 days, given the upward trend in long-term unemployment;
- accelerating the provision of assistance and compensation to unemployed workers and job seekers. There is currently a lack of information on the rights and obligations

of jobseekers once they have registered with the ADEM. The time it takes to receive compensation can be as long as 2-3 months, leading to obvious job insecurity;

- the introduction of special measures for the unemployed and jobseekers to reintegrate them into the labour market and enable them to acquire new skills leading to quality, sustainable jobs;
- permanent contracts must remain the norm, as they are not limited in time and offer greater guarantees and prospects for workers. In this context, only companies that hire on permanent contracts should be supported by the State.

# Hands off the index!

For the OGBL, the automatic indexation of wages and pensions (the index) is an absolute red line. This instrument, which preserves the purchasing power of employees and pensioners when prices rise (= inflation), is a cornerstone of the country's wage policy and one of the guarantors of social peace and economic development in Luxembourg.

The index must not be manipulated, postponed, modified or capped. The OGBL calls on all political parties to make an explicit commit-

ment in their electoral manifestos to maintain the index and to oppose any manipulation of it.

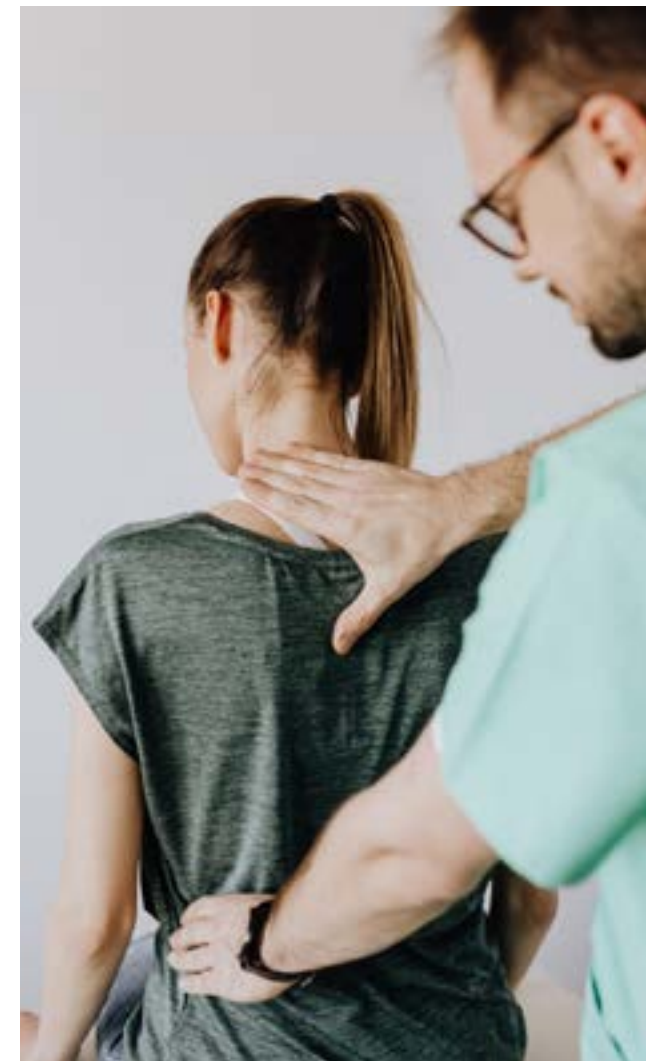
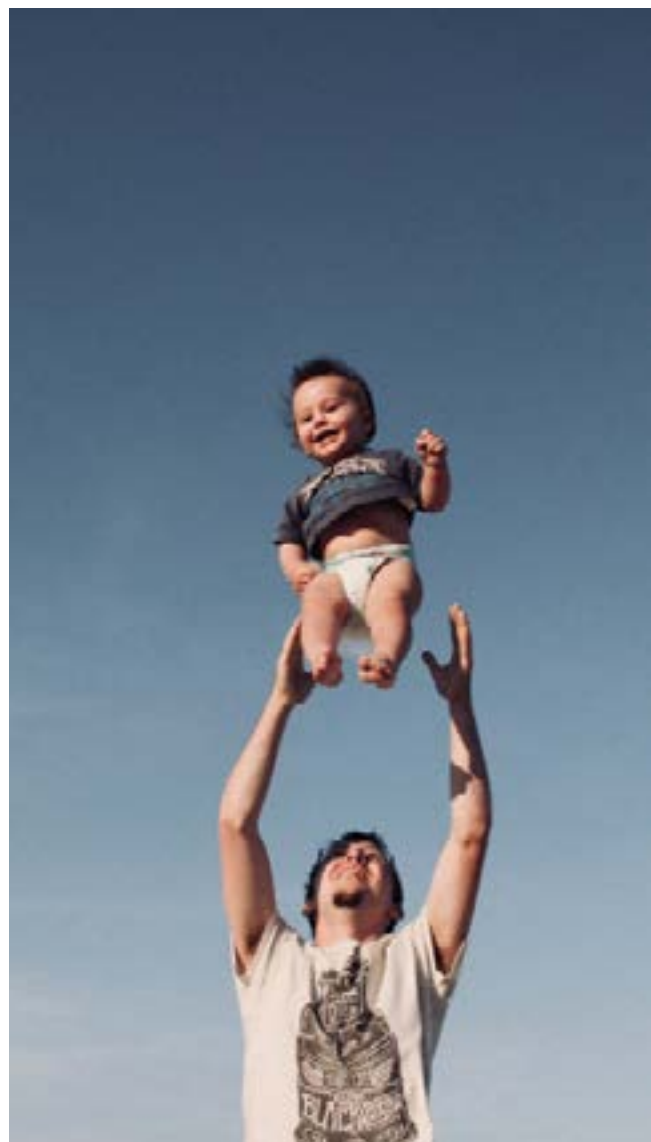
# Social security is not a luxury

In order to guarantee strong public social security systems, the OGBL calls on the political parties to make concrete commitments::

- for a structural increase in family benefits, in particular to compensate for their loss of nominal value due to a long period

of de-indexation between 2006 and 2021, to combat the risk of poverty among households with children. Legislation and administrative decisions must also be brought into line with EU law so that family benefits can be granted to the families of cross-border workers without discrimination or bureaucracy;

- the abolition of the pension calculation formula introduced in 2012, which will lead to a significant deterioration in average pensions paid out by 2052, and the reversal of the current measures aimed at abolishing the year-end bonus for pensioners, as well as the regular adjustment of pensions in line with the evolution of wages;
- to proceed with a structural increase of the minimum pension to take into account the cost of living in Luxembourg and to maintain the legal retirement age as well as the right to an early old-age pension under the current provisions;
- the introduction of early retirement for heavy work and the right to a partial pension, making it possible to combine part-time work with a partial pension from the age of 57;
- for a socially and environmentally responsible investment policy for the compensation fund, focusing more on the local economy and the Greater Region, and avoiding investments in nuclear power and in companies with the highest CO2 emissions;
- for the maintenance of compulsory contractual agreements for medical services, for the organization of outpatient surgeries and MRI analyses in hospitals, and for the extension of the coverage of benefits in kind by the National Health Fund;
- for the adaptation of the list of various occupational diseases and, in particular, for the consideration of psychosocial risks related to working conditions as an occupational disease;
- for the harmonization of tax and social security provisions between Luxembourg and its three neighboring countries in order to prevent employees from being penalized for teleworking, on-call duty or other work outside Luxembourg.



# For a health policy that meets needs

adapted to the demographic and geographical evolution of our country.

## National Health Fund

- Generalized third-party payment (direct full payment) must finally be introduced to reduce the financial burden on patients.
- Our solidarity-based health insurance system must be maintained and privatization must be prevented.
- Medical care in Luxembourg must evolve in line with new medical knowledge and technological developments. New treatment methods must also be reimbursed by the National Health Fund. Any deterioration in reimbursement for cost reasons must be avoided.

## Long-term care insurance

- Long-term care insurance benefits should be extended to cover urgent, time-limited home treatment for elderly people who cannot be admitted to hospital.

## Care facilities

- The capacity of care facilities for the elderly and dependent persons must be adapted to current and future needs. This is particularly true in terms of staffing levels. Nursing professions, both in institutions and in ambulatory care, need to be revalued from a social and societal point of view to enable the necessary recruitment. We must combat the rising prices of care facilities.

20% of Luxembourg's population is over 60 years old. This proportion is likely to increase in the coming years. The aim of a good policy for the elderly should not only be to increase life expectancy, but also to ensure that the seniors age in good physical and mental health. In order to avoid unacceptable and humiliating situations, this objective must be fully taken into account in the care of this segment of the population. To achieve this, improvements and adjustments must be made in a number of areas. Here are the areas in which we believe action is needed.

## Medical care

- As the population continues to grow, the number of hospital beds must be adjusted to meet current and future needs. The number of medical personnel must also be adjusted to real needs and their social status improved.
- The opening hours of medical centers should be extended until late afternoon, as statistics show that emergency services have to cope with a large influx of patients (who are not intended for emergency services) before evening, resulting in long queues until late at night.
- The number of medical centers must be increased and



# Housing: the state of emergency persists



The housing emergency continues and is getting worse. At a time when access to home ownership is becoming increasingly difficult for families, housing rents are rocketing. Successive governments have failed to implement solutions to the housing crisis. The OGBL therefore calls on political parties to commit to:

- a real cap on rents, replacing the threshold of 5% of the capital invested - which does not prevent sharp increases and no longer reflects reality - with a new system that takes into account the cost of living;
- a real fight against real estate speculation, by introducing a progressive tax system based on the number of properties, as part of the reform of the property tax, for taxes on empty dwellings and land retention. We must also ensure that these measures take effect quickly and not in 10 to 15 years;
- create 30,000 units of affordable housing for people with modest incomes;
- put an end to tax breaks that only encourage speculation and mainly benefit large property owners;
- replace municipal rent commissions with joint, professionalized regional commissions;
- regulate real estate agency fees by decoupling them from price trends and making them fully borne by the lessor;
- introduce a social grading system for climate-related subsidies to owners, as well as pre-financing by the State to enable less well-off people to carry out energy efficiency renovations («climate-related third-party payment»);
- introduce a climate rent allowance («Klimawohngeld») for tenants to neutralize the impact of energy renovation costs on rents.

# Education: a change of course is needed

The growing inequality in our society is also reflected in the education of our children. Instead of providing equal opportunities from an early age, the current education system confirms and even reinforces existing inequalities. In order to bring about a real change of direction in education policy, the OGBL calls on the political parties to:

- defend free public schools that welcome children without separating them according to their social status, cultural origin or the beliefs and convictions of their parents;
- counteract the current trend towards increasing competition between schools and the creation of parallel systems;
- make the teaching profession more attractive by limiting the increase in administrative tasks at the expense of time spent with children;
- oppose the sell-out of the teaching, educational and psycho-social professions;
- put an end to the precarious situation of supply-teachers in the education sector;
- improve and reform initial vocational training, with a common core curriculum in the fourth year of general secondary education and more bridges between levels;
- introduce the possibility of concurrent education at the BTS level.



# Making equality between women and men a reality

To ensure that equality between men and women is not reduced to a mere declaration of intent, but becomes a living reality in society and the world of work, the OGBL demands that political parties make concrete commitments to:

- real wage equality between men and women. Although the current law prohibits wage discrimination, it risks remaining a dead letter. What's needed are real complaint and monitoring mechanisms and greater transparency on the part of companies. In addition, the calculation of the pay gap must take into account all parameters, including activity rate, part-time work, sectoral differences, etc;
- tackle gender stereotypes in education and career guidance. The pay gap often starts with the choice of education and occupation;
- equal career opportunities for men and women. Part-time work and/or career breaks must not be a hindrance or become an obstacle to the professional development of workers;
- strengthening the role of equality delegates and introducing equality training in companies;
- fight against all forms of harassment and sexism in the workplace and in society. The gathering of annual figures and statistics, preventive and awareness-raising measures, and psychological and other support are still insufficient;
- improved leave for the second parent in the event of the birth or adoption of a child.



# For efficient public services

The pandemic has demonstrated once again, if ever there was a need, the vital importance of efficient public services in maintaining social cohesion and the functioning of our society. With a view to strong public services, the OGBL calls on political parties to:

- oppose policies of privatization, liberalization and outsourcing of public services. These policies, which have been implemented for more than 40 years, have always been accompanied by a deterioration in the working conditions and remuneration of the staff concerned, and have also contributed to a deterioration in the quality of the services offered;
- replace the current model of public service wage bargaining with the single majority union for civil servants with comprehensive bargaining covering the entire public sector, including the majority union in most sectors that are directly or indirectly dependent on these negotiations, including the CFL, municipal public services, state employees, and the health and care sectors;
- establish democratic staff representation for civil servants and state employees;
- restore the link between the evolution of the civil service and the evolution of salaries in higher education and research, postal services and tramways;
- eliminate existing inequities in state careers and ensure equal treatment for equivalent qualifications;
- upgrade lower-level careers in the civil service. A first step would be to make permanent the 5% increase on the first 100 points, currently limited to 2023, which will lead to wage losses up to career B1 on January 1, 2024;
- make public transportation, public buildings and other facilities accessible to the disabled and the elderly. Many older people also have difficulties with the digital transition in many areas.
- prevent further closures of post offices and banks. New branches must be opened to meet demand. Fees for everyday banking transactions should be abolished or reduced.



# Strengthening trade union rights and social dialogue

Social dialogue at national, sectoral and company level is an essential lever for trade union action. The «Luxembourg model» of social dialogue, its tripartite nature based on a balanced representation between representatives of the State, employers and nationally representative trade unions, has often enabled solutions to be found in the interests of the population and has been the guarantor of social peace in Luxembourg. This balance must be maintained in order to avoid sidelining the legitimate demands of workers and pensioners, the majority of whom do not have the right to vote in Luxembourg's legislative elections. In this context, the OGBL calls on the political parties to clearly express their commitment to :

- the maintenance of the current composition of the tripartite bodies, based on the criteria of national representativeness derived from the elections for the professional chambers;
- the equal participation of trade unions in bodies where they are unrepresented or underrepresented, such as the various sectoral High Committees, the High Council for Gender Equality

or the Climate Action Platform;

- the extension of co-determination in companies by improving the intervention of workers' delegations and nationally representative trade unions;
- the defense of the fundamental right of workers' representatives and trade unionists to express themselves freely in their trade union activities without fear of repercussions for their jobs or careers;
- the defense of basic trade union rights, the right to organize, to meet, to demonstrate, to take collective action and to strike, as well as the defense of fundamental democratic rights.







All political parties are warmly invited to adopt this list of demands as their own, without moderation. Plagiarism, for once, is strongly encouraged.

