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CEDIES grant – Why EPSU advises against challenging it

- ❶ By a Law passed in the summer 2010, the Luxembourg Government **abolished**, as part of its austerity policy, **family allowances** which were paid to employees for their children over 18 years old pursuing higher education.
- ❷ At the same time, it increased [financial State aid \(grants\)](#) for higher education.
- ❶ **Cross-border** workers, who represent 44% of the workforce in Luxembourg, thus lost a substantial part of their family allowances.
- ❷ On the other hand, the amount of the State grants, which are paid by [CEDIES](#) directly **to the student** provided that he/she is a Luxembourg [resident](#), is henceforth to be determined regardless of the parents' income.
- ❸ The [Luxembourg trade unions](#) are challenging this package of measures as being **discriminatory** particularly against cross-border workers; they consider the CEDIES grant as a form of **disguised family allowance**.
- ❹ Following this change in the Law, the Luxembourg-based [European Institutions](#) have jointly decided that the CEDIES grant is an "allowance **of like nature**" to the education allowance provided for by our Staff Regulations.

They have therefore applied the rule **disallowing the accumulation** of like benefits. An education allowance will therefore be paid:

- wholly, to a staff member whose child is not entitled to a grant; or
- to top up the education allowance, if the grant is less than the education allowance.

In most cases, however, the grant exceeds the education allowance by 9% to 40%.

The benefit can be even greater with the application of a correction coefficient which applies to [transfers](#) to some Member States.

- ❺ Challenging the anti-accumulation rule entails an attempt to take double advantage of the Luxembourg Government's austerity policy. It means taking the side of the Luxembourg Government against Luxembourg trade unions.

EPSU will not follow that path. In view of the attack which the European Public Service expects in the countdown to 2012, EPSU considers that we already have too many enemies to afford the luxury of creating new ones, above all among those who are our natural allies, *i.e.* other workers.