

MARIANNE THYSSEN
MEMBER OF THE EUROPEAN COMMISSION

Brussels, 19 09 17

Dear Ministers,

Thank you for your recent letter in which you propose that family benefits should be indexed to take account of the cost of living in the child's Member State of residence.

The Commission's proposal is based on the principle that a mobile worker should receive the same benefits for the same contributions as other nationals in that Member State, irrespective of the Member State in which his or her children reside.

You have referred to the principle of redistribution within tax-financed systems. However, also in such system, the mobile worker contributes through the tax system. Moreover, we have found limited evidence that the level of family benefits are directly linked to the minimum or average wage, subsistence level or living costs in any Member State. It would not seem proportionate to apply such a system of indexation for the children of EU mobile workers residing in another Member State.

In your letter, you consider that the procedures used by the Commission in its internal arrangements can be of help in devising an EU indexation mechanism. However, with limited exceptions, under the EU Staff Regulations, indexation of family benefits granted to EU officials is based on their place of work and not on the place of residence of their family members.

You suggest that if indexation was provided as an option, it would be for the Member States to choose if they opt in and as a consequence support the increased administrative burden. However, even an optional system of indexation will entail administrative burden for all Member States, including those who do not wish to apply such a system, not only in relation to the need to compile data for Eurostat, but also in respect of determining benefits to be granted in individual cases. Indeed, the indexation of family benefits would require information on the level of family benefits applicable in the child's country of residence in the light of the family's individual circumstances.

Overall, I believe that if we agree that persons have the right to the same pay for the same job at the same place (as proposed in the context of the revision of Posting of workers Directive), workers who contribute at the same rate to the same social security system should receive the same benefits.

Yours faithfully,



Andrea Nahles, Federal Minister of Labour and Social Affairs, Germany

Regina Doherty, Minister for Social Protection, Ireland

Troels Lund Poulsen, Minister for Employment, Denmark

Alois Stoger, Federal Minister of Labour, Social Affairs and Consumer Protection, Austria

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