

Newsletter

Executive Board

-  An important step for VC
-  Same contribution rate for all
-  Draft resolution for the MGV in Nov. 2020



Arne von Schneidemesser,
Board Member
Administration & Finance



Moritz Renn,
Board Member
Membership Affairs

The new contribution rules – transparent and fair

Dear colleagues,

after the new contribution rules were already sent to you with the invitation to the General Assembly, we would like to explain with this circular what led to the reorganization of these rules. We deem it important to provide you with this information on your way to the General Assembly. Your contributions are the only relevant source of income for VC. The economic health of the association as well as the quality and strength of the work being done directly depends on it. Unfortunately, our current contribution rules are in fact no longer feasible with reasonable means. In today's fast-changing working environment, part-time work, parental leave, other forms of flexibility, and currently also short-time work are playing an increasingly important role. The calculation of contributions is very complex and difficult to understand according to the current rules. Our colleagues in member support have to spend a large part of their working time calculating and correcting contributions - time that is lacking for the support of our members, especially in the difficult environment we are currently facing.

“ *More transparency, fairness, flexibility and quality as the premise for new contribution rules.*

In order to do justice to these developments, we have decided not to supplement the current contribution rules. Instead, we have developed completely new contribution rules, with the main goals of achieving more transparency and fairness in the calculation of contributions, more flexibility in necessary adjustments of contributions, and more quality of member-support.

“ *Only the gross income earned over the entire calendar year as a pilot will be decisive in the future.*

With the new system, the income listed in the December payslip forms the basis for calculating the contribution. The contribution is retroactively determined for the year in question by a factor of 0.9%. The decision for the total gross amount simplifies the contribution determination quite substantially, because for the calculation only one single value need to be extracted from the payslip (only the largest employer of our association still uses two values). The individual working agreement is already accurately represented by this. This not only reduces the administrative effort in member-support, but also makes it much easier for you to calculate or reproduce your individual contribution yourself.

“ *The monthly payments become deductions that can be adjusted by yourself.*

All monthly payments will be credited to the annual fee after the end of the calendar year. Any difference between the deductions paid and the calculated contribution will be claimed or refunded. In addition, it will be possible to adjust your own monthly deductions within defined limits. This gives you the freedom to easily adjust your payments to your income and saves the association the additional effort



of recalculation.

However, this freedom is associated with responsibility. The discount should only ever be adjusted to a realistic level, i.e. a level that corresponds to the income actually expected. The difference at the end of the year should be within aeronautical limits acceptable without the necessity for callouts.

As mentioned above, overpaid contributions will be refunded after the end of the calendar year or, as an alternative to the promotion of the association's work, can be voluntarily left to the VC (unfortunately not tax deductible).

Now to the question, which effect the new contribution rules will have for you.

“In ‘weak’ years, with none or only little overtime, the contribution burden is reduced.

Times like those we are currently experiencing will lead to a reduction in the amount of contributions compared to the previous system. This effect is even more noticeable if you are on short-time work. In this case, the net amounts paid out are included as gross amounts in the total gross amount used to calculate your contributions. All members, who are currently most affected by the crisis, will thus experience a significant relief in comparison to the old contribution rules.

However, we do not want to hide the fact that colleagues with additional functions, for example, who currently receive allowances that were not previously relevant to calculate the contributions, may pay a higher contribution this year. This corresponds to the principle to assess all members according to their actual income and puts all members on an equal footing.

“In good years, it will be easier for all of us together to make up for the losses currently incurred in VC despite extensive cost-cutting measures.

In „strong“ years, there may be an additional contribution burden compared to the old system. This will help to compensate at least partially for the significant shortfall in income from crisis years: A kind of a contribution buffer is created.

This will help us to be able to continue our work in the areas of flight safety and industrial relations without compromise and at the accustomed level, and to be able to again relieve the contribution burden of our members in the next crisis.

Last but not least we would like to point out the fact that the General Assembly decides on the contribution rules each year. Thus, there is always the possibility of adapting the contribution rate to the actual situation. If, in the event of a considerable recovery of air traffic in the coming years, it is determined that a rate of 0.9% will generate significant additional revenue, this rate can be adjusted downwards again.

We would like to expressly advertise for your support for the new contribution rules.

Let us take this important step for the future of VC, and completely reshape the calculation of contributions!

With kind regards,
Your VC Executive Board

Markus Wahl (President), Robert Spürk (Vice President), Malte Fuhrmann, Pierre Gottfried, Maria Murtha, Martin Pacher, Björn Reimer, Moritz Renn, Janis Schmitt, Arne v. Schneidemesser

For these improvements we need your approval!

The most important improvements at a glance

- ✓ More transparency: 0.9% of total gross annual remuneration (no exceptions anymore)
- ✓ More fairness: The same contribution from income for all members
- ✓ More flexibility: self-administration including adjustment of the monthly deductions
- ✓ More quality: Strengthening of the department member support and thus improved service quality for member concerns through reduced administrative effort

For these improvements we need your approval!