



SPANISH CONSTITUTIONAL COURT

Cabinet of the President

Press Office

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THE TC CONTINUES WITH ITS INTERIM SUSPENSION OF THE RULE ALLOWING NEW PUBLIC SERVICES TO BE CREATED IN CATALONIA IN 2015

The Plenary Meeting of the Spanish Constitutional Court (TC) has decided to continue with its interim suspension of a section of Art. 34 of the 2015 Budgetary Act of the Catalanian *Generalitat*, which allows “*the start-up of new public services*”. According to the Plenary Meeting, this endangers the general interest by preventing the effectiveness of State measures to contain public expenses. The section was the object of an unconstitutional appeal lodged by the President of the Government and was provisionally suspended, further to Art. 161.2 of the Spanish Constitution (CE) last 25 June.

According to the Court, the literal wording of Art. 34 of the 2015 Budgetary Act of the *Generalitat* infers that the challenged section provides “*an exception to the general rule, which prevents an increase in staff if this entails an increase in global employee expenses*”. According to said section, “*if the Government of the Generalitat authorises this*”, “*new public services may be created, even if this entails an increase in global staff expenses*”.

As the Court has upheld on many occasions, “*the adoption by Autonomous Communities of measures that may prevent the effectiveness of State measures to contain public expenses may seriously and irreparably harm the general interest*”. Furthermore, on several occasions, the Court has considered that “*to hinder the effectiveness of state measures- aimed at containing public expenses- constitutes sufficient harm to order continuation of a suspension (...)*”.

In this case, affirms the Plenary Meeting, as the challenged section constitutes an exception to the general rule- forbidding an increase in public staff expenses- its content “*may affect measures to contain staff expenses, established by the State legislator, and prevent the effectiveness of a general economic policy measure (...) which is why, in order to avoid serious and irreparable harm to the general interest, its suspension should continue*”.

The Court has delivered another order maintaining its interim suspension over part of the precepts and provisions of the Decree 69/2015, of 5 May, of the Catalanian *Generalitat*, amending the demarcations of the land, commercial and movable asset registries in Catalonia, which were challenged by the Government.

According to the TC, if the interim measure is lifted and the provisions of the challenged rule are applied “*on the removal and regrouping of Registries, the territorial adjustment of mortgage demarcations and criteria on registry limits, serious harm would ensue due to the consolidation of legal situations that are difficult to repair, with the consequent need to remove them if, eventually, their unconstitutionality is ascertained*”. If the suspension is lifted, adds the order, “*the effects of altering the legal situation of affected Registries (...) are not irrelevant insofar as the lifting of the suspension entails a removal and change in Registries and demarcations (...)*”.

At the same time, the Plenary Meeting has lifted the suspension on other precepts that had also been challenged.

Madrid, 5 November 2015.