

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

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Limited Distribution

ADMINISTRATIVE AND FINANCIAL QUESTIONS

Salary Scales and Family Allowances for the General Service Category

Note by the Director-General

1. The results of a new comparative salary survey for the general service category in Geneva were made available in April 1969. The Executive Heads and representatives of the staff of the Geneva-based organizations unanimously agreed to accept the recommendations with regard to the technical analysis of the survey results, which indicated that the best prevailing rates payable in Geneva for comparable work were between 3.9 and 4.3 per cent above the present salaries paid for general service category staff. With regard to the method for interim adjustments of general service salaries between surveys, it was agreed that the OFIAMT¹ index be retained as an indicator of salary movements in Geneva but that only the male component of this index be taken into account since, according to the new agreed methodology, general service salaries are geared only to local rates paid to men. As in the past, the movements of the index would be extrapolated on the basis of the three years preceding the date of the latest known figure of the index, the extrapolation being made by a semi-logarithmic method. It was also agreed that interim salary adjustments be made every twelve months from the date of the previous adjustment or as of the first day of the month in which the extrapolated movement of the index shows a 5 per cent rise, whichever is the earlier, it being understood that no retroactive corrections would be made.
2. After careful study of the survey results, the Executive Heads accepted revised base salary scales for the general service category in Geneva, effective 1 January 1969.
3. On 1 November 1969, the extrapolated movement of the male component of the OFIAMT index showed a 5 per cent change over its level on 1 January 1969. Consequently, the Executive Heads have decided to increase the salaries of general service staff in Geneva with effect from 1 November 1969. Taking account of the tax factor, the increases over the level on 1 January 1969 in the net salaries are 4.4 per cent for grades G.1 to G.6, and 4.5 per cent for grade G.7.
4. The additional cost to the 1969 GATT budget that will result from these higher salary scales amounts to US\$24,500.

¹Office Fédéral de l'Industrie, des Arts et Métiers et du Travail.

5. With regard to family allowances for the general service category, the Executive Heads of the Geneva-based organizations set up a joint working group to study the situation in Geneva. After full consideration and in order to maintain the principle of equivalence with the best prevailing local conditions, the Executive Heads accepted the recommendations of the working group and decided to increase the family allowances, effective 1 July 1969, as follows:

For dependent spouse:	from Sw F 900 to Sw F 1,500 per annum
For each dependent child:	from Sw F 960 to Sw F 1,300 per annum
When there is no dependent spouse, for one dependent parent, dependent brother or dependent sister:	from Sw F 450 to Sw F 750 per annum
If the staff member is without a spouse, dependency benefit for the first dependent child:	from Sw F 1,860 to Sw F 2,200 per annum

6. The additional cost to the 1969 GATT budget that will result from the higher family allowances amounts to US\$4,500.

7. The Director-General proposes that, to the extent possible, the additional estimated expenditure to the 1969 budget relating to the salary scales adjustments, i.e. US\$24,500, and the higher family allowances, i.e. US\$4,500, be financed from savings within the appropriate sections of the budget or by transfer from other sections. In case the full amount of the additional expenditure of US\$29,000 cannot be so financed, the Director-General requests authority to transfer the necessary funds from Part V - Unforeseen Expenditure and to have recourse to the Working Capital Fund if necessary.

POINT FOR DECISION : Paragraph 7.