

GENERAL AGREEMENT ON

TARIFFS AND TRADE

RESTRICTED

Spec(93)5

23 February 1993

ADMINISTRATIVE AND FINANCIAL QUESTIONS

Activities of the common system bodies in 1992

Note by the Secretariat

1. The Committee is informed from time to time of the activities of the International Civil Service Commission (ICSC) and of the United Nations Joint Staff Pension Board (UNJSPB), and of the decisions of the United Nations General Assembly on personnel matters. The present note brings the Committee up to date.

International Civil Service Commission¹

2. The Commission concluded a review of the methodology used for determining salaries of the General Service category at headquarters duty stations, including Geneva. It made a number of modifications and refinements which are intended to make the comparison of pay in the international organizations with that of outside employees in the local market more relevant and accurate. The principle whereby General Service salaries should reflect the best prevailing conditions in the duty station has been reaffirmed (the Flemming principle).

3. In Geneva, the revised methodology will be used at the time of the next salary survey, scheduled for 1995.

4. The Commission recommended, and the General Assembly approved, an increase in the children's allowance for staff in the Professional and higher categories, as of 1 January 1993. This amounts to SwF 2465 per year. It also approved an increase in the allowance for a recognized secondary dependant, which is now SwF 1098 per year.

5. The General Assembly approved a recommendation of the ICSC that the maximum amounts payable in local currency in respect of education grant, in five currency areas, be increased.

6. Finally, the General Assembly approved a recommendation of the ICSC that the net base salary scale for the Professional and higher categories of staff be increased by 6.9 per cent, with effect from 1 March 1993. This would be done by consolidating 6.9 points of post adjustment into the net base pay. In Geneva, the effect on remuneration is neutral, however, as salary will go up at the same time as post adjustment goes down correspondingly (the "no gain, no loss" method).

¹ Resolution 47/216 of the General Assembly, 47th Session

7. The Committee is informed that the financial implications of the decisions taken by the General Assembly, outlined in paragraphs 2 to 6, are adequately covered by the approved budget provisions for 1993 (document L/7105).

8. The General Assembly has requested the Commission to pursue further studies on the following aspects of conditions of service:

- a) Highest paid civil service. This is aimed at determining the highest paid national civil service for the purpose of applying the Noblemaire principle for the determination of salaries for the Professional and higher categories. At present, it is the United States civil service that is used for comparison purposes. The General Assembly resolution also makes reference to the fact that pay in other major international organizations is higher than in the UN system.
- b) Special occupational rates. This is aimed at determining whether, in order to overcome identifiable recruitment and retention problems, it might not be necessary to establish special higher rates of pay for professionals in certain well-defined fields of work.
- c) Structure of the salary scale. This is intended to determine whether the present structure of the salary scale for the Professional and higher categories is adequate, in terms of remuneration levels at the various grades, taking into account the relationship with pay levels in the United States civil service, the present comparator under the Noblemaire principle.

Pension Board²

9. The Pension Board had as its main item of business consideration of pensionable remuneration and consequent pensions of the General Service category, a review that had begun in 1991.

10. The Board is a tripartite body, with representatives of member-states, administration and staff. On this matter the Board was not able to make recommendations to the General Assembly having the agreement of all three parties.

11. The Commission, however, which was examining this same issue, has made recommendations for modifying the methodology for calculating gross salaries at the time of General Service salary surveys and for interim adjustments between surveys. The Commission is proposing an income replacement approach, similar to the one used for determining pensionable remuneration for staff in the Professional and higher categories. The General Assembly has endorsed the general thrust of this approach, and has requested the Commission to pursue its review, in close collaboration with the Board, so that the matter may be finalised in 1993.

²Resolution 47/203 of the General Assembly, 47th Session

12. The Committee should also be aware that General Service salaries and pensions are a particularly sensitive issue. Many aspects of these questions are controversial, and debate about them has been contentious. In the Board this led to the failure to make unanimous tripartite recommendations to the General Assembly, while in the ICSC, the staff federations (FICSA and CCISUA) decided to suspend participation until further notice. The General Assembly has expressed regret about this, and urged the resumption of dialogue between the Commission and the staff federations.

13. Submitted for information.