

**REPORT
OF THE
INTERNATIONAL CIVIL SERVICE
COMMISSION**

GENERAL ASSEMBLY

OFFICIAL RECORDS: THIRTY-SIXTH SESSION

SUPPLEMENT No. 30 (A/36/30)



UNITED NATIONS

**REPORT
OF THE
INTERNATIONAL CIVIL SERVICE
COMMISSION**

GENERAL ASSEMBLY

OFFICIAL RECORDS: THIRTY-SIXTH SESSION

SUPPLEMENT No. 30 (A/36/30)



UNITED NATIONS

New York, 1981

NOTE

Symbols of United Nations documents are composed of capital letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

CONTENTS

	<u>Paragraphs</u>	<u>Page</u>
Abbreviations		vii
Letter of transmittal		viii
Summary of recommendations		ix
Summary of financial implications		xi
<u>Chapter</u>		
I. ORGANIZATIONAL MATTERS	1 - 8	1
A. Acceptances of the Statute	1 - 2	1
B. Membership	3 - 4	2
C. Sessions held by the Commission and questions examined	5 - 6	2
D. Subsidiary body	7 - 8	3
II. ACTION ON DECISIONS TAKEN BY THE GENERAL ASSEMBLY AT ITS THIRTY-FIFTH SESSION (ARISING FROM THE SIXTH ANNUAL REPORT OF THE COMMISSION)	9 - 17	3
A. Review of the purposes and operation of the post adjustment system	10	3
B. Relationship between staff assessment and the tax equalization fund	11	3
C. Total compensation and the highest paid national civil service	12	4
D. Classification of duty stations according to conditions of life and work	13	4
E. General principles and methodology for determining conditions of service of the General Service category	14	4
F. Special index for pensioners	15	4

CONTENTS (continued)

	<u>Paragraphs</u>	<u>Page</u>
G. Supplementary payments.	16	4
H. Studies on career development requested of ICSC and JIU	17	5
III. PENSIONABLE REMUNERATION AND PENSION ENTITLEMENTS AS ELEMENTS OF TOTAL REMUNERATION	18 - 36	5
A. Indexing pensionable remuneration: report on the weighted average of post adjustment index and the United States consumer price index as of July 1981	18 - 20	5
B. Special index for pensioners	21 - 36	6
IV. CONDITIONS OF SERVICE OF THE PROFESSIONAL AND HIGHER CATEGORIES	37 - 120	11
A. Comparison to be made in application of the Noblemaire Principle	37 - 44	11
1. Evolution of the margin between the remuneration of the United States Federal Civil Service and that of the United Nations system	37 - 44	11
2. Comparison of total compensation	45 - 65	13
3. Study of the highest paid national civil service	66 - 79	21
4. Level of remuneration	80 - 84	25
5. Supplementary payments received by staff members from their national Governments and payments made by staff members to their national Governments	85 - 94	27
B. Review of the purposes and operation of the post adjustment system	95 - 111	29
C. Method for determining separation payments	112 - 120	34

CONTENTS (continued)

	<u>Paragraphs</u>	<u>Page</u>
V. CONDITIONS OF SERVICE IN THE GENERAL SERVICE CATEGORY	121 - 149	36
A. General methodology for surveys of best prevailing conditions of employment	122 - 125	36
B. Implementation of revised General Service salary scales in Geneva	126 - 138	37
C. Implementation of revised staff assessment rates in Paris	139 - 143	41
D. Survey of best prevailing conditions of employment in Vienna	144 - 149	42
VI. CONDITIONS OF SERVICE IN THE FIELD	150 - 169	45
A. Classification of duty stations according to conditions of life and work	150 - 162	45
B. General Service staff at field duty stations	163 - 164	49
C. Local or national professionals	165 - 169	50
VII. ACTION BY THE COMMISSION UNDER ARTICLE 13 OF ITS STATUTE	170 - 198	53
A. Implementation of Master Standard (Tier I)	170 - 177	53
B. Development of standards for common fields of work (Tier II)	178 - 194	55
C. Development of classification standards for the General Service category in New York	195 - 198	61
VIII. ACTION TAKEN BY THE COMMISSION UNDER ARTICLE 14 OF ITS STATUTE	199 - 236	64
A. Training	199 - 216	64
B. Performance appraisal	217 - 226	69
C. Interorganization exchange programmes	227 - 236	71
1. Inter-Organization Agreement	227 - 231	71
2. Common prospection procedures, standardized notice of vacancy, central vacancy announcement procedures and central career development referral service	232 - 236	73

CONTENTS (continued)

	<u>Paragraphs</u>	<u>Page</u>
IX. OTHER BUSINESS	237 - 259	76
A. Review of the statute and rules of procedure . . .	237 - 241	76
B. Surveys of local conditions relevant to the conditions of employment of area staff of the United Nations Relief and Works Agency for Palestine Refugees in the Near East	242 - 245	77
C. Study of the relationship between staff assessment and the Tax Equalization Fund	246 - 256	78
D. Standards of conduct in the international civil service	257 - 259	81
ANNEXES		
I. Study requested by the General Assembly on concepts of careers, types of appointment, career development and related questions		<u>Page</u> 83
II. Comparison of average net remuneration of United Nations officials in New York and United States officials in Washington, D.C. based on implementation of the Senior Executive Service in June 1981		106
III. Comparison of non-expatriate elements of total compensation United Nations, New York/United States, Washington, D.C.		107
IV. Comparison of total compensation of United Nations officials in New York and United States officials in Washington, D.C.		111
V. Letter from the Permanent Representative of the United States of America to the United Nations addressed to the Chairman of the International Civil Service Commission on the question of supplementary payments		112
VI. Letter from the Permanent Representative of Japan to the United Nations addressed to the Chairman of the International Civil Service Commission on the question of supplementary payments		114
VII. Salary scales recommended for the General Service and Manual Workers categories in Vienna		116
VIII. Summary of organizations' plans for the implementation of the ICSC Master Standard (Tier I)		118
IX. Elements of a model management training programme		119
X. ICSC performance appraisal form		123

ABBREVIATIONS

ACABQ	Advisory Committee on Administrative and Budgetary Questions
ACC	Administrative Committee on Co-ordination
CCAQ	Consultative Committee on Administrative Questions
FAO	Food and Agriculture Organization of the United Nations
FICSA	Federation of International Civil Servants Associations
GATT	General Agreement on Tariffs and Trade
IAEA	International Atomic Energy Agency
ICAO	International Civil Aviation Organization
ICSAB	International Civil Service Advisory Board
ICSC	International Civil Service Commission
IFAD	International Fund for Agricultural Development
ILO	International Labour Organisation
IMCO	Inter-Governmental Maritime Consultative Organization
ITC	International Trade Centre
JIU	Joint Inspection Unit
PAHO	Pan American Health Organization
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNITAR	United Nations Institute for Training and Research
UNJSPF	United Nations Joint Staff Pension Fund
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
UPU	Universal Postal Union
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization

LETTER OF TRANSMITTAL

15 September 1981

Sir,

I have the honour to transmit herewith the seventh annual report of the International Civil Service Commission, prepared in accordance with article 17 of the statute of the Commission which the General Assembly approved by its resolution 3357 (XXIX).

I should be grateful if you would submit this report to the General Assembly and, as provided in article 17 of the statute, also transmit it to the governing organs of the other organizations participating in the work of the Commission, through their executive heads, and to staff representatives.

I avail myself of this opportunity to renew to you, Sir, the assurance of my highest consideration.

(Signed) Richard M. AKWEI
Chairman of the
International Civil Service Commission

His Excellency
Mr. Kurt Waldheim
Secretary-General of the United Nations
New York

SUMMARY OF RECOMMENDATIONS THAT CALL FOR DECISIONS BY THE
GENERAL ASSEMBLY OF THE UNITED NATIONS AND THE LEGISLATIVE
ORGANS OF THE OTHER PARTICIPATING ORGANIZATIONS

Paragraph
reference

Comparison of total compensation

65

The Commission requested the General Assembly to note:

- (a) The results of the present total compensation comparison based on non-expatriate elements only as shown in paragraph 60;
- (b) That some doubts have been expressed by the organizations and the staff concerning the use of the methodology and also concerning some of the assumptions made in the use thereof;
- (c) That the matter would be kept under review by the Commission and that further improvements to the methodology and the use thereof would be made bearing in mind the concerns expressed by the organizations and the staff;
- (d) That, if the Assembly wishes the Commission to continue its work on the methodology for comparison of total compensation to include expatriate benefits, then any such request must be accompanied by the allocation of the necessary resources in the Commission's budget.

78 - 79

Study of the highest paid national civil service

The Commission requested the General Assembly to take note of its preliminary findings that there was no evidence to suggest at the present time that the United States federal civil service should be replaced as the "comparator" under the Noblemaire Principle.

94

Supplementary payments received by staff members from their national Governments and payments made by staff members to their national Governments

The Commission considered that it was appropriate to recall its recommendation made at the thirty-fifth session of the General Assembly that the Assembly should call to the attention of all Member States that the practice of supplementary payments was unnecessary, inappropriate and undesirable and, moreover, inconsistent with the provisions of staff regulations.

98 - 111

Review of the purposes and operation of the post adjustment system

The Commission requested the General Assembly to take note of the information provided in these paragraphs.

Paragraph
reference

- 119 Method for determining separation payments
- The Commission recommended that separation payments should continue to be based on gross salary, adjusted by movements of WAPA. The scale published in the sixth annual report should govern separation payments until such time as the Commission published a new scale.
- 138 Implementation of revised General Service salary scales in Geneva
- The decision of ILO to grant a 3 per cent salary increase to the majority of its General Service staff and the subsequent decision of the executive heads of the other six Geneva-based organizations raised the fundamental question of the reason for being of the Commission and common system. The Commission recommended that the General Assembly should call upon Member States to renew their efforts to foster the development of a single, unified international civil service and to enable the Commission to carry out the mandate with which it had been entrusted.
- 176 Job classification
- The Commission, in the context of reviewing the progress of organizations in implementing the Master Standard, decided to recommend to the General Assembly and those other legislative bodies where such authority still laid that the responsibility for making job classification decisions up to the D-2 level be delegated to executive heads and to call to the attention of legislative bodies that the staff resources available in the organization continued to be insufficient to operate proper job classification systems. The Commission also decided to promulgate Tier II standards in the fields of work of translators and revisers, personnel management specialists and economics to be used with immediate effect by organizations in conjunction with each organization's use of the Master Standard.
- 206 Training
- 209 The Commission recommended to all organizations that they should consider allocating greater resources for training but that operative or contemplated training activities should undergo a thorough evaluation of their utility to the organization and the tangible results they were expected to achieve before they were extended or introduced. The Commission also decided to accept and recommend the elements of a model management training programme and requested organizations to bear those elements in mind when designing management training programmes.
- 235 Career development and recruitment
- 236 The Commission recommended a common prospection procedure in which posts are to be advertised simultaneously within and outside the

Paragraph
reference

organization but filled by qualified candidates in the first instance from within the organizations; in the second, from other organizations of the common system and, lacking those, from outside the common system. The Commission adopted a model notice of vacancy form and recommended that it should be used by organizations, beginning 1 July 1981, when advertising vacancies. The Commission also established a central vacancy announcement system in which notices of vacancy are to be collected from the organizations and relevant details of these would be published expeditiously in a career development bulletin that would be sent to all major offices of the organizations.

Study of the relationship between staff assessment and the Tax
Equalization Fund

- 256 The Commission suggested that the General Assembly might wish to renew its request to Member States that have not done so to take appropriate action to exempt their nationals from income taxation, which could lend to the abolition of the Tax Equalization Fund.

SUMMARY OF FINANCIAL IMPLICATIONS FOR THE UNITED NATIONS
AND PARTICIPATING ORGANIZATIONS

Pensionable remuneration

- 20 The implications of the increase by 8.7 per cent in pensionable remuneration for benefit purposes and pensionable remuneration for contribution purposes for the United Nations common system would be in the order of \$13,850,000 per annum.

65 (iv) Comparison of total compensation

The continuation of the comparison of total compensation between the United Nations system and the Federal Civil Service of the United States of America to include a study of expatriate benefits has been estimated conservatively to cost \$350,000. If the General Assembly wishes the Commission to continue the study, this amount of \$350,000, for which the Commission has not budgeted, would have to be appropriated.

120 Scale for separation payments

No change in the scale for separation payments would be required with effect from 1 October 1981.

126 and 129 Implementation of revised General Service salary scales in Geneva

The financial implications for ILO of the 3 per cent increase in net salaries for General Service officials in service in 1978 was reported to the ILO Governing Body as \$426,000 for 1980-1981. The other six Geneva-based organizations have been requested to make available to the

Paragraph
reference

General Assembly information on the financial implications of the corresponding 3 per cent increases for their organizations.

149 Survey of best prevailing conditions of employment in Vienna

The United Nations, UNIDO and IAEA have been requested to make available to the General Assembly information on the financial implications of implementing the Commission's recommendation for new General Service salary scales in Vienna.

160 Classification of duty stations

The total estimated cost to the United Nations system in 1981 of implementing a new classification of duty stations according to conditions of life and work in 1981 is \$1,150,000.

CHAPTER I

ORGANIZATIONAL MATTERS

A. Acceptance of the statute

1. Article 1 of the statute of the International Civil Service Commission, approved by the General Assembly by its resolution 3357 (XXIX) of 18 December 1974, provides that:

"The Commission shall perform its functions in respect of the United Nations and of those specialized agencies and other international organizations which participate in the United Nations common system and which accept the present statute ...".

During the first six years of the Commission's existence, its statute was accepted by 11 of the organizations which, together with the United Nations itself, participated in the United Nations common system of salaries and allowances. 1/ Two other organizations, although not having formally accepted the statute, have participated fully in the Commission's work. 2/

2. There has been no change in the situation as regards formal acceptance of the statute since the submission of the Commission's sixth annual report. 3/

1/ International Labour Organisation, Food and Agriculture Organization of the United Nations, United Nations Educational, Scientific and Cultural Organization, International Civil Aviation Organization, World Health Organization, Universal Postal Union, International Telecommunications Union, World Meteorological Organization, Inter-Governmental Maritime Consultative Organization, World Intellectual Property Organization and International Atomic Energy Agency.

2/ General Agreement on Tariffs and Trade and International Fund for Agricultural Development.

3/ Official Records of the General Assembly, Thirty-fifth Session, Supplement No. 30 (A/35/30 and Corr.1). Previous reports were as follows: first annual report, ibid., Thirtieth Session, Supplement No. 30 (A/10030); second annual report, ibid., Thirty-first Session, Supplement No. 30 (A/31/30); third annual report, ibid., Thirty-second Session, Supplement No. 30 (A/32/30); fourth annual report, ibid., Thirty-third Session, Supplement No. 30 (A/33/30); fifth annual report, ibid., Thirty-fourth Session, Supplement No. 30 (A/34/30 and Corr.1).

B. Membership

3. The General Assembly, at its thirty-fifth session, elected the Chairman and Vice-Chairman of the Commission, and five persons nominated for appointment to fill the vacancies that would arise on 1 January 1981 and two persons to fill the unexpired terms of Mr. Raúl A. Quijano and Mr. Jean de La Grandville, who had resigned their membership (decision 35/321 of 17 December 1980).

4. Following the appointments approved on the recommendation of the Fifth Committee, by the General Assembly at the 99th plenary meeting of its thirty-fifth session, on 17 December 1980, the membership of the International Civil Service Commission for 1981 was as follows:

Mr. Richard M. Akwei (Ghana),** Chairman
Mr. Amjad Ali (Pakistan)***
Chief Michael O. Ani (Nigeria)***
Mr. Anatoly Semënovich Chistyakov (Union of Soviet Socialist Republics)***
Mr. Gastón de Prat Gay (Argentina),** Vice-Chairman
Mr. Moulaye El Hassan (Mauritania)**
Mr. Antonio Fonseca Pimentel (Brazil)*
Mr. Jean-Claude Fortuit (France)*
Mr. Pascal Frochaux (Switzerland)**
Mr. A. H. M. Hillis (United Kingdom of Great Britain and Northern Ireland)*
Mr. Akira Matsui (Japan)*
Mr. Jiri Nosek (Czechoslovakia)**
Mrs. Erska Poston (United States of America)*
Mr. M. A. Vellodi (India)***
Mrs. Halima Warzazi (Morocco)***

-
- * Term of office expiring 31 December 1981.
 - ** Term of office expiring 31 December 1982.
 - *** Term of office expiring 31 December 1984.

C. Sessions held by the Commission and questions examined

5. The Commission held two sessions in 1981: the thirteenth and fourteenth, which were held at United Nations Headquarters in New York from 23 February to 13 March 1981 and from 6 to 31 July 1981, respectively.

6. The Commission, at its thirteenth and fourteenth sessions, examined issues which derived from decisions and resolutions of the General Assembly, as well as issues derived from its own statute. A number of decisions and resolutions that had been adopted by the Assembly required action by the Commission. 4/ The actions taken on decisions by the Assembly are indicated in chapter II of the present report.

4/ The decisions and resolutions of the General Assembly at its thirty-fifth session which required action by the Commission were as follows: decision 35/447 and resolutions 35/210, 35/213, 35/214 A, B and C, 35/215 A and B, 35/217, 35/219 and 35/225 of 17 December 1980.

D. Subsidiary body

7. The Advisory Committee on Post Adjustment Questions (ACPAQ), established by the Commission in 1976 pursuant to the authorization given by the General Assembly in resolution 34/18 A (XXX), was composed in 1981 of the following members: Mr. Pascal Frochoux, member of ICSC, Chairman; Mr. Stephen Van Dyke Baer (United States of America); Mr. Janes A. De Souza (Brazil); Mr. G. K. Nair (Malaysia); Mr. A. F. Revenko (Union of Soviet Socialist Republics) and Mr. Nana Werenko Ampem II (Ghana).

8. The Commission at its twelfth session established a special working group to prepare a report on methodology for cost-of-living measurements, in response to the General Assembly's resolution 34/165. The Special Working Group had as its Chairman, Mr. Janes De Souza, member of the Committee, and presented its report to the Committee at its sixth session, held from 11 to 25 May 1981 at UNESCO headquarters in Paris.

CHAPTER II

ACTION ON DECISIONS TAKEN BY THE GENERAL ASSEMBLY AT ITS THIRTY-FIFTH SESSION (ARISING FROM THE SIXTH ANNUAL REPORT OF THE COMMISSION)

9. The International Civil Service Commission took action on decisions taken by the General Assembly at its thirty-fifth session arising from its sixth annual report 5/ and on a number of other matters 4/, as reported below.

A. Review of the purposes and operation of the post adjustment system

10. The Commission noted that in section I, paragraph 2 of its resolution 35/214 A, the General Assembly requested the Commission "to intensify and speedily to conclude its fundamental and comprehensive review of the purposes and operations of the post adjustment system as requested in General Assembly resolution 34/165 of 17 December 1979 by fully taking into account the causes of possible anomalies, and to submit the results of the review to the Assembly at its thirty-sixth session". The report submitted by the Commission on the review of the post adjustment system will be found in chapter IV, section B below.

B. Relationship between staff assessment and the tax equalization fund

11. The General Assembly, in its resolution 35/214 A, section V, paragraph 2, welcomed the examination of the relationship between the staff assessment system and the tax equalization fund, as proposed by the Commission in paragraph 104 of its report. 5/ The report submitted by the Commission on this subject will be found in chapter IX, section C below.

5/ Official Records of the General Assembly, Thirty-fifth Session, Supplement No. 30 (A/35/30 and Corr.1 and 2).

C. Total compensation and the highest paid national civil service

12. The General Assembly, in section I, paragraph 1, of its resolution 35/214 A, expressed appreciation for the continuing efforts of the Commission to review the application of the Noblemaire Principle, and invited the Commission to complete its examination as soon as possible, especially with a view to achieving comparability of total compensation of the United Nations remuneration of the Professional and higher categories with that of the selected comparator national civil service and to ascertaining whether the present comparator was still the highest paid civil service. The report submitted by the Commission on the matter will be found in chapter IV, section A, paragraphs 66 to 79 below.

D. Classification of duty stations according to conditions of life and work

13. The Commission noted with satisfaction the approval by the General Assembly, in section IV, paragraph 4, of resolution 35/214 A, of the classification by the Commission of duty stations according to conditions of life and work and the increase in the periodicity of home leave and of travel entitlements under the education grant. The Commission's further study of this matter is outlined in chapter VI, section A below.

E. General principles and methodology for determining conditions of service of the General Service category

14. In section III, paragraph 2, of resolution 35/214, the General Assembly requested the Commission "to continue to study the general principles and methodology for surveys to determine the conditions of service of the General Service and other locally recruited categories, including the determination of gross salaries, taking into account the views expressed in the Fifth Committee at the thirty-fifth session of the General Assembly". The report submitted by the Commission on its work in this area will be found in chapter V, section A below.

F. Special index for pensioners

15. The Commission noted that the General Assembly, in its decision 35/447, requested the Commission "in co-operation with the United Nations Joint Staff Pension Board, to give high priority to the elaboration of a special index for pensioners, including the impact of national taxation, and to report thereon to the Assembly at its thirty-sixth session". The report submitted by the Commission on the matter will be found in chapter III, section B below.

G. Supplementary payments

16. The General Assembly, in its resolution 35/214 C, requested the Commission to keep the matter of supplementary payments made to international civil servants by their Governments under review and report to the Assembly at the thirty-sixth

session, taking fully into account the views expressed by delegations during discussion of the item at the thirty-fifth session. The report of the Commission's consideration of this item is contained in chapter IV, section A, paragraphs 85, to 94 below.

H. Studies on career development requested of ICSC and JIU

17. The Commission noted with satisfaction that, by resolution 35/214 A, the General Assembly reaffirmed the central role of the Commission in the development of a single unified international civil service through the application of common personnel policies and standards, methods and arrangements and endorsed the systematic and integrated approach which the Commission is pursuing in its work". It further observed with appreciation that the Assembly had noted in section II, paragraph 1, of resolution 35/214, the progress made by the International Civil Service Commission under the authority given to it under articles 13 and 14 of its statute (the latter of which includes career development and related questions). The Commission also noted section IV, paragraph 1, of resolution 35/210, in which the Assembly requested ICSC and JIU "to study further the subjects of the concepts of career, types of appointment, career development and related questions and to submit separate reports thereon to the General Assembly at its thirty-sixth session". ICSC and JIU have co-operated in the drafting of these two reports as invited by the Assembly. The Commission's further study of this matter is found in annex I to the present report.

CHAPTER III

PENSIONABLE REMUNERATION AND PENSION ENTITLEMENTS AS ELEMENTS OF TOTAL REMUNERATION

A. Indexing pensionable remuneration: report on the weighted average of post adjustment index and the United States consumer price index as of July 1981

18. The Commission noted that the General Assembly, in its resolution 35/214 A, had approved a revised scale of pensionable remuneration for staff members in the Professional and higher categories, effective 1 January 1981. Pensionable remuneration was established at a level equivalent to 117.9 per cent of gross salary, which represented the level of the weighted average of post adjustment (WAPA) on 1 September 1980 after the consolidation of 30 points of post adjustment into the base salary scales.

19. The General Assembly, by resolution 35/215 A, also approved a dual system of pensionable remuneration effective 1 January 1981. According to that system, the revised scale of pensionable remuneration would be adjusted initially for movements of the WAPA index of 5.0 per cent or more for contribution purposes (PR/C) and for movements of 5.0 per cent or more of the United States consumer price index (CPI) for benefit purposes (PR/B), provided that the level of PR/C should never be less than PR/B. Subsequent adjustments in PR/C and PR/B would be made on the basis of movements of 5.0 per cent or more in the appropriate index from the date of the

last change. The reading dates for purposes of applying the dual system would be January and July, and movements of 5.0 per cent or more in PR/C or PR/B on those dates would be applied with effect from 1 April and 1 October, respectively.

20. The Commission noted that on the basis of September 1980 = 100, the WAPA index ad reached 95.1 as of July 1981 and CPI had reached 108.7 as of the same date. Accordingly, pensionable remuneration for benefit purposes (PR/B) would be increased by 8.7 per cent effective 1 October 1981 and pensionable remuneration for contribution purposes (PR/C) would be increased to the same level. As a result of this increase, pensionable remuneration (PR/B and PR/C) would become 128.2 per cent of gross salary.

B. Special index for pensioners

21. The General Assembly at its thirty-fifth session adopted several recommendations made jointly by the Commission and the United Nations Joint Staff Pension Board. One such recommendation (resolution 35/215 A, section II), which was adopted with effect from 1 January 1981, was to modify the pension adjustment system so as to increase the initial entitlement in local currency when the recipient resides in a country where the cost-of-living is substantially higher than that reflected in the pensionable remuneration used to determine his basic pension entitlement. This will be accomplished by the application of a cost-of-living differential factor to a portion of his final average remuneration.

22. For staff members in the General Service category who retire in a country other than that of their duty station, the cost-of-living differential factors will be applied on the basis of the differences between the General Service pay scales (on a net basis) at the country of retirement and at the duty station. For staff members in the Professional and higher categories who retire in a country other than the United States, the cost-of-living differential factors will be established, at least initially, by reference to the country's classification in the system of post adjustment relative to that of New York.

23. There was considerable discussion, both at the Commission's eleventh and twelfth sessions and at the Pension Board's twenty-seventh and twenty-eighth sessions, on the use of the post adjustment system to measure the cost-of-living differences in the countries of residence of pensioners. The Commission felt that it could not "formulate a recommendation on this subject without an in-depth study of all the implications, both technical and financial, which would be undertaken at an early date". 6/

24. In its review of this question, the Advisory Committee on Administrative and Budgetary Questions recognized that "the use of the post-adjustment classification of duty stations for purposes of calculating the proposed cost-of-living differential factors for staff in the Professional and higher categories gives rise to certain possible anomalies attributable to the fact that the post adjustment mechanism is essentially intended for serving staff". While it agreed that "the elaboration of a special index for pensioners, which is a complex matter that cannot be resolved overnight, should not stand in the way of the proposed changes in pensionable remuneration", it recommended that the General Assembly "request ICSC

6/ Ibid., para. 75.

to give high priority to the elaboration of the special index, including the impact of national taxation". (A/35/720, paras. 32 and 33).

25. It was in this context that the General Assembly adopted its decision 35/447, in which it requested "the International Civil Service Commission, in co-operation with the United Nations Joint Staff Pension Board, to give high priority to the elaboration of a special index for pensioners, including the impact of national taxation, and to report thereon to the Assembly at its thirty-sixth session".

26. In response to the request made by the General Assembly, the Commission at its thirteenth session examined a document prepared by its secretariat in collaboration with the secretariat of the Pension Board outlining the alternative means by which the varying rates of taxation in different countries in which the retirees from the United Nations system reside would be taken into account. Noting that some of the solutions put before it were unworkable in view of the administrative complexities involved, the Commission agreed to request its Advisory Committee on Post Adjustment Questions (ACPAQ) to initiate as part of its future work programme a comprehensive study of the various aspects of establishing a special index for pensioners, including the varying rates of national taxation applicable in the case of pensioners. While making this request, however, the Commission noted that the development of a special index for pensioners would be a complex and time-consuming undertaking, the results of which would not be available for its consideration and for making recommendations thereon to the Assembly in the near future. It decided, therefore, as a first step, to undertake a study whereby adjustments would be made to cost-of-living differential factors to take into account the effects of lower rates of national taxation in countries where these differential factors have been applied in accordance with the measures approved by the Assembly at its thirty-fifth session. In this connexion the Commission noted that the most important element which was absent in the new scheme that had been approved by the Assembly was the tax element. It noted further that, where the tax rates were substantially lower than the staff assessment rates implicit in the determination of the base pensionable remuneration or where income taxes were totally non-existent, that factor could not be disregarded in measuring the cost-of-living differentials. It agreed that the study of a solution necessary to redress this anomaly should centre around the reduction of the present cost-of-living differential factor in those countries where the rates of taxation on pensions are lower than the tax rates taken into account in the calculation of base pensions, i.e. the staff assessment rates. The Commission, therefore, requested its secretariat to conduct such studies in collaboration with the secretariat of the Pension Board and to submit the results to ACPAQ at its sixth session for its comments. The Commission agreed that the comparison between tax rates and the staff assessment rate could be made for that part of the pensionable remuneration which was subject to cost-of-living differential factors, i.e. for pensionable remuneration at grade P-2, step XI. The Commission also agreed that the lower rates of national taxation could be reflected in an adjustment to the cost-of-living differential factor in one or two possible ways:

(a) By direct reduction in the cost-of-living differential factors; or

(b) By reduction in the number of classes of post adjustment above the base in the case of retirees from the Professional category or in the ratio of mid-point net salaries in the case of retirees from the General Service category, leading to a corresponding reduction in the cost-of-living differential factor.

27. A document, prepared by the Commission secretariat in consultation with the secretariat of the Pension Board and in accordance with the guidelines provided by the Commission, was submitted to ACPAQ at its sixth session. ACPAQ in its consideration of the document noted that, while the consideration of various aspects of establishing a special index for pensioners was within the competence of that committee, it could play only a very limited role in the context of the study restricted to the effects of lower rates of taxation on cost-of-living differential factors.

28. Additional information in the form of conference room papers was placed before ACPAQ by the secretary of the Pension Board and the representative of FICSA. While refraining from commenting on the relative merits of the various alternative proposals before it, ACPAQ provided some guidelines for the purposes of making comparison between staff assessment and national taxes.

29. Documentation examined by ACPAQ, along with its recommendations thereon, was placed before the Pension Board at its twenty-ninth session. Views expressed by the members of the Board concerning the various aspects of the special index for pensioners were placed before the Commission at its fourteenth session along with the pertinent documentation.

30. Following an examination of the documentation before it, the Commission noted that even the issue of adjusting cost-of-living differential factors to account for lower rates of national taxation was a highly complex matter and involved detailed consideration of the following factors:

- (a) Years of contributory service to be used in arriving at base pension;
- (b) Family status to be used for calculation of staff assessment and income taxes;
- (c) Basis for comparison of taxes taken as a standard (staff assessment or, alternatively, United States income taxes) and level of taxes in country of residence:
 - (i) Staff assessment or the United States taxes to be calculated on dollar base pension and compared with local income taxes on local currency pension;
 - (ii) Staff assessment or the United States taxes on dollar base pension compared with local income taxes on local currency pension including the cost-of-living differential;
- (d) Application of tax adjustment factor:
 - (i) Directly to cost-of-living differential factor;
 - (ii) To post adjustment index representing the differences compared with New York;
- (e) Use of a threshold level in order to avoid making adjustments for small differences in the rates of staff assessment and national taxation.

Views expressed by the organizations, staff and the Federation of Associations of Former International Civil Servants (FAFICS)

31. The Chairman of CCAQ remarked that the report of the Pension Board indicated clearly that there was still disagreement over the desirability of pursuing the so-called step-by-step approach, the first step of which would consist in developing a methodology for reducing any adjustment based on the "Washington proposals" in countries where pensioners pay no tax on pensions or pay taxes significantly below the staff assessment rates; some organizations believed that it would be more appropriate to develop a special index for pensioners which would take into account all relevant factors. However, inasmuch as the Commission had decided at its thirteenth session on the step-by-step approach, CCAQ wished to urge that the study should nevertheless be as thorough and comprehensive as possible, in order to avoid the risk of creating new anomalies. The methodology required was highly technical and would require considerably more study before the Commission would be in a position to submit proposals to the General Assembly.

32. The representative of FICSA urged the Commission that the matter of a special index for pensioners not be approached on a piecemeal basis but be treated with the care and attention it deserved. The question was of such importance to staff in all categories that it would be less than responsible to take a decision in haste. Bringing to the Commission's attention the fact that the Federation had submitted to ACPAQ at its sixth session a technical paper on the development of a special index for pensioners, the representative of FICSA wanted to make it clear that the staff was acutely aware of the need for progress in this area. The FICSA proposal to ACPAQ had been aimed at the establishment of a true index. Any administrative or interim solution that might be envisaged by the Commission should not prejudice the eventual construction of a true index.

33. The representative of FAFICS suggested that wide variations in the taxes on United Nations pensions in the countries of residence of pensioners ranging from non-taxability to high levels of taxation constituted an inequality which was comparable to the differences in the cost-of-living. He stated that the Federation was fully cognizant of the complexities involved in the matter of varying rates of taxation on pensions. However, he felt that, despite the complexities of the problem, a proposal to the General Assembly should provide for a reasonable account to be taken of the tax factor and it should be pragmatic enough to be administratively workable and should be reasonably equitable.

34. The representative of one organization, while supporting the idea of a special index for pensioners, suggested that such an index should take into account not only the incidence of taxation, but the entire expenditure pattern of pensioners. Expenditures of pensioners should take into account the loss of privileges they enjoyed while in active international civil service. He was of the opinion that to base an index on post adjustment alone while ignoring the loss of privileges such as import facilities, refunds or taxes, commissary privileges, etc. would not lead to a realistic solution and create anomalies which would require corrective action.

Conclusions and recommendations

35. The Commission noted that a comprehensive study relating to the various aspects of a special index for pensioners would require a considerable amount of

time and effort on the part of ACPAQ in view of the complexities involved. As to the immediate problem of making adjustments to cost-of-living differential factors to account for lower rates of taxation, the Commission agreed that while a speedy resolution of the problem would be highly desirable, in view of its highly technical nature, the matter required further consideration and consultations. It, therefore, requested its secretariat to study the issues outlined in paragraph 30 above in co-operation with the secretariat of the Pension Board and report to the Commission at its fifteenth session. Following consultations with the organizations and staff, specific proposals would be forwarded to the Pension Board for its comments, which would be considered by the Commission at its sixteenth session. Specific recommendations would be made to the General Assembly at its thirty-seventh session.

36. The Commission agreed that the effective date of the Commission's recommendations to the General Assembly would be 1 January 1983. Pensions of all retirees, regardless of the date of retirement, in countries where the cost-of-living differential factors were applied, would be recalculated in accordance with the recommendations to be made to the Assembly at its thirty-seventh session.

CHAPTER IV

CONDITIONS OF SERVICE OF THE PROFESSIONAL AND HIGHER CATEGORIES

A. Comparison to be made in application of the Noblemaire principle

1. Evolution of the margin between the remuneration of the United States Federal Civil Service and that of the United Nations system

37. The Commission continued to keep the relationship between the levels of remuneration of the United States, the current comparator, and the United Nations common system under review. The comparisons had been made on the basis of the net remuneration of officials of the two services having a dependent spouse but no children, and between the headquarters of the two systems, i.e., Washington, D.C., for the United States civil service and New York for the United Nations common system, with due allowance for the differences in cost-of-living between the two cities. For that purpose, the base salary had been included on the United States side, and the base salary plus post adjustment had been included for the United Nations.

38. The margin calculations were averaged over the 12-month period from 1 October to 30 September of the following year, using the grade equivalencies between United Nations levels P-1 to D-2 and United States levels, mainly the General Schedule, GS-9 through GS-17, and the Senior Executive Service of the United States Federal Civil Service, SES-1 through SES-6.

39. For comparison purposes, the figures for the periods October 1979 to September 1980 and October 1980 to September 1981 are shown below. The commission noted that the widening of the margin from 115.0 to 117.8 was attributable principally to the fact that the increase in salaries of United States civil servants on 1 October 1980 had, once again, lagged behind the movement of the cost of living.

	<u>Oct. 1979-</u> <u>Sept. 1980</u>	<u>Oct. 1980-</u> <u>Sept. 1981</u>
(a) Average ratio of net remuneration at matching grades	122.6	124.6
(b) Cost-of-living ratio New York/ Washington, D.C.	105.7	105.8
(c) Average ratio, adjusted for cost-of-living differential	116.0	117.8

Details of October 1980-September 1981 margin calculations are shown in annex II.

40. Information was obtained through the Office of Personnel Management of the United States indicating that bonuses had been paid during the previous year to approximately 20 per cent of the staff in SES, amounting to an average of \$5,500 each, or the equivalent of \$1,100 for all SES staff. In addition, of 8,500 SES staff eligible for special awards, 49 had received an award of \$20,000 and 206 had recovered \$10,000, which came to an average of \$358 per staff member. Accordingly, an amount of \$1,100 plus \$358, or \$1,458 was added to the SES gross salaries in the calculation of the margin.

41. The Commission noted that the United States SES system, which had been introduced in July 1979, continued to be in a state of flux and was currently under review. Base pay at those levels was no longer directly related solely to job content as in the past. Thus, it was reported that under the new system, the SES pay level was affected and influenced partly by the following considerations:

- (a) Rewarding managers for jobs well done;
- (b) Retaining a superior performer who was offered a position outside the Federal Government;
- (c) Recruiting someone from outside the Federal Government;
- (d) Encouraging serving staff to move to high cost-of-living areas, such as New York City;
- (e) Negotiating between the employee and the Government.

Views of CCAQ

42. The representative of CCAQ had serious misgivings about the inclusion of the SES levels in the calculation of the margin. The amounts of salary reported for those levels might vary over time, giving rise to distortions and casting doubt on the validity of the margin figures. Levels P-1 and D-2 had been included in the margin calculations before SES was implemented. CCAQ proposed, therefore, that for the time being, pending the stabilization of the situation in the United States civil service, the margin calculations should be made on the basis of United Nations grades P-1 to P-5 and the equivalent United States civil service grades, namely, GS-9 to GS-15.

Views of FICSA

43. The representatives of FICSA preferred that, for the time being, pending further study, the SES levels be retained in the margin calculation.

Conclusions

44. The Commission recognized the difficulties for the margin calculations that had been created by the introduction in the comparator country of the SES which was still in a state of evolution. While the comparisons for the year October 1978 to September 1979 had been based on the United States equivalents of P-1 to D-1, the comparisons for the past two years had been based on levels P-1 to D-2, as approved

by the General Assembly in resolution 34/165. The Commission considered that a certain stability in the basis for the calculation of the margin was desirable. By calculating the margin on the basis of the general schedule, grades found equivalent to grades P-1 to P-5 (GS-9 - GS-15), the desired stability in the calculations would be achieved. However, the Commission noted that the Assembly had requested it to extend the basis of the margin calculations through level D-2. It decided, therefore, to continue to use grades D-1 to D-2 as the basis for the current calculation of the margin until the Assembly decided otherwise.

2. Comparison of total compensation 7/

45. At its third session, the Commission agreed that studies should be pursued with a view to arriving at a methodology permitting comparison of total compensation, including elements such as pension, insurance and other monetary benefits. In its second annual report to the General Assembly, the Commission had stated its intention to devise a method for making the comparison in terms of "total compensation" and that intention had been endorsed by the Assembly. 8/ In its sixth annual report, the Commission had informed the Assembly of the progress it had made in its search for a total compensation methodology. The Assembly had been informed that the Commission had examined the methods adopted by the United States Office of Personnel Management and the Government of Canada and it had agreed that these methods were designed for total compensation comparisons within a national context and would need to be adapted for application in an international environment. 9/ In the same report, the Assembly had been informed of the Commission's intention to carry out a total compensation comparison of remuneration of the United Nations common system staff in the Professional and higher categories with that of the federal civil service of the United States and that it had examined a list of elements of compensation applicable on both sides. Dividing the elements in two categories, the Commission had agreed to carry out two separate comparisons, one based on non-expatriate benefits on both sides and the other based on expatriation benefits applicable under the two systems. 10/ The Commission had requested its secretariat to submit, at its thirteenth session, as much data as could be obtained on all applicable elements of compensation from the United States Government so as to enable it to make a detailed total compensation comparison in time for submission of the results, together with any pertinent recommendation, to the Assembly at its thirty-sixth session.

46. At its thirteenth session, the Commission examined the document submitted by its secretariat which provided the Commission with:

7/ Based on non-expatriate elements only.

8/ Official Records of the General Assembly, Thirty-first Session, Supplement No. 30 (A/31/30), para 131, and General Assembly resolution 311/141 B, sect. II, para. 2.

9/ Ibid., Thirty-fifth Session, Supplement No. 30 (A/35/30 and Corr.1 and 2), para. 107.

10/ Ibid., para. 108.

(a) A list of non-expatriate elements of compensation reflecting the latest data available from both sides;

(b) A list of elements taken into account in the total compensation comparison (TCC) methodology developed by the United States Government;

(c) A brief description of the benefits comparison models developed by the United States Office of Personnel Management (OPM);

(d) A possible approach in ascertaining the applicability of the OPM/TCC models in the context of the United Nations/United States total compensation comparison;

(e) The steps that must be taken in adapting and using the OPM/TCC models in the comparison between the United Nations and the United States;

(f) An approach that may be taken in accounting for allowances and benefits on both sides which are not covered by the OPM/TCC methodology;

(g) Estimates of cost that would be incurred in adapting and using the OPM/TCC methodology for comparison between the United Nations and the United States.

47. At its thirteenth session, the Commission was also provided with a list of the expatriation benefits applicable to the United Nations staff in the Professional and higher categories as well as those applicable to the United States officials working abroad, together with an outline of an approach that might be taken in the quantification of some of the major expatriation benefits. At the same time the Commission also noted the difficulties that would be encountered in the quantification of some of the major expatriation benefits and the estimates of cost of between \$300,000 and \$375,000 that would be incurred in the development of a methodology for the quantification of them. Cognizant of the difficulties that it would encounter in the quantification of expatriate benefits, the Commission agreed that the development of a methodology for the comparison of expatriate benefits would be a complex, time-consuming and costly undertaking. It, therefore, agreed that it would revert to this issue at a later date, restricting itself at the present time to the comparison based on non-expatriate benefits only. It had requested its secretariat to proceed as a matter of urgency with the United Nations/United States total compensation comparison based on non-expatriate elements of compensation using modified quantification models developed by the OPM and to present the results of this comparison to the Commission at its fourteenth session.

48. At its fourteenth session, the Commission examined the results of a total compensation comparison based on non-expatriate elements of remuneration applicable to the United Nations staff in the Professional and higher categories with those of the federal civil service employees of the United States together with the pertinent details of the comparison. The following paragraphs provide a brief description of the United States total compensation methodology, the way in which the Commission used the modified quantification models, the result of the comparison and the views expressed by the organizations and staff. The conclusions of the Commission and the recommendations to the General Assembly are outlined in paragraphs 63 to 65 below.

(a) Description of the methodology used

49. Under the methodology used by the Commission, the level of benefit values or benefits provided by the employer to the employee on both sides is calculated for pension, life insurance and health care benefits. The measure of the benefit compared relates to the value of the benefit to the employee and not to the cost to the employer of providing a particular benefit. The level-of-benefit approach is favoured over the cost-of-benefit approach in view of the fact that two benefit plans which provide identical benefits for employees of two different organizations can have different cost implications for their respective employers for a variety of reasons. For example, pension benefits provided to the employee of two organizations by their respective pension funds may be exactly identical but the costs to the sponsors might be totally different in view of the difference in population characteristics, methods of funding, the relationship between past liabilities and assets and the history of the pension funds in question. In the case of life insurance and health care benefit plans, also, while two groups of employees working for separate organizations might enjoy the same level of benefits provided through life insurance and health care plan, the cost to employers on the two sides may be totally different. These cost differences might result from the choice of the insurance carrier, the profit loading included in the premiums, differences in administrative charges, taxation levels in the jurisdictions from which the insurance carriers operate, the contingency reserve policy of the carriers, the size of the employee group ensured, etc.

50. In view of the above, it may be noted that the measure of pension benefit provided on both sides relates to the level of pension benefit provided by the employer to the employee regardless of the method of funding, contributions made by the plan sponsors in past years, financial situation of the fund, past investment history and historical benefit changes. A similar approach, i.e., the approach of benefits provided by the employer to the employee regardless of cost to the employer has also been followed in the quantification of life insurance and health care benefits. Net values of pension, life insurance and health care benefits are added to the net base salaries on the United States side and these amounts at the matching grades are compared with the sum of net base salaries, applicable post adjustment for staff in the Professional and higher categories in New York (see para. 54 below), children's allowance, pension, health care and death grant benefits on the United Nations side.

(b) Level of benefit measures

51. Actuarial methods have been used for the determination of the values of retirement, disablement and life insurance benefits. A mathematical method has been used for the calculation of the values of medical plans.

Retirement, disablement and life insurance benefits

52. Retirement benefits are only received by participants upon withdrawal, retirement or disability, or by their beneficiaries after their death. Life insurance benefits are received, of course, only after death. Therefore, these plans have no pay-out at any time other than the event which causes pay-out, but the value of potential future payments can be expressed as annual additions to pay. The expected future payments are calculated, as described in the following

paragraphs, and then assumed to be earned by the employee between the time that the employee enters service and the time that service ends on account of withdrawal, death, disablement or retirement. This method is similar to the actuarial method known as the Entry Age Normal Cost Method, which is often used as an element in determining benefit costs. However, for this comparative level-benefit study, the entry age cost method has been adapted to compute the value of benefits, with all extraneous cost factors eliminated.

Health care plans

53. The medical and dental plans have been valued by a relatively simple mathematical technique, although the enormous variability of health care plan provisions involves a very large number of benefit combinations and arithmetic calculations. The value of each health care plan has been computed by reference to a standardized population medical claims model. A health care plan essentially pays for all medical claims with certain exceptions which include:

- (a) A "maximum" amount per claim, per period or per person;
- (b) A "co-insurance" amount under which the employee pays for a certain percentage of certain defined claims;
- (c) A "deductible" amount under which the employee pays for a certain level of claims per year or per person before the plan begins to reimburse the employee for claims.

The value is further reduced by his or her own contributions towards the premiums. The plan value to an employee is, therefore, calculated by applying the plan provisions to the standardized claims model and determining what proportion of total medical claims are paid after deducting the "maximums", the "co-insurance", the "deductibles" and the employee contributions. This produces an annual level-of-benefits value.

(c) The standardized population and the standardized medical experience

Concept of the standardized population

54. The aim of the total compensation study is to compare the value of pay and non-expatriate benefits of United Nations employees in the Professional and higher categories in New York to professional employees of the United States Federal Government in Washington, D.C. The value calculated should represent only the level of pay and benefits and should not reflect differences in employee population characteristics. Clearly, the United Nations pay and benefit plans should be valued for the United Nations population. In order to achieve comparison of pay and benefit levels and to avoid comparison of population differences the United States pay levels and benefit plans should be valued for the same base population, that is, the United Nations population. The effect is to answer the question: What are the relative values of the United Nations and United States pay and benefit levels if applied to the United Nations population? The United Nations employee population, therefore, becomes the standardized population for the comparability study, and the values of the benefit plans have been calculated as if they were all provided for this employee population.

Concept of the standardized medical experience

55. The value of a medical plan has to be measured within the framework of all the claims which might possibly be made upon a health care plan. The United States Office of Personnel Management has developed a medical claims distribution based on United States Federal Civil Service employees. This attempts to simulate every combination of medical fee, charge or cost which may be incurred, which in any combination are called claims.

(d) Calculation of benefit values

56. Many actuarial methods are available for calculating the cost of a pension plan, but the actuarial methods available for assessing the value of benefits provided by the employer to the employees are limited. Under the total compensation methodology used by the Commission, the entry age valuation method, which calculates the level of pension benefit provided to a group of new entrants, is used. The new entrants used for the calculation of the benefit must represent the recruitment experience for the base population over a period of time. For the quantification of pension benefits, a highly complex computer programme uses as input the new entrant profile, demographic characteristics of the base population, rates of future increases in pensionable remuneration due to promotions and within-grade increments, rates of future inflation and interest on investment, estimated rates of taxation on pensions, and the plan provisions of the pension scheme. The output of this computer programme is the level of net future pension benefits provided by the employer to a group of new entrants, and it is expressed in terms of a percentage of the present pensionable remuneration. Contributions made by the employees to the pension fund during the career span are subtracted in order to arrive at a measure of the benefit provided by the employer. A similar approach is followed for the quantification of life insurance benefits.

57. The following procedure was used for the calculation of health care plan values:

(a) Each benefits plan in turn is entered into the computer memory. All the deductibles, co-insurance provisions and maximums for each physician's visit, hospitalization, diagnostic treatment, surgical procedure, prescription drugs, etc., per person covered and per family covered, are mathematically defined within the computer.

(b) The claims file is then processed through the plan. Each claim is tested against every plan provision to produce a value which equals the total cost of the claim, less the deductions set forth by the plan provisions.

(c) When the entire claims file has been processed for the plan, the aggregate of claims payable is compared to the total value of all claims made under the claims model to determine what proportion of total medical costs is covered by that plan.

(d) The value of the employer-paid benefit is the proportion of total medical costs covered by the plan less employee contributions.

(e) The technique includes separate calculations for single participants and participants with dependants, and also apportions the percentages of claims covered by the type of expense which is incurred. This ensures that claims are included in the calculations in the correct proportions.

(f) The results are expressed in United States dollars as the level-of-benefit value of each plan valued.

58. In carrying out the actual total compensation comparison, the Commission noted that its secretariat had to make several assumptions. For example, although the Commission had decided to use staff in grades P-1 to D-2 in New York as the base population, certain demographic characteristics relating to this group of employees were either not available or would not have provided a statistically unbiased set of rates in view of the small size of the New York based staff in grades P-1 through D-2. In these instances, rates applicable to United Nations staff members all over the world were used. Furthermore, medical claims distribution, which constitutes an important input to the health care benefits quantification model, could not be developed for the base population in view of the constraints of time and resources. As a result of this, medical claims experience of the United Nations over a period of time was compared with the claims experience of the United States federal civil service employees. A comparison of benefit provisions of medical insurance plans available on both sides was also made. Upon determination that the examination of claims data on both sides showed similarities in medical experience and, further, in view of the fact that the benefit provisions of the medical insurance schemes applicable on both sides were very much similar in nature, the claims experience data developed by the United States Office of Personnel Management was used in place of the claims experience for the United Nations staff in the Professional and higher categories in New York. The Commission also noted that, in view of the constraints of time and resources and also owing to the problems encountered in obtaining data relating to the base population as outlined above, its secretariat had made certain assumptions. The rationale behind arriving at a particular conclusion and subsequently making a specific assumption had, nevertheless, been explained. Furthermore, the relationship between the various parameters for which the value assumptions were made and the final results was also explained.

Results of the comparison

59. Using the methodology as described above, values of pension, life insurance and health care benefits were obtained. Net pension benefits on both sides and the value of life insurance benefits on the United States side were obtained as a percentage of pensionable remuneration. These percentages were converted into dollar amounts by means of the use of pensionable remuneration amounts applicable at the appropriate grade and step. Health care benefits were obtained in terms of net dollar amounts and were used without further modification. It may be noted that, although there is no subsidized life insurance scheme available for the United Nations staff in New York, a death grant benefit scheme is operative and the value of this benefit to each United Nations employee was estimated at \$19 per annum. The aggregation of salaries, allowances and benefits at each grade on both sides is shown in annex III. The explanation of the information provided in columns A through H of annex III is provided at the end of that annex.

60. Using the United Nations/United States total compensation ratios obtained at grades P-1 to D-2 (see annex IV) and using the weights at these grades based on the latest statistics provided by CCAQ, a weighted average total compensation ratio was obtained (see annex IV). This ratio was used to arrive at the United Nations/United States total compensation margin as follows:

United Nations/United States average total compensation ratio:	120.9
New York/Washington, D.C. cost-of-living ratio:	105.8
United Nations/United States weighted average ratio, adjusted for cost-of-living difference:	114.2
United Nations/United States weighted average ratio based on net base salaries only (see para. 39 above):	117.8

Views of the organizations and staff

61. The Chairman of CCAQ paid tribute to the progress which had been made in the development of a methodology for comparison of total compensation. Noting that the element in total compensation which had the most impact after take-home pay was pensions, he said that CCAQ had difficulty with the approach adopted in the calculation of pension benefits in relation to length of service, bearing in mind the marked differences between the United States and the United Nations services in average length of service and age of retirement. It was suggested in the secretariat's document that because United States civil servants could serve to age 65 and even beyond the present value of their pension benefits was reduced by being spread over a greater number of years of service; that approach disregarded both the value of the salary earned during the additional years of service (by definition greater than the value of the pension for the corresponding number of years) and the psychological benefit of being allowed to continue working longer. There were other points of the methodology about which CCAQ had doubts, including the treatment of taxes, hours of work and annual leave, disability benefits, insurance arrangements, etc. CCAQ concluded that more study was required and urged that the Commission should confine itself to making a progress report to the General Assembly at the thirty-sixth session. At the same time, CCAQ suggested that the Commission would need at some time to consider the benefits to be expected from total compensation comparison in relation to the expense and effort entailed by the highly sophisticated methodology which had been adopted.

62. The representative of FICSA concurred in the view that further work was required on the total compensation study. The staff were concerned about the validity of some of the assumptions used and specifically about the frequency with which the United Nations was regarded as being the same as the United States Government population for comparison purposes. FICSA also had several problems with regard to the comparison of pension benefits, such as the differences in the funding of the two schemes and the computation of taxes. In addition, no account had been taken of the differences in retirement age with regard to actual salary comparison. In view of these comments, FICSA proposed that the necessary corrections be made; an attempt should also be made to quantify the degree of error in the calculations.

Views of the Commission

63. The Commission noted that the methodology for total compensation comparison was a highly complex one which required a large number of parameters and large amounts of data for processing through the computerized comparison models. It further noted that owing to the constraints of time and resources and also to the unavailability of data in some instances, certain assumptions had to be made. The Commission understood the concerns expressed by the organizations and staff regarding the various assumptions that were made in the completion of this study, which the secretariat had explained. Recalling that it had embarked upon the task of developing a methodology for the comparison of total compensation as far back as its third session, the Commission considered that, in spite of the doubts expressed and the questions that still remained unanswered, this was a major step in the Commission's quest for a methodology for the comparison of total compensation. It further noted that the study was completed in accordance with the guidelines provided by the Commission in the past and agreed that it was a major step forward for the Commission in this area inasmuch as solid foundations had been laid upon which further improvements in the methodology could be made. It further agreed that, as this was the first step in a highly complex area of total compensation comparison, expressions of doubt and concern were to be expected. It, nevertheless, found the results of the comparison sufficiently reliable as a first step and agreed that it would use the present methodology as the base and work toward making further improvements thereto.

64. Two members of the Commission considered that the method of comparison worked out by the United States Government for comparing total compensation between the United States private and public sectors and used in the present study should have been better adapted to the requirements of a comparison of two public sectors, the one national and the other international. It was conceivable that the United States Government considered it appropriate and necessary to ascertain the current value of the cost of future benefits, particularly in the case of retirement or disability benefits, for example, in order to compare that value with the current value of the costs of the same benefits in the private sector. However, it scarcely made any sense and gave rise to misleading results if this same model was used in the case of two civil services, where the aim was to measure the salaries and other benefits which a civil servant received or would receive in the course of an average normal career in each of these two civil services in the light of their peculiar characteristics. If the characteristics of the population and the civil service of the United Nations were taken as the basis of comparison and apply to the United Nations the conditions of the United States civil service without its characteristics, a comparison of comparable elements was not being made. Models should be established which could take account of existing differences between the two services. The fact that the method used had proved inappropriate to some extent and had yielded results that were more than questionable in the comparison with the civil service of the Federal Republic of Germany (see paras. 75-78 below) particularly with regard to pensions, tended to cast serious doubt on the conclusions reached in the present study. According to the opinion of these members, the study should be continued with more realistic comparator models.

65. The Commission requested the General Assembly to note:

(a) The results of the present total compensation comparison based on non-expatriate elements only as shown in paragraph 60 above;

(b) That some doubts had been expressed by the organizations and the staff concerning the use of the methodology and also concerning some of the assumptions made in the use thereof;

(c) That the matter would be kept under review by the Commission and that further improvements to the methodology and the use thereof would be made bearing in mind the concerns expressed by the organizations and the staff;

(d) That, if the Assembly wished the Commission to continue its work on the methodology for comparison of total compensation to include expatriate benefits, any such request must be accompanied by the allocation of the necessary resources in the Commission's budget.

3. Study of the highest paid national civil service

66. The United States federal civil service has been used for over 30 years as the "comparator" civil service for the purposes of determining the salaries of the United Nations common system staff in the Professional and higher categories. The International Civil Service Commission had informed the General Assembly in its first annual report that:

"In order to determine the appropriate level of salaries for the United Nations the preliminary conclusion of the Commission, like that of its predecessors, was that no acceptable alternative could be found to the existing practice of comparison with the salaries of the national civil service of the Member State whose levels were found to be highest and which otherwise lent itself to a significant comparison." 11/

67. The General Assembly, nevertheless, requested a study in order to ascertain the validity of the continued use of the United States as the comparator country. In its second annual report, the Commission informed the General Assembly that:

"The consensus of the Commission was that there was currently no evidence which would justify a conclusion that the federal civil service of the United States of America, which for the past 30 years had been taken as the guide in establishing the level of United Nations remuneration, should no longer be used for that purpose. It agreed that the question should be kept under review; that, in doing so, the comparison should be limited to national civil services employing significant numbers of staff at the relevant levels and having established grading patterns and conditions of remuneration and benefits; and that studies should be pursued with a view to arriving at a methodology permitting comparison of 'total compensation', including such elements as pension, insurance and other monetary benefits." 12/

11/ Ibid., Thirtieth Session, Supplement No. 30 (A/10030), para. 29.

12/ Ibid., Thirty-first Session, Supplement No. 30 (A/31/30), para. 131.

68. Since it informed the General Assembly in its second annual report concerning the validity of the continued use of the United States as the comparator country, however, doubts continued to be expressed by the Commission itself and by other bodies concerned as to whether the United States federal civil service was in fact the highest-paid national civil service. In view of these expressions of doubt, the Commission, at its ninth session, agreed to study the issue further.

69. In its sixth annual report to the General Assembly, the Commission stated that it had agreed to take a step-by-step approach to the question and that, as a first step, it had decided to restrict itself to a pilot study involving the United States civil service and only one other country. Inasmuch as one of the main arguments which prompted the Commission to make the study in the first place was that some of the Member States paid salary supplements to their nationals who served within the United Nations common system, it would be logical to choose one of those countries for the pilot study. Being aware of the existence of national legislation in this connexion enacted by the Federal Republic of Germany, Japan and the United States, the Commission decided that the Federal Republic of Germany should be selected for comparison with the United States civil service in the first place. 13/

70. The General Assembly was also informed that

"The Commission agreed that the comparison of remuneration at matching grades between the civil services of the United States and the Federal Republic of Germany would be made in two stages, firstly a comparison would be made between the remuneration of the United Nations staff in the Professional and higher categories in New York with that of the officials of the Federal Republic of Germany in Bonn. In the second stage, the results of the United Nations/Federal Republic of Germany comparison would be compared with those obtained from the United Nations/United States comparison made by the Commission for the purpose of the determination of the margin. The Commission further agreed to make this final comparison at its thirteenth session following an examination of the data presented to it by the secretariat with a view to completing the study at the fourteenth session, when the Commission would draw conclusions from it and report to the General Assembly on its findings." 14/

71. At its thirteenth session, the Commission examined a document submitted by its secretariat which outlined a procedure that would be used in establishing grade equivalencies between the civil services of the Federal Republic of Germany and the United Nations. The Commission also examined a list of elements of remuneration applicable on both sides and noted that, in order to quantify some of those elements, its secretariat had proposed to use the modified total compensation comparison methodology developed by the United States Government for its own purposes which the Commission was also using for the United Nations/United States total compensation comparison. In this connexion, the Commission noted that it

13/ Ibid., Thirty-fifth Session, Supplement No. 30 (A/35/30 and Corr.1 and 2), para. 112.

14/ Ibid., para. 114.

would be using a methodology for comparison of some of the non-cash elements of remuneration, notably the pension element, which it had not had an opportunity to test previously. Concern was expressed by several members of the Commission as to whether a valid comparison between the United States and the Federal Republic of Germany could be made, in view of the fact that the civil service of the Federal Republic of Germany was based on a system different from that of the United States civil service. It agreed, however, that, although some of the benefits applicable to the civil service of the Federal Republic of Germany were difficult to quantify and therefore might not be taken into account in the final comparison, a worth-while study based on the elements of compensation applicable on both sides could and should be made.

72. At its fourteenth session, the Commission examined a document which provided the details of the first phase of the United States/Federal Republic of Germany comparison, i.e. a comparison of remuneration of the United Nations staff in grades P-1 to D-2 in New York with that of the civil service employees of the Federal Republic of Germany in Bonn. The Commission noted that the grade equivalencies between these two civil services were established in accordance with the guidelines provided by the Commission and that no serious difficulties had been encountered in the establishment of those. A considerable number of difficulties were encountered, however, by its secretariat in the comparison of salaries, allowances and benefits applicable on both sides. The Commission appreciated that in a study involving the civil service such as that of the Federal Republic of Germany, where excellent non-cash benefits, particularly the pension benefit, are provided without any cost to the employee, a comparison based on salaries alone would not be meaningful. On the other hand, it was of the view that, given the differences in the demographic profiles of the population of the two civil services attributable mainly to the differences in length of service on both sides, a comparison of pension benefits had encountered some serious difficulties.

Views expressed by organizations and staff

73. The Chairman of CCAQ regretted that the very late distribution of the secretariat's document had not allowed time for the thorough study which so important a subject deserved. Its importance lay not only in its relevance to the question of the appropriateness of the present level of remuneration of the Professional and higher categories, but also in that it constituted a second test of the methodology being developed for comparisons of total compensation. The organizations were surprised and disturbed by the results arrived at and asked themselves whether the fault lay in the methodology itself or in the way in which it had been applied to the Federal Republic of Germany. CCAQ had no difficulty with the proposed grading equivalencies, but it did have serious doubts about other aspects of the study. In particular, the use in a comparison of remuneration of two national civil services of the United Nations staff in New York as the base population introduced serious distortions, due to the marked differences in their demographic and career characteristics (in particular, as regards length of service and age of retirement) compared with either of the two national services. By applying the conditions of service designed for a service providing in the main life-time careers to the United Nations population, with its late average age of entry and mandatory retirement at age 60, gave an unrealistic result. This was aggravated by what CCAQ considered to be a misinterpretation regarding the pension entitlements of a civil servant of the Federal Republic of Germany who left the service before the age of 63; instead of counting the value of pension benefits in

such cases as zero, CCAQ considered that due account should have been taken of the pension benefits provided in this case under the State social security scheme. CCAQ had difficulties with other aspects of the methodology, for example, the method of calculation of income tax payable on pensions, the cost-of-living differential between Bonn and New York and the use of a spot rate of exchange which happened to be untypical of experience of preceding years. CCAQ believed that the Commission must recognize that the study provided no evidence that the civil service of the Federal Republic of Germany should be taken, instead of that of the United States, as the comparator for purposes of application of the Noblemaire principle. It did not share the conclusion that comparisons could be made only with countries which had pay systems compatible with that of the United Nations; it was precisely the purpose of total compensation comparison methodology to permit such comparison of dissimilar systems. However, before comparisons with other countries were pursued, CCAQ urged that the methodology be perfected in the more straightforward circumstances of the comparison with the United States. In the meantime, CCAQ expressed concern lest the unsatisfactory results arrived at by this preliminary study be misinterpreted and misused.

74. The representative of FICSA stated that the Federation did not wish to repeat the detailed comments it had made at the thirteenth session concerning the methodology for the first phase of the comparator country study, which had been very largely disregarded. The Federation was of the opinion that the limited resources and time constraints with which the study had been completed showed up in the results. The earlier doubts voiced by the Federation were thus entirely vindicated; the study should, moreover, have been initiated at a much earlier stage, as the Federation had repeatedly urged. In that connexion, the representative of FICSA noted that a similar study undertaken by the World Bank and the International Monetary Fund had been completed with the use of considerably greater resources and the results were totally different from those obtained under the Commission's study.

Conclusions and recommendations

75. Based on the information placed before it, the Commission agreed that the doubts it had expressed previously concerning the validity of a comparison between the civil services of the United Nations and the Federal Republic of Germany based on salaries alone were well-founded and that any meaningful comparison between these two civil services would have to take into account non-cash benefits applicable on both sides. Following an examination of the elements of compensation applicable on both sides, and subsequent to an analysis of these elements, the Commission concluded that the single most important non-cash benefit which was likely to influence the results of the comparison was the pension benefit. In view of the differences in the retirement ages applicable, and also as a result of the differences in career spans, however, the Commission observed that the process of quantification and comparison of pension benefits had encountered some serious difficulties. It further noted that, owing to the complexities of the formula used by the Government of the Federal Republic of Germany for the calculation of the monies transferred to the social security system on behalf of the civil servants who withdrew from the service before reaching retirement age, this benefit had not been taken into account in the present study. It was, therefore, of the opinion that studies must continue to assess the impact of the differences in retirement ages and career spans and also of the exclusion of withdrawal benefit applicable on the side of the Federal Republic of Germany on the pension benefit values. It instructed its secretariat to continue to study the issue further and report any further findings to the Commission at a later date.

76. Two members of the Commission particularly expressed doubt on the methodology used, especially regarding pension benefits and suggested that more realistic models be developed.

77. As for the use of the spot exchange rate to convert salaries in German Marks to their dollar equivalents and the United Nations post adjustment index to adjust for the differences in purchasing power, the Commission agreed that, although it had reached specific conclusions regarding these matters at its previous sessions, in view of the expression of doubt by the organizations and members of the Commission itself, the questions required further consideration. It therefore requested its secretariat to study alternative means of adjusting for differences in currency and purchasing power and to report its findings to the Commission at its fifteenth session.

78. The Commission noted that, as a result of the difficulties it had encountered in the quantification and comparison of pension benefits and, further, due to the procedures that had been used to adjust for the differences in currencies and purchasing power, it had not been able to assess the relative levels of the remuneration packages applicable on both sides at this stage. It was, nevertheless, of the opinion that the preliminary examination of the data placed before it had led it to believe that there was no evidence to suggest at the present time that the United States federal civil service should be replaced as the "comparator" under the Noblemaire Principle. 15/

79. The Commission requested the General Assembly to take note of these preliminary findings.

4. Level of remuneration

80. The representative of FICSA requested the Commission to consider an interim increase in salaries for staff in the Professional and higher categories pending the completion by the Commission of the various studies it had undertaken, particularly the review of the post adjustment system and the question of the highest paid national civil service.

Views of FICSA

81. FICSA emphasized that its request for an increase in base salaries was of an interim nature, pending the completion by the Commission of the various studies

15/ Two members of the Commission considered that the results were sufficiently indicative, for the Commission's purposes, of the relative levels of the remuneration packages applicable on both sides. These members, therefore, expressed the view that brief summaries of the data which had persuaded the Commission to reach its conclusions should be placed before the General Assembly as part of the present report. They pointed out that the comparison of salaries and other benefits (excluding pensions) applicable on both sides showed that at the exchange rate of 2.32 DM to US\$1, the United Nations remuneration package was 53.4 per cent higher than that applicable to the civil servants of the Federal Republic of Germany, without taking into account the differences in cost-of-living between Bonn and New York.

which it was undertaking. These studies were complex and some time would be required until they were concluded. The issues had proved to be even more complex than envisaged and the Commission was moving ahead very slowly. FICSA had been given a very strong mandate by its member associations and unions for an increase in base salaries, which had last been adjusted on 1 January 1975. That mandate reflected the discontent and frustration of the Professional staff of the United Nations system. The paper submitted by FICSA to the Commission at its thirteenth session showed that salaries of Professional staff had lost over 10 per cent of their purchasing power since 1971. The amount of the loss varied by duty station and demonstrated the failure of the post adjustment system to compensate fully for cost-of-living increases and exchange rate variations. As a further proof of the inadequacy of the level of Professional remuneration, FICSA cited a decline in the quality of services which the organizations were able to deliver, resulting from recruitment difficulties, distortions in grading patterns, supplementary payments made by some governments to some of their nationals serving in the United Nations and declining staff morale.

82. FICSA was, of course, well aware of the political and economic constraints within which the international community had to operate at the present time; the Federation believed, however, that it was the duty of the management of the system to weigh the pros and cons of taking decisions that might find disfavour with the staff on the one hand and legislative bodies on the other. That was not the role of FICSA; as the staff spokesman, FICSA had the duty to bring the staff's concerns before those responsible for regulating the terms and conditions of employment of the staff. FICSA had also twice addressed the Administrative Committee on Co-ordination (ACC) since it believed that the staff management factor was of the utmost importance in this case. The request had been considered carefully by ACC which had recognized that there were inequities in the system that needed to be corrected. FICSA urged that its substantiated request for a salary increase of 10 per cent, which had already been made three years ago, should be granted while the Commission's various studies continued.

Views of CCAQ

83. The organizations had been aware of the concern expressed by FICSA on behalf of Professional staff regarding the level of their remuneration. This matter had been considered by ACC but no grounds had been found for making a recommendation to the Commission at its fourteenth session. CCAQ had been requested to carry out a comprehensive study of all aspects of the matter and to report to ACC at a later date.

Considerations by the Commission

84. The Commission recognized that the various studies on Professional salary matters had been time-consuming. However, no evidence had emerged indicating that the United States civil service was no longer the highest paid, whether comparisons were made on the traditional basis or on total compensation. Accordingly, the Commission continued to be guided by the margin between the remuneration of the United Nations common system and the United States civil service. Although the required margin had never been quantified, the Commission noted that the current trend had been for a widening of the margin. The Commission concluded that it could not support the proposal of FICSA.

5. Supplementary payments received by staff members from their national Governments and payments made by staff members to their national Governments

85. The Commission was informed by a document submitted to it at its twelfth session by ACC of the existence of national legislation of the Federal Republic of Germany, Japan and the United States of America, providing for supplementary payments made to nationals in relation to their serving or having served as international civil servants. In its sixth annual report, 16/ the Commission had recommended that the General Assembly call to the attention of all Member States that the practice of making supplementary payments of whatever nature to international civil servants by their Governments was unnecessary, inappropriate and undesirable and, moreover, inconsistent with the provisions of staff regulations.

86. At its thirteenth session, the Commission noted that the General Assembly's response in resolution 35/214 C had been to cite those paragraphs of the Commission's report concerning supplementary payments, to request ICSC to keep the matter under review and to report to the Assembly at its thirty-sixth session, taking fully into account the views expressed by delegations. On the basis of a note prepared by its secretariat, the Commission was also informed of ACC decision 1980/17 (ACC/1980/DEC/8-18) to request the Commission to examine the question of payments made by staff members being required to submit part of their emoluments to their Governments.

87. The Chairman of CCAQ noted that no new information had come to light on the matter of supplementary payments and suggested that the Commission await the possible provision of such information by organizations in time for consideration at its fourteenth session. He stated that CCAQ would request ACC to review its request that ICSC study the question of staff members submitting part of their emoluments to Governments.

88. The President of FICSA reiterated the Federation's position that supplementary payments undermined the independence and integrity of the international civil service. FICSA therefore concurred with the Commission's view that such payments were inappropriate, undesirable and inconsistent with the provisions of the United Nations Charter and staff regulations. However, it could not agree with the Commission's conclusion that such payments were unnecessary. The existence of supplementary payments was proof of the inadequacy of the current level of Professional salaries, and FICSA proposed that the Commission ascertain the specific reasons for which such supplementary payments continued to be made to international civil servants in some duty stations. Not enough was known about cases of staff members being required to submit part of their emoluments to their Governments. Although the statement of principle by ACC on the matter was of some benefit, ACC should also indicate the manner in which it expected the Commission to deal with the question. The Federation hoped that an appropriate mechanism could be found to study the whole question of the relationship between international

16/ Official Records of the General Assembly, Thirty-fifth Session, Supplement No. 30 (A/35/30 and Corr.1 and 2), paras. 115-123.

civil servants and their Governments and would welcome an indication from the Commission as to what alternative body might be in a better position to deal with it. In the meantime, the Federation requested that the Commission continue to keep the matter under review.

89. The Commission recalled the limitations in its authority under its statute to resolve such questions and the lack of a mechanism available to the Commission to verify such practices. It noted that, despite the limited response of the Fifth Committee to its recommendation on supplementary payments, preliminary consultations of its Chairman with the representatives of Governments known to provide supplementary payments suggested that more details on the relative occurrence of supplementary payments might be obtained. In view of General Assembly resolution 35/214 C, the Commission decided that it would consider at its fourteenth session any further information from CCAQ and authorized its Chairman to obtain any additional information available from Member States already known to provide supplementary payments.

90. At its fourteenth session, the Commission considered a report on the further consultations of its Chairman with representatives of Member States on the question. The Chairman had written to the Permanent Representatives of the Federal Republic of Germany, Japan and the United States of America, requesting additional information on the basis of which the Commission could be further informed of any additional reasons for the enactment of the relevant public laws, the actual nature, extent and relative occurrence of the provision of supplementary payments and of any intentions or steps taken or contemplated to review the legislation or practices relating to such payments. Specifically, the Chairman had requested that the Commission be provided with information on the number of nationals receiving supplementary payments since the relevant laws were passed (but particularly in 1980), according to duty station and grade level at which they were employed by an organization of the United Nations common system; the total amount, in United States dollars, of all supplementary payments paid during that period; the administrative principles according to which supplementary payments were authorized; and the procedures for the calculation of the amounts of supplementary payments. On 12 June 1981, the Permanent Representative of the United States replied to the request of the Chairman that additional information be provided to further inform the Commission regarding the question of supplementary payments (see annex V). On 2 July 1980, the Permanent Representative of Japan replied to the request of the Chairman (see Annex VI). No information had been received by the time the fourteenth session had convened from the Permanent Representative of the Federal Republic of Germany, although he had written to the Chairman, informing him that his request had been forwarded to Bonn for consideration.

91. The Chairman of CCAQ noted that no new information had come to light on the matter of supplementary payments. The organizations offered to keep the matter under review and to report any developments to the Commission.

92. The President of FICSA reiterated the Federation's previous position on the question of supplementary payments. Although FICSA had not been seized of the question of payments made by staff members to their Governments, it could not but believe that such practices, if compulsory, would also be inconsistent with the spirit of the United Nations Charter. The staff accordingly tended to concur with the remark contained in the reply by the Permanent Representative of the United States that the question of supplementary payments be reviewed in the context of

all arrangements by Member States to provide, withhold or control remuneration or other benefits to their citizens in the employ of international organizations. The staff supported the further review by ACC and the Commission of the entire question of supplementary payments.

93. The Commission considered a legal analysis of the four main variations in the three known practices of supplementary payments, as outlined in a statement of a representative of the Office of Legal Affairs submitted under rule 38 of the ICSC rules of procedure: variations in who among their nationals were eligible to receive such payments, variations in the degree of discretion exercised in approving or disapproving the payments, variations in the amounts paid and variations in the timing of payments - whether made while the recipients were serving as international civil servants or after separation. The legal adviser also stated that the Secretary-General had previously considered that the practice of the United States did not violate the obligation of exclusive loyalty regarding staff members specified by the Charter, since payments were only made to persons who had been seconded from the federal service and only after they had left the international civil service. No formal review had taken place of the legality of the schemes of Japan or of the Federal Republic of Germany and neither the General Assembly nor any other organ had ruled on the difficult legal questions involved in any of the practices of supplementary payments.

94. The Commission noted that the question of payments made by staff members to their national Governments was being studied by CCAQ, which would report thereon to ACC, and that CCAQ would later inform the Commission of any action taken by ACC. It further noted the additional information regarding supplementary payments made to staff members provided by the Permanent Representatives of Japan and the United States and decided to communicate it to the thirty-sixth session of the General Assembly. The Commission considered that presently it was appropriate to recall its recommendation made at the thirty-fifth session ^{17/} that the General Assembly call to the attention of all Member States that the practice of supplementary payments was unnecessary, inappropriate and undesirable and, moreover, inconsistent with the provisions of staff regulations.

B. Review of the purposes and operation of the post adjustment system

95. By resolution 34/165, section I, paragraph 2, the General Assembly requested the Commission to begin urgently a fundamental and comprehensive review of the purposes and operation of the post adjustment system. In response to the Assembly's request, the Commission examined a document at its eleventh session prepared by its secretariat, in which the scope of the review to be undertaken was outlined and a list of features to be examined was suggested. The Commission agreed that it would take a phased approach in identifying problems and finding solutions thereto. It also decided that the Advisory Committee on Post Adjustment Questions (ACPAQ) should be associated to the fullest extent possible in the studies relating to the various aspects of the post adjustment system. At its twelfth session, the Commission reviewed additional documentation prepared by its secretariat which provided a concise description of the system together with the findings of a partial review of some of its more complex features.

^{17/} Ibid., p. ix.

96. In its sixth annual report, the Commission provided the General Assembly with:

(a) An assessment of the complexities involved in undertaking a complete review of the system;

(b) The details of the problems relating to some of the more important aspects of the system and the priorities that the Commission had assigned in finding solutions thereto;

(c) A description of the principles, purposes and the current operation of the post adjustment system.

The Commission also informed the Assembly that it had established a special working group of ACPAQ to undertake studies for the improvement of the methodology of cost-of-living measurements.

97. At its thirty-fifth session, following its consideration of the Commission's sixth annual report, the General Assembly, by resolution 35/214 A, requested

"the Commission to intensify and speedily to conclude its fundamental and comprehensive review of the purposes and operations of the post adjustment system as requested in General Assembly resolution 34/165 of 17 December 1979 by fully taking into account the causes of possible anomalies, and to submit the results of the review to the Assembly at its thirty-sixth session".

98. At its thirteenth session, by way of a note submitted by its secretariat, the Commission was informed of the constitution of the special working group and the scope of the review that would be undertaken by the group was outlined. The special working group submitted its report relating to the methodology for cost-of-living measurement surveys to ACPAQ at its sixth session. ACPAQ also had the benefit of the views expressed by the special working group on some of the other but related aspects of the post adjustment system and of other relevant documentation submitted by the Commission's secretariat and interested bodies. Summaries of proposals examined by ACPAQ together with its recommendations were placed before the Commission at its fourteenth session. A brief summary of the various aspects of the post adjustment system considered by the Commission at its fourteenth session along with the decisions it took relating thereto is provided below.

1. Methodology for cost-of-living measurements surveys

99. The Commission considered recommendations made by ACPAQ relating to the following matters concerning cost-of-living measurement surveys:

(a) Improving the computer facilities available to its secretariat;

(b) Producing booklets, manuals and operational handbooks explaining the post adjustment system and organizing training programmes for staff responsible for administering the system;

(c) Developing well designed survey forms and questionnaires;

- (d) Establishing regulatory mechanisms for control of all operations of the post adjustment;
- (e) Stratifying countries for the purpose of determining expenditure weights;
- (f) Developing a common system of definition and classification of consumption expenditure;
- (g) Conducting family expenditure surveys every six years;
- (h) Conducting place-to-place price comparisons every three years;
- (i) Improving the quality of price collection;
- (j) Strengthening the price-collection machinery including more direct involvement by the staff of the Cost-of-Living Section;
- (k) Continuing the use of the star method of comparison while investigating the possibility of introducing some time in the future the base-country invariant multilateral comparison method;
- (l) Using local consumer price indices for making interim adjustments of the post adjustment indices between place-to-place surveys;
- (m) Using regression analysis in comparing rents for post adjustment purposes;
- (n) Treating sales prices and educational costs.

Views of the organizations and staff

100. The Chairman of CCAQ stated that the Committee found the recommendations of ACPAQ on the methodology for cost-of-living measurements acceptable and in particular agreed with the recommendation that the Cost-of-Living Section should be strengthened. It was the view of CCAQ that computerization of the work of the Cost-of-Living Section offered the best chances of increasing the capacity of the Section to help cope with its present load of work. He endorsed the suggestion that there was a need to study the impact of home-ownership on the calculation of post adjustment indices.

101. The representative of FICSA stated that the cost of implementing the revised methodology must be viewed against the total expenditure on post adjustment. The Federation strongly supported the provision of adequate computer facilities for the Cost-of-Living Section and urged that appropriate methods for rental comparison be developed and implemented on an urgent basis. The formula of the Export Committee on Post Adjustments should be replaced, pending the introduction of regression or a similar technique, by the use of a straight average, based on comparison by number of bedrooms. Housing surveys should be conducted annually in New York as in all other duty stations. The Federation felt that multilateral methods of comparison, if adopted after suitable testing, might serve to allay misgivings about the relative post adjustment classification of duty stations. The representative of FICSA also stressed that ever-present financial constraints should not impede the initiation by CCAQ and FICSA of a real training programme for local co-ordinators - a subject which the Federation considered of key importance.

Conclusions of the Commission

102. The Commission took note of the recommendations of ACPAQ on the methodology for cost-of-living measurements. It also noted the Committee's concern regarding present computer facilities in the Cost-of-Living Section recognizing that the availability of adequate computer facilities was an essential prerequisite for the implementation of an integrated system. In this connexion, the Commission requested its secretariat to study the various options open to it, including the acquisition of mini-computers, bearing in mind the requirements of the Cost-of-Living Section and the availability of existing data processing facilities at New York and Geneva.

2. Technical aspects of the post adjustment system, including the consideration of alleged anomalies

(a) Possible distortions in the high and low cost-of-living areas

103. The Commission, while considering the relationship between possible distortions and the vertical regression in the post adjustment amounts per index point, noted that there was a complex of several factors which played a role in the determination of post adjustment amounts per index point. The Commission, therefore, requested its secretariat to study the relationship between these factors and the post adjustment rates with a view to determining the possible distortions caused by this phenomenon.

(b) Out-of-area commitments of staff, particularly in low cost-of-living areas

104. The Commission noted that compensation for out-of-area commitments was not a problem to be solved in the context of the methodology for calculating post adjustment indices, nor even in the broader system of compensation for cost-of-living differentials, but one which required an administrative decision.

(c) Treatment of pension contributions as part of post adjustment

105. The Commission considered the matter of inclusion of pension contributions as part of post adjustment and requested its secretariat to pursue its studies of the issue and present the results to ACPAQ at a forthcoming session.

(d) Treatment of housing costs in post adjustment

106. The Commission noted that there were several proposals concerning the treatment of housing costs in post adjustment placed before it by ACPAQ. Notable among these was one which followed up the earlier request by the Commission at its eleventh session for an in-depth study as to what the situation would have been at a number of duty stations if housing costs had been excluded from post adjustment and a housing allowance had been provided instead. FICSA on the other hand had advanced a proposal whereby the rental subsidy scheme at present operational at field duty stations would be extended to all duty stations. As to the study requested by CCAQ, the Commission noted that it would be some time before its secretariat could make an in-depth study of this type. Concerning the proposal advanced by FICSA, the Commission noted that the extension of the rental subsidy scheme to all duty stations including New York could possibly affect the margin between the United Nations and the United States remuneration at the base of the system. It agreed, therefore, to take a step-by-step approach and requested its

secretariat to prepare a study of the distribution of rents in major duty stations according to certain parameters such as length of stay, family size, number of bedrooms and length of lease, and report its results to ACPAQ.

(e) Spendable income

107. The Commission noted that ACPAQ had examined a document at its sixth session which outlined the spendable income concepts and definitions as used by the United States Government, whose home civil service is used as the "comparator" for staff in the Professional and higher categories. In the document placed before ACPAQ the treatment of expenditure groups, which are excluded by the United States Government from the spendable income amounts, under the post adjustment system was explained. ACPAQ had concluded that in spite of the fundamental differences in the treatment of some of the expenditure groups under the two systems, in the final analysis, the two systems compensated for the differences in purchasing power along the same lines. The Commission took note of this conclusion reached by ACPAQ.

(f) Separation of the inflation and currency elements in the post adjustment system

108. The Commission recalled that it had examined proposals for the separation of inflation and currency elements placed before it by UNESCO and GATT at its fourth and eighth sessions. The Commission further recalled that at its eleventh session it had requested UNESCO and GATT to submit a report providing illustrations of what their proposals would have produced, had they been adopted by the Commission. The results of this study had been examined by the Commission at its twelfth session but it did not adopt either the UNESCO or the GATT formula. In this connexion the Commission noted that, even if solutions could be found to the problem of separation of inflation and currency elements in the post adjustment index, there would still remain the anomaly that staff at a duty station, for example, in class 6, solely because of inflation, would receive lower remuneration than staff at another duty station, also in class 6, where four of the classes were considered to be attributable to exchange rate factors.

109. Some members of the Commission noted that, in view of the regressivity in the amounts of post adjustment per index point, serious problems were encountered by the system in times of rapid changes in currency rates. Those members were, therefore, of the opinion that a further study should be conducted with a view to finding a solution to the problem of the effects of currency variations on take-home pay.

Conclusions and recommendations

110. The Commission noted that although much progress had been made towards improving the methodology for cost-of-living measurement surveys, further work remained to be done, not only on the methodology but on the other aspects of the post adjustment system. It agreed that ACPAQ would have a continuing role in monitoring the implementation of the revised methodology and in proposing further improvements to the system as a whole.

111. The Commission requested the General Assembly to take note of the information provided above. Progress made on the studies requested by the Commission on various aspects of the post adjustment system would be reported to the General Assembly at its thirty-seventh session along with the pertinent recommendations, if any.

C. Method for determining separation payments

112. Prior to 1 January 1977, separation payments (i.e., commutation of annual leave, repatriation grant, death grant and termination indemnity) for staff in the Professional and higher categories were based on the gross salary, less staff assessment, excluding post adjustment. In order to reduce the need for consolidation of post adjustment into base salary for separation payment purposes, the Commission, in its 1976 annual report, recommended that separation payments should be based on pensionable remuneration less staff assessment. The General Assembly approved that recommendation in its resolution 31/141 B, 18/ effective 1 January 1977. Thereafter, pensionable remuneration was adjusted periodically between consolidations on the basis of 5 per cent movements of the weighted average of post adjustments (WAPA). On the occasion of each consolidation it was the practice to establish new gross salary rates, which also became the pensionable remuneration rates. The effective date of the consolidation was then taken as 100 for purposes of measuring future movements of WAPA.

113. The General Assembly, in its resolution 35/214 A, section IV, approved a dual system of pensionable remuneration for staff in the Professional and higher categories, with effect from 1 January 1981, without taking a decision on the basis to be used for purposes of separation payments. The Commission, at its thirteenth session, decided to make appropriate recommendations on the matter to the Assembly at its thirty-sixth session.

114. The three alternative bases for making separation payments that were considered by the Commission at its fourteenth session were as follows:

(a) The pensionable remuneration currently used as a basis for payments of pension benefits (PR/B), based on movements of the United States consumer price index (CPI);

(b) The pensionable remuneration currently used as a basis for contributions to the Joint Staff Pension Fund, based on movements of WAPA (PR/C) subject to the level of PR/B as a floor;

(c) A notional pensionable remuneration based on movements of WAPA alone, i.e., gross salary adjusted by WAPA, less staff assessment (equivalent to what had been used prior to 1 January 1981).

Views of CCAQ and FICSA

115. The representative of CCAQ indicated that it had examined the alternatives outlined above and had agreed that alternative (c), namely, gross salary adjusted by WAPA less staff assessment, would be acceptable to the organizations. It was pointed out that alternative (c) was the same as the PR/C without the floor provision. CCAQ advised the Commission that there might be a problem regarding implementation of that procedure, inasmuch as some of the organizations' staff rules and regulations stipulated that separation payments were to be based on pensionable remuneration. Movements of the United States CPI and WAPA as of

18/ Ibid., Thirty-first Session, Supplement No. 30 (A/31/30), part two.

January and July of each year were to be reflected in pensionable remuneration, effective 1 April and 1 October, respectively. The United States CPI had moved more than 5 per cent since the date of the consolidation, 1 January 1981; thus, a new scale of pensionable remuneration would go into effect 1 October 1981.

116. The representative of FICSA indicated a preference for alternative (b). The Federation felt that staff should receive adequate compensation on separation from service, and alternative (b) appeared to be more favourable to the staff. It would cause fewer problems in the long run. Though the system based on WAPA appeared to be simple, it ran the risk of controversy. FICSA agreed that special consideration should be given to the implementation procedures in view of the timing problem.

Discussion and conclusions of the Commission

117. It was clear to the Commission that the changes in definition of pensionable remuneration that had been adopted by the General Assembly last year were designed solely for pension purposes and that through an oversight, no attention had been given to the separation payment aspect. The pensionable remuneration for benefit purposes was linked to the United States CPI, having in mind the system of dollar-based pensions. A floor was placed on the pensionable remuneration for contribution purposes for reasons of protecting the financial integrity of the United Nations Joint Staff Pension Fund.

118. The Commission agreed that alternative (c) was not open to either of those considerations. Alternative (c) was, in fact, the same as alternative (b) without a floor, which was, in principle, the procedure that had been applied prior to 1 January 1981.

119. The Commission recommended, therefore, for the General Assembly's consideration, that separation payments should continue to be based on gross salary, adjusted by movements of WAPA. The scale published in the sixth annual report 19/ should govern separation payments until such time as the Commission published a new scale. In practical terms, that meant that the scale effective 1 January 1981, less staff assessment, would be taken as a base, representing gross salary plus a 17.9 per cent movement of WAPA (on 1 September 1980), as had been approved by the General Assembly. Future movements of WAPA would be measured initially from that base date and movements upward or downward of 5 per cent or more, on 1 January and on 1 July of each year, from the date of the last change, would be implemented from the following 1 April and 1 October, respectively. 20/

120. The reading of WAPA on 1 July 1981 had shown a movement of minus 4.9 per cent from the base date. Thus, no change in the scale for separation payments was required with effect from 1 October 1981. If the reading on 1 January 1982 showed a movement of minus (or plus) 5 per cent or more, the Commission would calculate and publish a new scale for separation-payment purposes, with effect from 1 April 1982.

19/ Ibid., Thirty-fifth Session, Supplement No. 30 (A/35/30), annex V.

20/ The same general procedure for making the 5 per cent movement calculations would be applied as had been approved for the adjustment of pensionable remuneration.

CONDITIONS OF SERVICE IN THE GENERAL SERVICE CATEGORY

121. In its sixth annual report, 21/ the Commission described how it had been actively engaged in carrying out a number of surveys of best prevailing conditions at headquarters duty stations and, given the heavy concentration of such surveys, that it had been able to make little progress in the establishment of a general methodology for surveys of best prevailing conditions of service which would revise or replace the 1964 "Guiding Principles". The study of the general methodology was to be continued in 1980 and taken up by the Commission at its thirteenth session. The Commission in the past year undertook and completed a survey in Vienna, its eighth survey and the last of the first round of surveys at headquarters duty stations, and has made considerable progress in the development of a general methodology for salary surveys in the context of an over-all review of the methods for application of the principles for determining the conditions of service of the General Service and other locally recruited categories.

A. General methodology for surveys of best prevailing conditions of employment

122. At its thirteenth session, the Commission resumed its review of the principles and methods for application of the principles for determining conditions of employment of the General Service and other locally recruited categories. After having devoted considerable time to conducting surveys under article 12 of the statute the Commission was in a position to address itself to the question of general methodology in the context of a comprehensive review. They noted also that the organizations and staff placed great importance on the subject and that the General Assembly, in its resolution 35/214 A, had endorsed the Commission's work on the issue. The Commission considered that the same over-all principles should apply at all duty stations and in that regard expected to be able to arrive at a methodology with broad guidelines of general applicability but allowing for variability in precise procedures to account for local conditions. It undertook a preliminary treatment of the definitive review and considered proposals on the scope and timing of the review. The Commission decided to accept as the broad principle that salaries of the General Service and other locally recruited categories should be determined by reference to the best prevailing local conditions in each duty station. A draft text of the broad principle was subsequently prepared and its consideration was scheduled for the fifteenth session.

123. The Commission further decided that its review would be concentrated on the establishment of a general methodology for the application of the principles. In approving a phased approach to the review, it decided that the first phase, which

21/ Official Records of the General Assembly, Thirty-fifth Session, Supplement No. 30 (A/35/30 and Corr. 1 and 2), paras. 159-161.

it hoped to complete by its fourteenth session, would be the establishment of a general methodology for surveys of a large number of pre-selected best employers at headquarters duty stations. It approved a list of issues as the scope of that first phase, requested its secretariat to present comprehensive proposals for the fourteenth session and invited CCAQ and FICSA to develop and submit their own positions.

124. The subsequent phases of the comprehensive study were approved by the Commission as follows:

(a) For the second phase, salaries and other conditions of service in field duty stations; periodic adjustments to salaries; other allowances; and gross salary, staff assessment and pensionable remuneration;

(b) For the third phase, social security; salary scales for other locally recruited categories; overtime and shift differentials; and other methods for determining the best prevailing conditions.

125. At its fourteenth session, the Commission had before it comprehensive and detailed proposals, prepared by its secretariat, for the general methodology. CCAQ and FICSA, however, proposed a postponement of the item, citing the late receipt of the working document as the reason for not being able to conclude their consultations before making their comprehensive comments, as requested by the Commission at the previous session. The Commission had no choice but to agree to their proposal to defer the item until the fifteenth session. It thus expected to report to the General Assembly at its thirty-seventh session the establishment of a general methodology for salary surveys.

B. Implementation of revised General Service salary scales in Geneva

126. The Commission was informed of action taken by ILO and the resulting action of the other six Geneva-based organizations, further to the Commission's recommendations, following its second survey of best prevailing conditions for General Service staff in Geneva. Six of the seven organizations (United Nations, WHO, ITU, WMO, GATT and WIPO) had accepted the Commission's recommendations and had proceeded to implement the recommended new salary scale, dependency allowances and proposed interim adjustment procedure with retroactive effect to 1 March 1980. The seventh organization, ILO, in conformity with an opinion given in 1978 by the judges of the ILO Administrative Tribunal in their individual capacities, following the 1977 survey, had proceeded to negotiations with the staff representatives. The Director-General of ILO had submitted the question to the Governing Body in May 1981 after concluding discussions with the staff. The Director-General had recommended the adoption of the ICSC scale for staff recruited after 1 January 1979, but had proposed that the net salary scale in force for ILO officials in service in 1978 or earlier should be increased by 3 per cent from 1 March 1981. Those recommendations had been approved by the Governing Body. Upon learning of the recommendations of the Director-General to his Governing Body, the Chairman of the Commission had cabled the Director-General, expressing his concern that an increase in the old salary scales and other related proposals represented a departure from the Commission's recommendations and from the course of action taken by other organizations in Geneva.

127. Following the decision of the ILO Governing Body, the staff representatives requested a meeting with ACC to discuss the ILO decision and its implications for the staff of other organizations in Geneva. In ACC, it had been decided that the Secretary-General and the executive heads of the six other Geneva-based organizations would meet with the staff. That meeting had taken place on 1 July 1981. Subsequently, the executive heads of six of the organizations had taken the following decision:

"Following their meeting with the staff representatives of the United Nations, WHO, ITU, WMO, GATT and WIPO on 1 July 1981 to discuss the recent decision of the ILO Governing Body to increase, with effect from 1 March 1981, the pre-1978 net salary scale applicable to ILO General Service staff recruited before 1 January 1979 by 3 per cent, the executive heads of the other six Geneva-based organizations have decided that they would bring before the International Civil Service Commission and their respective governing bodies, the matter of the abnormal situation of unequal remuneration between similar groups of General Service staff in Geneva resulting from the ILO decision, and their intention to grant a comparable increase in the net remuneration, retroactive to 1 March 1981, to those General Service staff in their organizations to whom the pre-1978 scale had been applicable".

Views of the organizations and staff

128. The representative of ILO recalled that, when the Commission's statute had first been adopted, article 12 had been the most controversial; some organizations had wanted the Commission to determine salary scales, but others had only wanted the Commission to make recommendations. Under the article in its final form the Commission was to establish the facts for and make recommendations on salary scales for General Service staff, but should the executive head wish, after consultation with the staff representatives, he could request the Commission to determine the salary scales instead of making a recommendation. This latter clause, as far as he knew, had never been used. He also recalled the long history of problems associated with the General Service salaries in Geneva, as well as the opinion given in 1978 by the judges of the ILO Administrative Tribunal, which opinion would be binding on the parties. The negotiations with the staff which then took place in 1978 had led to an agreement whereby the scale recommended by ICSC would go into effect at ILO on 1 January 1979 for new staff, but the old scale in effect at the time of the 1977 survey would apply to staff in service before 1979. The Commission's 1980 survey had been a good survey, and full consultations with staff and administration had taken place. All credit was due to the Commission's secretariat for ironing out difficulties in the conduct of the survey. However, the ILO staff had made a number of proposals and did not feel that their views had been taken into account by the Commission. Though in meetings with the staff and administration representatives of all organizations, assurances had been given to staff about, inter alia, the effective date, interim adjustment measures and adjustments to be made for differences in remuneration between men and women, the ILO staff had not accepted the final results and had entered into separate discussions with the administration. The resulting 3 per cent salary increase to the old scale meant that the overtaking of the old scale by the new one would be delayed by about six months. Although recognizing that an agreement existed with the United Nations on general questions of co-ordination in personnel matters, the representative of ILO considered that considerable divergencies continued to exist between the organizations in respect of conditions of work: ILO, nevertheless, was

co-operating through the existing co-ordination mechanisms (CCAQ, ACC and ICSC) in endeavouring to reduce those differences which did exist.

129. The representative of the United Nations stated that after the ILO decision, staff of the various organizations had asked for a meeting with ACC, and it had been decided that the executive heads of the Geneva-based organizations would meet the staff. At that meeting, the staff had focused on three points: that there had been a declaration by the executive heads in 1976, according to which they would seek uniformity in their actions; that there should be equal pay for equal work and the ILO decision raised problems of equity among organizations; and that the six organizations should take a joint position. The executive heads of the six organizations had taken their decision mindful of those considerations and their commitment to the Commission. They would have had no intention of reopening their past decisions on the Commission's recommendations, but they recognized the abnormal circumstances and the need to make a judgement on different alternatives and thus had decided to advise the Commission and their respective governing bodies of their intention to grant, effective 1 March 1981, the 3 per cent increase to those General Service staff in their organizations to whom the pre-1978 scales had once applied. The representative of ITU recalled that for the United Nations and WHO the executive head was empowered to make such decisions and for ILO it was the Governing Body, but the remaining organizations followed the decisions of the United Nations. The executive head of ITU had added a sentence to the joint decision of executive heads that he would implement the decision after its implementation by the Secretary-General of the United Nations.

130. The ILO staff representative, after recalling some of the objections of the ILO staff with the 1980 survey, stated the ILO staff's contention that the results of the survey and their interpretation were incorrect and for that reason had continued their action. The United Nations staff representatives pointed out that if the other six organizations did not pay the 3 per cent increase, the discrepancy would be great. Moreover, there was already a discrepancy, because ILO had two separate scales, but the other six organizations utilized a system of personal transitional allowances.

Conclusions and recommendations

131. The Commission recognized that the issue at hand was a fundamental one which touched at the very nature of the Commission's existence and the principles underlying the concept of a single, unified international civil service through the application of common personnel standards, methods and arrangements. That the question had arisen at the time of the 1977 survey in Geneva and had arisen once more in connexion with the Commission's recommendations resulting from the 1980 survey was an indication that a basic problem persisted. While the salary surveys themselves might be carried out only once every several years, the issues of equal treatment of staff, common personnel standards, methods and arrangements, and collective responses to matters of mutual concern would remain ever present with the organizations and their staff. The Commission had serious doubts whether the organizations and the system as a whole were facing squarely the difficulties confronting them in respect of those issues and whether they were searching for and willing to arrive at appropriate solutions. The Commission could not impose its will on the organizations. It existed for and because of them, not in spite of them; but the Commission also had to be a reflection of the collective wills of the organizations as enunciated by the statute to which they themselves subscribed.

132. The situation with regard to General Service salaries in Geneva which had been created by the recent unilateral decision by ILO to grant a 3 per cent increase to the majority of its staff was deplorable in the view of the Commission, and one which could and should have been avoided. In spite of the long-standing practice of common salary scales for the General Service staff in Geneva and the generally accepted approach of collective response among the Geneva organizations to determine appropriate levels of salaries and other conditions, ILO had taken a separate and divergent course of action. While all of the executive heads were jointly considering the Commission's recommendations and taking into account the views of their staff, the Director-General of ILO had interpreted what was an advisory opinion of judges given in their individual capacities to mean that he was obliged to negotiate an agreement with the staff representatives. Such an agreement had been reached without consulting the other executive heads. The reaction of the staff of the six other organizations and even, to a lesser degree, that of the six executive heads could be said to be a normal reaction provoked by the abnormal situation created by ILO. The Commission could not but note with regret that the decision to grant a 3 per cent increase to the majority of the ILO staff was in contradiction to the provisions of the agreement between the United Nations and ILO concerning co-ordination in personnel matters.

133. The Commission, however, did not see the basic problem as one of a legal nature. It fully understood that its responsibility under article 12.1 of the statute was to establish the relevant facts and make recommendations concerning the salary scales. ILO was operating from what it understood to be its obligation stemming from an opinion given by judges in their individual capacities. It did not escape the Commission's attention that the ILO decision to continue to act according to that opinion, when the Tribunal had recognized that it had no power under its statute to give an advisory opinion, left room for considerable doubt as to its appropriateness.

134. Although there was a financial and budgetary side to the matter which the Commission did not overlook, it did not see it as the key issue at stake. The implications for the common system would have been just as great, only somewhat less expensive, had the ILO decision been to set salaries at a level 3 per cent below that established by the other six organizations. The ILO Governing Body had taken its decision aware of the financial implications, although it might be said that the full impact of the decision could be measured in terms of the cost to all seven organizations in Geneva, if the other six should implement the 3 per cent increase. Indeed, the same member States were the ones which financed the budgets of all the organizations.

135. That raised the question of whether there was consistency of decision and purpose among the representatives of the member States from one organization to another. It occurred to the members of the Commission that the member States might not have the advantage of full information with regard to the implications for the common system when they meet to take decisions in the various governing bodies. The Commission noted, in particular, that any reference to the common system of salaries in Geneva was absent from the decision of the ILO Governing Body. The Commission, therefore, suggested that its Chairman explore with ACC the ways in which the Commission's recommendations could most effectively be brought before the different governing bodies and how the Commission might best contribute to their understanding of the impact of their decisions on the common system.

136. The Commission considered that the principal objection to the way in which ILO had proceeded was that it had minimized, if not disregarded, the objective of the single, unified international civil service through the application of common salary scales. If the Commission had been given the responsibility for conducting the salary surveys in Geneva and elsewhere and making recommendations, it was neither because of technical superiority nor financial expediency. It was for the purpose of facilitating the organizations' task of achieving a collective arrangement in respect of the appropriate salary scales. If the Commission's work was fruitless in Geneva - the headquarters duty station where the largest number of organizations were represented in significant numbers and where the common system most needed to operate - that raised the fundamental question of the reason for being of the Commission and common system.

137. The fact that the executive heads of the six other organizations had felt obliged to decide to bring before the Commission and their respective governing bodies their intention to grant a comparable 3 per cent increase in net remuneration, after having accepted the Commission's recommendation, was considered by the Commission to reflect the importance that they attached to maintaining a unified salary system in Geneva to the benefit of the common system. On the other hand, the result of their action was considered as undermining the very concept of best prevailing conditions, which was the basis of the original recommendations the six executive heads had previously accepted. Surely, in the long run, the avoidance of serious discrepancies in the terms and conditions of employment and the avoidance of competition between organizations in the recruitment and retention of personnel would best serve the international civil service, but this needed to be achieved in a manner which was consistent with the principle of best prevailing conditions.

138. The Commission thus decided that, those matters being of such fundamental significance, its consideration of them should be brought to the attention of the different governing bodies in an effort to avoid further erosion of the common system. It called upon executive heads and staff representatives and recommended that the General Assembly should call upon Member States to renew their efforts to foster the development of a single, unified international civil service and to enable the Commission to carry out the mandate with which it had been entrusted.

C. Implementation of revised staff assessment rates in Paris

139. The Commission, recalling that it had recommended at its twelfth session and that the General Assembly had subsequently approved at its thirty-fifth session new staff assessment rates for the General Service category, considered a problem which had arisen in the implementation of these new rates in Paris. Technical difficulties had occurred due to the fact that the General Service salary scale in Paris is constructed and periodically adjusted on the basis of relativities among the gross salaries, which in turn are based on staff assessment rates. A modification in the staff assessment rates implied that either net salaries would have to be revised upward or the previously approved method for the construction and adjustment of the scale would require modification. At the fourteenth session, the Commission reviewed the details of the problems and considered alternative solutions.

140. The representative of the Director-General of UNESCO stated that, while the Director-General intended to implement the new staff assessment rates in Paris, a

problem of timing arose owing to the methodology used for the establishment of General Service salaries in that city. By reason of that methodology, which had been approved by the organization's governing organs and, indeed, had been used by ICSC itself in recommending a salary scale for Paris in 1978, the immediate introduction of the new staff assessment rates would result in a distortion of the net salary scale. He hoped that the Commission, in the light of the technical difficulties, would not recommend the immediate implementation of the staff assessment rates. If it had to make a recommendation along these lines, however, he hoped that the implementation could be delayed. In any case, UNESCO considered that any solution would be but an interim one, since the whole matter would be resolved at the time of the next salary survey. For this reason he preferred that the Commission recommend that the new staff assessment rates be implemented at the time of the next salary survey.

141. The Commission felt that the non-implementation to date of the new staff assessment rates could be rationalized on the grounds that technical difficulties had arisen. The reactions of the staff could not be taken into account under the circumstances, since the revised staff assessment rates were intended for universal application for the General Service category.

142. As for the technical difficulties, however, the Commission considered that a perfectly feasible technical solution was available. At the time of implementing the new staff assessment rates (when an interim adjustment was triggered by the normal method), the net salary scale could be determined by first establishing the gross salary scale according to the former staff assessment rates and coefficients and relativities. Then, given the new net scale, the new staff assessment rates could be applied, thus determining the new gross salary scale and, by implication, a new set of horizontal and vertical coefficients and relativities. These new coefficients would then remain in effect until they could be reviewed at the time of the next salary survey.

143. This solution was only a slight modification to the methods currently in use in Paris for the construction and adjustment of the scale. The Commission preferred this solution to recommending a postponement, until the next salary survey, of the implementation of the new staff assessment rates. An exceptional postponement in Paris would be contradictory to the spirit and objectives of the common system. The Commission strongly believed that all the organizations should make every effort to abide by the common approach to salaries, allowances and other conditions of service so as to promote the identical treatment of staff at all duty stations. While understanding fully the technical difficulties which had existed to date for the non-implementation of the new staff assessment rates, and grateful to the Director-General of UNESCO for having brought these difficulties to its attention, the Commission could not but recommend to the Director-General of UNESCO to proceed at the earliest possible opportunity to implement the revised staff assessment rates in accordance with the procedure described in paragraph 142 above.

D. Survey of best prevailing conditions of employment in Vienna

144. As it informed the General Assembly in the sixth annual report, 22/ the Commission had at its twelfth session placed the survey of best prevailing

22/ Ibid., para. 214.

conditions in Vienna on its work programme for the thirteenth and fourteenth sessions in 1981. The survey was the eighth survey to be made by the Commission under article 12, paragraph 1, of its statute, and the last in the first round of headquarters salary surveys. Guidelines for the survey were established by the Commission at its thirteenth session in consultation with the representatives of the administration and staff of the Vienna-based organizations. The survey was made following the pre-selection of a group of best employers and covered both the General Service and the Manual Workers in a single exercise.

145. The data collection was carried out in the second quarter of 1981 by two survey teams, each headed by a representative of the Commission's secretariat and including one member from the administrations and one from the staff. In its examination of the resulting survey data, presented at the fourteenth session, the Commission gave full opportunity to the representatives of the administrations and staff to express their views.

146. The survey collected usable data from 27 employers and covered seven jobs in the Manual Workers category and 10 in the General Service. Data on individual salaries were collected and served as the basis of analysis. In addition to base salary, a number of cash benefits and allowances paid across the board on a recurrent basis were found by the Commission to be an integral part of the cash remuneration package and were taken into account. In an over-all comparison of other benefits found among outside employers with those available in the United Nations organizations, the Commission concluded that no adjustment could be recommended. After netting down the salary data, outside matching salaries were calculated for each surveyed job and grade. To these resulting matching salaries two adjustments were made. Three per cent was added to all grades to compensate for the separation indemnity payable by law to all outside employees; 4 per cent was added to the General Service grades to account for the fact that the local language of the surveyed employers was not a working language of the organizations, and thus the United Nations staff were expected to comply with stringent language requirements.

147. The Commission applied the adjusted outside salaries at appropriate points of the existing scales as a basis for determining the new scales resulting from the survey. The grades not surveyed were determined by extrapolation. The resulting salary scales, reproduced as annex VII to the present report, were recommended by the Commission as reflecting adequately the best prevailing conditions and salaries in Vienna as at 1 March 1981. By comparison with the 1 January 1981 scale, the recommended scale for the Manual Workers represented an increase at all grades, ranging from 3.2 to 7.5 per cent at step VI. The over-all net weighted average increase for the Manual Workers scale as a whole was 4.7 per cent. The recommended General Service scale represented an increase range from 1.4 to 4.1 per cent at step VI, with the over-all net weighted average increase being 3.3 per cent.

148. As is normal, the Commission also recommended procedures according to which the salary scales would be adjusted in the interim period between surveys. In compliance with its mandate under article 11 (b) of its statute, the Commission considered the level of dependency allowances and established, by reference to local practice, a revised scale of allowances to become effective on the same date as that of the revised salary scales.

149. The findings, conclusions and recommendations were set out in detail in a report presented to the Executive Heads of the Vienna-based organizations. The Commission expects to inform the General Assembly, in its next annual report, on the action taken on its recommendations.

CHAPTER VI

CONDITIONS OF SERVICE IN THE FIELD

A. Classification of duty stations according to conditions of life and work

Action by the Commission at its thirteenth session

150. At its thirteenth session, the Commission considered a report of the Working Group that it had established to analyse the replies to the questionnaires received from field duty stations and to make proposals on the classification of each duty station in accordance with the instructions of the Commission and the decision taken by the General Assembly in resolution 35/214 A, section IV. The Working Group, consisting of members designated by CCAQ and FICSA and members of the ICSC secretariat had been assisted in their work by the United Nations Medical Director and others with long experience of having served in field duty stations.

151. The system of marking had been applied, tested and retested on questionnaires received from all countries outside Europe and North America with field duty stations. The report contained an analysis of the conditions under which the entitlements of accelerated home leave travel on 12- and 18-month cycles and additional education grant travel that had been approved by the General Assembly were to be granted; the financial implications of such entitlements; a comparison of the new entitlements with rest and recuperation leave entitlements which were to be abolished; and recommendations on certain administrative procedures to be followed in implementing the entitlements. The report also contained the recommendation of the Working Group that a financial incentive in the form of an increased assignment allowance at the rate of \$1,200 per year per staff member should be approved by the Commission and that transitional measures should be instituted by which staff members presently serving in duty stations qualifying for rest and recuperation leave but who would not qualify for accelerated home leave under the new provision would continue to be eligible for rest and recuperation leave as long as they remained in the duty station or until 31 December 1982, whichever was sooner.

152. The Chairman of CCAQ noted that the organizations were gratified that the General Assembly had approved the recommendations made by the Commission - in the preparation of which CCAQ had participated - regarding the classification of duty stations. The measures approved had been based on an objective analysis and were a long-needed step. CCAQ noted that the proposals of the working group, which had been reached by a long process of testing and retesting were reasonable. It therefore recommended the proposals to the Commission for approval. In respect of the financial incentive, the Commission reserved its final decision until it saw how the provisions would be applied; CCAQ hoped that the Commission was satisfied that it would be used sparingly and only in the most deserving cases. For staff assigned to the small number of duty stations concerned it was an appropriate and necessary recognition of the unusually difficult conditions in which they were called to serve. CCAQ hoped therefore that the Commission would approve the

measure, under the authority given to it by article 11 of its statute to determine the conditions of the assignment allowance, and that the amount so added to the assignment allowance of the staff in the duty stations concerned would not be taken into account in the calculation of rental subsidy in those duty stations, lest what was given with one hand be taken back with the other. With regard to the procedures for implementing the classification, CCAQ supported the recommendations of the Working Group and proposed additionally that if conditions in a given duty station were to deteriorate so gravely that the Secretary-General ordered the evacuation of dependants of staff members from the duty station the Chairman of the Commission should be empowered to place that duty station automatically in the category where the staff members remaining there were entitled to home leave travel every 12 months.

153. The President of FICSA was pleased that the new entitlements had been approved by the General Assembly, particularly since the entire question had first been placed before the Commission at the initiative of the Federation. However, the measures approved were less than those originally proposed by the staff. FICSA could not agree with the amount of \$1,200 for the financial incentive, as proposed by the Working Group, which would be approximately the same as the representation allowance given to some of the higher officials in the United Nations. Equating the incentive to a representation allowance would be highly inappropriate, since the new entitlement was intended for staff who could be considered at the "cutting edge of development" and whose importance should not be undervalued. FICSA recalled its original proposal for the amount of the financial incentive which was \$3,600 for the most difficult and \$2,400 for the difficult duty stations; in a spirit of compromise and in order to speed up the decisions which had become urgent it proposed that the incentive be at least \$2,400. That would still be lower than the incentive offered by most bilateral aid programmes. Since the financial incentive was reserved for only exceedingly difficult duty stations, to which few staff were assigned, the Federation urged the Commission to give appropriate consideration to such staff by approving the Federation's request.

Discussion and decisions of the commission at its thirteenth session

154. The Commission received with satisfaction the report of the Working Group which it observed had been prepared with great objectivity. It also reviewed the list of duty stations that would qualify for the new entitlements on the basis of the criteria proposed by the Working Group and the financial implications of the Group's proposals. The Commission considered that on the whole the proposals were reasonable. It therefore approved the criteria and system of marking recommended by the Working Group to be used in determining duty stations eligible for the new entitlements of accelerated home leave travel on cycles of 12 and 18 months, additional education grant travel and financial incentives. Concerning the financial incentive, the Commission noted that the provision was reserved for a very small proportion of staff and that the cost to be incurred by the common system was indeed minimal. It therefore decided to establish the amount at \$2,400 per year for a staff member in the Professional or higher category assigned to a qualifying duty station outside his or her home country and accompanied by a dependent spouse at the duty station and \$1,200 per year for a staff member in the Professional or higher category assigned to a qualifying duty station outside his or her home country and not accompanied by a dependent spouse at the duty station. The incentive was to be paid in the form of an increased rate of assignment allowance. It further decided that the amount so added would not be taken into account in the calculation of rental subsidy for those duty stations. However,

with regard to the transitional measures proposed, the Commission decided, consistent with the intentions expressed in its last annual report, that rest and recuperation leave should be entirely abolished, in conjunction with the establishment of the new entitlements and, therefore, that no transitional measures should be implemented. The Commission authorized its Chairman to promulgate the decisions concerning particular duty stations, on the basis of the established classifications, with effect from 1 January 1981. With regard to future classifications, the Commission decided that (a) organizations should submit completed questionnaires for newly established duty stations as soon after their establishment as it was possible to judge the existing conditions; (b) resident co-ordinators and other respondents should be informed that they could submit a revised questionnaire in respect of any duty station if they believed that there had been a significant change in the conditions; (c) the questionnaires so received would be examined once a year by the Working Group, which would submit recommendations to the Chairman of ICSC for approval and promulgation; and (d) a complete survey of all field duty stations should be undertaken by the Working Group every three years and the results of those reviews should be reported to the Chairman for approval and promulgation.

Action by the Commission at the fourteenth session

155. At its fourteenth session, the Commission considered a proposal of its secretariat that a review should be made of some of the aspects concerning the procedures for determining eligibility for the higher amount of the financial incentive, for dealing with duty stations in which security conditions deteriorated drastically, and for the examination of new questionnaires which had been received since the thirteenth session. The secretariat recommended that:

(a) Eligibility for the financial incentive in the amount of \$2,400 per year should be granted to a staff member in the Professional or higher category assigned to a qualifying duty station outside his or her home country and accompanied by a dependent spouse or dependent child at the duty station;

(b) The Chairman should be delegated the authority immediately to designate duty stations, in which the Secretary-General had ordered the evacuation of dependants, as qualifying for home leave travel on a 12-month cycle and to reinstate the original classification for the duty station when the evacuation order is withdrawn;

(c) A second meeting of the Working Group should be convened at the fourteenth session to examine new questionnaires received by 1 July 1981 in order that the Chairman might promulgate a supplementary list of duty stations eligible for the new provisions.

156. With the expressed agreement of CCAQ and FICSA, the Commission authorized a second meeting of the Working Group to examine new questionnaires. The Commission, on the recommendation of CCAQ, asked the Working Group to review the cases of a number of duty stations which had raised queries, a number which had previously been entitled to rest and recuperation leave and those duty stations where peace-keeping missions were located. At the request of FICSA, the Commission also asked the Working Group to recommend procedures for the interim designation of duty stations which were created or staffed for the first time between the regular reviews foreseen by the Commission.

157. Later during the fourteenth session, the Commission considered a report on behalf of the Working Group which indicated that the Secretariat had marked the questionnaires and the Working Group had reviewed the markings assigned, under the criteria previously approved by the Commission, for all new duty stations for which questionnaires had been received, including those where peace-keeping missions were located. Details were given to the Commission of the number of countries, duty stations and staff members affected. The costs of providing entitlements to staff members at these new duty stations and those which had previously not been assessed were estimated by the Working Group to be in the order of \$150,000. Some of these costs, however, would be offset by costs previously estimated for duty stations which had been closed, but statistics were not available from all organizations to calculate this reduction.

158. The members of the Working Group noted with regret that there were also a number of duty stations that on an initial tentative assessment would have grounds for having their entitlements revised. This included a number of duty stations which had resubmitted questionnaires, duty stations which had raised queries with respect to the original list of entitlements and duty stations which had formerly been entitled to rest and recuperation leave but which had received no, or fewer, entitlements under the new system. The Working Group had decided not to recommend a revision of the classification of these duty stations for several reasons. The Chairman's letter of promulgation dated 8 April 1981 had made it clear that there would be a review towards the end of 1981; thus some duty stations which might have wished to have a review but were awaiting the appropriate time would be disadvantaged if some other duty stations were reviewed earlier. Secondly, further correspondence would be necessary to clarify a number of inconsistencies or lack of information with respect to a number of duty stations. Thirdly, a number of the requests for review came from a staff member or an organization directly to the Commission's secretariat rather than through the Resident Co-ordinator. Since the established procedure had been to channel all information for the sake of consistency and objectivity through the co-ordinator, it was felt that these types of cases should be considered only when received through the appropriate authority. For these reasons, no recommendations were made to the Commission at the fourteenth session by the Working Group in respect of revisions. The Working Group did intend to examine requests for review at its next regular annual meeting to be held near the end of 1981. In taking this decision it noted that the FICSA representative had stressed the Federation's strong dissatisfaction with the fact that it had not been possible to take action on cases which in the opinion of FICSA, deserved revision at this time.

159. As regards the procedure to classify duty stations which did not presently exist, or were not staffed, but might be opened between the regular reviews of the Commission, the Working Group recommended that the Commission should delegate to its Chairman the authority to promulgate classification entitlements for such duty stations. It was proposed that this be done only upon a written request by an organization and review by the ICSC secretariat of a questionnaire, submitted by the designated officer for security arrangements (in the country of the duty station). A questionnaire could, if feasible, be submitted prior to the arrival of staff members at a duty station.

160. The Working Group estimated that the over-all financial implications of its recommendations covering new duty stations and the interim designation procedure outlined in the preceding paragraph would be approximately an additional \$150,000

for the common system. Since, as mentioned in the report of the thirteenth session (ICSC/R.267, para. 167) the measures previously approved by the Commission would cost approximately \$1 million, the new total estimates would amount to approximately \$1,150,000.

Discussions and decisions of the Commission at its fourteenth session

161. After some further clarifications were provided, the Commission decided that:

(a) Eligibility for the financial incentive in the amount of \$2,400 per year should be granted to a staff member in the Professional or higher category assigned to a qualifying duty station outside his or her home country and accompanied by a dependent spouse or dependent child at the duty station;

(b) The Chairman should be delegated the authority immediately to designate duty stations, in which the Secretary-General had ordered the evacuation of dependants, as qualifying for home leave travel on a 12-month cycle and to reinstate the original classification for the duty station when the evacuation order is withdrawn;

(c) The Chairman should be delegated authority to promulgate classification entitlements for newly-established duty stations.

162. The Commission also noted that:

(a) Its Chairman would promulgate a list of new duty stations which qualified for various entitlements after the fourteenth session;

(b) Further requests for review would be examined by the Working Group during its regular annual review scheduled near the end of 1981;

(c) After examining the report of the Working Group, the Chairman would, within the authority delegated to him by the Commission, promulgate any new classifications that were required.

B. General Service staff at field duty stations

163. At its thirteenth session, the Commission addressed itself, at the request of FICSA, to matters relating to the conditions of service of the General Service staff at field duty stations. In particular, the Commission was requested to take up three specific questions: security of tenure and career structure; methodology for salary surveys; and dependency allowances. FICSA was of the view that the Commission must develop a coherent policy and assign a higher priority to the concerns of a group of staff which accounted for one third of the total system staff but was regrettably ignored.

164. The Commission reviewed proposals which had been made concerning security of tenure and career structure and took the following decisions:

(a) The Commission reaffirmed its previous decision with respect to the Inter-Organization Transfer Agreement and confirmed that that decision was meant to apply equally to staff members in field duty stations;

(b) In considering whether organizations with offices in field duty stations should be required to consider for appointment staff members whose fixed-term contracts in other organizations were about to expire, the Commission affirmed that the common prospection procedures it had established also applied to staff members in field duty stations;

(c) In respect of a common system of staff evaluation for both Professional and General Service staff, the Commission noted that its recommendations concerning performance appraisal policy and the appraisal form which it was adopting were to apply to all categories of staff;

(d) Concerning security of tenure, probationary periods and the link between job classification standards and the expected level of qualification, the Commission noted that CCAQ had established a joint working group with FICSA to review such personnel policy questions and instructed its secretariat to participate in its work as an observer;

(e) Concerning the development of a methodology for salary surveys in the field, the Commission recalled its thorough deliberation and decisions taken on the subject in the context of its plan for the over-all review of the general methodology for determining the conditions of service of the General Service category, (see paras. 121-125 above);

(f) On the matter of dependency allowances, the Commission confirmed that its study of the subject within the over-all review of the general methodology would deal with Headquarters and non-headquarters staff alike, in compliance with its responsibility under articles 10 and 11 of the statute. It recalled that the subject of other allowances, including dependency allowances, was scheduled for the second phase of its over-all review.

C. Local or national professionals

165. In its sixth annual report to the General Assembly, the Commission reported that it had decided to permit the employment of local or national Professionals to continue under conditions proposed by CCAQ 23/ and to keep the arrangement under review in the future. To that effect, the Commission requested CCAQ to provide specific information to the Commission each year at its summer session on (a) the number of local or national Professionals employed by each organization, (b) the grade levels at which such staff were employed and (c) the intention of any organization to begin employing such staff prior to actually doing so. 24/ At its fourteenth session, the Commission reviewed the first annual statistical report on local or national Professionals submitted by CCAQ on behalf of the organizations which employed or intended to employ such staff. CCAQ reported that a total of 253 local or national Professionals were employed in the common system as follows: UNDP, 86; UNICEF, 154; and FAO, 13. Abbreviated titles for the jobs held by those staff were listed by country.

23/ Official Records of the General Assembly, Thirty-fifth Session, Supplement No. 30 (A/35/30 and Corr. 1 and 2), para. 303.

24/ Ibid., para. 310.

166. The President of FICSA recalled the position of the Federation on the question of local or national Professionals and, in particular, its concern about the serious implications of the uncontrolled growth in the employment of such staff. ^{25/} In that connexion, she observed that the employment of local Professionals had, in one year, increased from approximately 200 to 253. Furthermore, while no organization had previously reported its intention to employ such staff before actually doing so, as stipulated by the Commission, FAO was reported by CCAQ to have already employed 13 local or national Professionals. The total number reported by CCAQ was also of concern, since some local or national Professional staff previously reported by the United Nations as employed in information centres were not included in the current total. The representative of FICSA wondered what had happened to those staff.

167. The representative of the United Nations explained that his organization had not reported information assistants as national Professionals, since the pay scales for those staff were in a state of transition, being converted from Extended General Service level to "national officer" scales, as appropriate, as a result of the world-wide surveys that were being carried out on an interagency basis. The representative of UNDP stated that his organization had approval for 192 posts for national or local Professionals but was experiencing difficulty in recruiting qualified candidates. He informed the Commission that the surveys referred to by the United Nations had already been carried out in Bogotá, Rio de Janeiro and Cairo but that the pace of work had been hindered somewhat by a lack of resources. The Chairman of CCAQ said that those surveys and studies had been entrusted to the United Nations, UNICEF and UNDP with the objective of developing a methodology for salary surveys and of establishing salary scales for local or national Professionals.

168. Members of the Commission noted that the format in which the statistics had been provided by CCAQ did not permit a comparison to be made in the figures reported for one year with those of the next. Some members found the reported job titles to be insufficiently specific and suggested that a breakdown of the data by organization and country and including projected employment levels for future years would be desirable. While the statistical report of CCAQ had complied with the letter of the Commission's request, some members considered that there was a need for additional information that related to the conditions for the employment of local or national Professionals which had been accepted by the Commission in its decision to permit the employment of such staff to continue. Such information on the nationality, type of contract, length of service and numbers of staff supervised would permit the Commission to carry out a more effective review of developments concerning the employment of local or national Professionals. As regards the development of salary survey methodology and the introduction of common salary scales, concern was expressed that such work was not progressing as quickly as was desirable. The importance of developing clear and accurate job descriptions for those and other purposes was also noted.

169. The Commission decided that future reports on local or national Professionals would include a descriptive categorization of jobs according to the Common Classification of Occupational Groups established by the Commission, the type of

^{25/} Ibid., para. 304.

contract, nationality and length of service of the incumbents and the numbers and types (whether international or national Professional) of staff supervised, if applicable. The information was to be tabulated by job, country and organization. Total numbers of local or national Professionals would be reported on a comparative year-to-year basis for each organization and would include a one-year projection of future employment levels. The Commission decided to request CCAQ to prepare its reports in order to satisfy those requirements, and it also requested CCAQ and the organizations to which it had entrusted the study on salary scales and survey methodology to expedite their work, with a view to presenting final proposals on those issues at the sixteenth session of the Commission, together with the expanded statistical report on local or national Professionals. This information would enable the Commission at that session to consider again the fundamental question of the use of local or national Professionals. It hoped that CCAQ could provide a progress report at the Commission's fifteenth session on the studies, surveys and tentative proposals developed by that time.

ACTION BY THE COMMISSION UNDER ARTICLE 13 OF ITS STATUTE

A. Implementation of Master Standard (Tier I)

170. The Commission reported to the General Assembly at its thirty-fifth session 26/ that at its twelfth session it had adopted and promulgated the Master Standard for use, beginning 1 January 1981, and had further decided that each organization should formulate a clear plan for implementation of the Master Standard for review by the Commission. At its thirteenth and fourteenth sessions, the Commission reviewed the plans of organizations for the implementation of the Master Standard. At the thirteenth session the Commission noted with satisfaction the plans formulated by the majority of the organizations for implementation of the Master Standard as at 1 January 1981. Members of the Commission noted with concern the fact that a number of organizations were either still considering their plans or had developed only provisional plans for implementation of the Master Standard.

171. The Commission considered, at its fourteenth session, the further progress made by those organizations which had not submitted definitive plans for the implementation of the Master Standard, so as to ensure that a complete report on the matter could be made in its seventh annual report to the General Assembly and the other legislative bodies. In that regard the Commission considered a report from those organizations which had developed provisional plans or were still considering their plans; those organizations in which certain organizational entities operated separate job classification systems for which plans had not yet been submitted; and those organizations which had indicated that more than one alternative approach would be implemented. The results of the organizations' reports to the Commission at both sessions are summarized in annex VIII.

172. As regards those organizations which had previously reported that their plans were either provisional or still under consideration, ILO, FAO, UNESCO and IAEA 27/ reported that official decisions to implement the Master Standard had been taken by their organizations between the thirteenth and fourteenth sessions. The Universal Postal Union (UPU) reported that, while the establishment of a detailed implementation plan would not be particularly useful at that point owing to the limited frequency of vacancies or infrequent creation of new posts among those few jobs in common fields of work in the Union, it had implemented the Master Standard for those few posts effective 1 July 1981. GATT reported that it had not yet developed a plan for the implementation of the Master Standard since the executive head of that organization and the head of personnel had been only recently appointed and had not yet had an opportunity to study the matter.

26/ Ibid., paras. 242-247.

27/ IAEA reported that it had applied the Master Standard in that organization since 1978 on an ex officio basis.

173. The Commission also considered a report on the status of the implementation of the Master Standard in 10 organizational entities constitutionally related to organizations which have accepted the ICSC statute but which operated their own job classification systems with varying degrees of independence. WHO reported that a major organizational entity constitutionally related to it was the Pan American Health Organization (PAHO). That organization, which also acted as the WHO regional office for the Americas, was making arrangements for the implementation of the Master Standard. The United Nations identified nine organizational entities responsible for the application of the job classification standards established by the Commission: UNDP, the United Nations Children's Fund (UNICEF), the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), the United Nations Institute for Training and Research (UNITAR), the United Nations University, the International Court of Justice, the International Trade Centre (ITC), and ICSC. As regards ICSC, its Executive Secretary reported that the Master Standard would be implemented on an organization-wide basis in the secretariat during the last quarter of 1981. With respect to the remaining eight organizational entities, the representative of the United Nations reported that UNICEF would test the comparability between its own job classification system and the Master Standard and adopt an approach to the implementation of the Master Standard based on the results of that experience; UNHCR was considering the development of a provisional plan but gradual implementation was foreseen in view of implementation difficulties arising from the world-wide distribution of posts; UNRWA had already implemented the Master Standard; UNITAR intended to adopt the Master Standard in the near future; the International Court of Justice intended to follow mutatis mutandis the practice of the United Nations; ITC was in the process of considering an implementation plan; and no information had been provided by the United Nations University. The representative of UNDP separately explained his organization's detailed plan to implement the Master Standard and to convert its personnel management system to one based on rank-in-job.

174. The Chairman of CCAQ stated that the organizations supported the development of the Master Standard and of course also wished to see it implemented. On the other hand, each organization had to carry out the implementation of the Standard within a particular context; there were a number of constraints on the organizations which sometimes made it difficult to proceed as quickly as might otherwise be desired. CCAQ believed the pace and timing of the implementation of the Commission's decisions and recommendations was the responsibility of the executive head, whose judgement must take account of all the relevant factors. In the circumstances, CCAQ hoped that the Commission would consider carefully the manner by which it would monitor the organizations' implementation of the Master Standard. The Chairman of CCAQ requested the Commission to consider the fact that a number of organizations continued to experience difficulties in the implementation of the Master Standard owing to limited staff resources available and personnel trained to perform job classification duties and the fact that the authority to grade posts at levels up to the D-2 level remained in some organizations with the legislative bodies.

175. The President of FICSA expressed dissatisfaction with the absence of reports on the actual context in which the Master Standard was being implemented and emphasized that full and open staff participation in the application of the Master Standard was the best safeguard against abuse of the job classification system established by the Commission. FICSA was also concerned that budgetary factors

should not prejudice objectively justified upward reclassifications and urged the Commission to reiterate its recommendation that authority for classification decisions be delegated to executive heads.

176. The Commission was pleased to note the further clarifications of the representatives of ILO and of IAEA that their organizations had implemented the Master Standard. The Commission also noted the status of implementation of the Master Standard in UNESCO, UPU and GATT and in UNICEF, UNHCR, the United Nations University, the International Court of Justice and ITC and recalled its concern that the Master Standard established and promulgated by the Commission with effect from 1 January 1981 be implemented in all organizations of the common system. The Commission therefore authorized its Chairman to undertake any consultations which might be required under article 13 of its statute to achieve that objective and stated that it would revert to this matter at its next session when it would consider reports from organizations on the total number of positions to which the Master Standard had been applied in 1981. The Commission noted that the governing bodies of some organizations had not yet considered or fully implemented the Commission's recommendations that executive heads should be delegated the authority to grade posts subject to any control mechanisms deemed appropriate by those bodies and that sufficient resources be made available for the operation of job classification programmes. The Commission therefore decided to recommend to those legislative bodies of the organizations where such authority still lay that the responsibility for making job classification decisions up to the D-2 level should be delegated to executive heads and to call to the attention of legislative bodies that the staff resources available in the organizations continued to be insufficient to operate proper job classification systems.

Other matters relating to the Master Standard of job classification

177. At its fourteenth session, the Commission approved a format on which organizations would report statistics to the Commission at its fifteenth session on their application of the ICSC Master Standard during 1981. It also authorized its secretariat to issue a manual on job classification and to conduct additional training workshops at headquarters duty stations on the subject of ICSC job classification standards, and approved a collaborative arrangement with the African Development Bank for the conduct of a pilot training workshop in Abidjan, a non-headquarters duty station.

B. Development of standards for common fields of work (Tier II)

Standards for personnel management specialists

178. In its sixth annual report to the General Assembly the Commission announced its intention to promulgate Tier II standards for personnel management specialists. ^{28/} A draft of the standards was submitted to the Commission at its thirteenth session and was endorsed by the Chairman of CCAQ. Immediately prior to that session, the Assistant Secretary-General for Personnel Services of the United Nations had written to the Chairman of the Commission requesting that the

^{28/} Official Records of the General Assembly, Thirty-fifth Session, Supplement No. 30 (A/35/30 and Corr. 1 and 2), para. 258.

adoption of these standards be delayed and that further consultations be held on the ground that the posts of both recruitment officers and personnel officers in the United Nations were expected to change in a short period of time. At the thirteenth session, the representative of the United Nations renewed his Organization's request for deferral and was supported in this action by the representative of FICSA.

179. The Commission, at its thirteenth session, agreed to the request of the United Nations for a delay in promulgation and requested its secretariat to hold further consultations with the organizations to review and revise the Tier II standards for personnel management specialists as appropriate on the basis of job descriptions, organization charts and other relevant information to be provided by the United Nations. CCAQ was also requested to provide for the fourteenth session its final written proposals for changes in these standards before their adoption and promulgation by the Commission.

180. At its fourteenth session, the Commission considered a report on the further consultations that had taken place. The report indicated that, following the thirteenth session, the United Nations had provided to the ICSC secretariat job descriptions for the work of personnel management specialists in the areas of recruitment (professional), recruitment (expert) and personnel administration, and had informed the ICSC secretariat that the Office of Personnel Services was in the process of restructuring its organization and that a decision has been taken to redeploy personnel officers to their department of assignment. It had also stated that the Technical Assistance Recruitment Service was in the process of reorganization. The United Nations had proposed that particular consideration be given to the application of the Tier II standard to jobs which were currently graded at the P-4 level in each of the three work areas, as the major difficulty for the United Nations was that these jobs did not appear to conform to the Tier II standard at the P-4 level. On the basis of this information the secretariat agreed, therefore, to confine the consultations to three particular job descriptions - one for each of the areas concerned - which the United Nations had proposed be graded at the P-4 level. The secretariat of the Commission then reviewed the three job descriptions and found that each clearly matched typical duties described in the draft Tier II standard. The duties and other requirements of both "recruitment officer" jobs (professional and expert) had matched the typical duties described at the P-3 level of the standard, and the duties and requirements of the "personnel officer" had matched the typical duties of alternative "B" of the Tier II standard at the P-4 level. The report also indicated that, at its fifth session, the CCAQ Sub-Committee on Job Classification had reviewed these findings and had concluded that the information submitted by the United Nations did not provide the necessary grounds for amending the Tier II standard.

181. At the Commission's fourteenth session, the Chairman of CCAQ again endorsed the Tier II standards for personnel management specialists and requested assurance that the concept of categorization of organization according to, inter alia, size of organization would not exclusively determine the grade of managerial jobs in this field of work. The representative of IAEA stated that the Tier II standards for personnel management specialists should not be applied in small organizations to positions in the top levels of the hierarchy because of their close relationship to the level of the executive head. The representative of the United Nations thanked the Commission for having postponed its decision on the promulgation of

these standards so that further consultations could be held. The United Nations was gratified that these consultations had confirmed at the P-4 level the grade of the job of personnel officer. However, it continued to have serious reservations regarding the adequacy of the grading at the P-3 level of recruitment officer posts to meet the specific responsibilities of recruitment officers in the United Nations Secretariat dealing with the recruitment of Professional staff and technical co-operation experts.

182. The President of FICSA thanked the Commission for the deferral of promulgation of the standards but regretted the fact that the consultations had not included FICSA's full participation since FICSA had only observer status in the Sub-Committee of CCAQ which had served as the forum for the consultations. This was of particular concern since FICSA had requested the deferral so that further consultations could be held and since FICSA had participated fully in the original development of the standards. The President requested the Commission to authorize a methodology for the future revision of Tier II standards that would place FICSA on an equal footing with the organizations.

183. The Commission decided to establish and promulgate for use within the organizations of the common system the Tier II grade level standards for personnel management specialists as set forth in annex IV to the report of the fourteenth session (ICSC/R.302). These standards were to have immediate effect and to be used in conjunction with each organization's use of the Master Standard. In taking this decision the Commission wished to assure CCAQ and IAEA that the concept of categorization according to size had been revised to that of a typology of organizations based not only on the size of the organization but also encompassing a broader range of quantifiable organizational characteristics relevant to the management of the personnel function.

Standards for translators and revisers

184. The plan for development of Tier II standards, established by the Commission at its eleventh session and reported to the General Assembly at its thirty-fifth session, 29/ called for the development in 1980 of Tier II standards for translators and revisers and their promulgation in 1981. At its thirteenth session, the Commission considered the recommendation of its secretariat that it adopt and promulgate the draft Tier II standards which had been developed for translators and revisers. At the same session the representative of the United Nations requested that approval of Tier II standards for translators and revisers be deferred pending further consultations. He stated that steps had been taken to modify the work of translators and revisers, in response to various proposals for the introduction of self-revision as a work arrangement that would enhance the efficiency of language services provided to Member States, and that the General Assembly, by its resolution 35/225 of 17 December 1980, had approved the proposals of the Secretary-General for reclassifying some 576 translators' and revisers' posts in the United Nations Secretariat, to be implemented over the three-year period from 1981 through 1983, on the basis of the restructuring of the translation function.

29/ Ibid., para. 258.

185. During the thirteenth session, FICSA pointed out that it had consulted its members on the issue and the majority felt that the promulgation of the standards should be deferred until consultations had been held in the organizations. FICSA believed that the adoption of General Assembly resolution 35/225 had created an anomalous situation that should not be ignored and that failure to take account of that development, which the Federation did not necessarily view as regrettable, could create considerable staff/management problems throughout the system. At the same session of the Commission, the representative of CCAQ endorsed the Tier II standards for translators and revisers, and further mentioned the concern of the organizations that any action taken by the United Nations to reclassify language posts on the basis of General Assembly resolution 35/225 would result in disparity in grading patterns and in pressure from staff in other organizations and in other fields of work for similar reclassification actions.

186. The Commission decided to agree to the request of the United Nations for a delay in promulgation of the standards, but in doing so noted the difficult situation in which it had been placed by the decision of the General Assembly in resolution 35/225 to endorse the proposals of the United Nations Secretariat on the reclassification of language posts within the Organization. The Commission observed that the resolution had not taken account of the authority, delegated to ICSC by the General Assembly under article 13 of the Commission's statute, to establish job classification standards or of the far-reaching implications for the grading of language posts, and other posts, within all the organizations of the common system. Though it recognized the right of the United Nations to make changes in work methods and job duties, the Commission affirmed that under article 13 of its statute ICSC was singularly authorized to establish job classification standards in fields of work common to more than one organization, including those for translators and revisers.

187. At its fourteenth session, the Commission reviewed a report of its secretariat on the further consultations that had been held with organizations and noted that, following the thirteenth session, the United Nations had provided "benchmark" descriptions covering translator and reviser posts, an organization chart and point-rating work sheets. The listing of duties in each "benchmark" description received from the United Nations had been qualified by the phrase "the proportion of each function itemized above will vary depending on the needs of the service". The secretariat of the Commission considered that these descriptions, therefore, comprised merely an omnibus list of duties which could be organized into individual jobs in numerous different combinations. The consultations had confirmed the analysis made by the secretariat that no revisions of the typical duties contained in the draft standards could be made on the basis of the omnibus lists of duties contained in the United Nations "benchmark" descriptions and that the ICSC Master Standard of job classification could not be applied to a list of duties which clearly did not constitute a job or even a typical job in the United Nations Secretariat. Since it could not be known to what extent and in what proportion each of the duties contained in any omnibus list of duties was performed within actual jobs, such lists of duties could not be evaluated by means of job evaluation to determine relative worth, nor could they serve in any way to revise Tier II standards, which described typical jobs at each grade level in the field of work concerned.

188. The consultations with organizations had also identified the main issue relevant to possible revisions of the Tier II standards for translators and revisers as the description of the duty of self-revision, and in particular its

relationship to reviser duties graded at the P-4 level and to translator duties graded at the P-3 level. Despite the extensive reference to this concept in General Assembly resolution 35/225 and related documents, there had been relatively little precision or apparent agreement about what self-revision was. The Joint Inspection Unit in its report entitled "Evaluation of the translation process in the United Nations system" had defined self-revision as a duty of translators who are authorized to "revise their own work" (A/35/294, para. 55). The following note had been developed, on the basis of the consultations for addition to the typical duties at the P-4 level in the Tier II standard, to further describe the duty of self-revision referred to in the second typical duty at this grade level of the standard:

"NOTE: The concept of revision also encompasses self-revision, whereby a document is both translated and revised by the self-revising translator who, like a reviser, is responsible for producing the final text, faithful to the spirit and nuances of the original and meeting all the requisite standards expected of the organization's documentation. The major duty of a self-revising translator is the translation of documents for self-revision and the subsequent revision of these translations. However the revision of his or her own translation constitutes the primary and most critical function of a self-revising translator as indicated in the typical duties at this grade level."

189. At the fourteenth session, the Commission was also informed, by the report on the results of the consultations, that the introduction of self-revision had no relationship to or impact on typical supervisory duties and responsibilities at the P-5 level in the United Nations. However, it was noted that the increased numbers and proportions of these supervisory jobs might result in a diffusion among them of responsible and significant supervisory duties, to an extent and in a manner that might not warrant grading each and every one of them at the P-5 level, according to the application of either the Tier II standard or, in the case of some variations in the assignment of duties, of the Tier I Master Standard. The organizations consulted had expressed the concern that P-5 jobs in the language field which did not involve supervisory or managerial responsibilities could not properly be graded P-5 since they were not clearly distinguishable from duties and responsibilities at the P-4 level. At the same session, the CCAQ representative supported the results of the further consultations that had been held in respect of the standard for translators and revisers and, in particular, he indicated that the question of the senior reviser rated at the P-5 level was indeed one of the issues that had emerged since the thirteenth session. This question would require further study before CCAQ would be in a position to envisage an alteration to the standard, since the material furnished by the United Nations, designed to permit a final conclusion to be reached, was of such a nature that CCAQ was unable to determine the exact functions of the position that was in dispute. The organizations were concerned that considerable unwarranted grade inflation would result if staff occupying reviser posts at the P-4 level were to exert unopposed pressure for possibly unjustified reclassification of their posts to the P-5 level as "senior revisers". The information provided by the United Nations had been inadequate to ensure that this would not occur. If adequate job descriptions were provided, some jobs might warrant higher grades but only after analysis on a job-by-job basis.

190. The President of FISCA urged that FISCA participate fully in any future efforts to revise Tier II standards. It was neither appropriate nor sufficient for

FICSA simply to be consulted in this important work when FICSA had actually participated in the preparation of the original draft standards. FICSA was convinced that the early revision of the standard would be essential.

191. The representative of the United Nations thanked the Commission for having deferred promulgation of the standards. He stated that during the interval progress had been made as a result of the consultations and that the United Nations was prepared to accept the JIU definition of self-revision as incorporated in the proposed revision to the standards at the P-4 level. He noted that the only remaining problem for the United Nations was at the P-5 grade level and expressed regret that the Tier II standard at the P-5 grade level had not been similarly modified to accommodate the post of "senior reviser" at the United Nations. In his opinion the absence of supervisory responsibility at the P-5 level was compensated by other requirements of senior reviser positions in the areas of experience, specialization and quality which justified the grade of P-5. Furthermore, he recalled General Assembly resolution 35/214 A, section II, in which the Assembly invited the Commission, the Secretary-General and the heads of organizations to co-operate fully in the implementation of the common standards of job classification established by the Commission, ensuring appropriate considerations of the individual situation and requirements of each organization.

192. The Commission decided to approve the inclusion at the P-4 level of a note describing the grading implications of self-revision based on the JIU definition of the concept and to establish and promulgate the Tier II grade level standards for translators and revisers as reflected in annex V of the report of the fourteenth session (ICSC/R.302). These standards are to have immediate effect and are to be used in conjunction with each organization's use of the Master Standard. The Commission recalled to the United Nations that the grade level standards are to be applied to individually defined and described jobs in the field of work and that the Tier I Master Standard is to be applied in cases where individual jobs vary from the typical duties described in the Tier II standards. It requested the United Nations to report to the Commission, through CCAQ, any instances of individual post upgradings implemented for this field of work on the basis of General Assembly resolution 35/225 that could not be justified by the application of either the Tier II standards or the ICSC Master Standard. The Commission requested CCAQ to continue to monitor and report on changes in work methods, arrangements, and typical duties for translators and revisers in all organizations of the United Nations common system, particularly with regard to both the introduction of self-revision and the organization of responsibilities of a supervisory type. It also instructed the ICSC secretariat to report, on the basis of this information, on the need to revise at some future date the typical duties and point ratings of particular factors for each grade level, so as to appropriately reflect typical grade levels within the field of work and to ensure the continuing consistency of point ratings among all Tier II standards after their promulgation.

Standards for economists

193. At its fourteenth session, the Commission considered the draft Tier II standards for economists that had been developed by its secretariat in consultation with the organizations and FICSA. The Chairman of CCAQ endorsed the adoption and promulgation by the Commission of the Tier II standard for economists and stated that the standards reflected the comments which CCAQ had made on the original draft through its Sub-Committee on Job Classification. The President of FICSA, in

indicating of FICSA acceptance of the standards, reiterated of FICSA desire to participate fully in any future efforts to revise Tier II standards promulgated by the Commission. The Commission decided to establish the Tier II standards for economists and approve their promulgation as annex VI to the report of the fourteenth session (ICSC/R.302). These standards were to have immediate effect and were to be used in conjunction with each organization's use of the Master Standard.

Other matters related to development of Tier II standards

194 At its fourteenth session, the Commission also approved a less costly method for the holding of consultations with organizations and staff required for the development of Tier II standards and instructed its secretariat to develop, in consultation with CCAQ and FICSA, a methodology for the review and revision of Tier II standards subsequent to their promulgation. The Commission also noted that Tier II standards would be developed in 1982 for electronic data-processing specialists and technical co-operation administrators and instructed its secretariat to commence development of two additional grade level standards in fields of work to be identified by the CCAQ Sub-Committee on Job Classification.

C. Development of classification standards for the General Service category in New York

195. At its twelfth session, Commission requested the Secretary-General to ensure that a common approach would be undertaken by the United Nations, UNDP and UNICEF in the development of proposals for the establishment of job classification standards and revisions of the grading structure for the General Service Category in New York. The United Nations, at the Commission's thirteenth session, announced the formation of a Co-ordination Committee for that purpose and the intention of the Committee to submit a preliminary report to the Commission at its fourteenth session. The Commission welcomed those developments and authorized its secretariat to provide technical advice to the Co-ordination Committee on issues that it deemed critical to the work of the Committee. The Chairman of the Co-ordination Committee submitted the preliminary report of the Committee to the Commission at the fourteenth session and was invited by the Chairman, under rule 38 of the rules of procedure, to make an oral presentation on the work of the Committee.

196. The Chairman of the Co-ordination Committee noted the importance of the long-overdue project of restructuring and rationalizing the grade structure for the General Service category in New York and of developing meaningful classification standards for that category. He informed the Commission that the pace of the Committee's work had been somewhat slower than might have been expected owing to the extensive discussions required to reach a consensus among the parties concerned and to the time required for the Joint Staff/Management Consultative Committee of each of the three organizations to review and comment on the recommendations of the Committee, in accordance with its terms of reference. The Committee's general work plan, which had recently been endorsed by the Staff/Management Consultative Committees of the three organizations concerned, called for the collection of data on all jobs in the three organizations and their coding according to the ICSC Common Classification of Occupational Groups (CCOG) established by the Commission. Should the CCOG be found inadequate for the proper categorization of some existing jobs, the Committee would develop new definitions and recommend them to the ICSC secretariat. That first phase of the work plan, currently being implemented, was expected to be completed in five or six months, and it was planned to submit an

interim report on the Committee's work to the Commission at its fifteenth session. Steps would be taken to develop the best possible job classification standards for submission to the Commission at its sixteenth session.

197. The Commission noted the preparatory work completed by the Co-ordination Committee, specifically as regards the terms of reference for its work and the interpretation of those to include the development of job classification standards for categories of staff related to the General Service category (i.e., Security Service, Manual Workers); the commitment of the parties represented in the Co-ordination Committee, as reflected in the exchange of letters between the administrations and staff concerned, and the formal status of the Committee in each of the three organizations; and the procedure which required the Committee to submit its conclusions and recommendations to the respective joint consultative mechanisms of the United Nations, UNDP and UNICEF. The Commission also took note of the first phase of the work plan currently being implemented which involved the collection of information on job duties and responsibilities for all jobs that would be placed in the General Service or a related category and the categorization by the United Nations, UNDP and UNICEF of all of their jobs according to the CCOG. The Commission was pleased to note the use of the CCOG by the Committee and reminded the Committee of the methodology for determining Professional level work established by the Commission at its twelfth session for use by organizations of the common system in determining whether a given post should be placed in the Professional or General Service category. ^{30/} The application of that methodology by the Committee to jobs currently in the upper grades of the General Service category and in the lower grades of the Professional category was essential to ensure that the common job classification standards were developed and tested on the basis of jobs determined to be properly placed at the General Service level.

198. Members noted that the G-1 grade level was probably not used as much as it could be and that a broader and stronger definition of it could be incorporated into the standards being developed, thereby alleviating somewhat the possible need for additional grade levels which had been first claimed by the United Nations at the twelfth session. The question of the number of levels might be further resolved by application of the methodology for the determination of Professional-level work, which would provide further guidance in determining the upper limit of the General Service category. There was no reason simply to adopt an approach used in another duty station, since that might not suit the local requirements, and the Commission had not yet had an opportunity to pronounce itself on any job classification standards which might exist at other duty stations or on the extent to and manner in which greater world-wide comparability of classification standards might be established for the General Service category. An objective method for determination of the appropriate number of levels of work that existed within the General Service category in New York should be therefore crucial to the development of a sound classification system. The Commission therefore requested the Co-ordination Committee to include in its interim report an analysis of the existing levels of work; the reasons, if any, based on that analysis, for which the existing number of grades might not be appropriate for the development of new job classification standards; and the criteria proposed by the Committee for determining the appropriate number of grade levels to be established. The

^{30/} Ibid., para. 262

Commission welcomed the intention of the Co-ordination Committee to present an interim report at the fifteenth session of the Commission. It also instructed its secretariat to report on the relationship between the grading standards and the methodology for the next New York salary survey, so as to ensure that there was proper co-ordination of those two interrelated processes and that the over-all job classification system be approved and implemented prior to the conduct of the next salary survey in New York.

CHAPTER VIII

ACTION TAKEN BY THE COMMISSION UNDER ARTICLE 14 OF ITS STATUTE

A. Training

199. At its thirteenth session, the Commission considered two documents submitted by CCAQ in response to the Commission's decision that CCAQ provide proposals on training policy. The subjects of those two reports were training policy and its relationship to career development and the elements of a model management training programme.

Training policy and its relationship to career development

200. The first document outlined the objectives, form, content and design of training, analysed the relationship of training to career development and discussed the need for training resources. The representative of CCAQ, in presenting the document, explained that training was an indispensable element of career development which also contributed to greater efficiency of organizations by enabling staff to perform at higher levels. The organizations appreciated the attention given by the Commission to training policy and hoped that the CCAQ document would result in a more vigorous involvement of the organizations in training programmes, such programmes being all the more important in a multicultural environment. Current training resources within the organizations were inadequate, and steps to provide a solution to that problem were required. He proposed for future consideration the concept of instituting a common fund for training through which programmes involving all organizations could be financed. With regard to the way in which ICSC could best perform its statutory functions in respect of staff training CCAQ identified three possible types of actions: (a) providing guidelines for activities to be undertaken jointly and separately by the organizations; (b) planning programmes for such activities; and (c) organizing centrally, for the benefit of all organizations, training programmes and courses which would be of common interest to them, such as management and general orientation training. The last possibility, he observed, would provide a solution to the problem of joint financing, since all organizations would then participate in covering the costs of such programmes or courses through their contribution to the ICSC budget. The organizations themselves had agreed to work towards joint planning for future training programmes by exchanging information, thus enabling them to make the best use of limited resources and to avoid duplication.

201. The representative of FICSA expressed appreciation for the paper presented by CCAQ which dealt with the major issue of the relationship of training to career development. He believed that incentives needed to be given to staff members to encourage them to undertake training. Frustrations were often created by organizations in not providing opportunities for staff to utilize skills newly acquired through training. He, therefore, supported the view of CCAQ that organizations should seek through career planning to put the newly acquired qualifications to good use. A coherent policy linking training with career

development, including promotion and individual development, and ensuring both a higher level of competence and self-fulfilment should be established. Organizations should give priority to the provision of adequate budget allocations for the implementation of career-long education and training programmes and, in particular, should consider wider access to education and training both outside and within the organization, the introduction of study-time entitlements, system-wide study leave and sabbatical leave provisions, and the establishment of a clear link between work-related training and specific career development plans.

Discussion by the Commission

202. The Commission observed that training was not an end unto itself but one of the means of fostering career development which the Commission had previously defined as containing both staff-related and organization-related objectives. ^{31/} The Commission noted that training was particularly important in organizations like those of the common system, which expend approximately 70 per cent of their over-all budgets on staff costs. Though the organizations had long recognized that it was incumbent upon them to ensure that their staff were performing efficiently and effectively, they had not succeeded in assigning to staff development and training the attention it merited; the Commission considered, therefore, that more attention should be devoted to training.

Decision of the Commission

203. The Commission decided that training should be seen as fulfilling three purposes: the maintenance and updating of skills which each staff member needed in his or her current job; the development of skills required to perform different work at the same level of responsibility or to assume work at higher levels of responsibility; and, finally, the development of the staff members' individual abilities, aptitudes and intellectual awareness. The Commission observed that there were currently three basic forms of training in the organizations, namely, on-the-job training, formal internal training and external training (including self-study). The Commission found that the training activities in which the organizations were most active were, apart from language training, orientation and briefing.

204. The Commission noted that in designing training programmes three distinct steps could be discerned: first, the organization needed to determine the objectives the training aimed at achieving and the specific needs for training; second, the most effective form and content of training suited to achieving the desired objectives had to be determined; and third, organizations needed to evaluate the effectiveness of the training activities.

205. The Commission noted the low priority given to training by the organizations as shown by the latest available statistics, which indicated an average total staff training expenditure of only 0.39 per cent of over-all costs for the organizations of the common system. The total number of Professional staff supervising and conducting training programmes within the system in 1980 was 35, excluding the staff occupied wholly in language training. For a total United Nations

^{31/} Ibid., Thirty-fourth Session, Supplement No. 30 (A/34/30), para. 212.

establishment of 46,000, that represented a ratio of only one training officer to approximately 1,300 staff members. A few comparisons illustrated the fact that the organizations of the United Nations common system devoted a smaller part of their over-all staff costs to training than did the national civil services, aid programmes and public enterprises of Member States with developed economies.

206. The Commission considered that if the organizations were to meet minimal training objectives, a higher degree of priority would have to be assigned to training. The Commission, therefore, recommended to all organizations that they should consider allocating greater resources for training but that operative or contemplated training activities should undergo a thorough evaluation of their utility to the organization and the tangible results they were expected to achieve before they were extended or introduced. Training activities should, above all, be cost effective and not lead to financial abuses. The Commission considered that another way in which the organizations could overcome the problem of inadequate resources was to further develop interagency co-operation. Joint planning of training activities was a measure of particular importance for the smaller organizations, which, because of their more limited staff and resources, had difficulty in offering even basic training opportunities. Increased joint funding of common activities would permit better advanced planning, but before such measures could be agreed upon further study was required in order to ensure that the differing needs and possibilities of organizations were taken fully into consideration. In order to define more precisely the role which it would play in common staff training programmes, the Commission instructed its secretariat to consult with UNITAR to determine what common training programmes it had or was in a position to carry out and to report back at the fourteenth session on the extent to which ICSC should be involved in common training programmes.

Elements of a model management training programme

207. The second training document considered by the Commission at its thirteenth session provided a specific proposal on a model management training programme. The representative of CCAO, in introducing the paper, welcomed the Commission's emphasis on improving the management skills of staff members serving the common system. The proposals made and the elements outlined by CCAO, if endorsed by the Commission, could be used by the organizations to suit their individual needs. The organizations had already sought ways of attending such needs, and examples of interagency co-operation in the field of management training were cited and the need for more courses on a regional basis was pointed out. Co-operation at the interagency level could proceed effectively on an informal basis through exchange of information. However, more experience in identification of common needs should be gained before the organizations could make suggestions on how ICSC might be involved in the organization of training programmes. If ICSC were to play a role, then management training would be a suitable subject for its endeavours.

208. The representative of FICSA stressed the need for the implementation of a coherent policy throughout the organizations, including a standard format for management training, which was, in the Federation's view, the purpose of the Commission's having studied the question. Training needs of high-level managers should be systematically and regularly appraised, and supervisory staff required to participate in management training programmes. Incentives to participate in such training should be provided for such staff members, including those who were at an advanced stage of their careers, and the role and responsibility of managers and supervisors in furthering the career development of their staff should be an essential element in management training programmes.

Discussion and decision by the Commission

209. In the course of the discussion, it was observed that CCAQ and FICSA placed a very broad interpretation on the need for the training and advanced training of personnel in the United Nations system, including the advanced training of management personnel. One member of the Commission indicated that, in accordance with the Charter of the United Nations, the organizations should recruit qualified and trained personnel from the national civil services of Member States and give more attention to the possibilities of self-training of staff members. Accordingly, there was no need to take extensive measures for the training and advanced training of personnel in the United Nations system. After consideration of the CCAQ document and hearing the views of CCAQ and FICSA, the Commission decided to accept and recommend the elements of a model management training programme contained in annex IX to the present report and requested organizations to bear those elements in mind when designing management training programmes.

Role of ICSC in common training programmes

210. At its fourteenth session, the Commission considered the role it would play under article 14 of its statute, which states that it "shall make recommendations to the organization ... on staff training programmes, including interorganization programmes". It considered a report prepared by its secretariat following consultations which had been carried out with UNITAR at the Commission's request. The secretariat described the Institute's statutory mandate and training programmes, examined the role of the Institute in providing common training programmes and concluded that, although UNITAR might provide training for staff members of the common system, that was not a priority activity, nor could it be expected to be, given the financial situation of the Institute.

211. A preliminary analysis was also made of what needed to be done in the field of training within the common system. Four major types of training services required by individual organizations and the common system were identified and explained in detail: (a) development of training policy; (b) identification of training needs; (c) development and provision of training activities to meet identified needs; and (d) evaluation of training activities. Suggestions were also offered on the roles that might be played by the Commission, UNITAR, the CCAQ Sub-Committee on Training and the organizations in providing such services.

212. The representative of the Executive Director of UNITAR indicated that the lack of major effort by UNITAR to provide staff training was not a matter of will but of limited financial and human resources. He agreed that interagency collaboration was essential to avoid duplication and suggested three measures aimed at improving the training available to common system staff members in which UNITAR could play a meaningful role: (a) an orientation course, which had recently been organized by the Institute with positive results; (b) refresher training courses; and (c) the possibility of a United Nations staff college, which had originally been proposed by UNITAR in 1972 and subsequently considered, but not finally approved, by the General Assembly.

213. The representative of CCAQ reiterated the conviction of the organizations that staff training was an essential element of personnel administration. The organizations concurred with the analysis given in the document of the four types of training services required in the common system. However, the conception of the

roles of the Commission, UNITAR, CCAQ and the CCAQ Sub-Committee on Staff Training suggested in the document was not in accord with the facts of the situation or with the views of the organizations. CCAQ had the primary responsibility for co-ordinating joint training activities of its member organizations. UNITAR, as a programme of one of the organizations of the common system, already took part in CCAQ work regarding staff training; its co-operation was highly appreciated but CCAQ did not believe it appropriate that UNITAR be singled out by the Commission to play a central co-ordinating role in staff training matters. The principal function which the organizations believe to be appropriate to the Commission in implementing article 14 of its statute was the formulation of policy guidelines on training, rather than the actual organization of training activities, which would have to continue to be the responsibility of the organizations themselves. CCAQ also believed that the Commission could usefully stress again the need for additional resources to be made available for training in order to assist the organizations, in particular the smaller ones, in obtaining the approval of their legislative bodies for adequate financial support. CCAQ agreed that further consultations were required on the roles to be played by various organizational entities in the area of staff training; it would welcome such consultations and would itself decide on the role to be played in them by its subsidiary body, the Sub-Committee on Staff Training.

214. The representative of FICSA, noting the preliminary nature of the document and discussions thereon, reiterated the Federation's earlier expressed view that staff training was an investment which would pay off in terms of increased efficiency and productivity, and improved programme delivery, job satisfaction and personal fulfilment. The Federation felt that active support of such a philosophy by the administrations would result in the allocation of greater funds for training. Unfortunately, to date the staff had failed to discern an energetic commitment to staff training among the organizations. Greater priority had to be given to the needs of the General Service and field staff, and an entity for manpower planning and career development was sorely needed in all organizations. The possibility of a joint training budget also had to be pursued. Regarding the roles of the various organizational entities, FISCA shared to some degree the doubts of CCAQ about the feasibility of UNITAR assuming a central role. On the other hand, jurisdictional problems should not cloud the main issue, which was the need for dynamic training programmes, responsive to staff concerns.

Discussion by the Commission

215. One member considered that the role of Governments in providing training to staff members prior to their taking up duties as international civil servants had been underestimated. The Commission observed that more emphasis had to be given to the purposes for which training was offered and, to that end, the identification of training needs was important. It was also true that little had been done by organizations in evaluating the effectiveness and cost efficiency of the training programmes offered. One of the major obstacles to providing those and other needed training services was the lack of sufficient funds earmarked for training.

Decisions of the Commission

216. The Commission decided therefore:

(a) to note the common training activities that UNITAR offered and was in a position to carry out;

(b) to note the four categories of training services required by individual organizations and the common system;

(c) to instruct its secretariat to hold further consultations with CCAQ, UNITAR and FICSA on the proposals concerning the roles of organizational entities in the provision of training services in the common system and to study the possibility of establishing a common fund jointly financed by organizations to facilitate the provision of such services. The results of those consultations would be reported upon by the Commission in its next annual report to the General Assembly.

B. Performance appraisal

217. In its sixth annual report, the Commission had made recommendations on the principles to be borne in mind when developing performance appraisal policy, on the objectives of performance appraisal and on a number of other related issues. ^{32/} At its thirteenth session, the Commission resumed consideration of the type of performance appraisal form and other policy questions which had been postponed pending the receipt of further views of CCAQ and FICSA.

218. The representative of CCAQ noted that in order to be credible a performance appraisal system must ensure that supervisors classify staff performance over the whole range of possible levels and that evaluations based on the performance of specified tasks came closest to ensuring fair and objective reporting. He reported that CCAQ preferred a post factor listing of the assignments and a staff member's performance of them rather than a detailed plan of the staff member's assignments in advance of the appraisal period. He suggested a number of modifications to the model performance appraisal forms which had been proposed by the Commission's secretariat. One modification concerned the proposed approach of dividing into four quartiles staff members who had met performance goals. The organizations preferred a more flexible approach consisting of only three levels - outstanding, satisfactory, and unsatisfactory - in which supervisors would be required to justify both the highest and lowest evaluation. Another modification concerned the career planning portion of the form. The organizations recommended that the career-planning objectives of performance appraisal should be met, at the choice of the organizations, either through inclusion of an appropriate section in the performance appraisal form, as originally suggested, or through a separate exercise not associated with performance appraisal.

^{32/} Ibid., Thirty-fifth Session, Supplement No. 30 (A/35/30 and Corr. 1 and 2), paras. 266-281.

219. The President of FISCA said that the amended model appraisal form proposed by CCAQ could be supported by the Federation as the minimum basis on which discussion with staff at the local level should take place. She noted that the section of the form dealing with career planning was only one element of a coherent career development approach and that FISCA could not support the view that the relevant portion of the form be eliminated. She also stressed the need to train supervisors in carrying out performance appraisal and noted that that aspect had not been sufficiently emphasized by the organizations.

220. The Commission noted that performance appraisal within the multicultural context of international civil service must, of necessity, be based as far as possible on objectively measurable data. Recent trends in appraisal technique indicating a move away from judgements of personality or character towards more objectively measurable bases of evaluation supported that approach. Expectations of foreign behaviour brought about by ignorance of the cultural values of others and personality conflicts resulting from differing behavioural norms were pitfalls to be avoided in international organizations. The Commission decided that the approach least vulnerable to such problems was that in which the objectives that needed to be achieved in a given job were identified and communicated to the incumbent in advance of the appraisal period. The Commission identified several other benefits accruing from such an approach, including a strengthening of the links between performance objectives of individual jobs and the objectives of the organizational unit and identification of individual development objectives contributory to job objectives.

Discussion by the Commission

221. The Commission considered that levels of job performance should be among the means of determining career advancement and that organizations, in applying performance appraisal systems, would achieve best results by striving to provide positive rewards for performance that excelled the norm and deterrents for substandard performance. The Commission recommended that organizations should study means for providing appropriate awards within the current steps and range of the salary scale.

222. The Commission considered the role of the supervisor in the performance appraisal process as that of full responsibility for measuring the staff member's performance against work-related objectives and a shared responsibility with the staff member to develop the staff member's knowledge, potential and, ultimately, career, and, thereby, the potential of the organizations' work force. The Commission considered that the performance appraisal of managers should include an evaluation of the effectiveness of the manager in properly carrying out the appraisals of subordinates. As regards the staff member, he or she should help the manager to set work-related performance goals and should play a major role in defining career objectives, realistically assessing strength and conditions affecting successful achievement of those objectives and working at improving his or her potential for greater career development. The Commission considered that the role of the Personnel Department included primary responsibility to ensure that the performance appraisal system was fully understood by all parties, appraisals were carried out properly and within the appropriate time, appraisal results were taken into account when administrative decisions affecting the work force were made and the appraisal system was evaluated periodically to ensure that it was adequately achieving its objectives.

223. The Commission affirmed that performance appraisal systems quickly became meaningless if they did not differentiate among different levels of performance and that objective criteria for differentiation were those related to the work of the position. The Commission noted that, ideally, supervisors should each be given the liberty to identify differing levels of performance by reference to established objective criteria, without restriction on the frequency with which different evaluations were to be employed. However, experience of virtually all organizations was that, given such leeway, differing levels of performance were not identified.

224. The Commission concluded that steps had to be taken to ensure that supervisors differentiated levels of performance and that the most appropriate means of achieving this in the common system would be to require the use of a distribution by quartiles, according to four levels of evaluation, of those staff members who had met performance objectives during the appraisal period. (Those who had not met most objectives would be placed in a fifth level of evaluation.)

225. The Commission noted that the quartile distribution could not be strictly applied in all cases, owing to the size of the organizational unit to which the quartiles would apply and to the fact that all appraisals were not normally completed at the same time during the calendar year. Notwithstanding, it expected that organizations would take steps to ensure that evaluations of staff meeting objectives were distributed as far as possible according to the quartiles, that secondary levels of supervision would review the evaluation of immediate supervisors to ensure such a distribution and that the Personnel Department review the appraisal system in process to ensure correct and equitable distribution of evaluations across organizational unit lines.

Decision of the Commission

226. The Commission approved and recommended for use within the common system the performance appraisal form contained in annex X to the present report, which it believed most closely followed the policy principles it had established. Each organization would formulate instructions regarding the use of the appraisal form in conformity with the other internal procedures and in consideration of other factors, such as the timing of appraisals throughout the calendar year and the size of the organization unit to which the quartiles would apply. The Commission recommended that the new appraisal system and form be put into effect on 1 January 1982 and requested organizations to report at the nineteenth session on their experience after two years' operation of the system.

C. Interorganization exchange programmes

1. Inter-Organization Agreement

227. The Commission at its thirteenth session resumed consideration of interorganization exchange programmes, which was step 8 in its plan of work in the area of career development/recruitment as reflected in its annual report. ^{33/} It

^{33/} Ibid., annex XVI.

first considered a report by a consultant on the Inter-organization Transfer Agreement 34/ and its implementation by the organizations of the common system in order to determine if the Agreement was being applied by the organizations, whether its provisions were up to date and whether it had been developed simply to aid staff members with certain difficulties they faced in accepting transfers or was intended to encourage transfers.

228. The report indicated that the Agreement, last revised in 1972, was viewed with favour by most of the organizations. As an effort to facilitate and regulate the movement of staff, it worked rather well. Some organizations had indicated interest in a broader interpretation of the purpose of the Agreement, including the promoting of career development of staff members and an integrated international civil service. Though all the organizations had conveyed the view that it was in their best interests to encourage greater interagency staff movement, the report indicated that the Agreement offered little in the way of promoting interorganization mobility for career development purposes. Some modifications in the Agreement could be made to help stimulate interorganization exchange of staff, and those included provisions for mandating effective circulation of vacancy notices, recommending incentives for staff movement through promotions or step increases and ensuring that the duration of staff members' appointments in the receiving organizations would be at least as long as those in the releasing organizations. The consultant also recommended that a working group of representatives of interested organizations should be constituted by the Commission to determine additional agreements or instruments that could be put into effect to promote interorganization exchange of staff.

229. The Chairman of CCAQ stated that, although the organizations recognized the value of interorganization exchange of personnel, they considered that such movements were not a major feature of the international civil service nor were they likely to increase significantly in number. That was due to the limited availability of openings in other organizations, except in the less technical disciplines, the desire of organizations to retain their best staff and what CCAQ felt was the reluctance of staff to transfer for career or personal reasons. The organizations were satisfied with the Agreement and did not consider it the appropriate place to include measures designed to promote exchanges. The organizations did not favour the establishment of a working party but preferred to handle any improvements that might be made in the Agreement through CCAQ. They also disagreed with the recommendations concerning incentives through promotions or extra steps and the guaranteeing of appointments of duration not less than those granted by releasing organizations.

230. The President of FICSA conveyed the Federation's view that interorganization exchange of staff should form a basic underpinning of the common system, helping to foster a truly international civil service, and should be increased as one means of improving career development. She considered that the limited exchange of staff was due to the lack of incentives provided to them to make such movements and not the reasons put forward by the Chairman of CCAQ. Existing arrangements often

34/ The full title of the Agreement is "Inter-Organization Agreement concerning Transfer, Secondment or Loan of Staff among the Organizations Applying the United Nations Common System of Salaries and Allowances".

obliged staff members to give up benefits and conditions of service enjoyed in one organization when transferred to another and thus caused disincentives for interorganization exchange. The staff therefore supported all of the recommendations of the consultant and proposed that the working group referred to be established to examine all related aspects of the questions.

Discussion and decision by the Commission

231. The Commission noted that the Agreement served well as a mechanism for facilitating the administrative aspects of interorganization exchange and should continue to be applied as an administrative instrument. Any modification in the provisions of the Agreement could be made by the organizations in CCAO. The Commission concluded, however, that the Agreement did not promote interorganization exchange, an objective which the Commission had previously endorsed, and that some instrument which would positively promote such exchange was required. It therefore instructed its secretariat to organize a working party of representatives of the organizations and FICSA to study and make recommendations on further means of demonstrating that interorganization exchange of personnel was in the interest of individual organizations; incentives to be provided to staff members to encourage exchange of personnel; interorganization exchange of personnel for training purposes; and other problems cited. The working party would be expected to incorporate its recommendations on the above subjects, and any other recommendations aimed at promoting interorganization exchange, as provisions in an instrument that would become an annex to the Inter-organization Transfer Agreement, and submit its recommendations and a draft of the annex for consideration by the Commission at its fifteenth session.

2. Common prospection procedures, standardized notice of vacancy, central vacancy announcement procedures and central career development referral service

232. At its thirteenth session, the Commission continued its study of a standardization of the format of organizations' vacancy announcements, a central vacancy announcement procedure and a central career development candidate referral service.

233. The Chairman of CCAO, in recalling the Commission's recommendation on common prospecting procedures, ^{35/} suggested that simultaneous advertisement of vacant posts within and outside the organization might be introduced as an improvement which would prevent delays in the recruitment process. With regard to standardization of the format of vacancy announcements, the organizations had agreed on a model vacancy notice which might be used by all, subject to the possibility of each organization of introducing modifications. The proposals to group vacancy notices in one authoritative bulletin published by the ICSC secretariat were acceptable, provided that such a procedure was introduced on an experimental basis and on the understanding that it did not supersede existing arrangements. The proposed candidate referral service, however, was considered a

^{35/} Official Records of the General Assembly, Thirty-fifth Session, Supplement No. 30 (A/35/30 and Corr. 1 and 2), para. 297.

costly and oversophisticated instrument that would result in only marginal increases in interorganizational exchanges and therefore should not be pursued. The organizations' concurrence in some of the measures proposed was subject to two general reservations: that any new procedure should not result in slowing down the already cumbersome recruitment process and that several organizations would be required to respect constitutional obligations which would make it impossible for them to participate in common procedures such as those suggested.

234. The representative of FICSA welcomed the initiatives taken by the Commission and was pleased to note the CCAQ agreement to a standardized notice of vacancy and the willingness of the organizations to introduce on an experimental basis the central vacancy announcement procedure. Any mechanisms such as those proposed which would promote more exchange of personnel were supported by the Federation. With regard to a central career development candidate referral service, FICSA hoped that the Commission would develop a pilot project as a way of beginning to meet the needs of the staff while taking into account the reservations of the organizations. The project should have specific objectives, be developed within a specified time and have the participation of the staff.

Discussion and decision of the Commission

235. The Commission considered that the common prospecting procedures it had recommended at its twelfth session would be improved by the modification proposed by CCAQ. The Commission therefore recommended that posts be advertised simultaneously within and outside the organization but that they be filled by qualified candidates in the first instance from within the organization; in the second, from other organizations of the common system and, lacking those, from outside the common system.

236. Some members noted with concern the extremely limited movement of staff between organizations and the acknowledgement by the Chairman of CCAQ that such exchange was not likely to increase significantly. The Commission considered that the advantages to be gained from enhancing interorganization exchanges were many: the expansion of career paths and, hence, career opportunities for all staff, especially those within less populated occupational groups; improvements in morale, productivity and retention of staff; enrichment of the knowledge and experience of staff participating in such exchange, which, in turn, would result in a bigger and better reservoir of talent upon which the organizations could subsequently draw; a better understanding of the common system and a strengthening of an integrated international civil service; reduction in the costs of commercial advertising and prospecting missions for outside recruitment; reduction in the time required for adjustment to work in international organizations, thereby enabling staff members new to a particular organization to become fully productive more quickly; and, finally, and most importantly, a broadening of opportunities for obtaining the most qualified candidates. The Commission, therefore, concluded that it was essential for the common system to increase the exchange of serving staff between organizations and took the following further decisions, which it considered would enhance such exchanges. First, the Commission adopted a model notice of vacancy

form and recommended that it should be used by organizations, beginning 1 July 1981, when advertising vacancies. Secondly, the Commission instructed its secretariat to establish, on an experimental basis, a central vacancy announcement system in which notices of vacancy would be collected from the organizations and relevant details of these would be published expeditiously in a career development bulletin that would be sent to all major offices of the organizations. The secretariat was to report back to the Commission at its fifteenth session on the results of the programme. Finally, the Commission instructed its secretariat to develop and present for consideration at the fifteenth session proposals for the operation, on a pilot basis, of a central candidate referral service for career development purposes. Initially, the project would deal only with Professional staff at headquarters duty stations in the more common occupational groups.

CHAPTER IX

OTHER BUSINESS

A. Review of the statute and rules of procedure

237. At its thirteenth session, the Commission continued its review of the statute and rules of procedure on the basis of a study prepared by a consultant which contained a review of the historical background to the establishment of the Commission and the adoption of its statute; an analysis and commentary on individual articles of the statute and those rules of procedure which were directly linked to provisions of the statutes; and a number of preliminary conclusions. In introducing the study, the consultant noted that the statute, as adopted in 1974 after extensive consultations involving all interested parties, embodied a good many compromises between divergent and often conflicting positions. In the form in which it had been adopted the statute responded well to the concerns of all parties. If questions had arisen regarding the adequacy of some of its provisions, it was because the manner in which those provisions had been applied differed from what had originally been intended. Whether the changed conditions could be invoked to bring about amendments in the statute would depend largely on the concurrence of all parties, as had been the case when the statute was first approved and as would be required under the procedure laid down in the statute concerning the acceptance of amendments to it.

238. In noting that it seemed an appropriate time to review some of the provisions of the statute and, recalling that consideration of the matter was currently limited to the Commission itself, the Commission decided to take note of the report, to invite CCAQ and FICSA to present their views on the matter at the fifteenth session and to instruct its secretariat to prepare a study of rules 36 and 37 of the rules of procedure on the basis of an opinion to be obtained from the Office of Legal Affairs of the United Nations.

239. At its fourteenth session, the Commission reviewed the study prepared by its secretariat on the basis of a legal opinion of the Office of Legal Affairs of the United Nations. The legal opinion rendered was that the decisions and rulings taken to date by the Commission constituted legally correct and reasonable interpretations of the provisions of rules 36 and 37; that whether FICSA or any other association could, at any given time, be considered the proper spokesman for the common system staff as a whole, was a matter which required factual rather than legal determinations, which might have to be re-examined from time to time; and that executive heads and staff representatives (defined as "representatives of the staff of a participating organization recognized in accordance with the staff regulations and rules of the organization") had a right to be heard concerning the amendment of any of the rules of procedure of the Commission and a particular right to be consulted in respect of any changes in rules 36 and 37.

240. The representative of CCAQ stated that the organizations concurred in the conclusions of the study and would inform the Commission of any changes that might take place in the representativeness of staff groups. The representative of FICSA

noted with interest the conclusions of the study and stressed, in particular, the need for both executive heads and staff representatives to be consulted concerning the amendment of any of the rules of procedure and a particular right to be consulted in respect of any changes in rules 36 and 37.

241. The Commission planned to resume consideration of the larger question of the review of the statute and rules of procedure at its fifteenth session, at which time it would receive the views of CCAQ and FICSA on the subject. Meanwhile, it noted with satisfaction the opinion of the Office of Legal Affairs that the decisions and rulings it had taken to date constituted legally correct and reasonable interpretations of the provisions of rules 36 and 37 of its rules of procedure.

B. Surveys of local conditions relevant to the conditions of employment of area staff of the United Nations Relief and Works Agency for Palestine Refugees in the Near East

242. In its sixth annual report, ^{36/} the Commission informed the General Assembly of the request from the Commissioner-General of UNRWA that ICSC undertake the responsibility for carrying out surveys to determine the local conditions by reference to which the pay and other conditions of service of the UNRWA area staff should be established. The Commission also informed the Assembly of its decision to undertake responsibility for a survey of local conditions in the occupied territories, to be carried out with the assistance of a consultant to be engaged by the Commission at the expense of UNRWA, and to delegate to a panel of its members the responsibility for examining the survey report, hearing the views of administration and staff and submitting recommendations, in the name of the Commission and on its behalf, direct to the Commissioner-General of UNRWA, with a copy to the Secretary-General. The Commission also informed the Assembly of the progress with regard to the survey in the West Bank of the plans for the first meeting of the Panel and of the arrangements for surveys to be undertaken in the Syrian Arab Republic and Lebanon.

243. At its thirteenth session, the Commission reviewed a progress report which provided information on the West Bank survey and on the deliberations and recommendations of the Panel, as well as on the follow-up given by the Commissioner-General of UNRWA and the status of the surveys under way at the time in the Syrian Arab Republic and Lebanon. The Commission endorsed the Panel's approach to the UNRWA surveys; confirmed the practice of excluding United Nations offices from among the surveyed employers; and extended the mandate and composition of the Panel through 1981. It also requested the Chairman to undertake discussions with the Commissioner-General of UNRWA on the question of the structure of the UNRWA salary scales, the determination of salaries for the upper grades and the establishment of a separate scale for the teachers.

^{36/} Ibid., paras 324-327.

244. At the fourteenth session, the Commission considered a further report describing the progress in the surveys in the Syrian Arab Republic and Lebanon for which the data collection and analysis had already been completed, summarizing the consultations between the Chairman and the Commissioner-General of UNRWA and reviewing the requests by UNRWA for the future involvement of the Commission in UNRWA activities. The Commission took note of the progress made in the two new salary surveys and expected to receive the Panel's report at its fifteenth session. As regards the Chairman's discussions with the Commissioner-General, it endorsed the position that substantial modifications to the structure of the UNRWA salary scales and the question of the introduction of a separate scale for teachers would be the responsibility of UNRWA. Neither the Commission nor the Panel would take the initiative in that regard, but the Panel would attempt to provide UNRWA with as much information as possible to assist it in its consideration. It would also try to recommend salaries for the upper grades of the scales and to indicate appropriate salary levels for teachers, in the event that UNRWA were to establish a separate scale for them.

245. A request by the Commissioner-General for the Commission to participate in salary surveys for UNRWA beyond its current commitment for the year 1981 was considered but postponed, pending review, at the fifteenth session, of the report of the Panel on the surveys in the Syrian Arab Republic and Lebanon. It did stipulate, however, that the Commission's involvement in UNRWA activities should not represent any expense to the Commission's limited budget; nor should the activities interfere with the normal functions of the secretariat.

C. Study of the relationship between staff assessment and the Tax Equalization Fund

Background

246. The General Assembly approved in resolution 35/214A, section IV, paragraph 1, the recommendation of the Commission that 30 points of post adjustment be consolidated into base salary, effective 1 January 1981. Some members of the Commission had expressed concern in this connexion that pressures for consolidation arose because of the needs of the Tax Equalization Fund system, apart from the maintenance of the proper relationship between the salary and post adjustment. The Commission, therefore, agreed to undertake a study of the issue and, particularly, to examine whether there might not be means of dealing with the situation other than by using staff assessment and a Tax Equalization Fund. The Assembly, by its resolution 35/214, section V, paragraph 2, welcomed this study.

247. United Nations salaries were originally expressed only in net form on the assumption that they would be exempt from national income tax, in accordance with the provisions of the Convention on the Privileges and Immunities of the United Nations and the Convention on the Privileges and Immunities of the Specialized Agencies. However, certain Member States which had not ratified those conventions (or did so with reservation) levied income tax on the United Nations earnings of their nationals and continue to do so. In order to maintain the equality of remuneration of all staff members, irrespective of their nationality, the General Assembly, in paragraph 12 of its resolution 13 (I) of 13 February 1946, resolved that "pending the necessary action being taken by Members to exempt from national taxation salaries and allowances paid out of the budget of the Organization, the Secretary-General is authorized to reimburse staff members who are required to pay

taxation on salaries and wages received from the Organization". Thus, the United Nations reimbursed the staff members concerned from the regular budget the amount of taxes they had paid on their United Nations earnings. However, that practice resulted in increased expenditures by those countries which were not levying income tax on their nationals in the Secretariat and thus created an inequity among Member States.

248. In order to eliminate this inequity and the inequalities of the existing system of net salaries, the General Assembly, in its resolutions 239A and B (III) of 18 November 1948, recognizing that current salaries had been established after making deductions equivalent to national income taxation levied by the country in which the Organization was located and desiring to impose a direct assessment on United Nations staff members which was comparable to national income taxes, resolved that salary rates in effect on 31 December 1948 should be converted to gross rates on 1 January 1949, that for each calendar year beginning after 31 December 1948 all salaries should be subject to an assessment on the recipient and that revenue derived from the assessment should be applied as an appropriation-in-aid of the budget, and authorized the Secretary-General to reimburse staff members for national income taxes paid by staff members in respect of payments received from the United Nations. An important reason for introducing that plan was the hope that States which had felt unable to grant exemption from income tax to their nationals would be able to grant relief from double taxation. Thus, in its resolution 239C (III), the General Assembly requested members which had not acceded to the Convention on Privileges and Immunities of the United Nations or which had acceded to it with reservations as to its section 18(b) to take necessary action, legislative or other, to exempt their nationals employed by the United Nations from national income taxation with respect to their salaries and emoluments paid to them by the United Nations, or in any other manner to grant relief from double taxation to such nationals.

249. The introduction of the staff assessment plan may have been of assistance to some Member States in granting outright tax exemption or relief from double taxation. However, one of the major contributors to the United Nations budget, the United States, with the largest number of nationals in the Secretariat, did not take any legislative action. Hence, a major source of inequity among Member States continued to exist.

250. Without changing the substance of the system established by its resolutions 239A and B (III), namely, the dependence of the reimbursement for national income taxes on the revenue derived from staff assessment, the General Assembly, in its resolution 973A (X) of 15 December 1955, approved the establishment of a Tax Equalization Fund consisting of revenue from the staff assessment plan, formerly credited as part of miscellaneous income. In accordance with the conditions established by the Assembly, all revenue from staff assessment levied on salaries of staff paid from the United Nations regular budget should be recorded in subaccounts of the Tax Equalization Fund in the name of each Member State in the proportion of its contribution to the budget.

251. The General Assembly further provided in the resolution that national income taxes levied on United Nations earnings should continue to be reimbursed by the Secretary-General and, in effect, that such amounts of reimbursement should become a first charge on the credits in the Tax Equalization Fund of the Member State concerned. The amount credited to the subaccount of each Member State, less the amounts charged or obligated for income tax reimbursement, would then be set off against the assessed contributions to the budget due from the Member State.

252. When the Tax Equalization Fund credits of a Member State are adequate to cover income taxes levied on its nationals in the United Nations, there is no consequential charge on other Member States under the United Nations regular budget. However, certain elements of United Nations remuneration, particularly post adjustment, are not subject to staff assessment but are treated as income under income tax laws. Thus, in the event that post adjustment should become too large an element of remuneration, in the absence of consolidation, the credits in the Tax Equalization Fund could prove to be inadequate. As a consequence, any excess of tax reimbursement paid out by the Secretary-General could become a charge on the United Nations regular budget to be borne by all the Member States concerned, thereby creating an inequity.

Views of the organization

253. CCAQ agreed in general with the conclusion reached in the secretariat's document that there was no ready alternative to the formula of a tax equalization fund, although it pointed out that some international organizations outside the United Nations system had entered into special agreements with Member States which levied taxes on their nationals serving in the international organizations, thus achieving the same result as a tax equalization fund of avoiding the reimbursement becoming a burden for other Member States.

Discussion and conclusions of the Commission

254. The Commission agreed at the outset that there was no question of the elimination of the staff assessment plan under present circumstances. Some members pointed out in this connexion that it had become a well-established feature of the salary system and had served useful purposes, such as the provision of a gross salary structure as a basis for pensionable remuneration and assessments on salaries equivalent to national income taxes.

255. The Commission reviewed information on the amounts charged during the past 10 years for tax reimbursement against the credits in the Tax Equalization Fund of the United States and relatively small charges for one year in respect of eight other Member States. ^{37/} Those data showed that in no case had the tax reimbursement exceeded a Member's credits in the Fund. The Commission observed, however, that the Financial Rules of the United Nations required any excess over a Member's credits in the Fund to be charged against the regular budget.

^{37/} Tax refunds against staff assessment credit for the year 1977 for Canada, Colombia, Madagascar, Spain, Turkey, Uganda, the United Republic of Tanzania and Zaire.

256. The study of the issue had not revealed any suitable alternative in present circumstances to the use of staff assessment and the Tax Equalization Fund to deal with the tax reimbursement problem. That would continue to be the case so long as the Member States concerned had not taken the necessary action to exempt their nationals from income taxation, as was requested by the General Assembly in its resolutions 13(I), 78(I) of 7 December 1946, 160(II) of 20 November 1947 and 239A and B (III). The Commission suggested that the Assembly might wish to renew its request to Member States that have not done so to take appropriate action to exempt their nationals from income taxation, which could lead to the abolition of the Tax Equalization Fund.

D. Standards of conduct in the international civil service

257. At the request of the Director-General of ILO, the Commission considered the question of the standards of conduct of the international civil service. The representative of ILO reported that his organization was concerned about the deterioration of the standards of conduct of international civil servants due, in part, to pressure from national administrations on their citizens serving as international civil servants and, in part, to actions by staff members themselves. He requested that the Commission reissue the report on the subject that had been prepared by the International Civil Service Advisory Board (ICSAB) in 1954, 38/ in order to remind all concerned of the essential elements of conduct and behaviour expected of international civil servants. The representative of CCAQ suggested that it might be appropriate for the Commission to request ACC, in the first instance, to review the document in the light of current circumstances to see if any revisions were required. The representative of FICSA stressed the importance of staff participation in such a review and recommended that CCAQ and FICSA be asked to review the document jointly and to report back to the Commission at a later date.

Discussion by the Commission

258. The Commission noted that the ICSAB report had been prepared originally at the request of ACC. It had been first issued in 1954 and had been reprinted in 1965, 1968, 1977, 1978 and 1979 in different languages. Some members observed that since the report had been published as a United Nations document it was still in force even if the body which had originally drawn it up had become defunct. They questioned therefore whether a review of the document was necessary; perhaps a reprinting of it would be sufficient. Other members specified that if the report were to be reviewed and any revisions were to be proposed the reasons in support of these, such as any new elements or changes that had occurred in conditions of service since the report was last issued, should be indicated. It should be understood that the purpose of any review should be to better inform international civil servants of what was expected of them and that such a review should not result in an endorsement of any deterioration of standards.

38/ Report on Standards of Conduct in the International Civil Service: 1954 (COORD/CIVIL SERVICE/5) (First issued in 1954 and reprinted in 1965, 1968, 1977, 1978, and 1979 in different languages).

Decision of the Commission

259. The Commission, in noting that the report had been originally prepared at the request of ACC, decided to request ACC to review the report and to advise the Commission of its findings.

ANNEX I

Study requested by the General Assembly on concepts of careers, types of appointment, career development and related questions

1. At its thirty-fifth session, the General Assembly adopted resolution 35/210, which had resulted from its consideration of personnel questions in the United Nations Secretariat, and in which it requested ICSC and JIU to study further the subjects of the concepts of career, types of appointment, career development and related questions and to report separately thereon to the Assembly at its thirty-sixth session and to co-operate in the drafting of these two reports.
2. In the spirit of co-operation invited by the resolution the Chairman of the Commission and members of the secretariat undertook further contacts with JIU, which resulted in Inspector Bertrand accepting an invitation to attend the thirteenth session of the Commission and in Inspectors Bertrand and Khalifa attending its fourteenth session.

Action by the Commission at its thirteenth session

3. At the thirteenth session, Inspector Bertrand noted that much of the concern over the need for the studies could be traced to the fact that few of the recommendations of the Commission or JIU on career development had been implemented to date in the United Nations Secretariat. He hoped that an agreement would be reached on the themes to be included in the studies requested by the General Assembly and to that end proposed a tentative list for the Commission's consideration.
4. The Chairman of CCAQ stated that the problems outlined by Inspector Bertrand had been presented to the Committee without giving its members adequate time to consult with their organizations. Nevertheless, CCAQ felt that the ICSC and JIU studies should be restricted to the United Nations Secretariat, since the General Assembly resolution requesting the studies had resulted from a consideration of matters relating to personnel policy within that Organization alone. The other organizations, however, would follow with interest the outcome of the studies.
5. The President of FTCSA voiced the same reservation as CCAQ. She felt that it was over-optimistic to conceive of a report as wide-ranging as that proposed by Inspector Bertrand being properly completed within the six months following the session. Pointing out that there also was a procedural problem, in that staff views were formally heard by ICSC but not by JIU, she strongly urged that any consideration of the issue of career development, in which the staff had vital interest, would not take place in a forum in which the staff could not be heard.
6. The Commission noted that it had already recommended policies to the organizations of the common system concerning each of the topics suggested for study by the General Assembly. In accepting the request of the Assembly for further study, the Commission decided that it should seek every possible means to

co-operate with JIU. Moreover, with regard to the scope of the study, in view of the provisions of its statute, the Commission was required to make recommendations to all organizations of the common system. It noted that it already had a work programme for the area of career development/recruitment which it had established at its ninth session. Many of the items on the tentative list of themes to be studied drawn up by Inspector Bertrand were already on the Commission's work programme and were planned for future sessions of the Commission. The Commission also recognized its statutory obligation to obtain the views of the organizations and staff on all items, which was not a requirement of the JIU statute. Therefore, it was decided that the study should follow a more limited approach. After some discussion the Commission and Inspector Bertrand, on behalf of JIU, agreed on the following items for study:

(a) Concept of career:

- (i) The meaning of a career in the context of the United Nations common system and in the development of a unified international civil service;
- (ii) Interests of the organization and of staff members in careers;

(b) Types of appointments:

- (i) The different types of appointment in the international civil service and how they are used;
- (ii) Specific guidance that can be given to the organizations concerning the use of different types of contracts beyond that already stated by ICSC in its fifth annual report;

(c) Career development and related issues:

- (i) What organizations and staff members do and should do to develop careers (including a review of the implications of linked grades);
- (ii) The relationship of the programming and budgetary process to job classification;

(d) Occupational groups and their relationship to career development.

Action by the Commission at its fourteenth session

7. At its fourteenth session, the Commission resumed consideration of the subject and heard the views of the representatives of the organizations, the staff representatives and of Inspectors Bertrand and Kalifa on behalf of JIU. The Commission had before it a draft report to the General Assembly which had been prepared by its secretariat following the outline agreed between the Commission and JIU. The report contained a detailed examination of the topics included in the outline of the study and provided a total of 27 recommendations according to the following categories: (a) recommendations which recalled previous decisions, recommendations or policy statements the Commission had already made to the organizations and the General Assembly and other legislative bodies; and (b) recommendations directly related to and based on previous ICSC decisions or

recommendations and new recommendations. The report also described the further consultations and discussions which had been held between members of the secretariat and Inspector Bertrand in the interval between the thirteenth and the fourteenth sessions. The Commission also had before it three working papers which had been prepared by Inspector Bertrand on the subjects of grade linking, career development and occupational groups and types of appointment. The papers, which contained the Inspector's views on the subjects and a number of conclusions, were offered as background documents for the Commission's consideration of its own report. They were also intended by Inspector Bertrand to form the basis of his report to the Assembly.

8. The Chairman of CCAQ reiterated the organization's position that enough time had not been given to carry out internal consultations on the issues which were the subject of study. The questions to be dealt with were of vital concern to the organizations, to their administrations and to their staff, and it simply had not been possible for CCAQ to develop a concerted position on those matters in the short time available. CCAQ regretted that the Commission itself was being forced to deal with such very important questions under pressure of a General Assembly resolution which caused the Commission to pre-empt the very careful programme of work which it had set itself in these areas. CCAQ urged that the discussion of the item be considered of a preliminary nature, in order that the very important policy statement which the Commission was called upon to make received the care and preparation which it deserved. With regard to the working papers submitted by Inspector Bertrand, the Chairman of CCAQ noted that there was an established procedure for dealing with reports of JIU which concerned the common system as a whole and CCAQ proposed to follow that procedure also in the present instance. For that reason it did not have any comments to make on the working papers. The Chairman of CCAQ stressed that the organization considered that the appropriate forum for the consideration of such matters was the Commission.

9. The President of FICSA echoed the reservations and doubts that had been expressed by the Chairman of CCAQ, including the established procedure for dealing with reports of JIU. She recalled that the staff had raised serious doubts at the thirteenth session that the study could be done in a proper way in the short time available and had emphasized that they could not accept discussion of such subjects to take place in a forum in which the staff was not represented. The questions to be considered touched upon virtually every area of personnel. She, therefore, questioned the wisdom of the General Assembly in requesting a report of such scope in a time so short that it would make proper consultations with the staff virtually impossible. The staff were not yet prepared to take any position on the substance of the question and therefore formally requested that the Commission defer any substantive report on the matter to the General Assembly until next year.

10. Inspector Bertrand confirmed that the papers he had provided to the Commission were position papers and not a draft of the report JIU would submit to the General Assembly. That report would be drafted later by JIU and it would be sent directly to the Fifth Committee of the Assembly. JIU had sought to work with the Commission in solving what Inspector Bertrand saw as fundamental problems in the personnel system of the international civil service. He observed that there appeared to be divergence of views among the organizations, the staff, members of JIU and members of the Commission on the wide range of subjects under discussion. He therefore suggested to the Commission that it agree that its report and that of JIU to the Assembly should not include any specific recommendations at that stage, but rather should include for information only a description of the preliminary thinking of

each body on the questions which were the subject of the study. In this way further consultations and study could be given to the question by both bodies. He assured the Commission that the report of JIU would be prepared in such a way.

11. The Commission noted the procedural difficulties that had surrounded the study requested by the General Assembly. First, the organizations had considered that the scope of the study should, in the first instance, be limited to the United Nations Secretariat since the Assembly request was contained in resolution 35/210, which related to consideration of personnel questions in the United Nations Secretariat, and not in resolution 35/214, which related to the sixth annual report of ICSC and therefore was relevant to the entire common system. Secondly, both the organizations and staff noted that the Assembly request had not taken into account the Commission's statutory authority as regards the subjects under study nor the programme of work the Commission had carefully laid out for the consideration of career development and related questions. They maintained that the appropriate forum for the consideration of such matters was the Commission. Finally, neither the organizations nor the staff had had sufficient time to carry out the consultations necessary on such a vast range of subjects. This difficulty had resulted in the organizations' requesting that the Commission's study of the matter be considered only preliminary and in the staff's requesting that the Commission defer any substantive report to the General Assembly until its thirty-seventh session.

12. The Commission reconfirmed the position that it had taken at its thirteenth session concerning the scope of the study. The Commission had been established for the regulation and co-ordination of the conditions of service of the United Nations common system and therefore was required by its statute to make recommendations concerning all of the organizations.

13. As regards the jurisdiction of the Commission and JIU on such matters, it was evident that the topics to be included in the current study were ones which clearly fell within the scope of the Commission's authority. Indeed, they were ones which touched upon the basic mandate of the Commission - the establishment of a unified international civil service. The Commission had been delegated a certain responsibility by the General Assembly under articles 13 and 14 of its statute. By virtue of these articles the Commission was required to make recommendations to the organizations to serve as a basis for establishing personnel policies. JIU was also empowered to make recommendations to the organizations, but whereas its recommendations were aimed at improving the efficiency of organizations, those of the Commission were designed to establish standards concerning the conditions of service of the common system. Indeed the General Assembly had on previous occasions recognized the Commission's primary responsibility in this regard. a/

a/ In its resolution 33/119 of 19 December 1978, the General Assembly expressed the hope that, notwithstanding the pressure of urgent problems concerning remuneration, the Commission would be able to assume progressively its functions under articles 13 and 14 of its statute and make progress in 1979 in its consideration of those aspects of personnel policy other than remuneration mentioned in paras. 309 to 329 of the report of the Commission, in particular career development and those other aspects which have occupied the Assembly's

The Commission wondered therefore whether the mandate provided in resolution 35/210 had taken fully into account the Commission's jurisdiction and the responsibility which had been delegated to it by the General Assembly under articles 13 and 14 of the statute.

14. As regards the time which had been set aside by the General Assembly for the study, the Commission recalled that its statute also required that it consult to the fullest extent possible with the organizations and the staff. In this respect its method of work differed from those of JIU. The pace of the Commission's work in areas such as those was thus dictated to a certain extent by the degree of consultations required. The Commission had established a comprehensive programme of work related to the topics of the current study and had already made considerable progress in establishing policies in that area. Progress had been slow but in order to be most meaningful the policies developed required the support of the organizations and of the staff. As regards the current study, there were considerable divergences of views both between the Commission and JIU, between the organizations and the staff and among the organizations themselves. That caused an additional limitation on conclusions being reached at an early stage. All of that had shown the complexities not only of the issues being studied, but in the nature of the common system itself. Under current circumstances the Commission considered that it would not be appropriate for either the JIU or the Commission if either were to provide substantive views to the Assembly at its thirty-sixth session. More time was required in order that greater consensus could be reached among all concerned parties.

15. The Commission decided therefore not to submit any substantive recommendations to the General Assembly at its thirty-sixth session. It decided that it would endeavour to provide a substantive report on the question to the Assembly at its thirty-seventh session. As regards future collaborative efforts with JIU the Commission wished to note that it was grateful for the counsel which had been provided by JIU in an effort to help the Commission to deal with the topics under consideration. The Commission also wished to note that it had established a detailed plan of work in the area of career development and related issues and had made recommendations to the organization in respect of 9 of the 17 areas of personnel policy contained therein. It intended to proceed expeditiously through each of the remaining steps of its plan of work considering each issue in a comprehensive manner and taking into account the views of the organizations and of the staff.

(continued)

attention at its thirty-third session (Paragraphs 309 to 329 of the Commission's fourth annual report (A/33/30) dealt with a common classification of occupational groups, recruitment standards, the career concept and career development). In its resolution 34/154 of 17 December 1979, the Assembly expressed its satisfaction with the action taken by the Commission under articles 13 and 14 of its statute and urged the Commission to continue its work under its long-term functions. In its resolution 35/214, the Assembly noted the progress made by the Commission under the authority given to it under articles 13 and 14 of its statute.

16. Whereas the Commission decided not to provide any new substantive recommendations to the General Assembly it did consider it essential that it recall to the Assembly the relevant previous decisions and recommendations that it had made. Those decisions and recommendations served as a basis for the establishment or modifications of personnel policies within the organizations of the common system. The remaining two sections of this report provide, therefore, a summary of the action taken by the Commission at its previous sessions relevant to the question of career development, and a summary of the decisions and recommendations it has previously made which have a direct bearing on the various items contained in the outline of the present study.

Historical background to previous decisions

17. At its fifth session, the Commission considered a progress report b/ on the comprehensive study it had asked UNITAR to prepare on the concept of career service in the common system and noted that it would revert to the question when the UNITAR report was completed.

18. At its sixth session, the Commission recognized the key importance of improved methods of recruitment as a factor in enhancing the quality of staff and its conformity with the high standards of competence and integrity called for by the Charter of the United Nations and constitutions of the organizations but at the same time emphasized that recruitment should be seen in the context of the other elements of a comprehensive personnel policy, including the desirable proportions of permanent and fixed-term staff, the implementation of the principle of equitable geographical distribution and uniform job classification standards. In this regard the Commission observed that career development was a very complex problem because of the fundamentally different approaches to tenure which existed in the organizations.

19. At its seventh session, the Commission considered the UNITAR study, (ICSC/R.112) which contained detailed information on the policies and situation of the organizations of the common system with respect to the career concept and career development; an analysis of that information, leading to conclusions; and suggestions for improving career development systems. The Commission also considered the interrelationship of recruitment programmes, budget planning, employment policy (including appointment and probation policy and the duration and nature of contracts), occupational groups, job classification, human resources planning and promotions. In a preliminary discussion of these issues, the Commission emphasized the clear links between career development and the other subjects dealt with under articles 13 and 14, such as job classification and recruitment, and questioned the order in which the different questions should be dealt with.

20. At its eighth session, the Commission considered jointly the questions of recruitment and career development, using as a basis for its discussion the background documentation that had been prepared for earlier sessions and a summary of decisions adopted and directives given by organizations' legislative bodies in

b/ ICSC/R.77, para. 127. (ICSC/R. series documents are available for consultation through the ICSC secretariat.)

connexion with recruitment policies. The Commission reaffirmed the importance of its role in questions such as career development and recruitment, which it saw as fundamental to the fulfilment of the principles embodied in the Charter and other founding documents. It recognized that these were two complex areas having many interrelated aspects and a significant bearing on other areas of personnel policy. The Commission noted that it was not by accident that article 13 preceded article 14 in its statute. In order to improve recruitment and career development, the nature, types, levels and duration of jobs existing within the organizations had first to be determined. Once this was done career development possibilities could be identified. Recruitment needs could then be determined, keeping in mind the requirements of geographical distribution and the proper proportion of women and young people among the staff. The areas of job classification, career development and recruitment were therefore cornerstones of sound personnel management and consequently vital to the organizations' ability to meet their responsibilities towards the Member States. The Commission observed that it had already entered into this sensitive area through the extensive collection of information on organizational practices and the useful discussions and consultations it had undertaken and noted that the complexity of the issues involved and the history of past practices would make progress in these areas difficult. c/

21. At its eighth session, the Commission also gave preliminary approval to the Common Classification of Occupational Groups (CCOG) which it had recognized in its third annual report d/ as a necessary prerequisite to the development of personnel management systems. The classification:

(a) Set out a listing of all or most of the individual occupations that existed within the organizations of the common system;

(b) Grouped these occupations and suboccupations into categories of work on the basis of similarity of functions;

(c) Provided detailed definitions for each of the groups, subgroups and occupations;

(d) Provided a numerical coding for each entry in the system for electronic data processing purposes.

22. It was to be used as the single method to be commonly applied by the organizations of the common system for classifying or categorizing the different occupations that existed. The purposes of the classification were:

(a) To permit the compilation and exchange of occupational statistics;

c/ Official Records of the General Assembly, Thirty-third Session, Supplement No. 30 (A/33/30), paras. 309-313.

d/ Ibid., Thirty-second Session, Supplement No. 30 (A/32/30), para. 219.

(b) To serve as a necessary prerequisite for the establishment of career development by providing information on the types and number of jobs that existed, helping to identify career paths within and between occupations, identifying occupations having more or less promising career potential and consequently providing the information necessary for any meaningful career counselling;

(c) To aid manpower planning by determining the turnover of populations within occupational groups thereby permitting more accurate predictions of the type and number of future openings;

(d) To aid recruitment by identifying those occupations for which recruitment could be conducted jointly and by facilitating the preparation, where possible, of commonly understood, standardized notices of vacancy;

(e) To serve as a basis for the collection of occupational information to be used for the selection of benchmark jobs for the purposes of General Service salary surveys;

(f) To identify the fields of work common to several of the organizations for which the Commission's statute required that job classification standards be established.

In view of the urgent need for such a classification of occupational groups manifested by JIU and other entities in the common system, and in order to avoid duplication of effort and encourage harmonization, the Commission considered that it was highly necessary that it, as the body with central responsibility for such matters, should draw up such a common classification within the shortest period that would permit due account to be taken of the views of all interested parties. e/

23. At its ninth session, the Commission endorsed a plan of action prepared by its secretariat, (ICSC/R.160), which listed all the issues to be considered in the areas of career development/recruitment, indicated the order and method in which these issues would be taken up by the Commission and established the time-table for doing so. The list included 17 major areas of personnel policy, which were to be examined in 16 steps. Subsequently, this work programme for career development/recruitment was updated and reproduced as annex XVI to the Commission's sixth annual report to the General Assembly. f/ It is attached to this document as appendix I.

24. At its tenth session, the Commission considered the extent to which a career service should be provided and the extent to which career and non-career contracts should be granted, using the criterion of the efficiency of the secretariats to perform their tasks; that is, whether greater effectiveness in carrying out the organizations' programme would be attained with career staff or with non-career staff or with some combination of the two. All members agreed that a core career staff was required in the international civil service and that this core would vary in size from one organization to another. The Commission considered it essential that the determination of the proportion of permanent and fixed-term staff should

e/ Ibid., Thirty-third session, Supplement No. 30 (A/33/30), paras 309-313.

f/ Ibid., Thirty-fifth Session, Supplement No. 30 (A/35/30 and Corr.1 and 2).

be made on an organization by organization basis so as to reflect not only the differing functions and needs of the organizations but also the policy decisions of their own governing bodies. It considered that some of the criteria by which the need for permanent or fixed-term staff should be determined were the nature of the functions to be performed (whether continuing or non-continuing), the structural pattern of the organization and the source of funding of posts. The Commission affirmed that both career and non-career staff should be provided with career development programmes on the grounds that even within a span of four or five years' service with an organization there was a possibility of developing the temporary staff member's capabilities, introducing him or her to responsibilities of a broader scope or a higher level and so both obtaining the maximum benefit for the organization from his or her period of service and enhancing his or her usefulness upon returning to national service. It observed that the organizations of the common system stood to benefit from the implementation of career development programmes, in fact, required them in order to improve current levels of efficiency and expertise. The Commission noted that little if any attention was being given to career development as a major essential organizational activity. It therefore defined career development as a systematic approach contributing to the efficient and effective utilization of human resources in which the personal (work-related) development needs of the individual and the needs of the organization to develop its personnel (work force) were identified and mutually beneficial strategies leading to the maximum possible fulfilment of these needs are designed and implemented. The Commission also described in detail the benefits to be derived by the organizations and by staff members from career development and identified the seven basic components or steps that should be present in any career development programme. The Commission provided a detailed policy statement on the interrelationship of career development and job classification explaining how job classification was contributory to the efficient and appropriate use of organizations' funds; how job classification was normally conducive to career development and what guidelines should be followed by organizations in those few cases where job classification might act to restrict career development. g/ .

25. At its tenth session, the Commission also approved a plan for a comprehensive study on performance appraisal techniques h/ and the approach for the development of common system job classification standards which would be composed of three tiers: Tier I - the Master Standard, which would be a points-factor evaluation system that would cover all jobs in all organizations and which would be established for use for those jobs in common fields of work and recommended for those jobs in other fields of work; Tier II - grade level standards to be established for jobs in all organizations which fall within each of the common fields of work; and Tier III - benchmarks or individual standards to be established

g/ Official Records of the General Assembly, Thirty-fourth Session, Supplement No. 30, (A/34/30), paras. 201-227.

h/ Ibid. para. 228.

in each organization for those of its jobs which fall in common fields of work. i/
The Commission also gave final approval to the Common Classification of
Occupational Groups (CCOG). j/

26. At its eleventh session, the Commission, under step 5 of its work programme in the career development area, gave preliminary consideration to the question of local or national professionals and also completed its review of the P-6 grade. It concluded that the practice of allocating P-6 grades was peculiar to WHO, which offered the same conditions of service to staff graded P-6 as to those graded D-1 and noted that there was no intention to extend the practice to other organizations in the common system (ICSC/R.212, paras. 157-163). The Commission also reviewed a comprehensive study on performance appraisal techniques used by the organizations of the United Nations common system and some other international organizations, by selected national civil services and by some private sector enterprises having operations international in scope. The Commission, in noting that effective performance appraisal was essential if the efficiency of the international civil service was to be improved and if proper career development measures were to be introduced, identified a number of principles which should be followed when determining performance appraisal systems (ICSC/R.212, paras 164-169). The Commission also reviewed a progress report on the development and testing of Tier I - the Master Standard of the ICSC common grading standards, which provided details on the further testing of the standard on 179 jobs in New York, Geneva and Bangkok and on the revisions made to the standard as a result of these tests (ICSC/R.212, paras. 147-156).

27. At its twelfth session, the Commission continued its consideration of the question of performance appraisal. It established general principles underlying performance appraisal and identified four major categories of objectives which performance appraisal systems should strive to achieve. It also established policy regarding the confidentiality of appraisals, and appropriate appeals mechanisms. The Commission also considered the question of special career development programmes. It concluded that, provided organizational needs were also fulfilled in the process, the promotion of careers should be based fundamentally on the merit principle - that is, that staff members should be considered for lateral transfer, promotions or other career development actions on the basis of their past performance and their ability to undertake new assignments. The Commission, therefore, recommended to the organizations that they should not institute special career development programmes which would either single out and "groom" for higher grades or establish target quotas at given grade levels for women, young people, certain nationals or any other group to which any staff member of the organization was not eligible to belong. However, in those cases where disparate treatment of these groups had been found to exist, organizations might find it necessary to institute training programmes which would prepare members of such groups so that they were able to compete on an equal footing with all other staff for career development opportunities. (The Commission noted that its rejection of such special career development measures did not prejudice the development at a later stage of a recruitment policy having as one of its components the establishment of target hiring quotas for women, young people or certain nationals as the considerations applying to the case of recruitment of new staff were not the same

i/ Ibid. paras. 189-200.

j/ Ibid. paras. 184-188.

as those applying to the career development of serving staff.) The Commission considered that if adverse discrimination did play a role in jeopardizing the career development of women, young people or certain nationals then some special measures were required. Accordingly, it recommended to the organizations the adoption of 13 measures designed to eliminate adverse discrimination. The Commission then considered the question of special management training programmes. It endorsed the principle that management training programmes should be developed within the organizations of the common system and offered several principles to be borne in mind when developing such programmes. The Commission also examined the question of interorganization exchange programmes and concluded that present procedures for promoting exchange of staff between organizations should be improved. To this end it recommended a common prospecting procedure aimed at improving career development opportunities. The Commission also continued its review of the question of local or national professionals. It decided to permit the employment of such staff to continue under specifically defined conditions and to keep the arrangement under review in the future. k/

28. Also at its twelfth session, the Commission decided to approve the point-factor evaluation system and to promulgate it as the Master Standard (Tier I) of the common system grading standards for use by the organizations effective 1 January 1981 when classifying all Professional and higher category (P-1 to D-2 inclusive) non-project positions at headquarters and established field offices, in common fields of work. The Commission also recommended that the Master Standard should be used for jobs in fields of work which were not common. It also recommended a job description form to use in conjunction with the Master Standard and a glossary of terms to be used as a reference tool when applying the Master Standard and procedures for classifying and auditing jobs. It also approved the organization by the ICSC secretariat of training seminars on the application of the Master Standard to be open to job classification specialists, personnel officers, members of management and staff representatives of the organizations and approved a revised time-table for the development of Tier II standards. The Commission also set down conditions for the progressive implementation of the Master Standard, described the meaning of progressive implementation, recommended to the legislative bodies of the organizations that executive heads should be delegated the authority to grade posts subject to any control mechanisms deemed appropriate by those bodies and that each legislative body should endeavor to monitor the over-all grading pattern of the organizations, through the monitoring of the organization's grading profile or other appropriate means, rather than to pronounce on the specific grade of individual posts, and established the procedures it would follow in monitoring its decisions and recommendations regarding job classification. The Commission approved a methodology to be used by organizations for determining whether a given post should be placed either in the Professional or General Service category.

k/ Official Records of the General Assembly, Thirty-fifth Session,
Supplement No. 30 (A/35/30 and Corr.1 and 2), paras. 265-310.

Lastly, the Commission authorized its Chairman to request the Secretary-General to assure that a common approach be undertaken by the United Nations, UNDP and UNICEF in the development of proposals regarding the establishment of classification standards and revisions to the grade structure for the General Service category in New York. 1/

29. At its thirteenth session, the Commission considered four career development related questions: the utility of the Inter-Organization Agreement concerning transfers, secondment or loan of staff; m/ standardized notices of vacancy, central vacancy announcement procedures and a central career development referral service. The Commission concluded that, while the Agreement served well as a mechanism for facilitating the administrative aspects of interorganization exchange and should therefore continue to be applied as an administrative instrument, it did not promote interorganization exchange. It therefore instructed its secretariat to organize a working party of representatives of the organizations and FISCA to study and make recommendations at the Commission's fifteenth session on further means of promoting interorganization exchange that could be incorporated as provisions in an annex of the Agreement. The Commission also established a model notice of vacancy form and recommended that organizations should use it beginning 1 July 1981 when advertising vacancies. It instructed its secretariat to develop on an experimental basis a central vacancy announcement system in which notices of vacancy would be collected from the organizations and relevant details of these published expeditiously in a career development bulletin that would be sent to all major offices of the organizations and further instructed its secretariat to develop proposals for the operation on a pilot basis of a central candidate referral service for career development purposes. The Commission also revised the common prospecting procedures it had established at its previous session to include an improvement proposed by the CCAQ (see paras. 227-236 above). Also at its thirteenth session, the Commission resumed consideration of the question of training within the common system in examining training policy and its relationship to career development and elements of a model management training programme. It observed that training was not an end unto itself but one of the means of fostering career development which the Commission had previously defined as containing both staff-related and organization-related objectives. The Commission recommended that more attention should be devoted to training and that organizations should consider allocating greater resources for training but that operative or contemplated training activities should undergo a thorough evaluation of their utility to the organization and the tangible results they were expected to acquire before they were extended or introduced. The Commission decided that there was a need within the common system for increasing management training activities. It described the framework in which training should exist and identified programme elements which should form part of any management training programme and the phases to be followed in the implementation of such programmes (see paras. 199-209 above and annex VIII to the present report). The Commission also completed its review of the question of performance appraisal. It identified the criteria to be used in judging

1/ Ibid., paras. 234-264.

m/ The full title of the Agreement is "Inter-Organization Agreement concerning Transfer, Secondment or Loan of Staff among the Organizations Applying the United Nations Common System of Salaries and Allowances".

performance within the multi-cultural environment of the common system, the approach to be followed (which specified that the objectives that needed to be achieved in a given job be identified and communicated to the incumbent in advance of the appraisal period); it described the roles to be played by supervisors, subordinates and the Personnel Department in the appraisal process; recommended the rewards and sanctions that should be given for good and poor performance; described the effect that performance should have on career development; established guidelines for ensuring that a consistent approach in evaluation was taken among different supervisors, and, lastly, established and recommended for use within the organizations a performance appraisal form which the Commission believed most closely followed the policy principle it had established (see paras. 217-226 above and annex IX). (The Commission also gave preliminary consideration to the study requested by the General Assembly on concepts of career, types of employment and career development and related issues, as reported in paragraphs 3 to 6 above.

30. At its thirteenth session, the Commission also reviewed the progress of organizations in implementing the Master Standard and considered two draft Tier II standards for the fields of work of translators and revisers and personnel management specialists. The Commission decided to review at its fourteenth session the further progress of organizations in implementing the Master Standard and decided to postpone promulgation of the two Tier II standards until that time in order to permit further collective consultations to be held with organizations (see ICSC/R.267, paras. 152-160). The Commission also approved the provision by its secretariat of technical advice to the United Nations Secretariat, UNDP and UNICEF in their endeavour to develop proposals regarding common job classification standards and revisions to the grade structure for the General Service category in New York (see ICSC/R.267, paras. 218-220).

31. At its fourteenth session, the Commission continued its consideration of the question of training, examining in particular the training requirements of organizations and of the common system and the role it would play in the field of training. The Commission identified four categories of training services required by individual organizations and the common system (development of training policy, identification of training needs, development and provision of training activities to meet identified needs and evaluation of training activities). It instructed its secretariat to hold further consultations with CCAO, UNITAR and FICSA on the roles of organizational entities in the provision of training services in the common system and to study the possibility of establishing a common fund jointly financed by organizations to facilitate the provision of such services (see paras. 209-216 above). The Commission also reviewed the further progress of organizations in the implementation of the Master Standard. It decided to recommend to the General Assembly and to those other legislative bodies of the organizations where such authority still laid that responsibility for making job classification decisions up to the D-2 level should be delegated to executive heads and to call to the attention of legislative bodies the fact that the staff resources available in organizations continued to be insufficient to operate proper job classification systems. The Commission authorized its secretariat to issue a manual on job classification as an aid to the implementation of the Master Standard and to conduct additional job classification training seminars (see paras. 170-177 above). The Commission promulgated for use within the organizations of the common system three Tier II grade level standards to be used in conjunction with the Master Standard. These job classification standards covered the fields of work of translators and

revisers, personnel management specialists, and economists (see paras. 178-194 above). It also reviewed the progress made by the United Nations Secretariat, UNDP and UNICEF on the development of proposals regarding common job classification standards and a revised grade structure for the General Service category in New York (see paras. 195-198 above). (The Commission also gave further consideration to the study requested by the General Assembly on concepts of career, types of employment and career development and related questions, as reported in paragraphs 6 to 16 of this annex.)

Summary of conclusions of the Commission

32. As regards the procedural aspects of the study requested by the General Assembly, the Commission decided to recall to the Assembly and the legislative bodies of the other organizations of the common system that:

(a) Under article 14 of its statute the Commission is singularly empowered to make recommendations to the organizations on career development questions and further that the topics included in the present study are those which clearly fall within the scope of the Commission's authority;

(b) The Commission had established a detailed plan composed of 16 steps for the examination of the topics of career development, recruitment, human resources development and other related issues at its ninth session (1979); it has since then made progress in steps 1 through 9 of this plan which it has already reported to the General Assembly, and it intends to proceed expeditiously through each of the remaining steps in its plan of work considering each issue in a comprehensive manner, taking into account the views of the organizations and of the staff in arriving at its decisions and informing the Assembly periodically of its progress. The steps completed include career and non-career service; career development measures; objectives of career development; interrelationship of career development and job classification; divergent grading patterns (including national professionals); performance appraisal; special development programmes; interorganization exchange programmes; and the relationship of training to career development. n/

33. The Commission further decided, as regards the procedural aspects of the study:

(a) To inform the General Assembly that it had not been possible to provide a substantive report on the question to the Assembly at its thirty-sixth session but that the Commission would endeavour to provide such a report to the Assembly at its thirty-seventh session;

(b) To note that the Commission was grateful for the counsel which had been provided by the JIU in an effort to help the Commission to deal with the topics under consideration.

n/ Official Records of the General Assembly, Thirty-fifth session, Supplement No. 30 (A/35/30 and Corr.1 and 2, annex XVI.

34. As regards the substantive aspect of the study, the Commission decided that it would not be appropriate for the JIU or the Commission to make any new substantive recommendations to the General Assembly at its thirty-sixth session. However, it did decide to recall to the Assembly only those decisions and recommendations it had previously taken and which were directly relevant to the study. It, therefore, decided to recall to the Assembly:

(a) The recommendation of the Commission that the proportion of the permanent and fixed-term staff should be made on an organization-by-organization basis so as to reflect not only the differing functions and needs of the organizations but also the policy decisions of their own governing bodies; o/

(b) The criteria established by the Commission for determining organizations' needs for permanent and fixed-term staff (the nature of the functions to be performed, whether continuing or non-continuing; the structural pattern of the organization; and the source of funding of posts); o/

(c) The intention of the Commission further to study in accordance with article 15 of its statute the types of appointment used within the common system with a view to reducing them;

(d) The recommendation of the Commission that the granting of preferential treatment in the development of careers on the basis of sex, age, nationality or other factors not related to merit should be discontinued; p/

(e) The steps taken by the Commission aimed at eliminating exaggerated performance appraisals and the misrepresentation of career development opportunities (ICSC/R.267, paras. 172-187);

(f) The decisions and recommendations relating to career development that it has made as regards common prospection procedures, model notice of vacancy form, central vacancy announcement system, central candidate referral service, the interorganization agreement concerning transfer, secondment or loan of staff among the organizations applying the United Nations common system of salaries and allowances, interorganization exchange of staff, the merit principle, removal of discriminatory action affecting career development, mobility, identification of career paths, career development objectives and benefits, components of career development programmes, interrelationship of career development and job classification, career planning, performance appraisal, and training q/ (a detailed description of each of these is contained in appendix II);

o/ Ibid., Thirty-fourth Session, Supplement No. 30 (A/34/30 and Corr.1), paras. 201-207.

p/ Ibid., Thirty-fifth Session, Supplement No. 30 (A/35/30 and Corr.1 and 2), paras. 288-289.

q/ ICSC/R.192, paras. 61-62; ICSC/R.212, paras. 157-171; ICSC/R.240, paras. 8-22; ICSC/R.267, paras. 111-140 and 172-187; Official Records of the General Assembly, Thirty-fourth Session, Supplement No. 30 (A/34/30 and Corr.1), paras. 201-228; and ibid., Thirty-fifth Session, Supplement No. 30 (A/35/30 and Corr.1 and 2), paras. 265-310.

(g) The intention of the Commission further to investigate in the future the questions of human resource planning, promotion policy, recruitment policy, appointment and employment policy in a detailed and comprehensive manner and to report its decisions and recommendations on these as each question has been considered; n/

(h) That at its eighth session the Commission had informed the General Assembly that it was highly necessary that the Commission, as the body having central responsibility for such matters, be responsible for developing a common classification of occupational groups; that it had established the common classification of occupational groups (CCOG) as the occupational classification to be used within all of the organizations of the common system in 1979 and had so reported to the Assembly in its annual report of that year; that the Secretary-General had already informed the Assembly in 1978 of his intention to implement CCOG; that all of the organizations of the common system, including the United Nations Secretariat, have since categorized their jobs according to CCOG; that the purpose of CCOG, as regards career development, is to provide the occupational information necessary for the planning and development of careers; that the development of careers meeting the needs of both the organization and the staff member should continue to be permitted both within and between occupational groups; and consequently that CCOG or any other occupational classification should not be used as a device to restrict the development of careers to within occupational groups. r/

r/ Ibid., Thirty-fourth Session, Supplement No. 30 (A/34/30 and Corr.1), paras. 184-188 and 212; and ICSC/R.192, para. 59.

APPENDIX I

Work programme for career development/recruitment

<u>Steps</u>	<u>Items</u>	<u>Action</u>
1	Career and non-career service	Completed, ninth session
2	Career development measures	Completed, ninth session
	A. For career staff	
	B. For non-career staff	
3	Objectives of career development	Completed, tenth session
	A. Needs and benefits of organization	
	B. Needs and benefits of staff member	
4.	Interrelationship of career development and job classification	Completed, tenth session
	A. Distinction between criteria for grading of jobs and for grading of people	
	B. Effects on mobility and career	
	C. Identification of career paths	
	D. Special grading adjustments to improve career development	
	(ICSC report to the General Assembly at its thirty-fourth session on over-all approach being followed, with recommendations on specific policies)	Sent to General Assembly at its thirty-fourth session
5	Divergent grading patterns	
	A. The P-6 grade.	Completed, eleventh session
	B. National Professionals	Completed, twelfth session
	C. Extended General Service grades	Completed, twelfth session

<u>Steps</u>	<u>Items</u>	<u>Action</u>
6	Performance appraisal) A. Criteria for judging performance) B. Role of supervisor, staff member,) peers, subordinates and personnel) department) C. Rewards for good performance) D. Sanctions for poor performance) E. Effect of performance on career) advancement in relation to years) of service)	Completed, thirteenth session
	(ICSC follow-up report to the General Assembly at its thirty-fifth session with recommendations on specific policies)	
7	Special development programmes) A. Women, young people, nationals of) particular categories of countries) B. Management training programmes)	Completed, twelfth session
8	Interorganization exchange programmes) A. Methods for co-operation) B. Safeguards against excessive) competition)	Scheduled for thirteenth and fourteenth session
9	Relationship of training to career) development)	
HUMAN RESOURCE PLANNING		
10	Human resource planning) A. Usefulness of such programmes) B. Components of such programmes)	(To be discussed on basis of (Secretariat paper)

<u>Steps</u>	<u>Items</u>	<u>Action</u>
11	Promotion policy	(To be discussed on basis of Secretariat paper)
	A. Qualification for promotion	
	B. "Personal promotions"	
	C. Promotion of General Service staff to Professional category	
12	Rules governing internal announcement of vacancies	(To be discussed on basis of Secretariat paper)
	(ICSC follow-up report to the General Assembly with recommendations on specific policies)	
RECRUITMENT POLICY		
13	General recruitment policy	(To be discussed on basis of Secretariat paper)
	A. Proper geographical distribution	
	B. Proper number of women	
	C. Proper number of young people	
	D. Policy concerning the handicapped	
14	Prospection	(To be discussed on basis of Secretariat paper)
	A. Proper use of advertisements	
	B. Methods for interorganization co-operation	
	(i) Common recruitment procedures	
	(ii) Central recruitment rosters	
	C. Safeguards against excessive interorganization competition	
	D. Exchange programmes between national and international service	

<u>Steps</u>	<u>Items</u>	<u>Action</u>
15	Evaluation and selection	(To be discussed on basis of CCAQ paper)
	A. Evaluation procedures including use of competitive examinations	
	B. Role of line management, staff and personnel department	
	C. Role of Governments	
	D. Recruitment of over-qualified candidates	
16	Appointment and employment	(To be discussed on basis of CCAQ paper)
	A. Grade of initial appointment	
	B. Duration of initial appointment	
	C. Probationary arrangements	(To be discussed on basis of Secretariat paper)
	(i) Length of probationary periods	
	(ii) Probationary requirements	
	(iii) Methods for evaluating success and failure	
	(iv) Procedures for terminating contracts	
	D. Duration of subsequent employment	(To be discussed on basis of CCAQ paper)
	(i) Extended service under fixed-term contracts	
	(ii) Qualifying for permanent contract	
	(iii) Conversion of fixed-term to permanent	
	(ICSC report to General Assembly on over-all career development/recruitment policy)	

APPENDIX II

Previous action taken by the Commission aimed at improving career development

(a) Common prospection procedures: The Commission has recommended to the organizations the use, effective 1 July 1981, of common prospection procedures which would require first seeking qualified candidates from within, then from other organizations of the common system, and finally from outside sources; a/

(b) Model notice-of-vacancy form: The Commission has recommended a standardized notice-of-vacancy form to be used by all organizations effective 1 July 1981 in order, among other things, to facilitate application procedures for staff members of the common system (ICSC/R.217 and ICSC/R.267, paras. 136-140);

(c) Central vacancy-announcement system: The Commission has instituted on an experimental basis effective 1 July 1981 such a system, in which notices of vacancies would be collected from the organization and relevant details of these published expeditiously in a career development bulletin that would be sent to all major offices of the organizations (ICSC/R.217 and ICSC/R.267, paras. 136-140);

(d) Central candidate-referral service: The Commission has instructed its secretariat to develop and present for consideration at the Commission's fifteenth session proposals for the operation of such a service. Career development-related information would be collected on common-system staff members by the Commission and referred to organizations when relevant vacancies occurred (ICSC/R.217 and ICSC/R.267, paras. 136-140);

(e) Inter-Organization Agreement concerning Transfer, Secondment or Loan of Staff among the Organizations Applying the United Nations Common System of Salaries and Allowances: The Commission has reviewed this agreement and has concluded that as an instrument to facilitate and regulate the movement of staff the agreement worked well, but that it did not promote interorganizational exchange. It has established a working party to identify ways of promoting interorganizational exchange that might be included as provisions in an annex to the agreement and has asked the working party to report to the Commission at its fifteenth session (ICSC/R.256 and ICSC/R.267, paras. 131-135);

a/ Official Records of the General Assembly, Thirty-fifth Session, Supplement No. 30 (A/35/30 and Corr.1 and 2), para. 297 and ICSC/R.167, paras. 136-139.

(f) Interorganization exchange of staff: The Commission has made various policy statements supporting the concept of interorganizational exchange and its increase within the common system, identifying the benefits to be derived from such exchange and calling on organizations to make efforts to increase such exchange; b/

(g) Merit principle: The Commission has supported the merit principle as being the basis of the career development system; that is "that staff members should be considered for lateral transfer, promotion or other career development actions on the basis of their past performance within the organization and their ability to undertake new assignments"; c/

(h) Removal of discriminatory action affecting career development: The Commission has recommended that organizations "not institute special career development programmes which would either single out and 'groom' for higher grades or establish target quotas at given grade levels for women, young people, certain nationals or any other group to which any staff member of the organization is not eligible to belong". d/ It has supported, however, the introduction of special measures for women, young people or certain nationals which are aimed at removing any and all obstacles that may be created by adverse discrimination in order to ensure that the same career-development opportunities are available to the entire staff. e/ It has also recommended the implementation of 13 specific measures to ensure that adverse discrimination did not play a role in the careers of staff members; f/

(i) Mobility: The Commission has made policy statements encouraging mobility within the organizations both within the duty station and between duty stations and has encouraged lateral transfers (movement between jobs of the same grade) in addition to upward mobility (promotion); g/

(j) Identification of career paths: The Commission has established the Common Classification of Occupational Groups (CCOG) and collected occupational statistics from the organizations according to CCOG. It has also encouraged organizations to identify the career paths that exist both within and between these groups and to this end has identified 65 fields of work common to two or more organizations in the common system; h/

b/ Ibid., paras. 297-298; and ICSC/R.267, para. 135.

c/ Ibid., para. 288.

d/ Ibid., para. 289.

e/ Ibid., para. 290.

f/ Ibid., para. 291-292.

g Ibid., paras. 291 (b) and 295 (b).

h/ Ibid., para. 248 and annex XV.

(k) Career development objectives and benefits: The Commission has defined career development as meeting mutual objectives of management and staff and as providing benefits to each. It has stressed both the organizational needs fulfilled by career development measures as well as those of the staff member; i/

(l) Components of career development programmes: The Commission has identified seven components or steps to be taken in developing careers and has recommended their incorporation in organizations' career development programmes; j/

(m) Interrelationship of career development and job classification: The Commission, while noting that the objectives of job classification and career development do not normally come into conflict in well-organized personnel management systems, has provided guidelines to the organizations for the resolution of conflicts between these two subsystems of personnel management in those few cases where such conflicts may arise; k/

(n) Career planning: The Commission has recommended the introduction of a career-planning exercise in conjunction with the annual performance appraisal aimed at implementing the steps of the career planning process indicated in paragraph (l) above and has developed an appropriate form for this purpose;

(o) Performance appraisal: The Commission has developed and recommended for use in the common system a standardized performance appraisal form which would facilitate understanding of a staff member's previous performance when being considered for career opportunities in another organization;

(p) Training: The Commission has recognized the value of training in fostering career-development objectives of both the organization and staff members. It has considered the objectives, forms, content and design of training programmes and discussed the need for training resources. It has stressed the need to evaluate the utility to the organization, and the tangible results training activities are expected to achieve before they are extended or introduced. The Commission has stressed the need for management training and has identified elements of a model management-training programme. It is in the process of investigating the most appropriate manner for the provision of training services in the common system. l/

i/ Ibid., Thirty-fourth Session, Supplement No. 30 (A/34/30 and Corr. 1), para. 212.

j/ Ibid., paras. 217-218.

k/ Ibid., paras. 219-227.

l/ Ibid., Thirty-fifth Session, Supplement No. 30 (A/35/30 and Corr. 1 and 2), paras. 293-296; ICSC/R.254 and ICSC/R.255; and ICSC/R.267, paras. 111-130.

ANNEX II

Comparison of average net remuneration of United Nations officials
in New York and United States officials in Washington, D.C. based
on implementation of Senior Executive Service in June 1981

(October 1980 to September 1981)

(in United States dollars)

United Nations, New York		United States, Washington, D.C.				Ratio US/UN (US/Washington) =100)	Weights for for calculation of UN/US ratio $\frac{c}{e}$
Grades	Net remuneration $a/$	Grade	Net remuneration per grade $b/$	Weights by grade	Weighted net remuneration		
P1/1	19 313	GS 9/1	15 543	100	15 543	124.3	2.2
P2/1	24 394	GS 11/1 GS 12/1	18 382 21 514	62 38	19 572	124.6	12.4
P3/1	29 368	GS 12/1 GS 13/1	21 514 24 939	45 55	23 409	125.5	24.7
P4/1	35 072	GS 13/1 GS 14/1	24 959 28 737	33 67	27 490	127.6	28.5
P5/1	42 219	GS 15/1 SES 1 SES 2 SES 4 SES 5 FS	32 777 38 021 38 957 40 908 41 926 35 953	77 2 2 13 2 4	34 372	122.8	21.4
D1/1	46 623	GS 16/1 SES 1 SES 3 SES 4 SES 5 MC	37 175 38 021 39 911 40 908 41 926 39 138	5 14 5 62 5 9	40 159	116.1	7.9
D2/1	52 826	GS 17/1 SES 1 SES 3 SES 4 SES 5 SES 6 FS MC	42 000 38 021 39 911 40 908 41 926 42 985 40 062 41 153	4 4 4 44 28 4 4 8	41 150	128.4	2.8
Weighted average ratio, before adjustment for cost-of-living ratio, New York/Washington, D.C.						124.6	
Cost-of-living ratio, New York/Washington: 105.8						117.8	
Weighted average ratio, adjusted for cost-of-living						<u>117.8</u>	

$a/$ Includes post adjustment of: 3 months at class 10 (multiplier 63, pre-consolidation)
1 month at class 4/+4 (multiplier 26, post consolidation)
3 months at class 5/+4 (multiplier 32)
5 months at class 6 (multiplier 34)

$b/$ Based on published salary rates effective 1 October 1980 (including bonuses and special awards where applicable).

$c/$ These weights correspond to the United Nations common system staff in grades P-1 to D-2 inclusive serving at Headquarters and established offices as at 31 December 1980.

ANNEX III

Comparison of non-expatriate elements of total compensation
United Nations, New York/United States, Washington D.C.

(1 October 1980-30 September 1981)

(in United States dollars)

Grade and weight	Net salary	Pension-able remuneration	Pension benefit % of C	Pension benefit amount	Health care benefit	Life insurance benefit	Total
A	B	C	D	E	F	G	H
UN Grade: P1/1	19 763	21 093	22.46	4 737	363	19	24 882
US Grade Wt. GS 9/1 100	15 829	18 585	22.89	4 254	-	-	-
Summation	15 829			4 254	753	61	20 897
UN Grade: P2/1	24 844	28 084	22.46	6 308	363	19	31 529
US Grade Wt. GS 11/1 62	18 676	22 486	22.89	5 147	-	-	-
GS 12/1 38	21 848	26 951		6 169			
Weighted averages:	19 881	24 183		5 535	-	-	-
Summation	19 881			5 535	753	80	26 249
UN Grade: P3/1	29 818	35 345	22.46	7 938	363	19	38 133
US Grade Wt. GS 12/1 45	21 848	26 951	22.89	6 169	-	-	-
GS 13/1 55	25 336	32 048		7 336			
Weighted averages:	23 766	29 754	22.89	6 811	-	-	-
Summation	23 766			6 811	753	98	31 428

ANNEX III (continued)

Grade and weight	Net salary	Pension-able remuneration	Pension benefit % of C	Pension benefit amount	Health care benefit	Life insurance benefit	Total
A	B	C	D	E	F	G	H
UN Grade: P4/1	35 522	44 216	22.46	9 931	363	19	45 830
US Grade Wt.							
GS 13/1 33	25 336	32 048	22.89	7 336	-	-	
GS 14/1 67	29 154	37 871		8 669			
Weighted averages:	27 894	35 949	22.89	8 229	-	-	-
Summation	27 894			8 229	753	119	36 995
UN Grade: P5/1	42 669	56 380	22.46	12 663	363	19	55 714
US Grade Wt.							
GS 15/1 77	33 265	44 547	22.89	10 196			
SES 1 2	38 508	52 247		11 959			
SES 2 2	39 499	53 996		12 360			
SES 4 13	41 449	57 673		13 201			
SES 5 2	42 476	59 604		13 643			
FS 4	36 440	50 138		11 477			
Weighted averages:	34 870	47 121		10 785			
Summation	34 870	47 121			753	155	46 563

ANNEX III (continued)

Grade and weight	Net salary	Pension-able remuneration	Pension benefit % of C	Pension benefit amount	Health care benefit	Life insurance benefit	Total
A	B	C	D	E	F	G	H
UN Grade: D1/1	47 073	64 791	22.46	14 552	363	19	62 007
US Grade Wt.							
GS 16 5	37 654	52 247	22.89	11 959			
SES 1 14	38 508	52 247		11 959			
SES 3 5	40 458	55 804		12 774			
SES 4 62	41 449	57 673		13 201			
SES 5 5	42 476	59 604		13 643			
MC 9	39 685	55 804		12 774			
Weighted averages	40 691	56 477		12 927			
Summation	40 691	56 477		12 927	753	186	54 557
UN Grade: D2/1	53 276	77 660	22.46	17 442	363	19	71 100
US Grade Wt.							
GS 17/1 4	42 447	61 204	22.89	14 010			
SES 1 4	38 508	52 247		11 959			
SES 3 4	40 458	55 804		12 774			
SES 4 44	41 449	57 673		13 201			
SES 5 28	42 476	59 604		13 643			
SES 6 4	43 532	61 600		14 100			
FS 4	40 603	57 673		13 201			
MC 8	41 700	57 604		13 643			
Weighted averages:	41 689	58 373		13 362			
Summation	41 689			13 362	753	193	55 997

Explanation of information provided in columns A through H

Column	Column Heading	United Nations	United States Federal Civil Service
A	Grade and weight	United Nations grade shown. Weight not applicable.	US Grade(s) corresponding to UN grade. In cases where two or more US grades correspond to a UN grade, applicable weights are shown.
B	Net salary	Net base salary and post adjustment at the dependency level applicable for the period 1 October 1980 to 30 September 1981, plus dependency allowance for one child (\$450).	Net base salary after the application of taxes calculated for a married employee with one child.
C	Pensionable remuneration	Weighted average of pensionable remuneration amounts applicable for the periods 1 October 1980 to 31 December 1980 and 1 January 1980 to 30 September 1981.	Gross salary applicable for the period 1 October 1980 through 30 September 1981.
D	Pension benefit	<p>Current value of future pension benefits expressed as a percentage of the current pensionable remuneration.</p> <div> $\frac{C \times D}{100}$ </div>	
E	Pension benefit amount		
F	Health care benefit	Annual value of United Nations sponsored health care programmes to the base population employees.	Annual value of United States sponsored health care programmes to the base population employees.
G	Life insurance benefit	Estimated annual value of the death grant benefit.	Annual value of FEGLI to the base population employees.
H	Total	Sum of columns B, E, F and G	

ANNEX IV

Comparison of total compensation of United Nations officials in
New York and United States officials in Washington, D.C.

UN Grade	Total compensation amount		UN/US percentage	Weights for calculation of over-all ratio
	At UN grade	At corresponding US grade(s)		
P-1	24 882	120 897	119.1	2.2
P-2	31 529	126 249	120.1	12.4
P-3	38 133	131 428	121.3	24.7
P-4	45 830	136 995	123.9	28.5
P-5	55 714	146 563	119.6	21.4
D-1	62 007	154 557	113.6	7.9
D-2	71 100	155 997	127.0	2.8

Notes: Weighted average ratio (New York to Washington, D.C. = 100): 120.9

Cost-of-living ratio (New York/Washington, D.C.): 105.8

Weighted average ratio, adjusted for cost-of-living
difference: 114.2

ANNEX V

Letter from the Permanent Representative of the United States of America to the United Nations addressed to the Chairman of the International Civil Service Commission on the question of supplementary payments a/

In your letter of 8 April 1981, you raised the question of supplementary payments made by Governments to international civil servants. The basis of your inquiry was document ACC/1980/19/Rev.1, which in turn is concerned with the principles set forth in United Nations Staff Regulation 1.6. You asked for copies of United States legislation providing for supplementary payments to Americans serving in international organizations, and for statistical information concerning such payments.

The United States does not make supplementary payments to American citizens who are employed by international organizations.

Under certain conditions, the United States may make equalization payments to American citizens who were formerly employed by international organizations, and who entered these organizations from United States Government service. In order to receive such equalization payments, these individuals must have left the international organizations and returned to service in the United States Government. The right of re-employment is automatic. The equalization payment, which is made only after the individual has separated from the service of an international organization, is also automatic in the sense that it is based on set, published formulae. Thus, the United States Government can have no influence on the individual while he or she is in the service of the international organization.

Staff regulation 1.6 clearly and incontestably applies only to persons on active duty with an international organization, and not to former employees. Were this regulation intended to apply to former employees, it would have stated, as does the preceding regulation, No. 1.5: "these obligations do not cease upon separation from the Secretariat".

Therefore, since the United States does not make supplementary payments to Americans in the employ of the United Nations, there is no legislation covering such payments that we can present to you. For the same reason, there is no statistical information of the kind you have requested.

a/ Provided with this letter were copies of Public Law 85-795, 28 August 1958, providing for the transfer of United States Government employees to international organizations; Public Law 91-175 amending Public Law 85-795; and Section 352, Subchapter 3 of the United States Federal Personnel Manual; "Detail and transfer of Federal employees to international organizations".

Since our equalization payments have sometimes been misunderstood and confused with supplementary payments, I am sending you the legislation and regulations on these equalization payments. A study of this information should enable the Commission to understand better the provisions of our law and the intent of our policy, and assist the Commission in completing its review of the matter.

We trust that you will request all Member States of the United Nations to provide complete details on all arrangements they may have to provide, withhold, or control remuneration or other benefits to their citizens in the employ of international organizations, whether or not these arrangements are based on law.

(Signed) Jeane J. KIRKPATRICK

ANNEX VI

Letter from the Permanent Representative of Japan to the United Nations addressed to the Chairman of the International Civil Service Commission on the question of supplementary payments

With reference to your letter CLA/346/5/676 of 8 April 1981, requesting additional information on the matter of supplementary payments by the Japanese Government to its nationals working as international civil servants, I should like to provide you with the following explanation.

The payment of supplementary income was instituted under the terms of the Personnel Detachment Law of the Government of Japan enacted in 1970, and only those officials of the national Government of Japan who are seconded to foreign Governments, foreign institutions such as universities and research organizations, and international organizations are eligible for this compensation. Japanese nationals other than those seconded from positions in the national Government are not covered under the terms of this law.

The Government of Japan, recognizing the growing need and importance of multilateral and bilateral co-operation activities, enacted the Personnel Detachment Law as a means of increasing its participation in those activities. It was hoped that by providing supplementary payments to seconded officials, the availability of qualified personnel for work in various areas of international co-operation would be assured. Such a measure was necessitated by the special nature of employment practices in Japan, where there is virtually no horizontal job mobility. It is customary to begin work immediately after graduation from high school or university, and to remain with the same employer until retirement. Furthermore, an employee is generally able to predict the course of his advancement within his organization. This is true in both the public and the private sectors. Thus, in such a rigid employment system, there is little incentive even for those so interested to participate in international co-operation activities. In order to encourage more national officials to make the somewhat unusual career decision to accept a temporary assignment abroad, the national Government, as an employer, took the lead and formulated the Personnel Detachment Law, with provisions for supplementary payment.

As you may be aware, the Personnel Detachment Law governing the secondment and supplementary payment of national officials sets a limit on such service, normally of no more than three years, with supplementary payment usually not exceeding 70 per cent of the basic monthly salary and of some benefits. The Law provides that, in certain highly unusual circumstances - for example, when the assignment is not abroad but within Japan - the National Personnel Authority may withhold such payment.

Of a total of 1,457 officials seconded under the terms of the Personnel Detachment Law since its enactment in 1970, 335 have been seconded to international organizations. In 1979, of a total of 157 officials seconded, 32 were seconded to international organizations. This figure represents only 4.8 per cent of the total number of Japanese nationals serving in international organizations in 1979, and reflects the restrictive nature of the Personnel Detachment Law.

I should like to emphasize the fact that through growing official international co-operation, both multilateral and bilateral, Japan has been making an ever greater contribution to peace and progress in the world. It has been able to do so in part due to the Personnel Detachment Law, which has facilitated the seconding of government officials by means of supplementary payments and other incentives. I hasten to add, however, that under the terms of the Law, the requirement that government officials maintain primary loyalty to the Government of Japan is waived for the duration of their secondment, thus ensuring that seconded officials are in no way affected in the performance of their duties in international organizations by the financial support being provided under the terms of the law. I am confident that the loyalties of the seconded officials to the goals and objectives of their respective organizations are undivided and beyond question.

(Signed) Masahiro NISIBORI

ANNEX VII

Salary scales recommended for the General Service and Manual Worker categories in Vienna

Table 1

General Service category - Salary scale showing annual gross and net after application of staff assessment
(in Austrian schillings at AS 13.53 to \$US 1.00)
(effective 1 March 1981)

Step Grade	I	II	III	IV	V	VI	VII	VIII	IX	X	XI
G-3	Gross 183 643 Net 152 350	189 745 156 920	195 847 161 490	201 922 166 060	208 024 170 630	214 112 175 200	220 377 179 770	226 722 184 340	233 054 188 910	239 400 193 480	245 759 198 050
G-4	Gross 206 671 Net 169 610	213 449 174 700	220 390 179 790	227 453 184 880	234 543 189 970	241 605 195 060	248 668 200 150	255 731 205 240	262 807 210 330	269 883 215 420	277 324 220 510
G-5	Gross 244 298 Net 197 000	252 781 203 110	261 264 209 220	269 761 215 330	278 704 221 440	287 675 227 550	296 659 233 660	305 643 239 770	314 627 245 880	323 624 251 990	332 594 258 100
G-6	Gross 298 337 Net 234 800	309 039 242 080	319 741 240 360	330 457 256 640	341 159 263 920	351 861 271 200	363 064 278 480	374 267 285 760	385 483 293 040	396 673 300 320	407 875 307 600
G-7	Gross 357 030 Net 274 550	370 654 283 410	384 293 292 270	397 904 301 130	411 542 309 990	425 180 318 850	439 089 327 710	453 390 336 570	467 678 345 430	481 979 354 290	496 240 363 150
G-8	Gross 459 235 Net 340 200	476 797 351 090	494 373 361 980	511 935 372 870	530 281 383 760	548 750 394 650	567 178 405 540	585 646 416 430	604 101 427 320	622 569 438 210	641 674 449 100

Table 2

Manual Workers category - Salary scale showing annual gross and net after application of staff assessment
(in Austrian schillings at AS 13.53 to \$US 1.00)

(effective 1 March 1981)

Step Grade		I	II	III	IV	V	VI	VII	VIII	IX	X	XI
M-2	Gross Net	148 275 125 400	152 781 128 920	157 313 132 440	161 805 135 960	166 487 139 480	171 182 143 000	175 876 146 520	180 558 150 040	185 266 153 560	189 961 157 080	194 656 160 600
M-3	Gross Net	159 424 134 100	164 484 137 980	169 666 141 860	174 848 145 740	180 003 149 620	185 185 153 500	190 354 157 380	195 536 161 260	200 690 165 140	205 872 169 020	211 054 172 900
M-4	Gross Net	176 120 146 700	181 992 151 100	187 851 155 500	193 709 159 900	199 581 164 300	205 453 168 700	211 325 173 100	217 211 177 500	223 326 181 900	229 428 186 300	235 557 190 700
M-5	Gross Net	191 855 158 500	198 823 163 720	205 764 168 940	212 732 174 160	219 565 179 380	227 074 184 600	234 326 189 820	241 565 195 040	248 817 200 260	256 069 205 480	263 334 210 700
M-6	Gross Net	214 248 175 300	222 947 181 626	231 742 187 952	240 509 194 278	249 304 200 604	258 085 206 930	266 879 213 256	275 958 219 582	285 267 225 908	294 562 232 234	303 870 238 560
M-7	Gross Net	271 574 216 600	283 670 224 830	295 766 233 060	307 889 241 290	319 985 249 520	332 080 257 750	344 203 265 980	356 502 274 210	369 166 282 440	381 817 290 670	394 494 298 900

Summary of organizations' plans for the implementation of the ICSC Master Standard (Tier I)

Organisation	Implementation from	Approaches				Resources				Authority to grade			Organisation uses ICSC job description form	Comments
		Organisa- tion wide study	Segmented survey	As classed decisions required	Other	Existing resources P G	Additional resources envisaged P G	Executive head	Legisla- tive body	Other staff				
United Nations	1.1.81			X		3.5 1	-		X	All	Yes, with modifications	Organisational entities: UNICEF, UNDP, UNHCR, UNRWA, UNCTAD, UNFPA, ILO, ITC, etc.		
UNEP	1.7.81	X ₂		X		2.5 -	1 -	X		P-5	Yes, with modifications	a/ Tentative date for Implementation of results of survey is 1 January 1983.		
ILO	13.7.81			X		1 1	- -	X		D-1	No	b/ Executive head grades all non-regular programme posts.		
FAO	1.1.81			X		7 7	- -	X ₂	X ₂		No			
UNESCO	1.1.81					3.5 4.5	- -	X		All	Is using ICSC- type form concu- rently with own			
WHO	1981			X ₂		2 2	- -	X		All	Is using ICSC form concurrently with its own	c/ Master Standard being concurrently applied with WHO standard in trial period. Organisational entity: PAHO		
ICAO	1980		X	X		1.4 -	- -	X		P-5	Yes	d/ 1 or 2 staff intended to be trained (in addition to their normal duties).		
UFU	1.7.81			X		- 2/ -	- -	X		D-1	Use of ICSC form envisaged	e/ Legislative body will be advised of ICSC recommenda- tion.		
ITU	1980			X		2 1 (part-time)	Yes, from 1985		X ₂		Is trying to use ICSC form con- currently with its own	f/ Excluding project posts. g/ Consultant carried out survey.		
WMO	1980	X ₂				- 5/ -	- -	X		P-5	Yes, with modifications	h/ Small proportion of one Professional post.		
IMCO	1981			X		- 2/ -	- -	X		P-5	No	i/ Small proportion of one Professional post.		
WIPO	1.1.81			X		- 1/ -	- -	X		D-2	No			
IFAD	Jan. 1981			X		- -	- -	X		D-2	No	j/ If add. resources are req. as a result of grading decisions then the legisla- tive body must be involved		
IABA	Official since 2 March 1981			X		- -	- -	X ₂		All				
	Official since 1978													
CBRT	Under con- sideration													

Elements of a model management training programme

The need for management training

1. Though the constitutions, philosophies, policies, programmes and administrative structures of the organizations of the common system vary widely, such diversity need not prevent the development of common standards and approaches to management training. The international civil servant enters service with a specific background likely to be at variance with that of other colleagues, and recognition of this diversity and respect for it has to be developed. It cannot be assumed that individuals will bring the necessary range of skills to the job or acquire them automatically on the job. The point has been reached where the development of common system supervisors and managers can no longer be left to chance. The need exists, therefore, for the development among staff of a broad range of abilities based on knowledge, skills and attitudes which enable them to handle a variety of managerial tasks in many different organizations and situations.
2. No matter what the arrangement, however, it is clear that the conduct of world-wide activities involving large numbers of staff members requires a high degree of organization and management capability. The international civil servant must, therefore, become an effective practitioner of modern management. In this connexion, not only must the staff members engaged in clearly identifiable management functions develop such skills, but those engaged in specialized activities must also develop them, in addition to their basic competence as specialists, and employ "total systems" approaches rather than merely technical expertise.

Framework for training

3. The common system does not exist in a social vacuum, and its organizations can only fulfil their missions by adapting successfully to their environment. The challenge facing all organizations is to be able to anticipate and adapt to economic, social and political changes. The managers must continually examine the relationships existing between the system of which they are a part and the environment in which it operates to ensure constant responsiveness to the needs and to the opportunities presented for achieving objectives and goals. The need to respond to new and complex tasks requires new skills and attitudes from all staff members to enable them to diagnose the demands of the environment, to identify the changes needed within their organizations and to translate new policies into action.
4. This requires managers with a systematic frame of reference to help them manage effectively. This frame of reference and the training programmes associated with it should relate to the three areas of basic knowledge required in management:
 - (a) Technical knowledge of the subject-matters to be managed, including knowledge of the organization in which the staff member is working;

(b) Knowledge of the principles and theories of management science, including the conceptual and rational skills of management and involving the capacity to plan, analyse data, synthesize, take decisions, direct, monitor and evaluate;

(c) Human relations skills, particularly communication, motivation, team-building, leadership, delegation and consensus decision-making.

5. It is clear that a staff member will require a different combination of these various skills, depending on the type of work that he is doing and the level at which he is doing it. For relatively junior staff, it is presumably more in the area of technical knowledge that training will be required to build up the basic skills. The more senior a staff member is, the more emphasis needs to be placed on knowledge of management science, especially where the manager has been working mainly as a specialist before taking up managerial functions. It is for each organization to determine which combination of skills it wishes to organize for management training. Emphasis will naturally be placed on the knowledge of management science and human relations skills, it being assumed that the technical skills, although a part of any manager's qualifications, are not as directly involved in the actual management process as the other two.

Desirable programme elements

Management science

6. Two main aspects of management science should form part of any management training programme: the principles and theory of management science, and the more functional aspects of management.

7. The principles and theory of management science are the subject of much academic study and voluminous literature. It is neither necessary nor feasible for the practising manager to attempt to keep abreast of all this work; on the other hand, no manager of a programme in the common system can afford to remain ignorant of certain basic concepts, such as principles of organization, decision-making and problem-solving, delegation and span of control, and planning and evaluation, which should be the principal subjects in a training programme to be elaborated by specialists in the field.

8. Functional aspects of management science are the ones on which more emphasis should be placed. These aspects include, among others, personnel management, budgeting, the legislative process in each organization, management information systems and programme and project evaluation.

9. The example of personnel management will serve to illustrate some of the difficulties being encountered in common system organizations at the present time. Too often programme managers consider that personnel management is a problem reserved exclusively for the personnel department, though they should recognize and be able to execute their personnel management responsibilities as regards their own staff in the organizations of the common system, which, by their nature, are highly labour-intensive. One of the main tasks of a management training programme is to

train managers to be first-line personnel managers and to train them in day-to-day planning and supervision, including performance appraisal, a vital personnel function which must be performed adequately. The role of the personnel department should be limited to those functions which cannot be carried out efficiently in a dispersed fashion.

Human relations in a multicultural environment

10. It must be emphasized that in the multicultural environment of the common system, human relations skills play a vital role in the efficient accomplishment of the organizations' objectives. Human relations skills are taken to mean skills in such areas as communications, motivation, personal effectiveness and the ability to negotiate, team-building and leadership. Staff members possess these skills in varying combinations and at varying levels of proficiency. Although communications skills and increased personal effectiveness may be subjects that are of interest to any staff member, the full range of human relations skills are of particular importance to those called upon to manage others. It is not always clearly understood how, for example, the cultural background of a manager may determine the approach to management which he or she displays. In devising a programme of developing human relations skills great care must therefore be taken to prevent any cultural bias in the programme. Although leadership styles will legitimately vary according to the cultural background of the manager, it is important that these leadership styles contribute effectively to the proper and efficient management of programmes.

Management in technical and substantive areas

11. Training in the technical or substantive matters with which the staff member is dealing, though essential to improving his or her ability to contribute to the fulfilment of the organization's goals, is not directly part of management training. There is often a need, however, for the specialist who is assuming managerial responsibilities to broaden the scope of his technical knowledge in order to gain sufficient understanding of fields neighbouring on his own specialty in order to be able to manage work being done in them with which he would later be involved or to perceive the operational links between these fields and his own. The designing of training programmes of this kind for managers will have to be undertaken by each organization in the light of its particular requirements, and even on a person-by-person basis.

Implementation of the management-training programme

12. A number of distinct phases can be identified for the implementation of management-training programmes. First, each organization will need to analyse its management functions and requirements in order to establish with precision which areas of management training it considers require priority treatment. The fixing of priorities will depend to a major extent on the main characteristics of each organization. In the more technically oriented organizations, training might be concentrated on the human relations aspects of management.

13. Having determined the over-all priority, the next step is to analyse carefully the training needs of each individual. It is then necessary to decide on the best combination of training activities for each staff member and, in particular, on the timing of training offered.

14. Finally, it can be said that a sine qua non for effective management training is the existence in the organization of a supportive environment in which top-level management is committed to management effectiveness and actively pursues it and in which each manager is made to feel that what he or she is doing is worth-while.

ICSC performance appraisal form

-123-

3. (To be completed by staff member) Could the performance and output, or the organization of these tasks, or the methods of machinery in use be improved?				
4. (To be completed by staff member) Indicate any absence during the report period that has affected accomplishments and explain in what way.				
5. (To be completed by immediate supervisor) Indicate those features of the staff member's performance which have contributed towards the successful accomplishment of his/her activities/tasks (e.g., technical and procedural knowledge, written and oral proficiency in working languages, organization of work, negotiating skills, supervisor skills, initiative, ability to work independently etc.)				
6. (To be completed by immediate supervisor) List those activities/tasks required by the job that have not been accomplished during the period under report and explain why those activities/tasks have not been accomplished.				
7. (To be completed by immediate supervisor) Over-all performance appraisal				
<div style="border: 1px solid black; width: 100px; height: 15px; margin: 0 auto;"></div> Top quartile of those meeting objectives (Has surpassed virtually all objectives)	<div style="border: 1px solid black; width: 100px; height: 15px; margin: 0 auto;"></div> Third quartile of those meeting objectives (Has surpassed some objectives and fully met all others)	<div style="border: 1px solid black; width: 100px; height: 15px; margin: 0 auto;"></div> Second quartile of those meeting objectives (Has fully met all objectives)	<div style="border: 1px solid black; width: 100px; height: 15px; margin: 0 auto;"></div> First quartile of those meeting objectives (Has met most objectives but has not met some objectives)	<div style="border: 1px solid black; width: 100px; height: 15px; margin: 0 auto;"></div> Has not met most objectives
PART II (To be completed by immediate supervisor after discussion with staff member)				
1. Indicate the principal activities/significant tasks planned for next report period. Attainment of objectives must be measurable. Indicate satisfactory levels of performance after each objective. Deal with ends, not means, and include career development-related objectives, and, for supervisor, appraisal objectives.				

PART III Career Planning (To be completed by staff member)

I. Describe your ultimate career aspiration in terms of work role.

(Before making your choice check against reality your impressions of the positive aspects of the desired role and consider the implications of the desired role in terms of the demands it will place upon you.) (e.g.: "wish to hold responsible management position in public information field of work"; "wish to obtain generalist experience in as many areas of organization's work as possible"; "wish to remain in present assignment or obtain similar assignment having to change jobs as infrequently as possible"; "wish to obtain varied experience within organization in administration, personnel and finance that will be of use upon my return to home country")

2. Identify both short-term (able to be realized within 2-5 years) and long-term (able to be realized within 5-10 years) career goals the accomplishment of which will best lead towards or fulfil your ultimate career aspiration. (These can be identified as a specific position or type of position. Consider the knowledge, skills, abilities, mobility, health and experience required to achieve each goal.)

3. Discuss with your immediate supervisor whether you have realistically assessed the requirements for each goal stated in the above box and whether you have accurately assessed whether you do or do not fully meet those requirements, and revise where necessary. Obtain your immediate supervisor's initials in those cases where he/she agrees with your assessments.

4. Describe any training, development or other actions designed to fulfil career plans that have been implemented since last appraisal.

5. Assess the success or failure of the actions taken. (Indicate if full or limited success or failure and why.)

6. Tentative career plans

Propose the order and timing of future actions which, if taken, will aid you in achieving career goals. (Consider on-the-job training, courses, developmental assignments etc. Assign a letter to each action planned.)

7. Integration of career plans

The plans proposed in the above box are your tentative plans. The organization must integrate your plans with its own plans for developing its work-force. Bearing this in mind, discuss your plans with your supervisor (or career development specialist) and, by agreement, establish your career plans, as well as responsibility for implementing them.

ACTION			TIMING			PRIMARY RESPONSIBILITY			ACTION			TIMING			PRIMARY RESPONSIBILITY		
Indicate letter in box above	Beginning date	End date	Self	Organization	Joint	Indicate letter in box above	Beginning date	End date	Self	Organization	Joint	Indicate letter in box above	Beginning date	End date	Self	Organization	Joint

PART IV**1. Signature of immediate supervisor (Indicates responsibility for Part I, 2, 5, 6, 7; Part II; and Part III, 7.)**

Date

Name and title

Signature

2. Review by staff member (if any comments are made, they should be initialed by the immediate supervisor as being noted.)

I have reviewed the performance appraisal with my immediate supervisor and have no comments to add:

would add the following comments:

Date

Signature

Initials of immediate supervisor (if appropriate)

3. Review by higher-level supervisor (If any comments are made, they should be initialed by the immediate supervisor and by the staff member as being noted.)

Date

Name and title

Signature

Initials of immediate supervisor

Initials of staff member

كيفية الحصول على منشورات الأمم المتحدة

يمكن الحصول على منشورات الأمم المتحدة من المكتبات ودور التوزيع في جميع أنحاء العالم. استلم منها من المكتبة التي تتعامل معها أو اكتب إلى : الأمم المتحدة، قسم البيع في نيويورك أو في جنيف.

如何获取联合国出版物

联合国出版物在全世界各地的书店和经售处均有发售。请向书店询问或写信到纽约或日内瓦的联合国销售组。

HOW TO OBTAIN UNITED NATIONS PUBLICATIONS

United Nations publications may be obtained from bookstores and distributors throughout the world. Consult your bookstore or write to: United Nations, Sales Section, New York or Geneva.

COMMENT SE PROCURER LES PUBLICATIONS DES NATIONS UNIES

Les publications des Nations Unies sont en vente dans les librairies et les agences dépositaires du monde entier. Informez-vous auprès de votre libraire ou adressez-vous à : Nations Unies, Section des ventes, New York ou Genève.

КАК ПОЛУЧИТЬ ИЗДАНИЯ ОРГАНИЗАЦИИ ОБЪЕДИНЕННЫХ НАЦИЙ

Издания Организации Объединенных Наций можно купить в книжных магазинах и агентствах во всех районах мира. Наводите справки об изданиях в вашем книжном магазине или пишите по адресу: Организация Объединенных Наций, Секция по продаже изданий, Нью-Йорк или Женева.

COMO CONSEGUIR PUBLICACIONES DE LAS NACIONES UNIDAS

Las publicaciones de las Naciones Unidas están en venta en librerías y casas distribuidoras en todas partes del mundo. Consulte a su librero o diríjase a: Naciones Unidas, Sección de Ventas, Nueva York o Ginebra.
