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**REPORT
OF THE
SPECIAL COMMITTEE FOR THE REVIEW
OF THE UNITED NATIONS SALARY SYSTEM**

Volume III

GENERAL ASSEMBLY

OFFICIAL RECORDS: TWENTY-SEVENTH SESSION

SUPPLEMENT No. 28 (A/8728)

UNITED NATIONS

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UNITED NATIONS

New York, 1972

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.

The report of the Special Committee and annexes I-VI thereto are contained in volume I; annexes VII-XI are contained in volume II.

/Original: English/French/
Russian/Spanish/

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SALARIES, ALLOWANCES AND BENEFITS IN SEVEN UNITED NATIONS HEADQUARTERS COUNTRIES

Introduction

1. This report has been prepared by an outside consultant engaged by the Secretary-General from among candidates submitted by members of the Special Committee. It contains findings, conclusions and recommendations that are intended to assist the Special Committee in making comparisons between the emoluments in the United Nations and those in the national services of the United States and of the six other headquarters countries (see A/8428, paragraph 19).
2. In accordance with the terms of the agreement, the consultant has undertaken to submit the body of this report in English, French and Spanish.
3. On 15 February 1972, the Special Committee requested the consultant to prepare two extra sets of tables and to obtain from the seven Governments information on this respective pension fund contribution. The tables are described and reproduced in Appendix A and the pension information is given in Appendix B.

SALARIES, ALLOWANCES
AND BENEFITS
IN SEVEN U.N.
HEADQUARTERS COUNTRIES

P.A. INTERNATIONAL MANAGEMENT CONSULTANTS LTD.

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Abbreviations used in the report

1. The abbreviations below relate to the titles or references used by the national civil services to identify their salary grades or pay levels. a/

(a) AUSTRIA:

Roman numerals are prefixed by Dienstklasse; (service grade); thus, VIII3 means step 3 of service grade VIII.

(b) CANADA:

The Canadian reference letters and numbers indicate the salary grades and do not relate to post titles.

(c) FRANCE:

A1 = Administrateur civil 1 (Civil Administrator 1)
A2 = Administrateur civil 2 (Civil Administrator 2)
A,B,C = Hors echelle A-C (Special Class A-C)
AHC = Administrateur hors classe (Senior Officer)
IEC = Ingénieur en chef (Chief Engineer)
IG = Inspecteur général (Inspector General)
IO = Ingénieur ordinaire (Engineer)

(d) ITALY:

DG = Direttore Generale (Director-General)
IG = Ispettore Generale (Inspector-General)
DIV = Direttore di Divisione (Director of Division)
SEZ = Direttore di Sezione (Director of Section)
CII = Consigliere II (Counsellor II)
742 00-05 = steps 00 to 05 in Parametro 742

(e) UNITED KINGDOM:

AS = Assistant Secretary
A,S,P = Assistant, Senior, Principal and Chief Information Officer
and C
AXO = Assistant Experimental Officer
CO = Clerical Officer

a/ The meaning of each abbreviation is given in the original language with the appropriate translation, where necessary, in parentheses.

(e) UNITED KINGDOM: (continued)

CXO	=	Chief Experimental Officer
DCNO	=	Deputy Chief Nursing Officer
DS	=	Deputy Secretary
EO	=	Executive Officer
EXO	=	Experimental Officer
HEO	=	Higher Executive Officer
IO	=	Information Officer
MO	=	Medical Officer
NAAS	=	An index code
NO	=	Nursing Officer
PR	=	Principal
PS	=	Permanent Secretary
P,S	=	Principal and Senior
PSO	=	Principal Scientific Officer
SEO	=	Senior Executive Officer
SEXO	=	Senior Experimental Officer
SO	=	Scientific Officer
SP	=	Senior Principal
SPSO	=	Senior Principal Scientific Officer
SSO	=	Senior Scientific Officer
US	=	Under-Secretary
VO	=	Veterinary Officer
SPSO2.5	=	Mid-way between steps 2 and 3 of SPSO grade

(f) UNITED STATES OF AMERICA:

Grade numbers prefixed by GS are self-explanatory, e.g., GS12.6 means step 6 in grade GS12.

2. The Italian parametro and the French indices net et majorés refer to the government salary calculation tables.

PREFACE

This project was commissioned on October 21st 1971 and started on October 31st.

Meetings were held from November 1st to November 24th with 14 U.N. bodies in the seven headquarters countries. The seven counterpart Governments were visited from November 25th to December 17th.

These severe constraints of time, as well as the need to produce an action document, have led to as brief a report as the complex material made possible. Every effort has been made to avoid error but the schedule allowed little time for checking.

Our sincere thanks are due to all those officials, some 150 international and 50 national civil servants, whose cooperation and goodwill made it possible in the time available to produce a report at all.

TERMS OF REFERENCE

The terms of reference for the report were as set out in the U.N. document A/AC.150/CRP.22/Rev.1 of August 11th 1971.

SPECIAL COMMITTEE FOR THE REVIEW OF THE UNITED NATIONS SALARY SYSTEM

INSTRUCTIONS FOR CONSULTANT ON SALARIES, ALLOWANCES AND BENEFITS IN CERTAIN HEADQUARTERS COUNTRIES

(Adopted by the Special Committee at its 34th and 73rd meetings on 29 June and 10 August, 1971)

OBJECTIVE

To determine on a comparable basis related to the United Nations common system the range of professional salary levels and all other emoluments in the Governments of Austria, Canada, France, Italy, Switzerland, United Kingdom and United States, for employees who work in the capitals of their home country and those employed in the field on bilateral technical assistance programmes.

METHOD

- A. ^{1/} Develop benchmark descriptions for appropriate position levels, including qualification standards, for positions currently existing in the United Nations common system at the following levels, among others:
- (1) Entry level university graduates without professional experience;
 - (2) Middle level economists, statisticians, scientists, medical doctors, personnel and finance officers, and similar large occupational groups found in the United Nations system;
 - (3) Top career levels, both managerial and specialised.
- B. Consult key personnel officials in each of the Governments concerned to obtain and verify information as to precise salary levels and all other emoluments in relation to benchmark positions, and the allocation factors by which similar positions in that Government are classified. In addition, information should be obtained as to the procedure and on what data salary levels are adjusted.
- C. Collate and interpret data collected in relation to the United Nations common system to arrive at objective of study.
- D. Establish principles and means by which the findings of the survey can be periodically updated.
- E. Explore feasibility of installing a position classification system within the United Nations common system supported by regular salary surveys.
- ^{1/} This is the single most important step in the salary review process.
- ^{2/} This should include, but not necessarily be limited to, the following: vacation and leave plans, medical and hospitalisation plans, bonus plans, family allowance plans, retirement and other social insurance, transportation to and from work, severance pay plans, free or discounted meals, education subsidy plans.

METHOD OF APPROACH

On November 1st, visits began to the various U.N. organisations. These visits customarily started with discussions with administrative and personnel officials and led, in most cases, to talks with Heads of Departments or Sections concerned with particular technical specialities.

These meetings, during which some 150 U.N. officials were met, enabled the preparation of the benchmark descriptions and qualification standards.

Post descriptions were studied and meetings held, in many cases, with current post incumbents so that comparable national government positions could be precisely located and salary levels verified on an individual basis. These very precise spot checks enabled the overall career and pay progressions and structures of the national governments to be more confidently aligned.

Visits to the national governments, lasting between two and three days each, began on November 25th. A list of official contacts is annexed but many other officers - up to 15 in number - were involved at each Government. These provided official documents indicating salary structures and conditions of service. Particular occupational groups and posts were discussed in detail to verify career structures and remuneration levels.

Particular questions were directed at:

- the size and importance of the Government as an employer;
- the range of activities of central State organisations, particularly in federal systems;
- the standing of the Government as an employer;
- methods and levels of entry and promotion;
- the career progression and top level to which the career civil servant could aspire and the level at which political considerations affected appointments;
- the importance of bilateral assistance programmes undertaken by each country.

Efforts were also made to discover unpublished benefits and the modification and application of official policies and principles.

SUMMARY OF CONCLUSIONS

1. The post adjusted U.N. salary scales seem fully competitive with the salaries offered by the seven headquarters countries' Civil Services, with the following exceptions:
 - medical doctors
 - levels P5 to D2.
2. If the Noblemaire principle is still to be applied, the Canadian Federal Civil Service - amongst those surveyed - would need to be the major benchmark.
3. Certain U.N. conditions of service are not competitive e.g. pensions and education allowances.
4. The different U.N. organisations apply the grade system in markedly different ways.
5. There seems to be a strong tendency to apply higher gradings than responsibilities justify i.e. grade creep.
6. Administrative staff and specialists do not seem suitably graded in comparison with one another. The major national civil services often grade their equivalents of the U.N. junior administrative posts lower than does the U.N.
7. There are signs of overstaffing in administrative areas. Some, but not all, of this may be attributable to the demands of political masters.
8. The calibre of U.N. specialists seems to compare well with the outside world. But there appear to be insufficient junior professionals for the senior men who are often inundated by the paper demands of a bureaucracy.
9. Certainly in the earlier career stages, the U.N. appears to give its professional staff less responsibility than the national civil services give to theirs. This is a major cause of frustration and dissatisfaction.
10. Recruitment problems do not have their primary source in pay. The main solutions to these problems should be sought from improvements in:
 - U.N. image
 - recruitment advertising and promotion methods
 - recruitment and selection procedures
 - not recruiting to standards which are often in excess of needs of the job, particularly in administrative posts at lower levels.

SUMMARY OF RECOMMENDATIONS

1. The U.N. should set up the equivalent of a Civil Service Department or Commission with real independence and authority to cover grading, salaries and benefits and establishment control.
2. Future salary surveys should include, apart from the U.S. as the prime comparator, other Civil Services with 500,000 or more non-industrial officials and the non-U.N. international organisations e.g. EEC, OECD, IMF, World Bank.
3. Surveys should be conducted annually and both salaries and benefits should be reported upon.
4. U.N. gross base salaries should be set on U.S. Federal Civil Service Washington D.C. salaries - with any modification as appropriate to U.N. needs. Assuming the U.S. Federal Civil Service remains the prime comparator, the base city should be in the U.S. New York is rejected as too expensive a base. The technically best base city would be Washington D.C.
5. Since the new base city would be Washington D.C., there will be a large number of negative post adjustments. It is essential that all U.N. bodies observe them. The current Post Index system is not satisfactory in relation to housing. The U.N. should consider adopting the Canadian Federal Civil Service method of weighting the indices to accommodate recent housing cost increases.
6. In addition, there should be an expatriation allowance of 25% of net salary, which is un pensionable and not subject to post assessment, applied to salaries in the base city i.e. Washington D.C. The expatriation allowance would be payable even to staff working in their home countries, except that in these cases, the maximum allowance would be 10%, not 25% of net salary. The expatriation allowance should not be un pensionable if recommendation 9. on pension changes is not accepted.

7. Salary Structure:

- add two further salary steps to P5, D1 and D2;
- increase immediately, by two salary steps, the following categories currently in P5, D1 and D2: all specialists (as page 32 in A/AC150/4 dated 20 April 1971 "Existing Conditions of Service in the U.N. Common System") except:

Librarians
Nurses
Technical Officers
Medical Officers;

- for Medical Officers in P3 to D2, create new salary scales as follows :

<u>Level</u>	<u>New Minimum</u>	<u>Number of Steps in New Range</u>
P3	Step 4, P3	12
P4	Step 4, P4	12
P5	Step 4, P5	12
D1	Step 3, D1	9
D2	Step 2, D2	6

SUMMARY OF RECOMMENDATIONS (contd)

8. Pension: pensions should be calculated on $2\frac{1}{2}\%$ per year of service instead of 2%, with a maximum pension of 80%. Retirement pensions should be adjusted at the same time as, and in line with, salary structure changes.
9. Life Assurance: double the awards.
10. Redundancy Payments: double the awards.
11. Education Grants: the Grants should be US\$2,000 maximum for education at post and \$3,000 maximum for education in the home country or nearest suitable schooling to allow children to re-enter the educational or career system of the country of the origin of their parents.
12. Overtime should continue - unlike the national civil services - not to be paid.
13. Cost reduction is best carried out not by cutting salaries but by reducing numbers employed.
14. In the interests of cost effectiveness, there are undoubtedly savings to be made in:
 - decreasing the number of administrative staff;
 - decentralising functions from New York;
 - moving out of New York altogether.

FEASIBILITY OF POSITION CLASSIFICATION

Position classification in the U.N. has two facets:

- technical aspects
- political constraints.

TECHNICAL ASPECTS

There are no overriding professional or technical reasons why the U.N. should not classify both its generalist and specialist positions:

- other large organisations both public and private, including the U.S. Federal Civil Service, have classified specialist positions;
- this report contains prepared benchmark descriptions for salary comparisons which show that classification is technically feasible;
- classification standards have already been written for some administrative positions;
- a few Agencies (WHO and ILO) have defined standards for their particular specialisms.

POLITICAL CONSTRAINTS

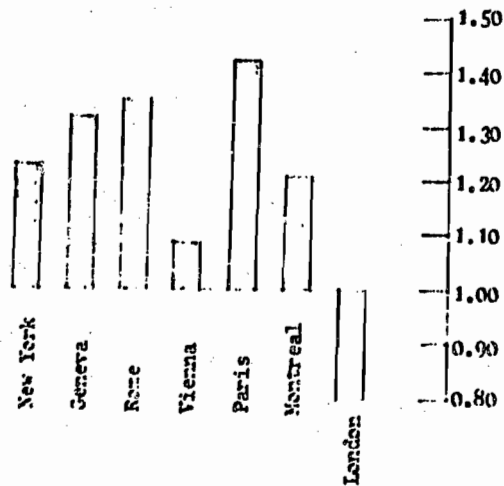
However, there are a series of constraints, some external to the U.N. Secretariat and its Agencies and some inside the organisations, which will seriously inhibit the effectiveness of any position classification programme.

External Constraints

- Geographical distribution of staff. The U.N. exists to give aid, not employment. The imposition of staff on the Agencies for reasons other than competence to do the job must bring the institution, let alone any established classification and qualification standards, into disrepute. Repeated claims for representation of nationalities is also reported to have caused overstaffing and the creation of non-jobs.
- Location of Agency Headquarters. There is no doubt that a New York location causes particular remuneration problems. The high cost of living, especially in housing, defeats even the U.S. Federal Civil Service in some aspects of remuneration controls. On the other hand, the low level of GS salaries in Vienna, London and Montreal are one factor why jobs allocated to professional staff in Rome and Paris are clerical posts elsewhere.
- Member-country treatment of their staff working for the U.N. Various countries treat their staff working for the U.N. in ways that undermine any common system. Some countries insist their staff come in at no lower than P3 and effectively stay no longer than seven years; others grant seniority and even absentee promotions whilst in the U.N. or remove all seniority after four years away from home. Another country forbids participation in the U.N. pension scheme whilst another allows two pensions to be paid.
- Governing bodies control over the Agencies. Some governing conferences forbid the use of D1 or D2 positions or merge various professional grades (WHO and ILO). The WHO ignores all minus post adjustments. UNESCO and UN rank men rather than their jobs and allow staff to be upgraded on seniority.

COMPARISON DIAGRAM OF GS WITH PROFESSIONAL SALARIES

	<u>Lowest Professional Net Salary</u>	<u>Highest GS Net Salary</u>	<u>% GS of P</u>
		US\$	
			(excluding dependency, languages and non-residents allowances)
New York	8,985	11,010	123
Geneva	7,905	10,394	132
Rome	7,689	10,330	135
Vienna	7,689	8,383	109
Paris	7,121	11,494	142
Montreal	7,689	9,288	121
London	7,505	6,287	80



- Source of financing. The World Bank finances projects for which it may insist on P5 level experts. The UNDP funds enable Agencies to overcome establishment lists set by governing bodies on the use of regular funds. These "facilities" will cause flexing with any classification standards, however vigorously defined.
- Labour shortages. Traditionally a dearth of skilled manpower will cause salaries to rise e.g. econometricians. Alternatively trade union pressures can achieve the same effect e.g. medical doctors, air traffic controllers. It is important to consider how far any organisation should withstand these forces. For example, the major competitors for econometricians would appear to be the U.N. family of organisations itself.

Internal Constraints

- Career service. There is great pressure by staff, especially in administration, for a career service to be formed. This in essence rewards seniority rather than merit. Merit is rewarded by promotion, which is not the correct method. The narrow speciality of much professional work also means considerable time is spent in one grade, with no chance of promotion. Already the U.N. has more steps per grade and as wide salary ranges as the organisations surveyed.
- Staff associations. The relative strengths of these organisations vary. However, promotion, selection and grading decisions are the subject for negotiation in a few Agencies. Wherever negotiation enters, grading standards will be distorted.
- No common application or control in Agencies. The biggest present problem is the varying application of grading concepts and the varying control over manning and grading in the Agencies. The whole gamut from extreme control to catch-as-catch-can is run. UNIDO, UNESCO, UNDP and in some areas IAEA, FAO and GATT are graded above the other agencies. WHO already has classification and manning standards for professional staff. ICAO, WMO, UPU and ILO to a lesser extent are following. Moreover, there are instances where Director Generals have overruled professional grading decisions which can only diminish grade control.
- When the job held by a former upgraded GS employee falls vacant, the job is not regraded to its former level. Functions within agencies exert pressure for upgrading; former experts expect re-recruitment at higher rates for the same job; and promotion is given as a pre-retirement present. GS staff are promoted into professional salary scales for jobs which in other countries are done by clerks. (Diagram opposite shows the comparison between the highest GS rate and the lowest P rate. The amount of overlap cannot be ascribed solely to local wage rates.)
- Staff disillusionment. The acceptance, tacit or overt, by staff of position classification is necessary for its success. At present U.N. staff are commonly disillusioned with the organisation. There seems little doubt that the mission of the U.N. is not the magnet it was. Complaints about the U.N. being a dumping ground may well be correct. Staff even query whether some member states actually want the U.N. to succeed. Position classification could well appear as yet another political interference and control, preventing staff from achieving their objectives.
- Poor recruitment procedures. Although remuneration is the whipping boy, it is not the cause of present malaise. Indeed a low P5 salary is preferred to a higher P4 salary because of the increased status. It would appear that recruitment difficulties stem from:

FEASIBILITY OF POSITION CLASSIFICATION (contd)

- the poor image of the J.N.;
- the lengthy (often 9 months) recruitment procedure during which time the recruit "will have found another job or died";
- the poor presentation of the remuneration advantages of the U.N. It is said that U.S. staff can be recruited only by upgrading the job. Yet the net-of-tax advantages to a U.S. civil servant coming in at the same responsibility level can be easily seen in the supporting salary schedules.

The exhaustive listing of the political difficulties facing a feasible professional solution make it seem unlikely that a common position classification system supported by salary surveys could be made to work.

However, we believe it could:-

- a) the present grade structure (P2/3 - D2 for specialists and P1 - D2 for administrative staff) is suitable to reflect existing gradations of responsibility;
- b) much groundwork has already been done and most agencies are convinced of the need for common grading standards;
- c) pressures for common grading exist where multi-agency projects mean staff work together in the field and differences cannot be tolerated;
- d) position classification standards should avoid over-elaboration. Short, simple and flexible standards are required, avoiding the contentious premise that larger agencies have larger and more difficult jobs. (The reverse may well be true.) Whilst the standards produced in this report were completed quickly, it is felt that not much more sophistication is necessary. Benchmark job descriptions for each function at each available level from each Agency would probably be an invaluable support.
- e) The most critical key to the success of common position classification standards would be the institution of a Department/Division reporting to the highest level, concerned with grading, remuneration, manning standards and other personnel matters. It would be the counterpart of the Civil Service Commission in the U.S., the Civil Service Department in the U.K., the Treasury Board in Canada and Ministry of State for the Public Service in France. Its independence is vital and its powers of persuasion must be backed up by the power of the purse, from whatever source. It would consist of a Pay Research Unit, a Position Classification Unit and a Manpower Planning Unit. It could probably be comprehended within the Joint-Inspectorate recommended by Professor Bertrand. Until the Agencies can be relied upon, or coerced, to apply equally any classification standards, any work on them would be wasted. We regard such an independent institution as vital to the success of the grading system.

GENERAL

Much consideration has been given to the basis for future reviews of the U.N. remuneration structure. Two principles need to be stated first in the current U.N. climate.

It is appreciated that economic consideration will always play their part in U.N. thinking on pay as they do elsewhere. Cost is undoubtedly uppermost at the present time. It must be stated, however, that the way to cut cost is not to reduce or keep down salaries but to streamline the establishment and obtain better value for money from fewer people. This needs to be done selectively on a function or programme basis rather than, say, a 10% across the board reduction in establishment.

The second thing which needs to be stated is this. There appears, both from documents and comments made, a desire in the U.N. for a formula which will replace judgement. It may not be superfluous to say that this is a chimaera.

COMPARABILITY

The primary consideration in updating the U.N. remuneration structure should continue to be the U.S. Federal Civil Service. The reasons for this recommendation are as follows:

- the U.S. is the biggest Civil Service with the largest number of professions and occupations;
- like the U.N., it is a job-oriented rather than career oriented Civil Service;
- it has the most fully-documented classification standards for post comparison purposes;
- it makes comparisons with private sector organisations in the most professional way of all Civil Services;
- the U.N. already follows the principle in theory if not always in practice;
- the U.N. pays in U.S. dollars and has an important organisation in the U.S.

However, the U.N. should not base its own policies entirely on the U.S. because:

- the U.S. Federal Civil Service reflects problems and solutions peculiar to the U.S. economy and cultural attitudes;
- there are differential movements in costs and standards of living in different countries;
- the relative availability of money must also be considered.

It is therefore recommended that continuing comparisons should be made with all Civil Services with non-industrial officials numbering 500,000 or more, excluding State-owned corporations. This would include:

- the U.S.A.
- the United Kingdom
- France

and probably

- the U.S.S.R.
- Japan
- China
- West Germany.

PRINCIPLES AND MEANS OF UPDATING (contd)

In addition to these national Civil Services, there are international organisations with whom the U.N. should make comparisons. These include:

- E.E.C.
- the European Coordinated Organisations e.g. OECD, WEU, CEFN
- the World Bank
- the International Monetary Fund.

It will be noticed that no recommendation is made for the U.N. to return to the Noblemaire principle and pay according to the highest paid Civil Service known, which now seems to be the Canadian Federal Civil Service.

METHODOLOGY

It is recommended that the U.N. should establish a Pay Research Unit. It is important for the General Assembly, the Secretariat and the staff that this Unit should be seen to be unbiased and its findings should therefore be available to staff organisations as well as to top U.N. officials.

The Pay Research Unit's task would be to establish relationships with the relevant authorities in the comparable organisations, with a view to a mutual exchange of salary and benefits information on a continuing basis.

There would, therefore, be an initial lengthy exchange of information on fringe benefits and allowances. Thereafter, there should be an automatic exchange of information on supplementary benefits changes without the need to request it.

The Pay Research Unit would survey salaries on an annual basis and its report would cover both salaries and benefits. It is important that the survey should be annual since effectively all comparable organisations carry out annual reviews. Timing in the year would be a matter for more detailed consideration and could also be important.

GOVERNMENT CAREERS

GOVERNMENT CAREERS

To make valid remuneration comparisons, a wider spectrum than just salary statistics is required. The following aspects are considered here:

- method of entry
- size and shape of organisations
- type of career offered, if any
- salary administration methods.

METHOD OF ENTRY

In all civil services surveyed, entry for recent university graduates is by written and oral examination. In the Austrian civil service, and to an extent the French, this examination takes place after the recruit has joined but his confirmation is dependent on passing the examination. The U.N. does not have competitive entry by examination.

SIZE AND SHAPE OF CIVIL SERVICES

The size of the non-industrial (or white-collar) civil services is relevant:

U.S.A.	1,500,000
Canada	199,000
U.K.	495,000
France	550,000
Switzerland	77,000
U.N.	17,000

(In all cases military personnel and state-owned or -run industries e.g. Post Office, have been omitted.)

Other important parameters of organisations are the age structure (see Diagram I) and the distribution of professional staff throughout the salary grades (see Diagram II).

Since the national civil services and the U.N. Agencies have different missions, not too much can be drawn from these diagrams except to suggest that the U.N. either has too many P4's or, more probably, P4's insufficiently supported by junior professionals and clerks. The age distribution also suggests that the age and qualification standards for junior professional posts are set higher than in the national civil services.

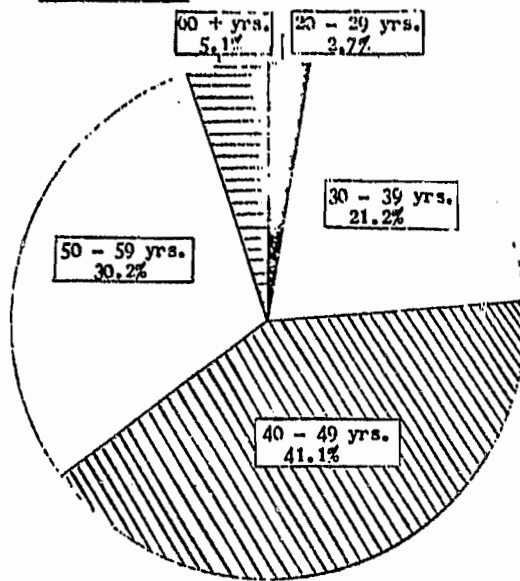
TYPE OF CAREER

In France, Italy, Austria and to an extent Switzerland, entrants are streamed, and their future careers determined by the level of their academic attainment before or soon after joining. Until 1971 the U.K. also had this system but is changing it for a system more like the U.S. and Canadian civil services. There the requirements of the job and the experience necessary to perform the job determine the type of incumbent. There is no bar in these three countries (theoretically, at least) for an official to start at the very bottom and progress to the very top and these countries have a single salary and grade structure.

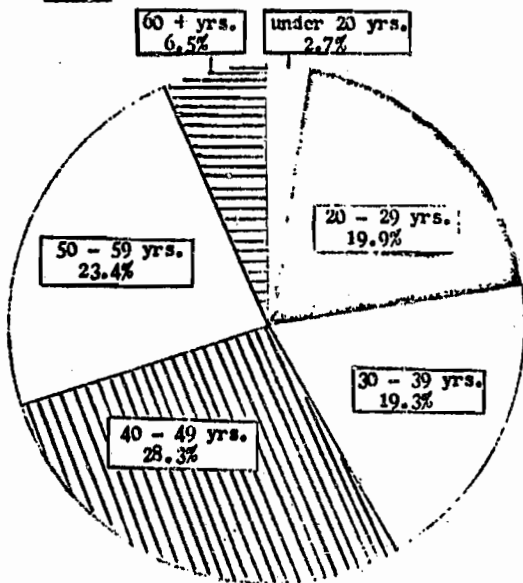
The U.N. has two grade structures but progress is not based simply on academic attainment.

France, Italy, Austria and U.K. offer a permanent career to staff whereby career and salary progress, in the early stages at least, are virtually automatic. Advancement does not necessarily depend on a job being available. Most officials can look forward to reaching to the top of P4 equivalent level or even to P5 equivalent level.

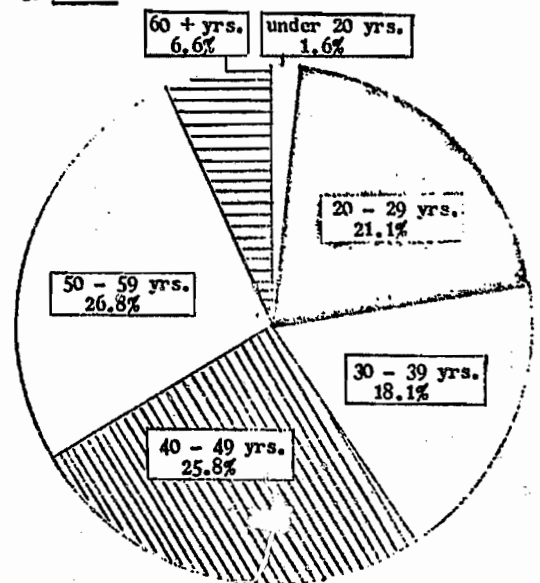
1. UNITED NATIONS



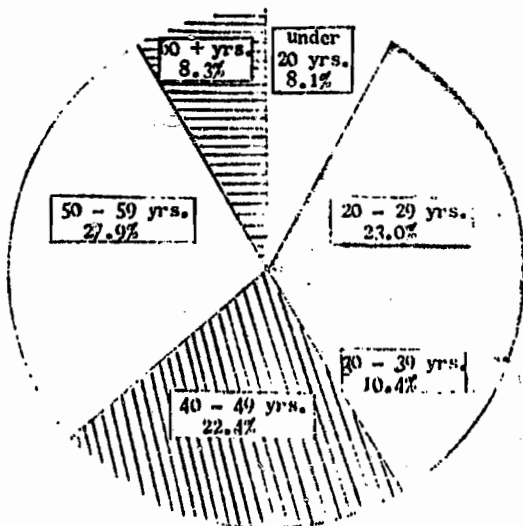
2. U.S.A.



3. CANADA



4. U.K.



5. SWITZERLAND

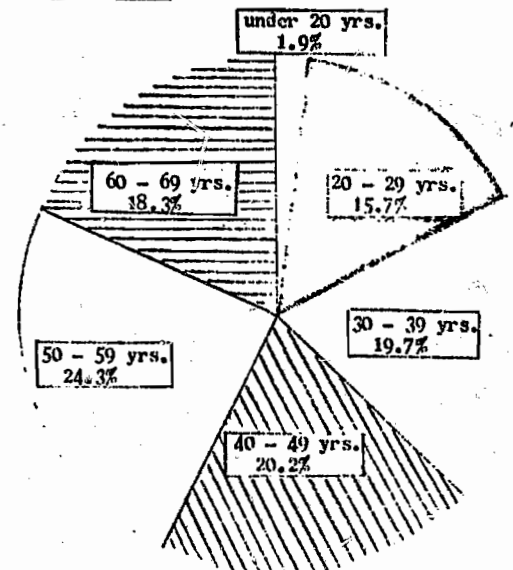
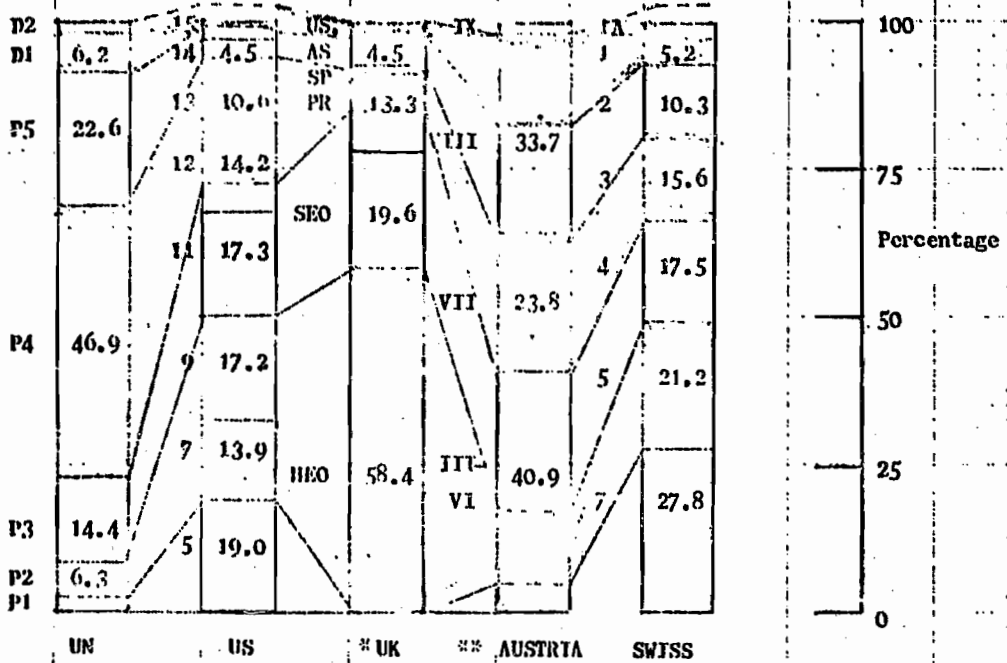


DIAGRAM II

**SALARY GRADE DISTRIBUTIONS
OF FIVE CIVIL SERVICES**



*Administrative groups only.
**Selected Ministries only.

DIAGRAM III

AVERAGE AGE OF ENTRY

The average age of entry for graduates and professionals is as follows:

U.N.	39.5) (reported recruitment age - U.N. Actuaries)
	27.5) (probable start of P2 career)
U.S.A.	23
U.K.	22.5
AUSTRIA	24
ITALY	25.5
FRANCE	25 (before going to ENA or Polytechnic)
SWITZERLAND	25

GOVERNMENT CAREERS (contd)

Switzerland, Canada and U.S.A. claim their civil services are more job oriented and only incidentally offer a career of advancement to recruits. However, questioning elicited that pressures for a career service (i.e. a planned succession of jobs) were strong as evidenced by "grade creep" (highlighted recently by President Nixon of U.S.A.), the narrower salary differentials in Canada, and the wider salary ranges of these countries. The grade and age distributions (see Diagrams I and II earlier) are evidence of the demand for a permanent career, whatever the cultural pressures for, and acceptance of, mobility.

Career services make comparison with the U.N. grade structure difficult because:

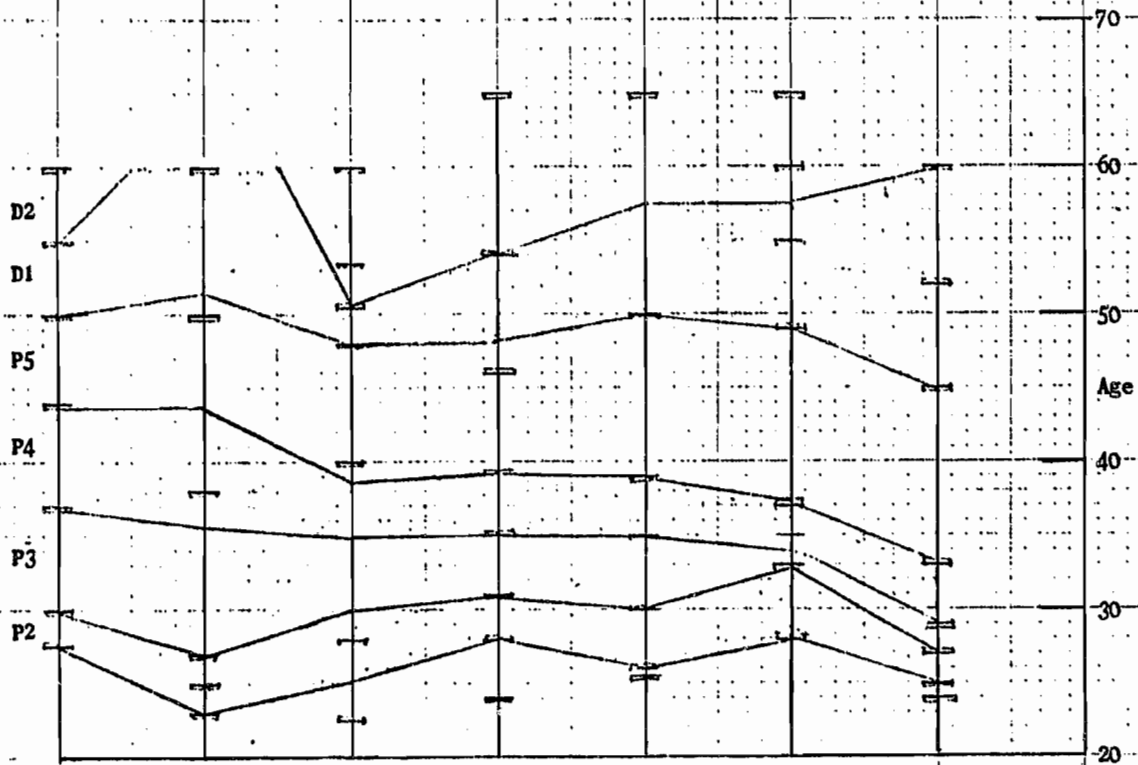
- different entry ages (and subsequent promotion rates) are based on different educational systems (see Diagram III opposite);
- in career civil services, individuals are ranked rather than their jobs. Their grade title is no indication of the type of job they are doing. Men with different grades may well be doing the same jobs;
- promotion into another grade does not necessarily mean a job with more responsibility. At best it may reflect a growth in competence, a reward for improved performance. In one civil service, an official passes through three grades usually holding the same job;
- varying types of controls over manning result in jobs not always being what they appear. The controls range from a statutory list of jobs graded for each department, all of which may or may not be necessary in the current circumstances; to a programme budgeting control where job descriptions are drafted to justify the money which is deemed necessary to spend;
- it was not feasible to observe U.N. officials and civil servants actually at work to make real comparisons either of the actual responsibilities undertaken or the actual work load expected.

In an effort to overcome these drawbacks, charts have been drawn up to show the relative speed of progression in each civil service (see Diagram IV). From these, it can be seen that:-

- the U.N. offers promotion to average staff later or slower in their careers than do the national civil services. This is not quite so true for above average U.N. staff;
- age for age, the U.N. have older people doing jobs of the same responsibility;
- U.N. officials cannot aspire for posts as high as in some civil services (this is not a clear cut point);
- some staff frustration could be explained by stating that it is possible for the U.N. to recruit younger staff to positions of less responsibility, but higher pay than in their own civil services.

DIAGRAM IV

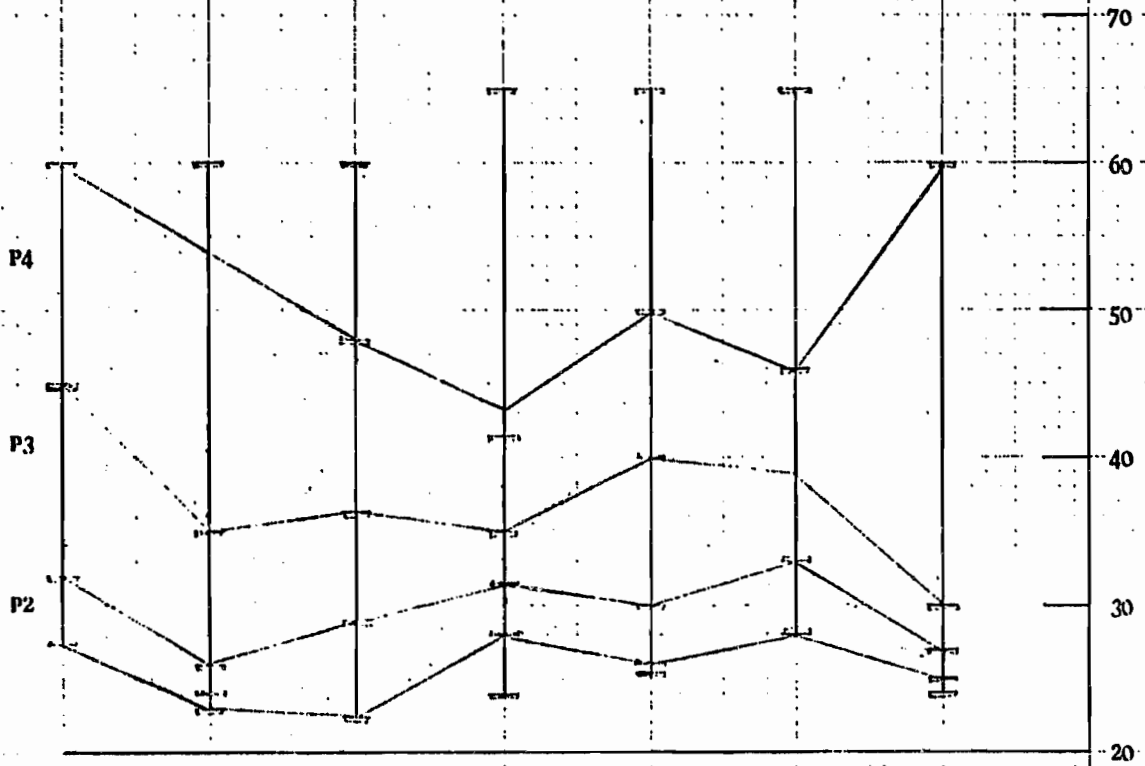
COMPARATIVE CAREER PROGRESS OF ABOVE AVERAGE OFFICIAL



<u>UN</u>		<u>US</u>		<u>UK</u>		<u>AUSTRIA</u>		<u>ITALY</u>		<u>FRANCE</u>		<u>SWISS</u>	
Age	Grade	Age	Grade	Age	Grade	Age	Grade	Age	Grade	Age	Grade	Age	Grade
27.5	P2	23	7	22.5	AP	24	III	25.5	CII	28	A2	24	7
30	P3	25	9	28	P	28	IV	26	CI	33	A1	25	5
37	P4	27	11/12	40	AS	31	V	30	SEZ	37	AHC	27	4
44	P5	38	13/15	48	US	35	VI	35	Div	49	A	29	3
50	D1	50	16-18	50.5	DS	39½	VII	39	JG	55	B	33	2
55	D2			53.5	PS	46	VIII	50	DG	60	C	45	1
						54	IX					52	1A

DIAGRAM IV (contd)

COMPARATIVE CAREER PROGRESS OF AVERAGE OFFICIAL



UN		US		UK		AUSTRIA		ITALY		FRANCE		SWISS	
Age	Grade	Age	Grade	Age	Grade	Age	Grade	Age	Grade	Age	Grade	Age	Grade
27.5	= P2	23	= 7	22.5	= 50	24	= III	25.5	= C II	28	= A2	24	= 7
32	= P3	24	= 9	29	= SSO	28	= IV	26	= C I	33	= A1	25	= 5
45	= P4	26	= 11/12	36.5	= P50	31.5	= V	30	= SEZ	46	= AHC	27	= 4
		35	= 13-15	48	= SPSO	35	= VI	40	= Div.			30	= 3
						41.5	= VII	50	= IG				

SALARY ADMINISTRATION METHODS

	Frequency of salary review	How promotion increases are awarded	Salary range width (1)			No. of salary steps			% progression to next grade (2)	
			start career	mid career	top career	start career	mid career	top career	start career	mid career
U.N.	Annually	Varies by agency but usually next step above present salary in next grade.	34%	34%	19%	11	12	7	24%	24%
U.S.A.	Annually in the first half of grade; biennially afterwards.	Two steps above present salary in next grade.	29%	30%	27%	10	10	9	10%	18%
CANADA	Annually	Equivalent to merit increase.		varies			varies		varies	
U.K.	Annually	No overlapping salary bands; promotion to minimum.	22%	35%	one step	6	7	1	30%	66%
AUSTRIA	Biennially	Indexed promotion scale ensures promotion occurs which gives next step above present salary.	4%	33%	53%	2	9	8	11%	31%
ITALY	Biennially	Next step above present salary in next grade.	5%	25%	25%	3	11	11	16%	22%
FRANCE	Annually but biennially in higher posts.	Indexed promotion scale ensures promotion occurs which gives next step above present salary.	38%	73%	24%	4	4	3	30%	8%
SWITZERLAND	Annually	Promotion increase table gives approx. increase of 1½ - 2 times normal merit increase.	33%	27%	19%	8	8	8	11%	12%

(1) $\frac{\text{Salary range max} - \text{min}}{\text{Salary range min}} \times 100$

(2) $\frac{\text{Midpoint of range}_2 - \text{midpoint range}_1}{\text{Midpoint range}_1} \times 100$

POSITION CLASSIFICATION METHODS

NUMBER OF GRADES

U.N.	7
U.S.A.	11
CANADA	3 - 10 for each occupational group
U.K.	7 - 9
AUSTRIA	7
ITALY	5 - 6
FRANCE	7
SWITZERLAND	14

CLASSIFICATION APPROACH AND FACTORS

U.N.	Grade classification. Single structure of grades and salaries for all occupational groups.
U.S.A.	Grade classification. Single structure of grades for all occupational groups. Single salary structure but variations for hard recruitment areas e.g. engineers, scientists, medical doctors. These variations mostly equal to a half grade increase.
CANADA	Points rating, factor comparison, grade classification all used. Methods vary by occupational groups. Factors are primarily: <ul style="list-style-type: none">- kind of assignment- complexity of work- professional and management responsibility- impact of recommendations and activities.
U.K.	Career service. Broad occupational groups each have own but related grade and salary structures e.g. administrative and scientific. Grade levels determined by broad responsibility comparisons, plus budget implications.
AUSTRIA	Career service. Single common structure of grades. Grade levels determined on official's age and seniority. This may be related to responsibility level.
ITALY	Career service. Single common structure of grades. Grade level determined by entry qualifications, seniority of official and broad responsibility at higher levels.
FRANCE	Career service. Grade established by entry qualifications, official's seniority, occupational group, and broad responsibility comparisons at higher levels.
SWITZERLAND	Career service in practice. Claimed to be so only in Foreign Service. Single common grade structure. Grade level determined by entry qualifications, seniority and job title, which broadly reflects responsibility level.

GRADE STRUCTURE CONTROL

- U.N.** No common grade classification standards applied. Grade levels determined by each U.N. body. Some exchange of views at CCAQ. Some agencies regulated by policy of governing bodies e.g. no D2 appointments permitted.
- U.S.A.** Federal law restricts proportion of top jobs. Programme budget control. Exhaustive common grade classification standards by occupational group. Grades allocated at agency level.
- CANADA** Programme budget restrictions. Exhaustive common grade classification standards by occupational group. Grades allocated centrally by Treasury Board.
- U.K.** Budget and establishment list controls exercised by Treasury. No common grade classification standards as yet.
- AUSTRIA** Semi-automatic promotion through lower grades. Budget and establishments controls on senior levels exercised by Chancellery.
- ITALY** Grade structure, grade allocations and establishment numbers determined by law. Semi-automatic promotion through lower grades.
- FRANCE** Grade structure and allocations are determined by law. Semi-automatic promotion through lower grades.
- SWITZERLAND** Grade structure and establishment numbers are determined by the Federal Council and fixed by law. Semi-automatic promotion through lower grades.

ADVANTAGES

- U.N.** System is flexible and seems to cater for the differing needs of different U.N. organisations. Appears to have stood the test of time.
- U.S.A.** Maintains equity through single common grade structure but permits separate treatment of different professions. Systematic basis for settling disputes.
- CANADA** Total flexibility to cater for differing career structure needs of differing occupational groups, allowing the right number of grades for each. Systematic basis for settling disputes.
- U.K.** Permits separate treatment of scientific and administrative categories but linked systems to ensure equity. System is reasonably flexible and accommodates career differences to an extent.
- AUSTRIA** All occupational groups are treated alike. Simple and low-cost system to administer.
- FRANCE** Central indices ensure equity. System could cater for differing career structure needs.
- SWITZERLAND** All occupational groups are treated alike. Simple and low-cost system to administer.

DISADVANTAGES

- U.N. Similar responsibilities graded differently by different agencies. Some reports of grade creep and slippage. Grade structure moulded in some cases by governing bodies.
- U.S.A. Too many grades. Overall grade creep and grade slippage between agencies reported. High cost of administration.
- CANADA Complex system. High cost of administration. Potential salary inflation through leap-frogging demands of different occupational groups.
- U.K. Tendency to grade on seniority of officer rather than on responsibility of job. Grade disputes resolved by reference to budget rather than to merits of case.
- AUSTRIA Progress through grades is slow and depends mostly on age and seniority. Little correlation between pay and responsibility.
- ITALY Progress through grades depends mostly on age and seniority and is predetermined up to a certain level. Little correlation between pay and responsibility.
- FRANCE Progress through grades depends, up to a certain level, on entry qualifications and seniority. Lacks flexibility and only partially reflects responsibility.
- SWITZERLAND Progress through grades depends mostly on age and seniority. Only partially reflects responsibility.

REMUNERATION STRUCTURE UPDATING

FREQUENCY OF REVIEW

U.N.	No established periodicity.
U.S.A.	Annual as required by law.
CANADA	As negotiated between Treasury Board and staff organisations' bargaining agents: every 1 - 3 years.
U.K.	At least annual.
AUSTRIA	Four year agreements giving annual, predetermined salary increases, subject to modification in the light of each year's actual salary and cost inflation.
ITALY	Annual.
FRANCE	No established periodicity.
SWITZERLAND	Annual.

ITEMS REVIEWED

U.N. Salary structure only: other remuneration elements apparently reviewed on ad hoc, unrelated basis.

U.S.A. Salary structure only: other remuneration elements apparently reviewed on ad hoc, unrelated basis.

CANADA Salary structure and conditions of service.

U.K. Salary structure and conditions of service.

AUSTRIA Salary structure and conditions of service.

ITALY Salary structure and conditions of service.

FRANCE Salary structure and conditions of service.

SWITZERLAND Salary structure and conditions of service.

MAIN BASES FOR REVIEW

- U.N.** U.S. Civil Service pay movements. Civil Services of the seven U.N. headquarters countries. Divers ad hoc studies.
- U.S.A.** The private sector pay levels of 75 defined positions in 80 U.S. metropolitan areas as derived from annual surveys conducted by the Federal Bureau of Labour Statistics.
- CANADA** Pay surveys conducted amongst best public and private sector employers by independent Pay Research Bureau. Survey results supplied to both Government and staff associations. Staff associations also quote growth in gross national product and the cost of living index.
- U.K.** Surveys of private sector salaries and conditions of service conducted by Government Pay Research Unit. Findings form the basis for subsequent negotiation between Government and staff representatives.
- AUSTRIA** Four year agreements provide for stepped annual salary increases. These supplemented by additional increases whose bases are unforeseen changes in economic circumstances e.g. cost of living, growth in gross national product, salaries in the private sector.
- ITALY** Rise in the cost of living of previous year, relative to 1956 as 100 and measured by a particular basket of goods.
- FRANCE** Cost and salary inflation.
- SWITZERLAND** Cost and Salary inflation.

MAIN PARTIES TO REVIEW

U.N. General Assembly. Fifth Committee. Special Sub-Committee. ICSAB.
CCAQ. FICSA.

U.S.A. Legislature. Office of the Budget. Civil Service Commission. Staff
associations. Top salary levels limited by law.

CANADA Treasury Board. Occupational group bargaining agents of public service
staff organisations. Top salary levels set by Treasury Board.

U.K. Civil Service Department and Staff representatives in Joint Negotiating
Council. Recourse, in case of failure to agree, to Independent Arbitration
Tribunal.

AUSTRIA Minister of Finance and staff associations.

ITALY Legislature. President of the Council of Ministers. Ministry of Finance.

FRANCE Legislature. Minister of State for the Public Service. Minister of Finance.
Ministry concerned. Staff associations.

SWITZERLAND Legislature. Federal Council. Ministry of Finance. Ministry concerned.

OCCASION FOR REVIEW

U.N.	Pressure from staff.
U.S.A.	Review required by law.
CANADA	Terminations of collective agreements with occupational group bargaining agents.
U.K.	Staff claim through established joint negotiating machinery.
AUSTRIA	Termination of collective agreement.
ITALY	Pressure from staff.
FRANCE	Pressure from staff.
SWITZERLAND	Pressure from staff.

ANNEXES

HOME SALARY COMPARISON SCHEDULES

1. RESERVATIONS

The amount of verification possible, both because of the time available and of the natural limit of goodwill of any civil service to outside investigators, means that these schedules are based on our judgment of material elicited from documents and the answers given to both direct and oblique questions. In most cases, the central personnel functions of the governments themselves wished they could better verify their own answers. Job descriptions submitted by Ministries to justify a variety of actions must clearly be treated with a degree of scepticism.

Most, but not all, civil servants privately admitted that the government service of their country did not now attract the best calibre of person available in their country. Not every job can be compared because:

- governments may subcontract the work to universities etc;
- provincial governments may have the responsibility for some tasks instead of the central authority e.g. Lande in Austria; Cantons in Switzerland; Provinces in Canada; States in the U.S.A.;
- there may be political pressures in the selection of top official posts;
- U.N. officials are permanent expatriates;
- U.N. scientists do not themselves carry out actual research;
- the international complexion of U.N. work is missing from the great majority of national Civil Service work;
- the U.N. is a unique organisation and by definition has no counterpart for direct job comparisons for many aspects of its work.

All U.N. professional grades have been priced. Only by including the whole career span of both U.N. governments can a full comparison be made, since career start, mid-career and top of career levels vary in each case. Most governments recruit at a younger age than the U.N. However the three stages of a career have been boxed on each schedule.

2. EXPLANATIONS

All cash payments awarded to officials have been included. These are salary, performance pay, 13th month payments and residential allowances. Dependency allowances are not included for either Government officials or U.N. officials (though U.N. post adjustments are based on a man with dependants).

All currency conversion has been calculated at rates prevailing on 1st November, 1971 i.e. before the recent dollar devaluation (See Note following).

All U.N. salaries are net and adjusted to the city of U.N. Agency Headquarters up to Post Schedule 166. 1.Oct.71, so that an exact comparison is possible, e.g. the U.N. New York rate is compared with the U.S. Federal Civil Service New York rate. The U.N. Geneva rate is compared with the Swiss Confederation Geneva rate.

Government salaries are gross because of the difficulties in accurately assessing the impact of national and provincial taxes. (However Schedule 13 attempts to compare U.N. net rates with Government net rates (economists only)).

"Ratio U.N.: Government midpoint" expresses how much more the U.N. net rate for that city is under or over the local civil service gross rate for the same city, e.g. a ratio of 110 means that the local U.N. net rate is 10% higher than host country's civil service gross rate. A ratio of 90 means that the local U.N. net rate is 10% lower than host country's civil service gross rate.

These ratios can also show:

- I) erosion or widening of differentials within an occupation;
- II) pay differences between various occupations;
- III) pay gap between governments within an occupation.

For future reference and explanation the salary grade numbers or titles in each Civil Service have been abbreviated and included.

NOTE

CURRENCY CONVERSION RATES USED IN SCHEDULES

1 US Dollar	=	5.430	French Francs
	=	3.9885	Swiss Francs
	=	22.22	Austrian Schillings
	=	593.47	Italian Lire
	=	0.990	Canadian Dollars
	=	0.40	British Pounds.

(as at 1st November 1971)

1. ENGINEERS

(NUCLEAR, CIVIL, SANITARY, AVIATION, TELECOMMUNICATIONS, METEOROLOGICAL)

158

COUNTRY	U.N. GRADE	P2	P3	P4	P5	D1
U.S.A.	minimum	11,517	12,615	17,545	24,285	28,129
	middle	13,087	14,509	20,317	27,904	32,064
	maximum	14,058	16,404	23,089	31,523	36,000
	U.S. Grade	GS9	GS11	GS12.6-13	GS14.5-15	GS16-18
	New York U.N. midpoint net	14,442	17,853	20,968	24,543	26,688
	Ratio U.N.: Govt. midpoint	110	123	103	88	83
CANADA	minimum	10,186	14,690	16,918	19,882	22,219
	middle	10,882	15,091	18,700	21,238	24,744
	maximum	11,578	16,693	20,603	22,594	27,269
	Canadian Grade	EN2	EN4	EN5-AOCA1-5	EN6	EN8
	Ratio U.N.: Govt. midpoint	107	92	90	94	88
CANADA (Meteorology)	minimum	12,790	13,375	17,185	18,060	20,565
	middle	13,661	14,852	18,184	19,216	21,817
	maximum	14,532	16,329	19,184	20,373	23,070
	Meteorological Grade	4	6	8	9	10
	Ratio U.N.: Govt. midpoint	85	97	93	104	100
*U.K.	minimum	4,282	6,895	9,375	12,937	15,012
	middle	5,588	7,911	10,166	13,712	15,699
	maximum	6,895	8,927	10,957	14,487	16,387
	U.K. Grade	Basic Grade	Main Grade	Sen. Grade	AD Eng.	Dir. Eng.B.
	Ratio U.N.: Govt. midpoint *including London allowance	216	189	173	151	144
AUSTRIA	minimum	not	not	not	6,538	9,963
	middle				8,250	11,834
	maximum	comparable	comparable	comparable	9,903	13,706
	Dienst Klasse				VII 1-VIII 3	VIII 3-8
	Ratio U.N.: Govt. midpoint				232	177
ITALY	minimum	3,448	4,119	5,192	7,111	9,955
	middle	3,491	4,634	6,168	8,000	10,577
	maximum	3,534	5,149	7,144	8,889	11,200
	Parametro	257	307	387-426	530	742-00.05
	Ratio U.N.: Govt. midpoint	333	310	274	249	206
*FRANCE	minimum	4,426	5,921	9,089	9,384	17,411
	middle	5,153	7,307	9,475	12,290	18,481
	maximum	5,880	8,694	9,862	15,197	19,552
	Indices Nets	102 I-IV	102 V-VIII	101 I-III	103 I-A	10 2B
	Ratio U.N.: Govt. midpoint *including Paris allowance and prime de rendement	244	213	193	175	127
*SWITZERLAND	minimum	6,415	7,075	8,015	9,018	10,023
	middle	7,330	7,996	8,936	9,939	11,520
	maximum	8,258	8,918	9,858	10,861	13,017
	Swiss Classe	5	4	3	2	1/1A
	Ratio U.N.: Govt. midpoint *including married man's Geneva allowance	165	187	197	208	196

2.1. SCIENTISTS
(PHYSICISTS, CHEMISTS, PHARMACEUTS)

US\$

COUNTRY	UN GRADE	P2	P3	P4	P5	D1
U.S.A.	minimum	10,298	12,615	17,545	24,285	32,819
	middle	12,478	16,082	20,568	28,083	34,409
	maximum	14,658	19,549	23,591	31,881	36,000
	U.S. Grade	GS7-9	GS11-12	GS12.6-14.5	GS14.6-16.5	GS16.6-18
	New York UN midpoint net	14,442	17,853	20,968	24,543	26,688
	Ratio UN: Govt. midpoint	116	111	102	87	78
CANADA	minimum	not	11,210	14,395	21,018	23,330
	middle		12,994	19,071	24,236	26,663
	maximum	comparable	14,778	23,647	27,455	29,996
	Canadian Grade		SR1	REM1	REM2	REM3
	Ratio UN: Govt. midpoint		111	89	82	82
CANADA	minimum	not	not	23,229	25,249	31,309
	middle			26,966	29,137	33,834
	maximum	comparable	comparable	30,703	33,026	36,359
	Medical Sciences Grade			MSp1	MSP2	MSF3
	Ratio UN: Govt. midpoint			63	68	64
*U.K.	minimum	6,195	8,187	9,437	13,700	16,937
	middle	7,385	9,437	11,568	14,803	17,124
	maximum	8,575	10,687	13,700	15,907	17,312
	U.K. Grade	SSO	PSO	PSO5-SPSO2.5	SPSO2.5 DCSO2.5	CSO
	Ratio UN: Govt. midpoint	164	159	152	140	132
	*including London allowance					
AUSTRIA	minimum	not	not	6,538	8,972	12,957
	middle			8,250	11,339	14,828
	maximum	comparable	comparable	9,963	13,706	16,700
	Dienst Klasse			VII - VIII 3	VIII	IX
	Ratio UN: Govt. midpoint			197	169	141
ITALY	minimum	3,448	4,119	5,192	7,111	9,955
	middle	3,491	4,634	6,168	8,000	10,577
	maximum	3,534	5,149	7,144	8,889	11,200
	Parametro	257	307	387-426	530	742-00.05
	Ratio UN: Govt. midpoint	333	310	274	249	206
*FRANCE	minimum	4,426	5,921	9,089	9,384	17,411
	middle	5,153	7,307	9,475	12,290	18,481
	maximum	5,880	8,694	9,862	15,197	19,552
	Indices Nets	IO2 I - IV	IO2 V - VIII	IO1 I - III	IEC I - A	IG 2B
	Ratio UN: Govt. midpoint	244	213	193	175	127
	*including Paris allowance and prime de rendement					
*SWITZERLAND	minimum	6,415	7,075	8,015	9,018	10,023
	middle	7,330	7,996	8,936	9,939	11,520
	maximum	8,258	8,918	9,858	10,861	13,017
	Swiss Classe	5	4	3	2	1/1A
	Ratio UN: Govt. midpoint	165	187	197	208	196
	*including married man's Geneva allowance					

2.2. AGRICULTURAL SCIENTISTS

(BIOLOGISTS, SOIL SCIENTISTS, FORESTRY, ENTOMOLOGY, HUSBANDRY SPECIALISTS ETC.)

US\$

COUNTRY	UN GRADE	P2	P3	P4	P5
U.S.A.	minimum	10,298	12,615	17,545	24,285
	middle	12,478	16,082	20,568	28,083
	maximum	14,658	19,549	23,591	31,881
	U.S. Grade	GS7-9	GS11-12	GS12.6-14.5	GS14.6-16.5
	New York UN midpoint net	14,442	17,853	20,968	24,543
	Ratio UN: Govt midpoint	116	111	102	87
CANADA	minimum	11,575	14,315	17,119	20,199
	middle	12,675	15,535	18,215	23,229
	maximum	13,775	16,755	19,312	26,259
	Canadian Grade	BS3	BS4	BS5	BS6
	Ratio UN: Govt midpoint	92	93	93	86
CANADA	minimum	not	12,793	15,820	18,920
	middle		14,008	17,171	20,131
	maximum	comparable	15,224	18,522	21,343
	Canadian Forestry Grade		F.O.3	F.O.4	F.O.5
	Ratio UN: Govt midpoint		103	99	99
*U.K.	minimum	4,987	7,972	9,525	12,937
	middle	6,781	8,751	10,783	13,712
	maximum	8,575	9,530	12,042	14,487
	U.K. Grade	NAAS III	NAAS II	NAAS I	SPSO
	Ratio UN: Govt midpoint *including London allowance	178	171	163	151
AUSTRIA	minimum	not	not	8,972	12,957
	middle			11,339	14,828
	maximum	comparable	comparable	13,706	16,700
	Dienst Klasse			VIII	IX
	Ratio UN: Govt midpoint			143	129
ITALY	minimum	3,448	4,119	5,192	7,111
	middle	3,491	4,634	6,168	8,000
	maximum	3,534	5,149	7,144	8,889
	Parametro	257	307	387-426	530
	Ratio UN: Govt midpoint	333	310	274	249
*FRANCE	minimum	4,426	5,921	9,089	9,384
	middle	5,153	7,307	9,475	12,290
	maximum	5,880	8,694	9,862	15,197
	Indices Nets	102 I-IV	102 V-VIII	101 I-III	IEC I-A
	Ratio UN: Govt midpoint *including Paris allowance and prime de rendement	244	213	193	175
*SWITZERLAND	minimum	6,415	7,075	8,015	9,018
	middle	7,336	7,996	8,936	9,939
	maximum	8,258	8,918	9,858	10,861
	Swiss Classe	5	4	3	2
	Ratio UN: Govt midpoint *including married man's Geneva allowance	165	187	197	208

2.3. VETERINARIANS

US\$

COUNTRY	U.N. GRADE	P3	P4	P5	D1
U.S.A.	minimum	12,015	17,545	24,285	32,819
	middle	10,082	20,508	28,083	34,409
	maximum	19,549	23,591	31,881	36,000
	U.S. Grade	GS11-12	GS12.6-14.5	GS14.6-16.5	GS16.6-18
	New York U.N. midpoint net	17,853	20,968	24,543	26,689
	Ratio U.N.: Gvt. midpoint	111	102	87	78
CANADA	minimum	15,019	17,279	19,675	not
	middle	15,965	18,384	20,873	comparable
	maximum	16,912	19,490	22,072	
	Canadian Grade	Vet.5	Vet.6	Vet.7	
	Ratio U.N.: Gvt. midpoint	90	92	95	
*U.K.	minimum	6,810	8,692	not	not
	middle	7,483	9,831	comparable	comparable
	maximum	8,157	10,970		
	U.K. Grade	VO1	DVO		
	Ratio U.N.: Gvt. midpoint *including London allowance	200	179		
*FRANCE	minimum	5,921	9,089	9,384	17,411
	middle	7,307	9,475	12,290	18,481
	maximum	8,694	9,862	15,197	19,552
	Indices Nets	IO2 V-VIII	IO1-III	IEC 1-A	IG2B
	Ratio U.N.: Gvt. midpoint *including Paris allowance and prime de rendement	213	193	175	127
*SWITZERLAND	minimum	7,075	8,015	9,018	10,023
	middle	7,996	8,936	9,939	11,520
	maximum	8,918	9,858	10,861	13,017
	Swiss Classe	4	3	2	1/1A
	Ratio U.N.: Gvt. midpoint *including married man's Geneva allowance	187	197	208	196

Do not have comparable positions
in Central Government:-

AUSTRIA
ITALY

3. MEDICAL DOCTORS

US\$

COUNTRY	U.N. GRADE	P3	P4	P5	P6/D1	D2
*U.S.A.	minimum	19,549	22,497	27,408	36,000	not
	middle	21,803	25,101	30,273		comparable
	maximum	24,058	27,825	33,139		
	U.S. Grade	GS12	GS13	GS14.5-16.5	GS18	
	New York U.N. midpoint net	17,853	20,968	24,543	26,688	
Ratio U.N.: Gvt. midpoint	82	83	81	74		
*U.S. doctors are allowed to have a private practice in addition						
CANADA	minimum	21,727	25,176	27,752	30,299	not
	middle	24,733	24,177	29,486	32,319	comparable
	maximum	27,739	29,174	31,221	34,339	
	Canadian Grade	MOF 1	MOF 2	MOF 3	MOF 4	
	Ratio U.N.: Gvt. midpoint	58	62	67	67	
*U.K.	minimum	10,515	16,187	16,662		not
	middle	12,338				comparable
	maximum	14,162				
	U.K. Grade	MO	SMO	PNO		
	Ratio U.N.: Gvt. midpoint	121	109	124		
*including London allowance						
AUSTRIA	minimum	not	8,972			
	middle		11,339			
	maximum	comparable	13,706			
	Dienst Klasse		VIII			
	Ratio U.N.: Gvt. midpoint		143			
*Austrian doctors are allowed to have a private practice in addition.						

Do not have comparable positions in Central Government:-

ITALY
FRANCE
SWITZERLAND

5. LABORATORY TECHNICIANS

US\$

COUNTRY	UN GRADE	P1	F2	P3	P4
U.S.A.	minimum	8,555	9,726	10,470	not
	middle	9,366	11,013	12,040	
	maximum	10,178	12,300	13,611	comparable
	U.S. Grade	GS5-6.5	GS7	GS9	
	New York UN midpoint net	11,485	14,442	17,853	
Ratio UN: Govt midpoint	123	131	148		
CANADA	minimum	9,004	10,716	not	not
	middle	9,616	11,482		
	maximum	10,229	12,248	comparable	comparable
	Canadian Grade	EG NOT7	EG NOT8		
	Ratio UN: Govt midpoint	96	101		
*U.K.	minimum	4,025	4,962	6,760	9,437
	middle	4,400	5,562	7,472	10,052
	maximum	4,775	6,162	8,185	10,687
	U.K. Grade	AXC	EXD	SEXO	CXO
	Ratio UN: Govt midpoint *including London allowance	218	217	200	175
AUSTRIA	minimum	not	not	3,055	not
	middle			3,741	
	maximum	comparable	comparable	4,428	comparable
	Dienst Klasse			IV	
	Ratio UN: Govt midpoint			369	
*FRANCE	minimum	2,821	3,852	5,306	4,148
	middle	3,044	4,455	5,411	5,077
	maximum	3,268	5,028	5,516	6,006
	Indices Nets	205-235	280-360	375-390	295-420
	Ratio UN: Govt midpoint *including Paris allowance and prime de rendement	328	282	287	360

Do not have comparable positions in Central Government:-

ITALY
SWITZERLAND

COUNTRY	U.N. GRADE	P1	P2	P3	P4	P5
U. S. A.	minimum	not	10,012	11,517	12,615	17,761
	middle		11,299	13,087	14,509	20,425
	maximum	comparable	12,586	14,658	16,404	23,089
	U.S. Grade		GS7	GS9	GS11	GS13
	New York U.N. midpoint net		14,442	17,853	20,968	24,543
	Ratio U.N.: Gvt. midpoint		128	136	145	120
CANADA	minimum	6,196	8,214	8,996	10,309	11,449
	middle	6,769	8,647	9,579	10,869	12,202
	maximum	7,343	9,081	10,162	11,430	12,956
	Canadian Grade	N.O.1	N.O.3	N.O.4	N.O.5	N.O.6
	Ratio U.N.: Gvt. midpoint	136	124	150	156	163
*U.K.	minimum	not	not	4,810	8,740	12,437
	middle			5,278	9,490	13,249
	maximum	comparable	comparable	5,747	10,240	14,062
	U.K. Grade			matron	N.O.	D.C.N.O.
	Ratio U.N.: Gvt. midpoint *Including London allowance			283	185	156
ITALY	minimum	not	1,784	2,925	3,287	not
	middle		2,426	3,290	3,698	
	maximum	comparable	3,069	3,656	4,109	comparable
	Parametro		133-183	218	245	
	Ratio U.N.: Gvt. midpoint		479	437	458	
*FRANCE	minimum	not	3,225	4,216	4,636	not
	middle		3,917	4,839	5,338	
	maximum	comparable	4,609	5,462	5,991	comparable
	Indices Nets		234-330	280-360	305-390	
	Ratio Gvt. midpoint *including Paris allowance and prime de rendement		321	321	342	
*SWITZERLAND	minimum	not	3,780	3,906	not	not
	middle		4,442	4,821		
	maximum	comparable	5,104	5,736	comparable	comparable
	Swiss Classe		17	14-15		
	Ratio U.N.: Gvt. midpoint *Including married man's Geneva allowance		272	310		

Do not have comparable positions in Central Government:-

AUSTRIA

6. ECONOMISTS/STATISTICIANS

US\$

COUNTRY	UN GRADE	P1	P2	P3	P4	P5	D1	D2
U.S.A.	minimum	not	8,582	12,615	17,545	24,285	32,819	Political
	middle		11,096	16,082	20,568	28,883	34,409	Appointment
	maximum	comparable	13,611	19,549	23,591	31,881	36,000	
	U.S. Grade		GS7-9	GS11-12	GS12.6-14.5	GS14.6-16.5	GS16.6-18	
New York UN midpoint net			14,442	17,853	20,968	24,543	26,688	
Ratio UN: Govt. midpoint			130	111	102	87	76	
CANADA	minimum	not	7,029	15,388	20,957	23,452	22,219	not
	middle		10,681	18,075	22,233	24,474	24,870	comparable
	maximum	comparable	14,333	20,762	23,510	26,042	27,522	
	Canadian Grade		ES1	ES2	ES3	ES4	ES5	
Montreal UN midpoint net			11,616	14,379	16,927	19,917	21,756	
Ratio UN: Govt. midpoint			109	80	76	81	87	
*U.K.	minimum	not	5,812	7,375	9,650	12,687	17,312	22,500
	middle		6,408	8,156	11,168	14,837		
	maximum	comparable	7,005	8,937	12,687	16,987		
	U.K. Grade		HE0	SE0	PA.5-SP2.5	SP2.5-AS4	US	DS
London UN midpoint net			12,087	14,958	17,600	20,688	22,578	25,148
Ratio UN: Govt. midpoint *including London allowance			189	183	158	139	130	112
AUSTRIA	minimum	not	3,564	4,428	5,465	6,538	9,963	12,957
	middle		3,650	4,860	7,218	8,250	11,834	14,828
	maximum	comparable	3,736	5,292	8,972	9,963	13,706	16,700
	Dienst Klasse		IV 4-5	V 2 - VI 1	VI 2 - VII 7	VIII 1-VIII 3	VIII 3-8	IX
Vienna UN midpoint net			11,145	13,800	16,253	19,146	20,934	23,351
Ratio UN: Govt. midpoint			305	284	225	232	177	157
ITALY	minimum	not	3,448	4,119	5,192	7,111	9,955	11,449
	middle		3,491	4,634	6,168	8,000	10,577	11,946
	maximum	comparable	3,534	5,149	7,144	8,889	11,200	12,444
	Parametro		257	307	387-426	530	742 00-05	742 06-10
Rome UN midpoint net			11,616	14,379	16,927	19,917	21,756	24,250
Ratio UN: Govt. midpoint			333	310	274	249	206	203
*FRANCE	minimum	not	4,203	7,554	9,862	8,131	13,935	17,045
	middle		6,103	8,419	10,521	11,097	15,490	18,912
	maximum	comparable	8,004	9,285	11,180	14,063	17,045	20,779
	Indices Nets		300-525	475-550	575-630	685-A	A-B	B2-D
Paris UN midpoint net			12,558	15,537	18,274	21,459	23,400	26,047
Ratio UN: Govt. midpoint *including Paris allowance and prime de rendement			206	185	174	193	151	138
*SWITZERLAND	minimum	not	6,415	7,075	8,015	9,018	10,023	Political
	middle		7,336	7,996	8,936	9,939	11,520	Implications
	maximum	comparable	8,258	8,918	9,858	10,861	13,017	HC b
	Swiss Classe		5	4	3	2	1/1A	
Geneva UN midpoint net			12,087	14,958	17,600	20,688	22,578	
Ratio UN: Govt. midpoint *including married man's Geneva allowance			165	187	197	208	196	

7. VOCATIONAL AND EDUCATIONAL TRAINERS

US\$

COUNTRY	UN GRADE	P3	P4	P5
U.S.A.	minimum	12,615	17,545	24,285
	middle	16,082	20,568	28,083
	maximum	19,549	23,591	31,881
	U.S. Grade	GS11-12	GS12.6-14.5	GS14.6-16.5
New York UN midpoint net		17,853	20,968	24,543
Ratio UN: Gvt. midpoint		111	102	87
CANADA	minimum	17,699	19,274	21,209
	middle	18,667	20,404	22,724
	maximum	19,635	21,535	24,239
	Canadian Grade	EDS4	EDS5	EDS6
Ratio UN: Gvt. midpoint		77	83	88

Do not have comparable positions in Central Government:-

U.K.
AUSTRIA
ITALY
FRANCE
SWITZERLAND

8. TRANSLATORS AND INTERPRETERS

US\$

COUNTRY	U.N. GRADE	P1	P2	P3	P4	P5
U.S.A.	minimum	not	10,470	12,615	15,040	not
	middle		12,040	14,509	17,294	
	maximum	comparable	13,611	16,404	19,549	comparable
	U.S. Grade		GS9	GS11	GS12	
New York U.N. midpoint net			14,442	17,853	20,968	
Ratio U.N.: Govt. midpoint			120	123	121	
CANADA	minimum	not	6,181	9,149	11,055	14,104
	middle		7,696	9,958	11,846	14,993
	maximum	comparable	9,211	10,768	12,638	15,882
	Canadian Grade		1	2	3	5
Ratio U.N.: Govt. midpoint			151	144	143	133
*U.K.	minimum	not	3,812	5,812	7,375	not
	middle		4,624	6,406	8,156	
	maximum	comparable	5,437	7,000	8,937	comparable
	U.K. Grade		EO	HEO	SEO	
Ratio U.N.: Govt. midpoint *including London allowance			261	233	216	
AUSTRIA	minimum	not	not	not	not	6,539
	middle					8,251
	maximum	comparable	comparable	comparable	comparable	9,964
	Dienst Klasse					VII
Ratio U.N.: Govt. midpoint						232
*FRANCE	minimum	not	4,216	5,764	6,978	9,042
	middle		4,815	6,161	7,836	9,740
	maximum	comparable	5,415	6,559	8,694	10,438
	Indices Nets		280-355	375-425	450-525	540-600
Ratio U.N.: Govt. midpoint *including Paris allowance and prime de rendement			261	252	233	220
*SWITZERLAND	minimum	not	5,749	6,415	7,075	8,015
	middle		6,670	7,336	7,996	8,936
	maximum	comparable	7,591	8,258	8,918	9,858
	Swiss Classe		7	5	4	3
Ratio U.N.: Govt. midpoint *including married man's Geneva allowance			181	204	220	232

INTERPRETERS

CANADA	minimum			14,005	
	middle			16,152	
	maximum			18,300	
Canadian Grade				1	
Ratio U.N.: Govt. midpoint				89	

Do not have comparable positions
in Central Government:- ITALY

9. LITHARIANS

US\$

COUNTRY	U.N. GRADE	P1	P2	P3	P4	P5
U.S.A.	minimum	not	8,582	10,470	12,615	15,040
	middle		9,869	12,040	14,509	17,294
	maximum	comparable	11,156	13,611	16,404	19,549
	U.S. Grade		GS7	GS9	GS11	GS12
New York U.N.	midpoint net		14,442	17,853	20,968	24,543
Ratio U.N.:	Gvt. midpoint		146	148	145	142
CANADA	minimum	7,322	7,888	9,015	11,870	17,169
	middle	7,627	8,413	9,578	13,072	18,078
	maximum	7,933	8,939	10,141	14,274	18,987
	Canadian Grade	LS1	LS2	LS3	LS5	LS6
Ratio U.N.:	Gvt. midpoint	121	138	150	129	110
*J.K.	minimum	5,812	4,562	6,687	8,562	9,487
	middle	4,112	5,287	7,156	9,106	10,462
	maximum	4,412	6,012	7,625	9,650	11,437
	U.K. Grade	EO 1-5	EO6-HEO2	HEO5-SEO2	SEO5-Prin.4,5	Prin.4-8
Ratio U.N.:	Gvt. midpoint	234	229	209	193	198
*including London allowance						
AUSTRIA	minimum	not	3,564	4,428	5,465	6,538
	middle		3,650	4,860	7,218	8,250
	maximum	comparable	3,736	5,292	8,972	9,963
	Dienst Klasse		IV 4-5	V 2-VI 1	VI 2-VII 7	VII 1-VIII 3
Ratio U.N.:	Gvt. midpoint		305	284	225	232
ITALY	minimum	not	not	2,549	4,119	5,192
	middle			3,429	5,631	7,040
	maximum	comparable	comparable	4,310	7,144	8,889
	Parametro			190-257	307-426	387-530
Ratio U.N.:	Gvt. midpoint			419	301	283
*FRANCE	minimum	not	4,216	6,689	8,586	10,438
	middle		5,278	7,987	9,880	11,098
	maximum	comparable	6,340	9,285	11,174	11,758
	Indices Nets		280-410	430-550	520-630	600-650
Ratio U.N.:	Gvt. midpoint		238	195	185	193
*including Paris allowance and prime de rendement						
Do not have comparable positions in Central Government:- SWITZERLAND						

10. INFORMATION

US\$

COUNTRY	UN GRADE	P1	P2	P3	P4	P5
U.S.A.	minimum	8,582	10,470	12,615	15,040	not
	middle	9,869	12,640	14,509	17,294	
	maximum	11,156	13,611	16,404	19,549	comparable
	U.S. Grade	GS7	GS9	GS11	GS12	
	New York UN midpoint net	11,485	14,442	17,853	20,968	
Ratio UN: Gvt. midpoint	116	120	123	121		
CANADA	minimum	not	7,807	11,594	17,169	19,391
	middle		9,655	12,374	18,341	20,739
	maximum	comparable	11,503	13,155	19,513	22,088
	Canadian Grade		IS 1	IS 2	IS 4	IS 5
	Ratio UN: Gvt. midpoint		120	116	92	96
*U.K.	minimum	3,812	5,812	7,375	8,562	11,937
	middle	4,624	6,406	8,156	9,999	12,687
	maximum	5,437	7,000	8,937	11,437	13,437
	U.K. Grade	A10	I0	S10	P10	C10B4
	Ratio UN: Gvt. midpoint	208	187	183	176	163
*including London allowance						

Do not have comparable positions in Central Government:-

AUSTRIA
 ITALY
 FRANCE
 SWITZERLAND

11. PERSONNEL

US\$

U.N. GRADE		P1	P2	P3	P4	P5
U.S.A.	minimum	not	10,012	12,615	15,040	17,761
	middle		10,939	14,509	16,793	20,425
	maximum	comparable	11,866	16,404	18,547	23,089
U.S. Grade			GS7step 6-GS9 step 5	GS11	GS12 steps 1-3	GS13
New York U.N. midpoint net			14,442	17,853	20,968	24,543
Ratio U.N.: Gvt. midpoint			132	123	125	120
CANADA	minimum	not	11,453	12,786	14,382	20,401
	middle		12,256	13,740	15,568	21,764
	maximum	comparable	13,059	14,695	18,755	23,128
Canadian Grade			PE3	PE4	PE5-6	PE8
Ratio U.N.: Gvt. midpoint			95	105	102	92
*U.K.	minimum	not	not	5,812	8,562	12,687
	middle			6,406	9,999	13,537
	maximum	comparable	comparable	7,000	11,437	14,487
U.K. Grade				HEO	Principal	Sen.Prin.step2.5 - Asst.Sec. 4
Ratio U.N.: Gvt. midpoint *including London allowance				233	176	152
AUSTRIA	minimum	not	not	not	not	8,972
	middle					11,339
	maximum	comparable	comparable	comparable	comparable	13,706
Dienst Klasse						8
Ratio U.N.: Gvt. midpoint						169
*FRANCE	minimum	not	4,203	7,554	9,662	8,131
	middle		6,103	8,419	10,521	11,097
	maximum	comparable	8,004	9,285	11,180	14,063
Indices Nets			300-525	475-550	575-630	685-A
Ratio U.N.: Gvt. midpoint *including Paris allowance and prime de rendement			205	185	174	193
*SWITZERLAND	minimum	not	6,415	7,075	8,015	9,018
	middle		7,336	7,996	8,936	9,939
	maximum	comparable	8,258	8,918	9,858	10,861
Swiss Classe			5	4	3	2
Ratio U.N.: Gvt. midpoint *including married man's Geneva allowance.			165	187	197	208

Do not have comparable positions
in Central Government:- ITALY

12. FINANCE/BUDGET

US\$

COUNTRY	U.N. GRADE	P1	P2	P3	P4	P5
U.S.A.	minimum	8,555	10,584	11,517	12,615	15,040
	middle	9,595	11,871	13,087	14,509	17,294
	maximum	10,636	13,258	14,658	16,404	19,549
	U.S. Grade	GS5	GS7	GS9	GS11	GS12
New York U.N. midpoint net		11,485	14,442	17,853	20,968	24,543
Ratio U.N.: Gvt. midpoint		120	122	136	145	142
CANADA	minimum	9,357	10,806	11,847	16,786	21,512
	middle	9,996	11,538	12,655	17,937	22,987
	maximum	10,635	12,271	13,463	19,088	24,462
	Canadian Grade	FI 1	FI 2	FI 3	FI 5	FI 7
Ratio U.N. midpoint		92	101	114	94	87
*U.K.	minimum	2,937	3,812	5,812	8,562	12,687
	middle	3,674	4,912	6,399	9,999	13,587
	maximum	4,412	6,012	6,987	11,437	14,487
	U.K. Grade	GO-E04	EO-HE02	HE0	Prin.	Sen. Prin. 2, 5- Asst. Sec. 4
Ratio U.N.: Gvt. midpoint *including London allowance		261	246	234	176	152
AUSTRIA	minimum	not	not	not	6,538	not
	middle				8,250	
	maximum	comparable	comparable	comparable	9,963	comparable
	Dienst Klasse			VII		
Ratio U.N.: Gvt. midpoint				197		
ITALY	minimum	2,549	3,448	4,119	5,192	7,111
	middle		3,491	4,634	6,168	8,000
	maximum		3,534	5,149	7,144	8,889
	Parametro	190	257	307	387-426	530
Ratio U.N.: Gvt. midpoint		362	333	310	274	249
*FRANCE	minimum	not	4,203	7,554	9,862	8,131
	middle		6,103	8,419	10,521	11,097
	maximum	comparable	8,004	9,285	11,180	14,063
	Indices Nets		300-525	475-550	575-630	685-A
Ratio U.N.: Gvt. midpoint *including Paris allowance and prime de rendement			206	185	174	193
*SWITZERLAND	minimum	5,749	6,415	7,075	8,015	9,018
	middle	6,670	7,336	7,996	8,936	9,939
	maximum	7,591	8,258	8,918	9,858	10,861
	Swiss Classe	7	5	4	3	2
Ratio U.N.: Gvt. midpoint *including married man's Geneva allowance		144	165	187	197	208

COMPARISON OF NET SALARIES*

ECONOMISTS

US\$

A. SINGLE MAN

	<u>P2 minimum or equivalent</u>	<u>P4 middle or equivalent</u>	<u>D1 maximum or equivalent</u>
New York UN midpoint	11,466	19,172	26,248
New York gvt. midpoint	6,628	13,361	23,526
Ratio UN: gvt. midpoint	173	143	112
London & Geneva UN midpoint	10,096	16,927	23,358
Geneva gvt. midpoint	5,427	7,287	9,199
Ratio UN: gvt. midpoint	186	232	254
London gvt. midpoint	4,212	7,805	11,275
Ratio UN: gvt. midpoint	240	217	207
Paris UN midpoint	10,370	17,376	23,936
Paris gvt. midpoint	3,038	5,812	7,989
Ratio UN: gvt. midpoint	342	299	300
Rome UN midpoint	9,822	16,478	22,780
Rome gvt. midpoint	3,020	5,472	9,264
Ratio UN: gvt. midpoint	325	301	246
Vienna UN midpoint	9,548	16,029	22,202
Vienna gvt. midpoint	2,716	4,448	7,282
Ratio UN: gvt. midpoint	352	360	305
Montreal UN midpoint	-	16,478	22,780
Montreal gvt. midpoint	-	17,398	20,179
Ratio UN: gvt. midpoint	-	95	108

*Net Salaries: Salaries plus dependency allowances plus residential allowances plus performance and 13th month pay after national income tax and local or states taxes.

COMPARISON OF NET SALARIES

ECONOMISTS

US\$

B. MARRIED MAN with wife and
two children aged 14 and 8 years

P2 minimum or
equivalent

P4 middle or
equivalent

D1 maximum or
equivalent

New York UN midpoint	13,562	21,968	29,560
New York gvt. midpoint	7,224	14,504	24,736
Ratio UN: gvt. midpoint	188	151	119

London & Geneva UN midpoint	11,507	18,601	25,225
Geneva gvt. midpoint	6,096	8,051	10,062
Ratio UN: gvt. midpoint	189	231	251

London gvt. midpoint	4,592	8,230	11,870
Ratio UN: gvt. midpoint	251	224	213

Paris UN midpoint	11,918	19,272	26,092
Paris gvt. midpoint	3,627	7,414	10,294
Ratio UN: gvt. midpoint	329	260	253

Rome UN midpoint	11,096	17,927	24,358
Rome gvt. midpoint	3,484	5,954	9,760
Ratio UN: gvt. midpoint	318	301	250

Vienna UN midpoint	10,685	17,254	23,491
Vienna gvt. midpoint	3,733	5,805	9,346
Ratio UN: gvt. midpoint	286	298	252

H O M E F R I N G E B E N E F I T S C H E D U L E S

LEAVE AND HOLIDAYS

	Number of annual public or statutory holidays	Annual Leave	Special Leave Provisions																
U.N.	9	30 working days	seldom granted																
U.S.A.	12	up to 3 years service-13 working days 3 to 15 years service-20 working days 15 and over years service-26 working days.	included in annual leave entitlement																
CANADA	11	up to 18 years service-3 weeks 18 and over years service-4 weeks.	Maximum of 25 days per annum after 1 year's service for bereavement leave, birth of child etc.																
U.K.	8½	<table border="0"> <thead> <tr> <th></th> <th>SEO (P3)</th> <th>Asst.Sec. (P5)</th> <th>Under Sec(D1)</th> </tr> </thead> <tbody> <tr> <td>up to 10 years service -</td> <td>4.4</td> <td>5.0</td> <td>6.0</td> </tr> <tr> <td>10-19 years service -</td> <td>5.0</td> <td>6.0</td> <td>6.0</td> </tr> <tr> <td>20 and over years service-</td> <td>6.0</td> <td>6.0</td> <td>6.0</td> </tr> </tbody> </table>		SEO (P3)	Asst.Sec. (P5)	Under Sec(D1)	up to 10 years service -	4.4	5.0	6.0	10-19 years service -	5.0	6.0	6.0	20 and over years service-	6.0	6.0	6.0	suggested 3 days per domestic incident
	SEO (P3)	Asst.Sec. (P5)	Under Sec(D1)																
up to 10 years service -	4.4	5.0	6.0																
10-19 years service -	5.0	6.0	6.0																
20 and over years service-	6.0	6.0	6.0																
AUSTRIA	13	up to 5 years service-18 working days 5 - 10 years service-24 working days 10 - 18 years service-26 working days 18 and over yrs. service-30 working days Klasse VIII and IX (P5+) - 36 working days	2 - 3 days per domestic incident																
ITALY	15	30 days	30 days full pay and 30 days without pay + "expectation" leave (see sick leave).																
FRANCE	8	27 working days	12 days for educational leave; 3 days for birth of a child; 5 days for getting married																
SWITZERLAND	8	Aged 40 or Classe 4 (P3) and above - 4 weeks. All others - 3 weeks.	1 day for getting married; 3 days for death of close relative; 1 day for death of distant relative																

DEPENDENCY ALLOWANCES

	Wife	Children	Secondary Dependents
U.N.	\$400 p.a.	\$300 p.a. per child up to 18 (or up to 21 if studying).	\$200 for one dependant if no spouse nor child.
*U.S.A.	no direct payment	no direct payment	no direct payment
*CANADA	no direct payment	\$72 p.a. for first child increasing to \$120 p.a. for fourth and succeeding children.	no direct payment
*U.K.	no direct payment	\$118 p.a. taxed for second and succeeding children up to age 18.	no direct payment
AUSTRIA	\$80.80 p.a. taxed	\$80.80 p.a. per child taxed + \$119 p.a. state grant for first child to a maximum of \$706 p.a. for four children up to age 18 (or up to 26 if studying).	no direct payment
ITALY	\$187.50 p.a. untaxed for a wife with no children nor dependants.	\$309.50 p.a. untaxed for wife and one child to \$1,352 for wife and 9 children up to 21 (or up to 26 if studying).	\$299.50 p.a. for one dependant with wife and no children.
*FRANCE	no direct payment	\$33 p.a. for first child. From \$178 p.a. to \$262 p.a. for two children (depending on grade level) up to a maximum of \$621 p.a. for three children at Indice Majore-775 (=P5) with \$424 p.a. for each extra child.	no direct payment
*SWITZERLAND	Single payment of \$252 taxed on marriage.	Single payment of \$62.5 taxed on birth of each child. \$150.5 for each child aged 12-18 (or up to 25 if studying).	no direct payment

*In these countries income tax allowances are given for wives and children in addition to any direct allowances.

MALE PENSIONS

	Contribution by official	Joining age	Normal retirement age	Formula for calculating pension	Maximum pension allowed
U.N.	7%	At least one year's service.	60	2% of gross base salary averaged over last 5 years for each year of service. (max. = 30 years)	60%
U.S.A.	7%	on joining	Compulsory at 70 after 15 or more years service. Optional at 62 with 5 years service; 60 with 20 years; 55 with 30 years service.	1½% of first 5 years. 1¾% of next 5 years. 2% for all remaining years of gross base salary of the average of the highest 3 consecutive years for each year of service.	80% (without widow's pension or 70% with it)
CANADA	6½% for 35 years only	18	60 or age 55 with 30 years service.	2% of average of the highest six consecutive years of gross base salary for every year of service (max. = 35 years).	70%
U.K.	0% for pension 1¼% for widow's pension.	After 10 years service.	60 after 10 years service.	1/80th of average pay, of the last 3 years of service + 3/80th of same average pay as a lump sum for each year of service.	50% + 1½ years salary = 56.7%
AUSTRIA	5%	At least one year's service.	65	2% of last years pay for each year of service.	80%
ITALY	6%	on joining	65 after 20 years service.	2% of last years pay for each year of service.	80%
FRANCE	6%	18	65-70 depending on job.	2% of the gross base salary in the last 6 months of service for each year of service (max. = 37½ years). Minimum of 15 years service to acquire a right.	75% + 7.5% for having raised at least 3 children.
SWITZERLAND	6%	20	65 or age 60 with 35 years service.	Scale based on 40% of basic salary plus children's allowance for 10 years of service to 60% for 30 years of service with a supplement of 5% for each child under 18 (or 25 if studying).	60% plus any relevant child supplement.

MALE PENSIONS (contd)

	Commutation rights	Regular cost of living adjustments	Widows and Orphans pensions in service	Widows and Orphans pensions in retirement
U.N.	33% of pension can be capitalised.	none	50% of disability pension (see column 10).	50% of husband's pension.
U.S.A.	none	A sustained 3% increase in the consumer price index results in 4% increase in pension.	55% of disability pension. (see column 10) plus for each child to age of 22, if studying, the least of: \$900; 60% of highest 3 years average pay; \$2,700 amongst eligible children. If no widow is alive, the children's pensions are the least of: \$1,080 75% high 3; \$3,240 divided; to the age of 18.	55% of husband's pension, plus orphans provisions as in column 8.
CANADA	none	No but ex gratia escalation made 2 years ago.	50% of pension earned at his death + 20% of widow's pension for each child up to age 19 (max. 80%). If no widow alive, 40% of her pension (max. 160%).	50% of husband's pension + 20% of widow's pension for each child up to age 18 (max. 80%). If no widow alive 40% of her pension (max. 160%)
U.K.	25% of pension can be capitalised (see column 4).'	Yes but not guaranteed or fixed to an index.	33 $\frac{1}{3}$ % of disability pension plus for each child to age of 16 (or the cessation of full time education) 8 $\frac{1}{2}$ % of husband's pension (to a max. of 33 $\frac{1}{3}$ %). If no widow alive 17% of husband's pension (to same max.).	33 $\frac{1}{3}$ % of husband's pension plus orphans benefits as in column 8.
AUSTRIA	100% of pension can be capitalised but so disadvantageous that it is not done.	Linked to consumer price index movements.	60% of husband's pension with a minimum of 35% guaranteed.	60% of husband's pension with a minimum of 35% guaranteed.
ITALY	none	Not automatic increase but ex gratia payments tend to follow consumer price movements.	Full pension that would have been achieved from 40 years service.	50% of husband's pension + 5% of pension for each child up to a maximum of 75%. If no widow alive, two orphans get 33% of father's pension.
FRANCE	none	Yes. Pension is adjusted in line with adjustments to officials final pay level.	50% of husband's pension earned plus 10% of husband's pension for each child. If widow is not alive orphans acquire right to widow's pension in addition till age of 21.	50% of husband's pension plus orphans pension. (see column 8).
SWITZERLAND	none	Linked to consumer price index movements.	37.5% of husband's pension (with reduction for wide age differences) plus 10% of the husband's pension for each child to a maximum household pension of 85%. If no widow is alive each child get: 20% of husband's pension to a maximum of 85%.	37.5% of husband's pension (with reduction for wide age difference) plus orphans pension (see column 8).

PENSIONS

	Disability Pension (see also Accidental Death cover)	Adjustments through overseas service	Alternatives when resigning Government service	Average Pension achieved	Voluntary additional payments
U.N.	2% of service up to disability as long as it is greater than $\frac{1}{3}$ of average pay or pension he would have received at age 60 at present salary.	not applicable	Less than 5 yrs. Service = contribution + $3\frac{1}{4}\%$ interest. Over 5 yrs. = i) earned pension frozen till age 60, or ii) part withdrawal of contributions plus part frozen pension, or iii) contributions plus interest increased by 10% for each yr. of service after the fifth to a maximum of twice salary.	40%	none
U.S.A.	The lesser of 40% of highest 3 yrs; or pension he would have received at age 60 at present salary.	Retire at 60 or optional retirement at 50 with 20 yrs. Service.	Less than 5 yrs. service = contributions + 3% interest. Over 5 yrs. service = earned pension frozen till age 62.	50%	yes to a maximum of 10% of Salary.
CANADA	2% of service up to disability or 1 months pay for every year of service.	none	Less than 5 yrs. service = contributions only. Over 5 yrs. = i) deferred pension at 60, or ii) contributions refunded, or iii) actuarially reduced immediate pension.	60%	yes
U.K.	After 10 yrs. service a pension based on service so far with an approximate minimum of 30% of salary + lump sum of $\frac{3}{80}$ th per year of service.	Pensionable age brought forward by 3 mths. for each year of service overseas.	Transfer of pension funds if he joins suitable scheme. If not, nothing unless over 50 years old when he receives deferred pension.	60%	none
AUSTRIA	A pension based in actual years of service with 10 years added including expected salary increases.	none	Full transferability of pension between private and public sections.	70%	none
ITALY	A pension based on 40 years service and present salary.	In difficult climates. 1 yrs. service counts as $1\frac{1}{2}$ yrs. in pension calculation. In extreme climates, 1 yr. counts as $1\frac{3}{4}$ years.	Deferred pension.	80%	none
FRANCE	A pension based on years of service already earned plus an award based on insurance tables for any accident.	none	Deferred pension at 60.	80%	yes
SWITZERLAND	A pension ranging from 40% of salary for 10 yrs. Service to 60% for 30 yrs. service.	none	Refund of contribution plus 5%.	60%	yes

LIFE ASSURANCE COVER

	Is life assurance or similar capital provision provided?	How much does it cost the official?	What lump sum is provided on death?	Other Points
U.N.	yes	nothing	up to 3 years service - 3 months salary. up to 5 years service - 4 months salary. up to 7 years service - 5 months salary. up to 9 years service - 6 months salary.	
U.S.A.	yes	\$7.2 p.a. for \$1,000 p.a. salary.	Minimum cover is \$10,000, increasing at the rate of \$3,000 cover for \$1,000 p.a. salary to a maximum of \$45,000. Optional extra \$10,000 cover is available.	i) Can continue benefits on reducing cover in retirement.
CANADA	yes	Based on age, ranging from \$0.12 for age 35 to 1.10% for age 60 for \$1,000 p.a. salary.	One year's salary up to age 60, after which cover reduces 10% p.a.	i) Supplementary cover of twice salary is provided on same contribution cover, provided health record is satisfactory. ii) Can continue policy on resignation or retirement.
U.K.	yes	nothing	Up to 5 years service - nil. Over 5 years service and not retired - 1 year's salary or 3/80th salary per year of service, whichever is greater.	
AUSTRIA	yes	nothing	3 months salary.	
ITALY	no, except for accidents	nothing	nothing	
FRANCE	yes	nothing	1 year's salary.	
SWITZERLAND	no except for accidents	nothing	nothing	

OTHER TYPES OF ASSURANCE PROVISION

	Accidental Death or Dismemberment Provisions	Sick Leave Pay Provisions	Disability Income Insurance (see also Accident Provisions and Disability)
U.N.	Widows pension of 40% of earnings + max lump sum of \$3,000 for all children + cash sum (see Life Assurance sum).	6 mths. full salary followed by 6 mths. on half salary.	Less than 5 yrs. service - 6 mths. salary and pensionable allowance over 5 yrs. service - 12 mths. salary and pensionable allowances (I.L.O. as example).
U.S.A.	Twice cover provided by Life Assurance Scheme.	13 days full pay p.a. cumulative throughout working life.	none
CANADA	Cover from \$10,000 to \$100,000 depending on choice. Costs official \$6 p.a. Accident need not be connected with work.	15 days full pay p.a. or 25 days full pay p.a. at employer's discretion.	60% of salary (increasing 2% p.a. with cost of living) up to age 65 beginning 13 weeks after disability. Cost = 2.40 p.a. for each \$1,000 of salary.
U.K.	Disability pension dependent on seriousness of disability and type of duty up to 3% of earnings or one years salary on death + pension of 8% of present salary.	6 mths. full pay followed by 6 mths. half pay.	See Accidental Death for Disability Pension.
AUSTRIA	3 mths. salary	12 mths. full pay followed by immediate pension.	none
ITALY	Disability pension.	6 mths. full pay followed by 6 mths at half pay.	none
FRANCE		3 mths. full pay followed by 3 mths. at half pay. Each year for certain senior diseases, full pay can be given for 3 yrs. with an ensuing 2 yrs. at half pay.	none
SWITZERLAND	Full years earnings for full incapacity for accident at work with a scale for lesser injuries at no cost for a widow, 40% of earnings using to a maximum of 66.6% for a widow and 4 or more children.	12 mths. full pay then half pay provided for those with two years or more service.	See Accidental Death or Disability Pension.

MEDICAL ARRANGEMENTS

	Is there a special plan for Civil Servants?	How much does it cost the official?	What is covered?
U.N.	yes	Varies according to location.	Everything
U.S.A.	yes	\$500 per annum for the family for highest cover.	Up to seven plans for man and family providing maximum coverage if desired.
CANADA	yes	\$240 per annum for the family.	Hospital care fees only. Medicare pays 70% - 80% of general practitioner fees.
U.K.	not necessary: National Health Service is free.	nothing	Everything
AUSTRIA	yes	2.4% to a maximum of 5,400 schs. per month.	80% of hospital fees. 100% of general practitioner fees.
ITALY	yes	1.6%	Everything is government medical centre is used; 80% if ENPAN scheme used.
FRANCE	yes	2.75%	Everything
SWITZERLAND	yes	2.5% to 5.2%	Variety of plans for man and family providing maximum coverage if desired.

OVERTIME

	Weekly hours of work	Up to what level is it paid?	At what rate?	On average what does it add to salary?
U.N.	40	none	(Time + 10% for night work)	nothing
U.S.A.	40	GS10 step 10 (=P2)	Time and half for weekdays. Double time for holidays. Time + 10% for night work.	1 - 4.5%
CANADA	37½	F17 (=P5)	Straight time for first 2½ hours; then time and half including holidays and week- days.	under 5%
U.K.	41	SED (=P3)	Time + 8% for at least five hours per week ranging to Time + 15% for at least ten hours per week.	under 5%
AUSTRIA	43	DK VIII (=P5)	Straight time for weekdays. Double time on nights, Sundays and holidays.	9,600 sch p.a.
ITALY	40	Dir Sez (=P4)	Time + 15% for holidays and weekdays. Time + 25% for night work and public holi- days. Maximum 30 hours per month.	under 5%
FRANCE	44	Indice majeure 317 (=P2)	F 12 p.h. for first 14 hours; F 14.3 p.h. for all other hours; F 20 p.h. for Sundays and holidays	under 5%
SWITZERLAND	44	Class 4 (=P3)	Time and quarter for weekdays. Time and third for Sundays and holidays. F 2.60 p.h. for night work.	less than 5%

	Are there arrangements for those not paid overtime?	Redundancy	Resignation/Retirement
U.N.	Sometimes compensatory time off.	A scale ranging from 3 months salary for 2 years service to a maximum of 9 months salary for 9 or more years of service.	None except repatriation grant granting a maximum of 28 weeks of net pay for 12 or more years of service for a man with 2 dependants.
U.S.A.	Agency decides whether to pay overtime or give time off but total income from these sources not to exceed GS 15 step X, (=P5)	One week's pay for first 10 yrs. service. Two weeks pay thereafter plus 10% for every year of age 40 to a maximum of one year's pay.	none
CANADA	none	One week's pay for every year of service to a maximum of 28 weeks.	<u>Resignation:</u> For 10 or more years service; $\frac{1}{2}$ week's pay for each year of service. <u>Retirement:</u> One week's pay for each year of service to a maximum of 28 weeks.
U.K.	none	Under age 40 or less than 10 years service; one month's pay for each year of service. Over 40 and more than 10 years service; pension and lump sum enhance to a maximum of that which could have been earned at normal retirement age + 6 months pay + 6 months resettlement leave.	none
AUSTRIA	none	Up to 5 years service = 9 months salary. 5 Years and over = 18 months salary.	none
ITALY	none	Two years pay or full pension if over 20 years service.	One month's pay for each year's service.
FRANCE	none	none	none
SWITZERLAND	Equivalent time off.	Up to 5 years service = Twice pension contributions at 4% p.a. interest. 5 - 19 years service = 18 months salary for five years + 10% for each extra year and 20% for each child. Over 19 years service = same as for Disability Pension.	20% of basic salary for each year of service over 15 (or over 20 if a long service bonus has been given).

OTHER ALLOWANCES

	Long Service Awards	Housing arrangements	Cars
U.N.	none	none	none
U.S.A.	none	none	none
CANADA	none	none	none
U.K.	none	none	none
AUSTRIA	After 25 yrs. service - 1/2 mths. salary. After 35 yrs. service - 1 mths. salary.	Interest free salary advance up to 10 yrs. for 40,000 sch. + Building Society loan effect- ively at 4% below ruling interest rate..	Some Klasse IX have cars for personal use. 1,560 sch.p.a. for travel to work if officials live 2 or more kms. away.
ITALY	none	none	Director-Generals and above get car + chauffeur for personal use. 50% reduction for all officials and families on State railways.
FRANCE	none	none	Directeurs (=D2) have cars available for personal use.
SWITZERLAND	i) Can exceed maximum of class by 20% in 5% cases. ii) One month's salary as bonus every five years for those with over 20 yrs. service.	A Government loan for housing charged at 1% below ruling interest rate.	none

CONDITIONS OF EMPLOYMENT FOR OVERSEAS SERVICE

CONDITIONS OF EMPLOYMENT FOR OVERSEAS SERVICE

GENERAL

The Foreign Service conditions for career staff of national governments are extremely complex. The aim has been to present a balanced picture of them, rather than a comprehensive and overwhelmingly detailed one. As elsewhere the objective is to enable action to be taken rather than decisions of administrative detail.

The report concentrates on the conditions of service for national government or officials abroad, rather than those applying to private sector organisations or individuals, where national governments make any distinction between these groups. There are two main reasons for this approach:

- comparison with national government officials are the ones considered most appropriate for U.N. permanent staff;
- private organisations and individuals may obtain different terms from time to time. The private sector would have been impossible to present in a coherent way.

The majority of governments, in fact, apply the same conditions to private sector experts and to bilateral AID officials as to their overseas government officials. Indeed, some top experts are able to negotiate more favourable terms than those presented here.

In general, however, with the exception of the U.S., bilateral AID staff tend to be treated as rather less equal than the consular and diplomatic officials of their national governments, on the grounds that they do not need to keep up appearances in the same way.

TRAVEL AND REMOVAL.

- U.N.** Economy class air fare for staff and, if appointment is for more than two years, for dependants.
Removal of household effects only paid for appointments of two years or more. Maximum sea baggage allowance: 6,600 lbs. plus 75% of cost of shipment of automobile.
- U.S.A.** All travel paid for staff and dependants, customarily at economy class air fare with exceptions for higher ranks.
Removal of household effects paid. Maximum sea baggage allowance: 12,000 lbs.
- CANADA** Customarily economy class air fare for staff and dependants, with "programme related exceptions".
Removal of household effects paid. Maximum sea baggage allowance: 22,000 lbs., for married and 16,000 lbs. for unmarried, plus automobile one way only. Household furniture stored at Government expense where necessary. AID personnel are normally provided with a free house and hand furnishings. They are allowed up to 2,500 lbs. and cannot ship automobiles at Government expense.
- U.K.** Economy class air fare for staff and, for postings of over two years or at discretion for certain countries over one year, for dependants. First class fares for higher ranks.
Removal of household effects paid. Maximum sea baggage allowance: 3,100 lbs. for personal effects. Household effects maximum: 8,400 lbs. in the case of unfurnished accommodation: 3,100 lbs. in the case of furnished accommodation.
- AUSTRIA** European travel: economy class. Outside Europe: individual arrangements.
Unmarried: 1,760 lbs. Married: 17,600 lbs.
- ITALY** First class air fares for staff and dependants.
Removal of household effects paid. Maximum sea/land allowance: 1,000 kilos for staff, 500 for wife, 250 kilos per child. Example: Married man, two children: maximum 4,400 lbs. Automobiles not allowed within this limit.
- FRANCE** Economy class air fare for staff and dependants.
Removal of household effects reimbursed against receipts. Maximum sea/land allowance: 1,000 kilos for staff, 500 kilos for wife, 250 kilos per child. Example: Married man, two children: maximum allowance of 4,400 lbs. Automobiles allowed within this limit.
- SWITZERLAND** Economy class air fares for staff and, for appointments for more than six months, dependants.
Unaccompanied airfreight baggage allowance of 30 kilos (66 lbs) per person and of 20 kilos (44 lbs) per child, plus seafreight of 300 kilos (660 lbs) per adult and 100 kilos (220 lbs) per child up to a maximum of 900 kilos (1,980 lbs). Airfreight allowance is doubled if no seafreight is involved. Staff pay for transport of automobiles (but see Other Startup Benefits). Household furniture stored at Government expense as necessary.

INSTALLATION SUBSISTENCE ALLOWANCE

U.N. Thirty days' subsistence for staff, plus 30 days at 50% of staff rate for each dependant. Extendable in cities where living accommodation is difficult to procure.

U.S.A. Temporary lodging allowance as incurred for reasonable accommodation. Maximum periods of:

- 1 month prior to departure to new post
- 3 months on arrival at new post.

Staff and dependants at same daily rate save for dependants under 11 years who are allowed at 50% of staff rate. Maximum daily rate excludes cost of meals.

Living quarters allowance (overseas incentive and accommodation allowances) and travel per diem allowances not payable when staff receive temporary lodging allowance.

Supplementary post allowance, up to maximum of \$6.00 per day, for second and subsequent dependants. Limited to three-month period after arrival.

CANADA Living expenses and temporary shelter before and on assignment as incurred for lodging, meals, gratuities, personal services and car parking.

Without dependants: first 10 days' expenses reimbursed, thereafter reimbursement is made minus the Ottawa rent share (\$162 - \$197 per month), until permanent accommodation is occupied.

With dependants: 21 days' expenses reimbursed, thereafter similar rules apply.

U.K. Normal subsistence rates for more than six nights prior to departure: wife at two-thirds, children over three years at half appropriate staff rate. On arrival, 14 days' subsistence allowed automatically, but at discretion, up to 28 days. Foreign Service Allowances (see Post Adjustment) are not paid during these periods.

AUSTRIA Ad hoc arrangements.

ITALY None reported.

FRANCE No allowances are reported for hotel expenses either prior to departure or on arrival at the duty station.

SWITZERLAND On arrival at the duty station, maximum of 30 days' subsistence expenses for staff and family, reimbursement against receipts to the extent that the expenses exceed 50% of overseas salary.

INSTALLATION LUMP SUM ALLOWANCE

- U.N. At certain field duty stations, lump sum allowances are payable as follows: with dependants: \$600; without dependants: \$300.
- U.S.A. A foreign transfer allowance is paid on transfers between climatic zones of between \$75 and \$175 depending on size of family. This is reported to cover about 25% of reported costs of clothing, shipment insurance, replacing furniture and household equipment.
- CANADA To cover transfer expenses of up to \$202 or up to \$303 if staff have to move at less than two weeks notice. A resettlement clothing allowance is also payable on transfer from tropical to non-tropical posts.
- U.K. Outfit allowance of \$125 unaccompanied and \$187 accompanied. Allowance may not be paid at more frequent intervals than three years. An additional once-only payment of \$12.5 for unaccompanied and \$25 for accompanied staff to cover purchase of travelling trunks. A lump sum "expatriation allowance" is also payable for tours of one year and more or proportionally for less" as follows:
- 1st tour: between \$225 - \$262 unmarried and \$337 to \$400 married
2nd and subsequent tours: \$337 - \$400 unmarried and \$500 - \$600 married.
- Expatriation allowance is not payable to Diplomatic staff or to persons appointed specifically to overseas posts.
Transfer grants are also payable: single between \$125 and \$150; married with 3 + children up to \$613 p.a.
- AUSTRIA Individual arrangements.
- ITALY Lump sum allowance of one month's overseas salary.
- FRANCE None reported.
- SWITZERLAND Staff are paid an equipment allowance as follows:
- Unaccompanied: \$75 for assignment of 3 - 12 months
\$150 for assignment of 12 months or more.
- For accompanied staff, these sums are \$113 and \$226 respectively.
This allowance is only paid once, even where staff are re-engaged for new assignments.
- Staff are also reimbursed for the purchase of hard furnishings which are not supplied.

OTHER START-UP BENEFITS

U.N. None reported.

U.S.A. Some "administrative time", is allowed for e.g. househunting. If staff leave their post in first two years of service, they have to pay their own way home.

CANADA Staff and dependants have a right to, or may be required to undergo, comprehensive examinations prior to posting. All costs are borne by the Government.
Posting loans of up to \$2,020, \$2,500 for tropical posts, at 6% are available, repayable over 36 months. Automobile posting loans of up to \$1,515 are additionally available.
Pre-mission leave, "packing time", is customary, but not official. This is normally only a few days.

U.K. "Packing time" is customary. Free pre-mission medical examination for staff and family.

AUSTRIA Three days' leave allowed prior to each relocation.

ITALY Pre-mission leave is normal.

FRANCE Home salary is paid for up to two months prior to posting.

SWITZERLAND An interest free loan of 80% of cost for the purchase of a car is available. (Employee pays for its transportation).
Pre-mission leave is normal at home salary. This could vary from a few days to three months.

EXPATRIATION ALLOWANCE

- U.N.** None.
- U.S.A.** The U.S. Expatriation Allowance takes the form of a living quarters allowance or free Government accommodation. Since the allowance or rental value varies according to duty station, it is dealt with under Post Adjustment.
- CANADA** Foreign Service Premium is payable. It varies according to occupational group, salary level and marital status. It is also adjusted by the post index system reportedly so as to remain of the same value throughout the world. The basic premium, unadjusted by the post index, varies from about \$1,414 to \$3737 p.a. Actual post adjusted premiums paid start at \$0.99 per annum and go up to about \$5,252. These premia are for "career foreign service" personnel. "Non-career" foreign service staff get 10% of these premia for U.S.A., 30% for Europe and 50% for all other locations.
- U.K.** An "expatriation allowance" is paid as a lump sum at the beginning of the tour and is reported under "Installation Lump Sum Allowances". A Foreign Service Allowance is payable, varying by salary grade, marital status and location. This is reported under Post Adjustment.
- AUSTRIA** Ad hoc arrangements.
- ITALY** Expatriation allowance is payable of between \$2,528 and \$4,381 per year, depending on grade level. These figures represent 70% at the bottom to 40% at the top levels of home salaries.
- FRANCE** There are several adjustments to home salary and all are variable according to type of educational background, post and location. The nearest equivalent to an expatriation allowance is the "indemnite de residence", which seems to range from 25% to more than 50% of base salary. All adjustments are reported under Post Adjustment, because of the complexity of reporting them separately.
- SWITZERLAND** Expatriation allowance is payable and varies by grade, marital status and overseas location. This allowance is akin to the U.K. Foreign Service Allowance. But it is reported here because the Confederation adjusts total pay by a correction percentage. The correction is reported under Post Adjustment. The allowance varies between \$1,304 in Europe for a single man on the lowest likely grade to \$4,063 for the married man on the highest grade at the least favourable locations. These represent 40% at the lowest to 32% at the highest salary levels. These allowances are the same as for the Diplomatic Corps and represent maxima. In addition to the above married/unmarried differentials in expatriate allowances and home children's allowances, there are also overseas children's allowances. These are reported under Dependency Allowances.

POST ADJUSTMENT

U.N. U.N. basic salaries are positively and negatively adjusted from the Geneva 1969 base of 100. Each step in the post index represents a 5% difference in Cost of Living, compensated*by between 4.6% net salary adjustment at the bottom level to about 4% net at the top level. Weighted Average Post adjustment increases of 5% from the previous consolidation become part of pensionable remuneration for all U.N. staff wherever located.

U.S.A. The U.S. Foreign Service, including AID personnel, have the following allowances which are partly or wholly attributable to duty station conditions.

1. Post Allowance

This is the direct equivalent of the U.N. Post Adjustment Index. The base is Washington D.C. as 100, updated quarterly. The aim of the allowance is "spendable income" equalisation and the allowances therefore taper from bottom to top. Since the U.S. is a high cost of living area, more than 3/4rds of posts receive no allowance, and the post Cost of Living has to exceed Washington by 2 1/2% for any adjustment to be made. No negative adjustments are made. Post allowances have been reported as varying between \$185 and \$8,220 per annum, plus additional children's allowances of between \$60 and \$120 per child per annum.

2. Post Differential

This allowance is paid for "unusual hardship conditions". It is based on a points system and is expressed as a percentage of basic pay. More than 50% of posts receive no post differential. Those that do, receive 10, 15, 20 or 25%, according to the points awarded.

3. Living Quarters Allowance

This allowance is designed to cover the average costs of rent, heat, light and water and varies by "location, grade and family composition". Average payment to Foreign Service Employees in November 1970 was \$2,300 p.a. This is also regarded as an expatriate allowance or premium. The current range of standard rates seems to be \$300 - \$6,000. This can be as much as doubled for Chiefs of Mission.

CANADA

Like the U.S., Canada adjusts overseas pay in three ways:

- for cost of goods and services in excess of the home capital
- for unusual hardship conditions
- for the cost of accommodation in excess of home capital costs.

1. Salary Equalisation Payment

This is the direct equivalent of the U.N. Post Adjustment and, like the U.S., is calculated on "disposable income" to make this part of income equal in purchasing power to that which the official would have had in Ottawa. With Ottawa as 100, any excess, at 2 1/2 point intervals on the scale but in multiples of 5, is applied to 60% of gross home salary. There are no negative adjustments (but there are to Foreign Service Premia reported under Expatriation Allowance).

2. Post Differential Allowance

This is paid for "undesirable conditions". The rates range from \$404 to \$1,010 p.a.

3. Accommodation

This covers the difference between actual rent paid or ceiling rent for salary group and family size, less "Ottawa rent share" and a utilities allowance covering the difference between actual/reasonable costs of utilities less utility share for type of accommodation occupied at post. In practice, overseas service provides free accommodation even where Government provision is not made. The latter is reported as increasingly the practice. AID officials are normally provided with free housing and hard furnishings.

POST ADJUSTMENT (contd)

U.K. The U.K. official on a term of duty overseas of more than four months' duration, receives, like his U.S. and Canadian counterparts, two major benefits.

1. Foreign Service Allowance

This is the direct equivalent of the U.N. Post Adjustment and compensates the official for excess costs of goods and services over prevailing U.K. costs. A distinction is made between Single, Married Unaccompanied, and Married Accompanied officials, the married accompanied rate being some 2/4 times higher than the single rate e.g. New Delhi single \$575 p.a., married accompanied \$2,087; Nigeria single \$1,950, married accompanied \$4,012. These allowances represent some 8% to 29% on U.K. gross salary.

2. Accommodation Benefits

Officials on overseas service either have their rent refunded for appropriate accommodation or live in rent free official quarters.

AUSTRIA Ad hoc arrangements.

ITALY The Italian Government applies currently a world-wide flat Post Adjustment increase to home salary and expatriation allowance. This Post Adjustment increase is identical in amount to the expatriation allowance and is intended to cover such items as: accommodation, cost of living, exchange rate changes, status of mission and responsibility. If, however, the official can prove that rent is higher than 20% of the post adjustment figure, a further allowance of 4/5ths of the difference between the rent and 18% of the post adjustment allowance is paid.

FRANCE The French system of Post Adjustment is extremely complex, being based on a 1950 home salary. Part of the following adjustments are due to this anachronistic base salary, rather than to the adjustments necessary as between home and overseas posts.

There are five adjustments of 1950 home salary as follows:

1. "Indemnite de residence" or post allowance

This varies according to the educational background of the official and the location. To an extent it is an Expatriation Allowance (viz. a foreign service incentive). This seems to be a movable feast but, in the cases studied, varies between \$450 and \$900 p.a.

To this are added 10% head of household and children's allowances, reported under dependency allowances. To the sum of these is applied

2. The Adjustment Coefficient

The sum is multiplied by, in the cases reported, 4 or 5 times to give an annual gross remuneration. To this is applied

3. The "majoration (lettre des Finances)",

a kind of secondary post differential ranging, in the cases quoted, from 15% to 30% of the salary plus allowances after being recalculated with the adjustment coefficient.

4. The "prime de technicite",

a seniority or representational allowance, calculated on the total pay. Maximum of 15% adjustment reported.

SWITZERLAND The Confederation has a post adjustment indexation system whereby the home salary, plus expatriate allowances are increased for cost of living. The range of indices quoted is based on Diplomatic Service rules and the resulting allowances may be flexed according to circumstances. Some 80% of overseas aid posts have a free house. Where proof is given of expensive housing, another 5% may be added to total overseas pay.

DEPENDENCY ALLOWANCES

NOTE: to ensure a proper perspective, both home and overseas dependency arrangements are quoted in this schedule, since it is with both that U.N. allowances should properly be compared. In most cases, overseas staff continue to pay income tax on home salary, if paid by home Government.

- U.N.** No distinction in income tax structure for marital status.
- Allowances for dependants are as follows:
- wife : \$400 p.a. if earnings do not exceed GSJ Step I at Geneva.
 - child : \$300 p.a. if unmarried, under 21, or incapacitated. Must be in full-time education if over 18.
 - secondary dependants : \$200 for one maximum, except in Italy.
- U.S.A.** Marital status catered for in progressive income tax structure. Living quarters allowance differentiates between "With Family" and "Without Family" staff. LQA varies with status, mission and location and is reported under Post Adjustment. Where post is considered as more expensive than Washington, additional post allowances for children are paid. These are reported under Post Adjustment, since there are no universal children's allowances.
- CANADA** Marital status catered for in progressive income tax structure. Home family allowance scheme. Family and youth allowances are paid to provide comparability with home-based staff. The formula is home Family and Youth Allowance as determined by the Department of National Health and Welfare - up to \$10 per week per child - adjusted by the post index. Accommodation allowances are also varied according to household size but there are reported under Post Adjustment. Certain other allowance differentials also exist and are reported elsewhere.
- U.K.** Marital status catered for in progressive income tax structure. Home Family Allowance Scheme. Children's Addition is payable to compensate for the forfeiting of entitlement to U.K. Family Allowances. Children's Addition is paid only where children accompany staff, are unmarried and under age 19. The calculation is based on 4% of the total net emoluments, excluding rent, of "married, accompanied bottom band staff". (Bottom band = those on lowest salary range: \$3,137 or below.) This seems to provide between \$125 and \$250 per child. It should be remembered that the U.K. Foreign Service Allowance, like the Swiss expatriation allowance, also markedly distinguishes between the married and unmarried man. The difference between single and married accompanied would appear to be from \$1,500 to \$2,000 p.a. in developing country duty stations. FSA is reported under Post Adjustment.
- AUSTRIA** Marital status catered for in progressive income tax structure. Home family allowances scheme. Ad hoc arrangements for rare overseas aid work.
- ITALY** Overseas dependency allowances are calculated as percentage of home salary, plus expatriation allowance, plus a "majoration" of the same amount as the expatriation allowance. The allowance is 20% of this sum for the wife and 5% for each child. Thus a married man with two children, earning a home salary of \$4,044 would receive an additional \$5,055 and dependency allowances of 30% of \$9,099 or \$2,745.
- FRANCE** Marital status catered for in progressive income tax structure. Home family allowances scheme. French base salaries for the calculation of overseas service pay are still reported as 1950 home salaries, not 1971 salaries. This basis distorts the whole picture of the relationship between salary and other cash payments.
- * 10% increase on base salary, plus "indemnité de résidence" (reported under Post Adjustment), for accompanying non-earning wife. Children's allowances variable according to location, are payable for each dependent child under 21. These are reported as about \$147 - \$184 per child per annum.
- SWITZERLAND** Marital status catered for in progressive income tax structure.
- Home children's allowances of \$150 until 12 years, and \$180 over 12 years, continue to be paid to staff serving overseas.
- Dependency allowance for the wife is built into the Expatriate Allowance as described in that section of the report. The allowance for the wife ranges from \$527 p.a. for the lowest salary level in Europe to \$1,417 for the highest salary level at the least favourable location. Children's allowances paid in addition, also according to location, as follows:
- Up to 12 years of age : between \$58 and \$110 p.a.
 - Over 12 years of age : " \$68 and \$129 p.a.
- Thus total family allowances for a married man with two children under 12 earning \$6,268 p.a. in Santiago or Lima would be - wife: \$997; children: \$476. Total: \$1,473.

SPECIAL UNACCOMPANIED ALLOWANCES

U.N. Staff appointed or transferred without entitlement to the removal of household effects, are granted the following non-pensionable additional annual payments, considered to cover renting furnished accommodation and other dislocation expenses:

<u>Grade</u>	<u>Without dependent</u>	<u>With dependent</u>
P1/P2	\$700	\$1,000
P3/P4	\$950	\$1,200
P5 +	\$1,100	\$1,400

WHO pays these allowances to all staff in the field or regions subject to a maximum period of five years in one location. This is not strictly an "unaccompanied" allowance but seems similar in intent.

U.S.A. Where staff at discretion of employer proceed unaccompanied to the duty station, because of adverse conditions, separate maintenance allowances are payable related to Washington D.C. living costs. Each case is treated on its merits.

CANADA Separation allowances are payable where staff are allowed to leave dependants behind for educational reasons. The amount varies from \$252 to \$404 per person per calendar month of separation. Where dependants are not allowed to join staff at the post, then removal expenses may be paid to a place of their choice.

U.K. None reported as such. Foreign Service Allowances, however, markedly distinguish between single and married, unaccompanied officials.

AUSTRIA None reported.

ITALY None reported.

FRANCE None reported.

SWITZERLAND Where the family remains in Switzerland, a separate maintenance allowance is payable to cover the amount by which the total family maintenance expenses exceed 50% of the overseas salary. Maintenance includes the accommodation price or rental value, monthly food costs of \$53 per adult and child over 12 and \$38 for younger children, but excludes heating and hot water. Staff member rent and subsistence must be documented. The allowance is normally not payable for longer than six months.

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EDUCATION GRANT AND TRAVEL

- U.N.** Education grant is payable to staff serving outside own country whose dependent child is in full-time attendance at a school, university or similar institution which "facilitates the child's re-assimilation in the staff's home country". Payable from primary school to end of scholastic year in which age 21 is reached.
- The amount, if institution is outside duty country, or commuting distance, is: (boarding) 75% of cost of board and tuition up to \$1,000; or (non-boarding) \$500 plus 75% of cost of tuition up to maximum of \$1,000. If institution is at the duty station or commutable: 75% of cost of attendance up to \$1,000. No grants payable for university study in the duty country.
- Education travel grant is payable as follows. If institution is outside duty country, child's travel cost paid once per year between institution and duty station and return. If institution is in duty country: travel grant is limited to travel between duty station and home country.
- Exclusions: kindergarten, public school in the area, correspondence courses, private tuition.
- U.S.A.** Education allowances are payable based on the "lowest cost adequate school" at the post, less the costs incurred in U.S. public schools. Where no adequate schools at posts, allowances for boarding schools etc. made. The amounts vary by duty station. At post amounts are reported to range up to \$2,000 p.a. per child. Away from post: up to \$3,100 p.a. per child. Education travel is limited to one trip each way to U.S. for purposes of secondary/undergraduate education.
- CANADA** As with the U.S., education allowances are payable to provide home standards of education. Primary and secondary education at post: up to \$2,020 per child per annum. Away from post: up to \$2,959 per male per annum. Up to \$1.51 per day during academic year is payable as student shelter expenses for post-secondary students at home. Education travel is limited to one round trip from duty station to Canada for purposes of post-secondary education.
- U.K.** Educational expenses for children at post are met where suitable free schools do not exist. These are reported as limited to day school fees and transportation only.
- Secondary school allowances are payable for overseas officers accompanied by their wives. The annual rates are up to: \$825 for the first, \$982 for the second and \$1,178 for each subsequent child. Age limits: 5 - 18 inclusive. Two free return air passages for each child under 18 each 12 months. One free return air passage for each child over 18 and under 21, if still dependent.
- AUSTRIA** Ad hoc arrangements.
- ITALY** Education expenses are paid if children are educated outside the duty station town limits. The allowance ranges from \$34 per month up to age 18; from 18 - 26 the allowance is increased to \$50 per month. The two senior ranks of Italian Civil Servants are not entitled to these allowances viz. Inspector Generals and Director Generals.
- FRANCE** No education allowances or travel grants are reported.
- SWITZERLAND** Educational grants are payable at the rate of \$150 per child per year between the ages of 6 and 18 for those children educated in Switzerland. No grants for education elsewhere. Education travel is paid for one round trip per child per year between Switzerland the the duty station.

LEAVE ENTITLEMENTS

HOME LEAVE

- U.N.** Expatriate staff receive home leave every two years, round trip economy class air fare for whole family to home country. FAO: difficult duty stations every 18 months. Unaccompanied expatriate staff receive home leave travel free every year. In some U.N. organisations this is restricted to field duty stations.
- U.S.A.** Home leave is normally taken every two to three years depending on post. To home service annual leave entitlement of 26 days is added 15 days of extra leave for every 12 months of service.
- CANADA** Home vacation leave for overseas staff is accumulated at the rate of half day per month of service abroad and may be taken after not less than 12 days have been accumulated viz. every two years. Normally home leave is given every three years, when 18 home leave credits have been accumulated. In the case of "difficult" posts passages may be paid for local leave every year to a suitable place e.g. Europe from Africa.
- U.K.** Free passages for home leave are granted at the end of each tour viz. every two years. Single officers may also obtain free passages home every year, as may married unaccompanied officers. Married temporary officers specially engaged for service overseas may also receive more generous treatment than the standard.
- AUSTRIA** Ad hoc arrangements.
- ITALY** Overseas service qualifies for 15 to 20 days annual leave additional to home service leave of 30 days p.a. Home leave, passage paid, is allowed every two years for the officer alone.
- FRANCE** Overseas service qualifies for two months of home leave for every 22 months or, in Africa and Asia two months for every 10 months, passages paid.
- SWITZERLAND** Home leave passages are granted every two years for normal annual six weeks vacation.

LEAVE ENTITLEMENTS

SICK LEAVE

- U.N.** For permanent staff, six months on full, six months on half salary in any 12 consecutive months. Not to exceed 18 months in four consecutive years. Fixed-term staff are entitled to three months on full, three months on half pay, subject to maximum of 18 months in four years.
- U.S.A.** Accumulates sick leave as for home service: 13 days' full pay per annum cumulative throughout working life.
- CANADA** Accumulates sick leave as for home service: 15 full days per annum or 25 full days per annum at employer's discretion.
- U.K.** Sick leave conditions for established staff overseas are the same as in the United Kingdom. Unestablished or temporary staff: three month' full pay, three months' half pay.
- AUSTRIA** Twelve months' full pay.
- ITALY** As for home service: 6 months' full, 6 months' half pay.
- FRANCE** Overseas staff have right to two months' sick leave on a full pay and a third month on certification.
- SWITZERLAND** Staff are required to join the Sick Scheme (with optional family cover) for which staff pay all premiums. The Technical cooperation Department pays additional premiums giving cover for staff against sickness and death in addition to the cover of the Staff Sick Scheme. Federal civil servants have 12 months' sick leave at full pay and thereafter half pay, with two or more years' service.

REPRESENTATION ALLOWANCE

U.N. None reported.

U.S.A. Representation allowances are paid taking into account each post's requirements, importance of the post and cost of living. AID is reported as one of the principal users of this allowance. Official residence expenses may also be payable at discretion over and above certain laid down annual amounts which have to be met by the officer concerned. These allowances are not confined to diplomatic personnel.

CANADA None reported.

U.K. None reported.

AUSTRIA None reported.

ITALY None reported.

FRANCE A prime de technicite of up to 15% on total overseas pay as reported under Post Adjustment. This could be regarded as a representational allowance.

SWITZERLAND None reported.

MEDICAL ARRANGEMENTS

- U.N.** Staff covered by medical and hospital insurance schemes. Equal contributions from staff and U.N. organisations are normal.
- U.S.A.** Staff and dependants have free cover for hospitalisation expenses, excluding maternity, for up to four months. Staff pay themselves for everything else.
- CANADA** Where local health care costs are above those of home costs, employee is reimbursed the excess. Advance payment of medical costs are also provided. Where local health care facilities are "inadequate in comparison with Canada", travel expenses and time are allowed to obtain treatment at nearest suitable place. Where illness or injury occurs which would not normally occur in Canada, all expenses are met by Government.
- U.K.** Where no reciprocal arrangements with U.K. National Health Service, no Crown medical services or no facilities, the officer makes local arrangements and is reimbursed on submission of vouchers. Civil Servants seconded abroad are not entitled to reimbursement: their medical expenses are generally a matter for the borrowing country.
- AUSTRIA** Ad hoc arrangements.
- ITALY** Both staff and dependants are covered for health, with the Government meeting $\frac{2}{3}$ in normal climates and $\frac{3}{4}$ of all expenses in difficult ones.
- FRANCE** Medical expenses reimbursed by mutual insurance scheme.
- SWITZERLAND** All treatment expenses are met by the same insurance policies which also cover Sick Leave Pay. Dependants are only covered by these policies if staff so elect.

INCOME TAX ARRANGEMENTS

NOTE: Some bilateral officers are partly paid and, therefore, taxed by the AID receiving government. No account has been taken of these or other arrangements.

- U.N.** Basic salaries subject to identical taxation arrangements worldwide. Taxation progressive but takes no account of differences in family situation.
- U.S.A.** U.S. overseas service officials continue to pay home tax on base salaries and also on post differentials paid for unusually difficult conditions. They pay tax too, on termination pay. All other payments are tax free.
- CANADA** Overseas officials continue to pay home tax on their home salaries. They pay no tax on any allowances, with the exception of the Canadian Leave Allowance.
- U.K.** Overseas officials continue to pay home tax on their home salaries. They pay no tax on any allowances.
- AUSTRIA** Overseas officials continue to pay home tax on their home salaries. They pay no tax on any allowances.
- ITALY** Home tax is payable on total salary and allowances.
- FRANCE** Home tax is levied on 25% of gross overseas pay minus 1/11th of the 25% for the first child, 1/12th for the second and 1/13th for the third and so on.
- SWITZERLAND** The major tax in Switzerland is the canton tax. This is not payable when resident outside the canton. Federal tax continues to be levied on the base salary only.

REPATRIATION AND SEPARATION

U.N. Internationally recruited expatriate staff are entitled to repatriation at U.N. expense and to a resettlement grant. This varies according to service and marital status from two weeks of net pay for one year's expatriate service to a maximum of 28 days of net pay for 12 years' service or more. Termination indemnities for all non fixed-term staff are payable up to nine months' salary.

U.S.A. Overseas officers separating from the service are entitled to repatriation at Government expense, except those with less than two years' service. A termination lump sum is payable of one month's salary per year of service up to 10 months' maximum. Non-separating officials are paid a Home Service Transfer allowance. This is in two parts: a lump sum (see expatriate lump sum allowance) of up to \$175 and temporary lodging of up to 30 days.

CANADA Repatriation at Government expense. AFD officials receive two days' pay per month of overseas duty as a resettlement grant; this would normally amount to 24 - 40 days' pay. Foreign Service Officers are entitled to two weeks' hotel expenses and, if returning from a tropical climate, a clothing allowance.

U.K. Transfer grant as reported under Installation Lump Sum Allowance.

AUSTRIA Ad hoc arrangements.

ITALY None reported.

FRANCE None reported.

SWITZERLAND None reported.

OVERSEAS PAY COMPARISONS

OVERSEAS PAY COMPARISONS

The comparisons are given to provide a broad picture of the relationship between U.N. officials and the overseas officials of the seven headquarters countries.

The figures include base salary, all local cost of living allowances, dependency allowances and education grants at maximum allowable rates. They do not include any pre- or post-mission items but merely the ongoing payments whilst the officials are overseas.

The basis throughout the schedules, save for one in order to give a French case, is P4 Step I. Married, accompanied, two children ages 12 and 14. All items are expressed in U.S.\$.

LAGOS, NIGERIA

P4 Step I H + 2

U.S.\$

	<u>Payments Subject to Tax</u>	+	<u>Payments Not Subject to Tax</u>	+	<u>Other Benefits</u>
U.N.	18,120		4,782		—
U.S.A.	20,425		13,120		—
CANADA	20,957		12,880		free housing
D.K.	9,212		6,249		free housing
ITALY	16,514		—		—
FRANCE			— no case available —		
SWITZERLAND	*7,714		10,330		free housing

*Subject to Federal tax (5 - 10%) only

NEW DELHI, INDIA

F4 Step I M + 2

U.S.\$

	<u>Payments Subject to Tax</u>	+	<u>Payments Not Subject to Tax</u>	+	<u>Other Benefits</u>
U.N.	18,120		3,000		—
U.S.A.	19,537		7,000		—
CANADA	20,957		8,608		free housing
U.K.	9,212		4,285		free housing
ITALY	16,514		—		—
FRANCE			no case available		
SWITZERLAND	*7,714		7,466		free housing

*Subject to Federal tax (5 - 10%) only

BEIRUT, LEBANON

P4 Step 1 M + 2

U.S.\$

	<u>Payments Subject to Tax</u>	+	<u>Payments Not Subject to Tax</u>	+	<u>Other Benefits</u>
U.N.	18,120		2,406		—
U.S.A.	17,761		4,900		—
CANADA	20,957		11,422		—
U.K.	9,212		5,444		free housing
ITALY	16,514		—		—
FRANCE			— no case available —		
SWITZERLAND	*7,714		6,280		free housing

*Subject to Federal tax (5 - 10%) only

SANTIAGO, CHILE

P4 Step I M + 2

U.S.\$

	<u>Payments Subject to Tax</u>	+	<u>Payments Not Subject to Tax</u>	+	<u>Other Benefits</u>
U.N.	18,120		1,218		—
U.S.A.	17,761		5,900		—
CANADA	20,957		10,067		free housing
U.K.	9,212		5,477		free housing
ITALY	16,514		—		—
FRANCE			— no case available —		
SWITZERLAND	*7,714		3,990		free housing

*Subject to Federal tax (5 - 10%) only

BANGKOK, THAILAND

P4 Step I H + 2 .

U.S.\$

	<u>Payments Subject to Tax</u>	+	<u>Payments Not Subject to Tax</u>	+	<u>Other Benefits</u>
U.N.	18,120		3,594		—
U.S.A.	19,537		5,680		—
CANADA	20,957		11,814		—
U.K.	9,212		6,477		free housing
ITALY	16,514		—		—
FRANCE		— no case available —			
SWITZERLAND	*7,714		9,039		free housing

*Subject to Federal tax (5 - 10%) only

LIMA, PERU

*P3 Step I N + 2

U.S.\$

	<u>Payments Subject to Tax</u>	+	<u>Payments Not Subject to Tax</u>	+	<u>Other Benefits</u>
U.N.	14,690		3,498		—
V.S.A.	12,615		5,640		—
CANADA	15,388		10,782		—
U.K.	7,375		5,335		free housing
ITALY	13,475		—		—
FRANCE	**3,224		12,776		—
SWITZERLAND	***7,075		7,225		free housing

*P3 was chosen for this location so that a French example could be included.

**Tax is payable on 25% of total overseas pay, paid by the French Government, less children's allowances.

***Subject to Federal tax (5 - 10%) only.

**BENCHMARK DESCRIPTIONS
AND
QUALIFICATION STANDARDS**

BENCHMARK DESCRIPTIONS AND QUALIFICATION STANDARDS

Five things should be said about the following description standards:

- a) Not all Agencies apply these descriptions equally so that jobs are over graded compared with other Agencies.
- b) The qualification standards are only a guide for salary survey purposes: there are many people in the Agencies performing excellently who do not match these standards.
- c) The standards are a minimum. Nevertheless there are many instances, especially in the administrative jobs, of over-recruiting - hiring highly qualified people to carry out mundane, low level jobs. This is a waste of talent and a source of discontent.
- d) Traditionally administrative and specialist posts have been considered as requiring equal standards for equal responsibility. The attached standards, descriptions and salary schedules explore this view: they are not equal.
- e) Qualification standards can be misleading. It is not what a man has that ensures performance; it is how he uses that knowledge.
- f) Twelve benchmark descriptions have been found sufficient to compare the numerically important posts in the U.N. Of 14,124 generalists and specialists, 9,969 (71%) are covered by these descriptions. The other posts do not often have counterparts in significant numbers in national government service.

BENCHMARK DESCRIPTIONSQUALIFICATION STANDARDS1. ENGINEERS

(These cover all technologies - civil, nuclear, mechanical, electrical, aviation, marine, chemical, sanitary, telecommunications, meteorological).

P2 Technical diploma or secondary school studies in appropriate discipline with five to seven years' completed technical training.

P2 These engineers are rarely recruited and tend to be in trainee positions. They work under close supervision, usually on routine problems requiring application of prescribed methods, accuracy in analysis and calculations and completeness of data and test observations.

or
First degree in engineering or applied science with three to five years' practical experience.

They will invariably work at Agency headquarters or Regional offices, and their findings are put forward as recommendations and any commitments are solely of their own time.

or
Second degree or completed postgraduate studies with only one year of practical experience at most.

P3 These engineers serve, under supervision, as engineering specialists, as junior members of a team. Their work is assigned with guide lines and subject to review. Technical guidance is available to review work programmes and advise on unusual features of an assignment. Theoretical approaches and conclusions are subject to scrutiny.

P3 First degree in engineering or applied science with six to eight years' working experience in a closely related field of application, research, training or advising.

They establish and maintain co-operative working relationships with national or local authorities, and co-ordinate phases of the project with other organisations. They draft, as requested, recommendations and reports on current trends in defined areas of their particular speciality, related problems and any experimental field investigations. They may develop new methods and techniques and assist in introducing the results. They assist in the organisation of research programmes and technical working parties and may recommend on termination or continuation of research, interpretation of data and applications of completed research.

or
Technical diploma or membership of professional institution with eight to ten years' working experience in the application of this knowledge in national and international circumstances.

or
Second degree or completed postgraduate studies with four to six years' working experience.

P4 These engineers serve as independent engineering specialists or as regional engineers working under the supervision of a regional adviser. Work is assigned in terms of programme objectives and priorities or own programme is approved at outset. Guidance on policy or complex technical problems is available.

P4 First degree in engineering or applied science with eight to ten years' working experience in the field of specialisation.

They are responsible for all specialist engineering aspects of a project. Specifically, they evaluate facilities, needs and problems of countries and advise the Agency or government as necessary; collect and evaluate information on related matters; train and supervise assigned staff; establish and maintain working relationships with national and local authorities. They are responsible for methods, solutions, interpretations and draft presentation of assignment results. They prepare programmes and papers for meetings and act as scientific secretaries, editing the proceedings. They analyse and recommend proposals creating or amending international standards and recommend practices and procedures. May supervise a group of professional engineers or technicians on a project, assigning work, reviewing methods and checking results.

or
Technical diploma or membership of professional institution with ten to fifteen years' working experience.

or
Second degree or completed postgraduate studies with seven to ten years' working experience.

In all cases, a good international standing in field of specialisation is expected.

P5 These engineers serve at Headquarters as adviser to Directors on specific areas of their engineering knowledge or, in a region, as regional adviser, or of specialist units planning and directing the work programmes within their particular branch of technology or as senior and renowned professionals in their fields of activity. They are responsible for the budgetary control and co-ordination of their programmes within and between Agencies. Work is assigned as broad objectives with Direction regarding areas of research, future policy and planning. Main review is against the timely, economic and successful accomplishment of programmes.

P5 First degree in engineering or applied science with ten to fifteen years' of specialised engineering and/or administrative experience in nation and/or international organisations, especially in co-ordinating the work of associated fields.

or
Second degree or completed postgraduate studies with ten years' research with senior staff supervisory responsibilities in a leading national organisation.

BENCHMARK DESCRIPTIONS

QUALIFICATION STANDARDS

1. ENGINEERS (contd)

P5 As regional advisers they initiate and develop regional programmes and projects; review technical phases of projects; advise government on assigned professional matters and problems; investigate and report on facilities, principles, standards, requirements and other matters in their field. They advise on the selection of candidates for Agency fellowships, training courses and experts for technical assistance programmes. They also train fellows. They estimate and cost time schedules for projects.

As advisers to governments they provide advisory, demonstration, consulting, training and related engineering services. They originate, promote and lead large-scale programmes and projects; evaluate and approve the technical phases of programmes and projects proposed by others; advise the government on professional engineering problems, investigate facilities, problems, requirements, standards and other related engineering matters; liaise with governments to deal with the political implications and problems of their projects.

As advisers to Headquarters they provide advisory and consulting services within their technical field of competence to directors. Under the broad supervision of their directors, they formulate and promote programmes; evaluate and appraise the state of knowledge in their field of competence, initiate and promote studies on present and future problems; stimulate research, investigate requirements and develop international codes of practices and standards.

D1 These engineers serve as project managers planning and controlling the creation of a country's first major installation in his field of technology or within full managerial responsibility for major engineering function at Headquarters or for administering several related professional groups. Alternatively acts as a research specialist or top authority in a field of major importance to the Agency.

They ensure that the complex meets time, quality and quantity specifications and train local staff to operate the installation and supporting services. Approves project budgets and time schedules and directs long term planning of programmes and manpower requirements.

They co-ordinate global research in major engineering areas and contribute ideas to improve or standardize relevant engineering services, practices and applications through the world. Independently conceives or defines research projects and negotiates support and resources for projected programmes. Resolves unusual problems or major issues involving policy, objectives or finance. Lays down operating policies and ways of achieving objectives in their Division.

They advise top officials and ministers in government(s) on technical policies and programmes, especially in new or developing areas of engineering and supervise and facilitate the granting of aid to meet national or regional requirements.

Work is reviewed for conformity with policy and co-ordination with other Divisions and Agencies. Receives only administrative Direction from governing authority.

D2 Promotes member states' appreciation of the need of agency programmes. Co-ordinates with UN and agency governing body to secure a balanced programme, meeting professional and other pressures and suited to the needs and resources of member states. Gives policy guidance.

P5 It is expected that incumbents should be amongst the leading international engineers in their field.

D1 As for level P5 but with experience at a policy-making level in one or more areas of their technology or in planning and directing national work programmes, involving ministerial or governmental registrations.

The research specialist should be the leading authority in this area of technology.

* "Working" or "practical experience" can be defined as progressive non-routine professional work requiring the application of the appropriate professional methodology to problems; the comprehensive knowledge of the various sciences involving the profession; a continual effort to up-date the broaden professional knowledge and ability; the ability to write a technical report analysing and generalising from the problem.

BENCHMARK DESCRIPTIONSQUALIFICATION STANDARDS2. SCIENTISTS

(These cover all fields - agricultural, biological, chemical, physical, plant protection, and production, nutritionists, forestry and veterinarians).

- P2 These scientists are rarely recruited and tend to be in trainee positions. They work under close supervision, usually on routine problems requiring application of prescribed methods, accuracy in analysis and calculations and completeness of data and test observations.
- They will invariably work at Agency headquarters or Regional offices, and their findings are put forward as recommendations and any commitments are solely of their own time.
- P3 Plans and conducts training courses for non-graduate staff and lectures to all levels in their speciality. Works as a member of a team in research or teaching programmes and sets goals for his part within the overall programme. Advises technical specialists in the field. Elicits, analyses, classifies and tabulates complex data from member governments for research projects. Encourages research activities through the organisation of symposia and represents the agency's views, findings and progress at scientific meetings on specific matters. May draft a portion of an Annual Report on scientific matters.
- P4 Plans and conducts training courses for graduate staff. Acts as team leader within his speciality and may promote community effort in a government sponsored programme. Encourages a government's officials through visits and correspondence or projects to make use of the products of existing and new specialist knowledge. Carries out survey, drafts proposals for technical assistance and wins initial, informal support for projects from UN, government and other bodies and reconciles conflicts between wants and needs. Acts as working secretary to meetings of experts, collecting and disseminating information. Drafts codes, standards, regulations and recommendations for working parties to discuss and finally submit to the Governing Body for approval. Prepares publications and edits technical contributions to UN sponsored seminars. Appraises trends and developments in specialist methods and techniques to help member governments foster the development of this speciality. Advises on the recruitment, briefs and technically services field experts, advising them on techniques and equipment, supplies and contracts, and sources of information for complex or unusual technical problems.
- P5 Is the consulted authority on national policy in all branches of his speciality. Promotes community effort in a pioneering effort of his speciality. Negotiates at ministerial level on technical matters. Identifies, plans and controls several projects for global research in his specialism in universities and institutes. Plans, develops and supervises international technical meetings and seminars for the discussion and exchange of knowledge. Reviews work programmes of these meetings. Develops concepts and methodologies in his technology and promotes interest in their applications. Conducts or controls feasibility studies in the economic use of natural, scientific or agricultural resources in various countries.
- P2 Technical diploma or secondary school studies in appropriate discipline with five to seven years' completed technical training.
- or
- First degree in science or applied science with three to five years' practical experience.
- or
- Second degree or completed postgraduate studies with only one year of practical experience at most.
- P3 First degree in science or applied science with six to eight years' working experience in a closely related field of application, research, training or advising.
- or
- Technical diploma or membership of professional institution with eight to ten years' working experience in the application of this knowledge in national and international circumstances.
- or
- Second degree or completed postgraduate studies with four to six years' working experience.
- P4 First degree in science or applied science with eight to ten years' working experience in the field of specialisation.
- or
- Technical diploma or membership of professional institution with ten to fifteen years' working experience.
- or
- Second degree or completed postgraduate studies with seven to ten years' working experience.
- In all cases, a good international standing in field of specialisation is expected.
- P5 First degree in science or applied science with ten to fifteen years' of specialised science and/or administrative experience in national and/or international organisations, especially in co-ordinating the work of associated fields.
- or
- Second degree or completed postgraduate studies with ten years' research with senior staff supervisory responsibilities in a leading national organisation.

It is expected that incumbents should be amongst the leading international scientists in their field.

BENCHMARK DESCRIPTIONS

QUALIFICATION STANDARDS

2. SCIENTISTS (contd)

- D1 Promotes governmental appreciation of the priorities of the agency programme, and negotiates interministerial co-ordination. Research officers at this level carry out research projects of unusual importance, significance and difficulty, because of the dearth of applicable precedents, pertinent literature or proven methodology.

Assumes full responsibility for all aspects of a major project within a country or region, supervising professionals from several disciplines (and Agencies) in accordance with the Plan of Operation. Ensures that the national Director can fully carry on his work.

- D2 Promotes member states' appreciation of the need of agency programmes. Co-ordinates with UN and agency governing body to secure a balanced programme, meeting professional and other pressures and suited to the needs and resources of member states. Gives policy guidance.

- D1 As for level P5 but with experience at a policy-making level in one or more areas of their technology or in planning and directing national work programmes, involving ministerial or governmental regulations.

The research specialist should be the leading authority in his area of technology.

3. MEDICAL OFFICERS

P3 This level covers those posts whose incumbents provide direct medical services to patients, either in a hospital, out-patient, public-health, or demonstration project. Posts of this type are typically found in the health services programmes of developing countries where the medical officer functions, in effect, as a staff member of the national organisation, or in the Joint Medical Service at headquarters.

These medical officers are responsible only for providing diagnostic and medical care services. They do not normally supervise or train other medical officers, nor are they responsible for planning and developing a medical care programme.

P4 At this level, medical officers carry out one or more aspects of a headquarters programme, serve as advisers in a regional office in the development and execution of specific health programmes, as team leaders in field projects, or organise and teach courses in a medical school or other training institution.

They provide technical advice and assistance to colleagues, to representatives of governments, to staff at universities and research institutes in their specialised field. They encourage research and planning activities by convening meetings and symposia, transmitting information, by organising and presenting training courses.

These medical officers may participate in planning and developing one or more aspects of a large and complex programme, but within the framework of an approved programme.

These medical officers in charge of field projects are responsible for carrying out the objectives of the project to which they are assigned, for supervising and training counterpart staff, for recommending changes in approach and methodology as indicated, but their basic responsibility is to carry out the project as it has been designed.

P5 Medical officers at this level work with staff of the member countries' health ministries in developing plans and programmes either for country-financed or WHO-assisted programmes. They advise on objectives, methods of approach, organisational relationships, staffing, training and other aspects of a total country programme.

Those who are responsible for specialised health programmes either as chief of units, or as independently working staff members, are responsible for programme development and evaluation, for advising Headquarters staff, regional office personnel, and staff of universities, research institution, etc. on programme and developments in the specialised area.

Medical officers assigned as country representatives have similar responsibilities for advising on programme development, operation and evaluation on a unified country basis, and for providing liaison between the member country and WHO.

Medical research officers are responsible for planning and developing international research programmes, for obtaining co-operation of national laboratories, for developing with the aid of advisers in the field, plans and protocols, international research projects, and for co-ordinating, reviewing and evaluating work being carried out.

P6 Medical officers at this level are the world authorities in their speciality. This classification is personal rather than job oriented and is awarded to very few.

P3 Medical officer posts at this level require a medical degree obtained in a recognised medical school, a licence to practise medicine and surgery, and two years' general practice.

P4 These posts require a medical degree obtained in a recognised medical school, a licence to practise medicine and specialised training and/or experience (usually a year's internship, a year's specialist residential training and three years' practice of the speciality or at least five years in general practice) in the subject-matter of the post. Graduate work in public health with five or more years related professional experience is also required for many posts at this level.

Medical officers assigned to research projects must also have received a Ph.D. degree or its professional equivalent in an appropriate area of medical research and have published papers in accepted scientific journals. For administrative positions, three years experience in administering an important medical or hospital programme is required.

P5 These medical officers must have at least the same qualifications as P4 and are typically recognised as leading specialists in their own field in the national and international world. As medical research scientists they typically have international status and recognition in their field of research; their published papers represent a substantial body of work of real significance, and they are recognised as outstanding by their colleagues in the field. For supervisory positions, five or more years experience in administering a major medical programme at national level is required.

P6 Qualification standards do not apply.

4. NURSES

P1 These nurses normally occupy staff nurse posts and give nursing care in hospitals and health clinics providing direct medical care. They may supervise auxiliary workers but have no training or administrative duties.

They work under direct supervision.

P2 These nurses serve as supervisory nurses in hospitals and health clinics; or as members of a field project team which trains national nurses and auxiliary nurses to provide nursing services to individuals or groups of patients; or as instructors in schools of basic nursing education when the objectives of the course, the teaching plan, and the subject-matter content have been previously established.

Assignments at this level have previously established objectives. Nurses are fully responsible for the professional subject-matter involved, for supervising training, and for teaching others to apply the knowledge in accordance with established principles and practice.

P3 These nurses serve as nursing members of projects where a substantial nursing component is involved, who give advice and assistance on matters involving nursing to the team leader and other members of the team, and to national counterparts and officials; or as members of nursing education projects responsible for planning and developing education programmes; or as nursing instructors in clinical or functional specialities in institutions or training centres or in in-service and continuing education programmes.

These nurses are responsible for contributing professional and technical nursing knowledge and techniques to their programmes. This responsibility covers subject-matter, content, techniques, professional standards and ethics.

P4 Typically these nurses are assigned to carry out the nursing aspects of a Headquarters programme; or to serve as an adviser in a regional office on the development and execution of the nursing aspects of medical health or educational programmes; or to serve as team leader in a field project which includes the developing and strengthening of broad aspects of a national nursing programme; or to advise on the development and administration of the nursing service of a large complex medical college hospital or general medical centre or group of hospitals and clinics.

These nurses at Headquarters participate in planning and developing the nursing aspect of a complex programme. They operate within an approved Plan of Operations and consult with their superior when questions of deviation from the plan arise.

At regional offices they give technical advice to representatives of the health ministries of member countries. They evaluate proposed projects and over-see approved projects.

Nurses in charge of field nursing projects carry out the project to which they are assigned, supervise and develop counterpart staff, and recommend changes in approach and methodology as indicated.

P1 They must have completed an accepted basic training course in nursing and a licence to practise nursing.

P2 These nurses are required to have in addition to P1 qualification, a further one year residential education in teaching, supervision, public health nursing or in a clinical field. They should also have at least two years of administrative or teaching experience. Nurse education posts in institutions associated with universities must meet the established faculty requirements.

P3 In addition to the basic requirement of a master's degree or its equivalent, at least five years of appropriate administrative and/or educational experience is desirable. Nurse educators must meet the academic requirements of the institution to which they are assigned.

P4 These nurses must have had extensive supervisory, administrative and/or teaching experience in a national administration and at least two years of international experience which included participation in planning, executing and evaluating a nursing service or education programme in a country other than their own.

BENCHMARK DESCRIPTIONS

QUALIFICATION STANDARDS

4. NURSES (contd)

P5 At this level an incumbent is normally assigned to Headquarters and is responsible for the planning, carrying out, and evaluating the world-wide nursing programme.

She may also be assigned to serve as the regional specialist adviser to provide highly specialised technical advice to member governments of the region and develop and evaluate the regional nursing programme.

They advise on objectives, methods of approach, staffing and training of a total national nursing programme.

At Headquarters nurses are responsible for programme development and evaluation, for advising staff of universities, and international professional associations on nursing developments.

P5 These nurses are expected to have had substantial international experience and to be recognised as specialists in their field in the national and international nursing world.

BENCHMARK DESCRIPTIONSQUALIFICATION STANDARDS5. LABORATORY TECHNICIANS

At all levels incumbents apply the technical skill of their specialty which may include investigation and advising governments and participation in meetings and conferences. Incumbents may work alone or be part of a team and maybe required to perform or interpret standard technical operations in their specialty.

- P1 Incumbents apply their technical skill to relatively routine tasks within their specialty; the supervision and training of others in the technical skill is normally included. Investigating, and advising on matters within their technical competence may also be required. The scope of the work is usually limited and repetitive; supervision is given, although some incumbents may work alone at a distance from their supervisor.
- P2 Incumbents are responsible for application of the technical skill to tasks of wider scope than those at P1 and are more responsible for training, supervision and advice. Incumbents have a greater independence and frequently work alone or at a distance from their supervisor. At this level incumbents are expected to be able to negotiate successfully with opposite numbers in the government to which they may be assigned.
- P3 Incumbents apply technical skills to relatively complex programmes with some degree of independence and responsibility for results. May give expert advice on their specialty to the Agency or to governments. Are expected to make investigations and recommendations or to supervise others engaged in investigation in preparation for making recommendations. They may serve as a leader to a small group.
- P4 Incumbents apply technical skills to the resolution of important and broad scale problems. Advise governments or the Agency. Supervise the equivalent of programme units or projects.
- P5 Incumbent serves as the Agency's senior expert in the technical specialty or as the chief of a large or complex programme unit or project with responsibility for ensuring that the work of the project or unit is fully co-ordinated with Agency policies and the practices of public health and other specialities.

At all levels: knowledge of the principles, literature, standard practices, methods and technical specialty. Preparation should include completion of the accepted requirements for education and training in the specialty according to a national standard and attainment of the licence, degree, or other recognition required by law or custom. In addition, a minimum of three years of experience at the P1 and P2 levels and five years at P3 and above in the practice of a specialty is required. In lieu of this experience further education in the specialty beyond the minimum will be acceptable. A knowledge of English or French with a working knowledge of the other.

In addition, at the P5 level: education in public health equivalent to the attainment of MPH; evidence of successful achievement in developing the theory and practice of a specialty or in administering large operations of the specialty or in giving training to large groups in the specialty; evidence of wide professional acceptance as an expert in the field.

BENCHMARK DESCRIPTIONSQUALIFICATION STANDARDS6. ECONOMISTS/STATISTICIANS/SOCIOLOGISTS

P2 Under supervision reviews and checks returned questionnaires for completeness and consistency. Analyses, partially interprets and prepares data graphically and in tabulated form, mostly of a repetitive nature, and recommends new tables on prices, reduction, consumption, income, etc. Devises and recommends new modified questionnaires to improve the quality and accuracy of data.

As team member, prepares situation reports on assigned topics from existing statistics and data for publication or for use in working parties. Prepares periodical reports analysing and describing the economic and social conditions and activities in an area or country.

Researches economic or sociological aspects of specific areas of Agency concern, such as demand rejections for labour or food; problems of wages; population problems; factors affecting employment or trade policy problems. Assists in arranging technical meetings and maintains professional contacts.

P3 Recommends an area of study in terms of reference for a specialised and independent piece of research. Drafts questionnaires and analyses returns, reviewing, under the guidance of a senior colleague, appropriate statistical economic and sociological methodology, including novel applications as required. Prepares draft final reports.

Analyses complex data and information to establish inter-relationship of various factors often for new purposes in trade, education, labour, population, etc. Undertakes methodological studies on existing approaches to improve quantitative analyses and applies such approaches, under supervision, to existing problems. Work requires adaptation of techniques and development of new approaches. The inter-relationships of variables are revealed only through intensive analysis.

Draft a section of the Annual Economic Statistical or Sociological Report of the Agency. Arranges the systematization up-data on new subjects to allow continuing analyses of a problem and its dependent variables. Projects the impact of specific policies on aspects of this problem.

P4 Undertakes, as team leader and under major guidance only, a major segment or project of research on diverse and non-recurring topics. This involves all aspects, from drafting of questionnaires to publication of results. He may construct statistical models as appropriate. He may visit and advise member states at ministerial level on the collection and interpretation of statistics in which he specialises.

Assignments are stated in general terms and require initial planning and development.

Organises international training courses at graduate levels and supervises the establishment operation of national development or economic institutes.

Prepares national or regional plans in consultation with the project manager, UNDP, or other development institutions on his area of knowledge. Investigates implications and consequences of alternative budgets and financing matters; establishes priorities; evaluates financial work projects; recommends structural and operating means by which development plans can be effectively expressed in annual budgetary procedures.

P2 Second university degree in economics finance, statistics or sociology with specialisation in appropriate field with little or no practical experience.*

or

First university degree in appropriate subject with two years' research experience.

P3 First university degree in economics, finance, sociology or statistics with five to seven years' practical experience in application of methodology to research problems in specific field, including supervising statistical clerks and using computer analysis.

or

Second degree or completed postgraduate studies with three to six year's working experience in a closely related field of application.

P4 First university degree in economics etc, with advanced or postgraduate training in specific techniques with seven to ten years' experience at professional or university level in analysis of specific economic programmes and projects, especially development economics.

or

Second degree or completed postgraduate studies with five to eight years' working experience.

6. ECONOMIST/STATISTICIANS/SOCIOLOGISTS (cont'd)

P5 Acts as Chief of Section specialising in a branch of statistics, sociology or economics. Develops budgets, recommends programmes, schedules assignments and approves reports. Acts as team leader on major projects, planning and supervising research programmes mainly using quantitative analyses in a area of major concern to the agency. Work requires high degree of originality and creativity in planning, developing and conducting surveys and studies.

Planning the Annual Economical or Statistical Report of the Agency, co-ordinating specialists, writing key sections and editing the final text. Establishing the form and content for collection of data for his area of specialisation.

Analyses national development plans, advises government on associated, economic and related problems. Appraises proposals for development plans by visits, correspondence and professional knowledge of the plans and suitability for that country. Prepares economic studies covering several areas and countries including medium and longterm projections. Prepares analysis of educational, labour population, agricultural ... problems for the annual conference or council meeting.

D1 Promotes governmental appreciation of the priorities of the Agency programme, and negotiates interministerial co-ordination. Research offices at this level carry out research projects of unusual importance, significance and difficulty, because of the dearth of applicable precedents, pertinent literature or proven methodology.

Assignments require the identification and definition of the objectives of programme activities with extensive planning to meet these objectives. Assumes full responsibility for all aspects of a major project within a county or region, supervising professionals from several disciplines (and Agencies) in accordance with the Plan of Operation. Ensures that the national Director can fully carry on his work.

D2 Promotes member states' appreciation of the need of Agency programmes. Co-ordinates with UN and agency governing body to secure a balanced programme, meeting professional and other pressures and suited to the needs and resources of member states. Gives policy guidance.

P5 First university degree in economics etc with advanced or postgraduate training in specific techniques with ten years' experience in development economics, and planning national programmes in his area of specialism.

or

Second degree or completed postgraduate studies with eight or more years' working experience including professional staff supervision in a leading national or international organisation.

D1 As for level P5 but with experience at a policy-making level in one or more areas of their technology or in planning and directing national work programmes, involving ministerial or governmental registrations.

The research specialist should be the leading authority in his area of technology.

"Working" or "practical experience" can be defined as progressive non-routine professional work requiring the application of the appropriate professional methodology to problems; the comprehensive knowledge of the various sciences underlying the profession; a continual effort to up-date and broaden professional knowledge and ability; the ability to write a technical report analysing and generalising from the problem.

7. VOCATIONAL TRAINERS/EDUCATIONALISTS

- P2 This is essentially a trainee post where the incumbent is assigned specific tasks within a project and is given close supervision usually at Agency Headquarters.
- Evaluates training manuals and aids, proposed for use in courses. Proposes revision or substitution of other texts, devices, etc., as necessary to improve educational usefulness, or technical accuracy. Prepares statements of course objectives, training schedules, bibliographies, and instructors' guides for use with texts and materials.
- P3 Develops, reviews, or evaluates the courses of an education or training program; considers the need for a given course.
- Conducts a program of instructor development including advising on qualifications desired of instructors; establishing performance standards; observing instructors to improve their performance and to ensure application of proven methods and techniques; organising on-the-job training programs; and working with universities, professional education associations, and other outside organisations to provide education/training program.
- Work is assigned on a project basis. The supervisor briefs the incumbent on the background and reason for the project, the problems to be anticipated, the general nature of the results expected and possible sources or methods of approach. The supervisor periodically reviews progress to determine what problems are being encountered, and to suggest changes or improvements and additional sources to consult, or to give any other needed guidance or assistance.
- Reports of surveys of education or training programs are reviewed for recognition and insight into problems encountered and for soundness, of recommendations from the standpoint of agency policies, and accepted educational practices.
- P4 Conducts a program of evaluation of the total program of an organisation, or institution, including administrative policies and procedures, curricula, instructional methods and techniques, qualifications of instructors, adequacy and utilisation of training aids. Recommends improvements in any of these aspects of the program.
- Studies Agency and national plans, equipment developments, national manpower programs, or population changes to determine future student load by course; and requirements for faculty, equipment, space, facilities, etc. Prepares reports and appropriate recommendation for use in planning, budgeting, and organising for future workload.
- Assignments are on a continuing basis by subject area, function, or organizations served. Much of the work is self-generated through the recognition of problems needing attention. The supervisor reviews outlines of proposed projects for need, priority, proper coordination, soundness of proposed method, and conformance to policies.
- P2 First university degree in appropriate field with one year residential graduate diploma course in education and two years teaching experience.
- or
- First university degree in education with one year's postgraduate teaching experience.
- or
- Technical diploma or master craftsman or membership of professional institution or secondary school studies in appropriate craft or discipline with five to seven years' completed technical training including three years training apprentices.
- P3 In addition to P2 requirements, five to seven years teaching experience for first degree holders and eight to ten years' training experience for the master craftsman.
- or
- Second degree in education with three to six years' teaching experience in a closely related field of application.
- P4 In addition to P2 requirements seven to ten years' teaching experience for first degree holders or five to eight years' for second degree holders including three years' in a teaching administrative position.
- or
- Technical diploma or master craftsman or membership of professional institution with ten to fifteen years' experience in training fellow journeymen.

BENCHMARK DESCRIPTIONS

QUALIFICATION STANDARDS

7. VOCATIONAL TRAINERS/EDUCATIONALISTS (contd)

P5 The incumbent is the senior education or training adviser in his speciality in the Agency, responsible for giving professional guidance on all Programme and associated Plans of Operation. At national level will liaise directly with the appropriate Ministers and their senior officials to advise national educational or technical training planning.

Develops uniform policies and procedures for the member governments covering planning the organisation structure and staffing, budgeting, property maintenance, and arranging for the continuation of training or education services.

Assignments are on a continuing basis by subject area, function, or organisation served. He is advised of changes in policies, and regulations. Plans are reviewed for conformance with policies, and budgetary limitations.

P5 In addition to P2 requirements ten years teaching for first degree holders or eight years for second degree holders including at least five years in teaching administration, preferably at national level.

It is expected that incumbents should be amongst the leading educationalists or trainers in their field.

**BENCHMARK DESCRIPTIONS
AND QUALIFICATION STANDARDS**

8. TRANSLATORS

- P2 This level requires a knowledge of two or more languages beside the mother tongue equivalent to first university degree level. Previous experience is not necessary. Translators receive documents which include professional, scientific or technical terms for which accepted equivalents exist. This is a training post under close supervision.
- P3 This level translates documents worded in a highly specialised idiomatic, professional, scientific or technical vocabulary for the use of experts in the specialised field. Translations are revised or receive only a general editing when they are for use in important meetings, for final publication or for discussion in the development of international standards, agreements or conventions.
- P4 This level supervises and trains lower level translators through the revision of their texts and undertakes more difficult translations. These officers may interview and test candidates and allocate work but subject to review by superior.
- P5 Acts as Chief of Language Sections or Chief Translator. Selects, trains and supervises staff. Develops budgets, schedules assignments, and determines the need for freelance translators.

8. INTERPRETERS

- P3 This is the normal entry level for interpreters. It requires a university degree of equivalent, a thorough knowledge of at least two languages, including the mother tongue, plus not less than five years' continuous experience of interpretation. Interpreters serve as members of a team and provide simultaneous interpretation for a wide variety of formal meetings, conferences, working parties etc. The subject matter involved covers scientific, technical, administrative, political and economic affairs in formally prepared speeches or extemporaneous remarks.
- P4 This level serves as operating team leaders. Ensures proper coverage by and briefing of permanent and freelance staff, as well as normal personal interpretation and the training of junior staff.
- P5 Acts as Chief Interpreter. Recommends staffing levels and the appointment of permanent and/or freelance staff at all locations, within the budget and assignment needs.

BENCHMARK DESCRIPTIONSQUALIFICATION STANDARDS9. LIBRARIANS

- | | |
|--|--|
| <p>P1 Under direct and close supervision, serves as professional assistants to senior librarians in any one of the major activities of the library. Works under well-established guide-lines, which do not require detailed interpretation, and within specific operating procedures.</p> <ul style="list-style-type: none"> - Provides simple bibliographical assistance. - Identifies and locates materials of a complex nature required for acquisition or by loan from other libraries. - Catalogues, classifies and indexes library material in accordance with an established system and criteria. - Supervises clerical staff. <p>P2 Serves as professional assistants to senior librarians under general supervision. Assists the senior librarians in all aspects, or is fully responsible for a large segment of one of the major activities of the Library.</p> <p>May train junior professional librarians:</p> <ul style="list-style-type: none"> - Catalogues complex library material; revises lists for subjects headings; prepares lists of recent acquisitions. - Carries out searches for readers and inquirers; compiles bibliographies for publication. - Acquires selected material for the Agency and its Member Governments, together with maintaining the requisite financial and budgetary control; operates an international exchange scheme for the exchange of duplicate professional literature. - Applies computer methods to library techniques and records. <p>P3 Serves as senior librarians in charge of a major library activity. The responsibilities include: initiation of, and participation in establishing policies, supervision and direction of the professional and clerical staff, including training of professional staff; representing the Agency at meetings; providing advice to senior officers of the Agency and providing policy guide-lines to lower echelons.</p> <p>P4 Serves as the assistant to the Chief Librarian. Participates with the Chief Librarian in the planning, operation, and coordination of the Library services within broad general policy, plans and regulations; in advising the senior officers on Library matters; in representing the Agency at meetings of a policy nature affecting library services, and in advising Member Governments on the development of professional library services.</p> <p>P5 Serves as Chief Librarian and is responsible for the overall planning, organization and direction of library services, including reference services and the operation of a computer-based information retrieval system; cataloguing and classification of library materials; the preparation of bibliographies for publication; the procurement of professional and technical literature for the Agency and its Member Governments; the provision of library services to staff at Headquarters and in the regions; the organization of individual and collective courses for Agency fellows in librarianship; advice to Member Governments on the development of professional Library services.</p> | <p>P1 A first university degree in any subject with one year's experience of librarianship or a library clerk with four years progressive experience in the appropriate field of library science.</p> <p>P2 A first university degree in Library Science or a first degree in another subject with at least one year's graduate residential training diploma in library science or a first university degree with five years progressive experience in librarianship.</p> <p>A library supervisor with seven years closely related experience can also aspire to this post.</p> <p>P3 In addition to the academic requirements of P2, at least three years professional experience in librarianship, including control over one of the major functional areas as well as thorough knowledge of the appropriate technical literature and familiarity with up-to-date documentary techniques, including the application of computer methods to library problems.</p> <p>A very good knowledge of one of the working languages and a good working knowledge of another. Knowledge of other languages in which technical literature is published is desirable.</p> <p>P4 In addition to P3, six to eight years of professional librarianship covering direction of all the major functional areas concerned.</p> |
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10. INFORMATION OFFICERS

- P1 The work to be performed is outlined by higher level information officers or administrative superiors, and the material composed is reviewed for authenticity, style and technical correctness.
- Typical work at this level is:
- the abstracting or rewriting of reports or other materials for press, feature or radio presentation;
 - the preparation of the more routine press or news releases;
 - assistance in the preparation of articles, pamphlets, bulletins or radio scripts;
 - captioning of photographs and processing of photographic material;
 - attendance at meetings and interviewing for the purpose of gathering information.
- P2 The work performed at this level is outlined and supervised by higher level information officers or administrative superiors. There is considerable latitude for using judgement within established policies. Material is normally reviewed before publications.
- Typical work at this level is:
- collection and selection of first-hand data on technical and other problems of concern to the Agency;
 - drafting press releases, feature articles or radio broadcasts;
 - arrangement of lay-outs, selection of type-faces and all related work for the printers;
 - participation in press conferences, and, when on mission away from the headquarters, arranging press conferences, radio broadcasts, etc.;
 - selection, captioning and distribution of photographic material;
 - co-ordination of editing of publications in different languages.
- P3 Projects are outlined by superiors, but the incumbent has considerable discretion. Projects of a controversial nature or involving policy are scrutinised carefully by superiors. Information officers at this level may supervise other information officers.
- Typical work at this level is:
- holding, calling or supervising press conferences with press representatives;
 - planning, rehearsing and participating in radio programmes;
 - preparing or editing articles and speeches for staff;
 - planning and preparing photographic and visual presentations;
 - planning and preparing feature articles and pamphlets.
- P1 University degrees are not necessary for these positions; relevant experience and proven success at the media are key criteria. In many ways qualification standards are more stultifying and inhibiting in this area than in many others.
- P1 Three years' related in experience i) in establishing and maintaining effective relations with public information and communications media and getting opinions presented in desired light ii) in organising a public or specialist information dissemination programme iii) in writing, presenting and evaluating a complete information programme in the appropriate media.
- or
- First university degree in literature or journalism with at least one year's experience in the activities outlined above.
- P2 At least four to five years' experience of general public information programmes in private industry or a public organisation with at least two years experience working with the specific medium concerned i.e. films, T.V. radio.
- P3 At least five to six years' experience.
- Above this level, numerical weight of experience is subsidiary to ability and the job requirements.

BENCHMARK DESCRIPTION

10. INFORMATION OFFICERS (contd)

- P4 The outlines of projects are discussed with superiors, but incumbent has full responsibility for planning, supervision and execution of the work in one of the major fields such as films, television, press, radio, features, or production and editing of an illustrated periodical. Much of the work involves contacts and negotiations with outside sources, writers, photographers, or producers of film and television material and stimulation of outside production of material. In regional offices, the incumbent has responsibility, within established procedures, for all types of informational activities and is required to use considerable initiative to create, develop and maintain public interest in the objectives Agency.
- P5 As the senior information officer assists with all aspects of planning, policy and supervision of work.

11. PERSONNEL

- P2 Under close supervision, prepares vacancy notices and press advertisements; reviews and acknowledges applications and arranges for selection tests. Analyses clerical posts for grading purposes.
- P2 Technical diploma or secondary school studies in a related field with three years' experience in an administrative post on in a large organisation where the use of analytical abilities and effective written and oral communications are necessary. In addition, at least one year's experience as a Personnel Officer or as a Personnel Specialist in recruitment, classification or training in Government or private industry, frequently a promoted clerical assistant with eight or more years closely related experience is quite suitable to carry out these duties.
- P3 Supervises clerical and junior professional staff in recruitment and/or salary and wage administration. Initiates the recruitment, transfer and promotion of staff; certifies individual staff entitlement to benefits and allowances. Personally undertakes the recruitment of professional staff. May undertake analysis of professional/clerical posts and recommends grading. Undertakes local clerical pay surveys.
- P3 In addition to P2 requirements, three to five years' experience as a Personnel Manager or specialist in the appropriate field is necessary. This is probably the highest position to which a promoted clerical assistant could aspire after ten to twelve years' related experience.
- Alternatively, a first University degree in Law, Sociology, Personnel Management with four years' experience in personnel in a large international Organisation (or a second University degree in the same subjects with two or three years' related experience) is acceptable.
- P4 Supervises professional and clerical staff in the full range of personnel activities, including recruitment, wage and salary administration, personnel policy and procedures. Alternatively, may supervise a large section specialising in one aspect of the personnel function.
- P4 A first University degree in appropriate subjects with eight to ten years' experience in personnel in a large national or international organisation, including at least two years' supervisory experience.
- A second University degree with six to eight years' working experience, including at least two years' supervisory experience.
- P5 Acts as Chief Personnel Officer. Plans and promotes personnel policies. Advises top officials in the implementation of policies and ensures coordination on personnel matters throughout the Organisation.
- P5 A first University degree in appropriate subjects with at least ten years' experience in personnel in a large national or international organisation, including at least five years' supervisory experience.
- A second University degree with eight years' working experience, including five years supervisory experience.

12. FINANCE AND BUDGET

P1 Typical assignments for these officers include the preparation of work-sheets using data derived from previous budgets; reviewing requests for funds and checking them for consistency with the original estimates and established allowances; reporting on variations from budget; coding transactions, posting journals and ledgers, and reconciling accounts; and preparing statements of operating costs. Alternatively, as internal auditors, reconciling bank and other accounts; checking payroll records; examining cash receipts and disbursement vouchers, certificates of deposit, purchase orders, requisitions, work orders; and verifying that all transactions conform with the rules. May supervise a few clerical assistants as team leader.

P1 The work does not require a full accountancy qualification. A typical officer could be either halfway through a formal course of studies or a promoted clerical assistant with four years' experience in that specific field.

P2 Finance

Supervises non-professional staff and ensures adherence to financial policies and procedures in his section. Secures and supplies accounting data and provides routine advice to non-financial colleagues. Determines treatment of financial transactions and recommends improvements in accounting procedures.

P2 Certified or Chartered Public Accountant with little or no post qualification experience or a first university degree in finance, economics or business administration with one year's experience in financial or budgeting work in private industry or public administration. Clerical supervisors with seven year's closely related progressive experience in accounting work can also aspire to this post.

Budget

Prepares analyses of historical expenditure. Develops budget estimates from historical data and established standards. Prepares budget annexes, analysing total budget by types of expenditure and/or organisational unit. Prepares statements of actual expenditure against budget and associated cash flow requirements. Examines requisitions and prepares allotment notifications as authorised.

P3 Certified or Chartered Public Accountant or a first university degree in finance, economics or business administration with three to five years working experience in accounting/finance/budgeting in a national or public organisation, at least two of which have been supervising accounting clerks and trainee professionals.

P3 Finance

Supervises clerical and junior professional staff in accordance with established rules. Assists in planning and developing necessary accounting procedures and systems, especially EDP applications. Responsible for day-to-day operations of various, traditional accounting sections. Verifies and reconciles trial balances of Regional Offices; consolidates accounts and prepares routine analyses. Assists in preparation of complex fiscal reports required each year.

Budget

Supervises one or two professional staff in the development and consolidation of preliminary budget estimates from historical data and established standards. Investigates requests and maintains allotment control records and may authorise the minor reprogramming of funds within the budget. Calculates tentative allocations for programme activities. Draft submissions for the use of budgetary savings or extra funds.

P4 Finance

Under the Chief Accountant, supervises the financial accounting function including the general and allotments ledgers, and accounts payable and receivable. Prepares monthly trial balances and annual accounts. Maintains control accounts for contributions and advances to the working capital fund. Prepares and reports on schedules of advances. Maintains property register. Calculates cash requirements of Agency and collects and manages these funds in investments. Negotiates purchases and sales of various required currencies and controls various bank accounts.

P4 Certified or Chartered Public Accountant or a first University degree in finance or economics or business administration with seven to ten years experience in accounting/financial/budgeting work in a national or public organisation, at least four of which have been supervising accounting professionals and clerks.

BENCHMARK DESCRIPTIONS

12. FINANCE AND BUDGET (cont'd)

Budget

Supervises the preparation of a significant part of the final budget document and assists in the presentation of the estimates at policy making level. Liaises on budget implications of inter-agency programmes. Recommends action on major reprogramming. Recommends on format and presentation of annual budget estimates. Periodic analyses of allotments and preparation of reports to Director-General on budgetary position and on availability and funds. Supervises detailed costings and standards for budget estimates and participates in development of computer applications.

P5 Finance

Acts as Chief Financial Accountant. Gives professional advice to top officials and may attend policy making meetings on accounting and financial matters. Determines procedures for accounting and disbursing. Responsible for computing contributions of Members and drafting correspondence on the collection of such. Establishes and maintains policies for the investment of surplus funds and trust monies. Advises on reports submitted by internal and external auditors. Ensures preparation of consolidated annual financial report of Director General.

Budget

Acts as Chief Budgetary Officer. Supervises the preparation and justification of budgets and monitors expenditure against them. Gives professional advice to top officials on budgetary procedures and implications and attends policy making meetings on budgetary matters. Advises on integrating budget procedures and requirements laid down by the General Assembly and on co-ordinating inter-agency proposals.

P5 In addition to P4 requirements, incumbents are expected to have managed for two or more years the financial/accounting/budgeting operation for a discrete organisation or part of an organisation, and to have had at least one year's experience of all the main components of the benchmark description.

NATIONAL GOVERNMENT OFFICIALS

USA Mr. Raymond Weissenborn,
Chief of Pay Policy Division,
Civil Service Commission.

CANADA Mr. G.C. Cawadias,
Head of the Foreign Service and Isolated Posts Unit,
Compensation and Classification Division,
Treasury Board Secretariat.

**UNITED
KINGDOM** J.B. Pearce, Esq.,
Assistant Secretary,
Civil Service Department.

AUSTRIA Herr Dr. Ministerialrat Josef Stierschneider,
Bundeskanzleramt.

ITALY Sgr. Dottore Italo Murgiano,
Ispettore Generale,
Ragioneria Generale dello Stato.

FRANCE Mduc. J. Penaud,
Administrateur Civil,
Secretariat d'Etat de la Fonction Publique.

SWITZERLAND Son Excellence Monsieur Sigismond Marcuard,
Ambassadeur,
Delegue a la Cooperation Technique,
Department Politique.

Appendix A

EXTRA TABLES REQUESTED BY THE SPECIAL COMMITTEE

The two extra sets of tables are as requested by the Special Committee in New York on 15 February 1972, as follows.

TABLES 1. Prepare a table for each occupational group identical to present tables, with the following differences:

- for "U.N. midpoint net", use U.N. total emoluments including gross salary, local post adjustment and dependency allowance for a married officer with spouse and two children;
- then compute ratio of U.N. total emoluments, as determined above to government gross salary rates, for a similar officer, including dependency allowances, thirteenth month's pay and all other readily quantifiable emoluments, using middle rate of government salary and middle rate of U.N. grade.

The only quantifiable emolument was the use of car provided for personal use (Italian and French senior posts). \$1,500 p.a. was arbitrarily considered to be a fair assessment of its value.

TABLES 2. Prepare a table for each occupational group identical to present tables, with the following differences:

- for "U.N. midpoint net", use U.N. total net emoluments for a married officer with spouse and two children consisting of net salary, post adjustment, dependency allowances less officer's pension and medical care contributions;
- then compute ratio of U.N. total net emoluments as determined above to government net salary rates, for a similar officer, based on salary after income and state taxes, pension, insurance and medical care contributions, social security charges plus dependency and/or living allowances and the use of an official car.

Austria has not been included due to inavailability of tax tables.

Currency conversion at rates prevailing on 1st November 1971.

GROSS: GROSS SALARY AND BENEFITS COMPARISONS

1. ENGINEERS

(NUCLEAR, CIVIL, SANITARY, AVIATION, TELECOMMUNICATIONS, METEOROLOGICAL)

US\$

COUNTRY	U.N. GRADE	P2	P3	P4	P5	D1
U.S.A.	minimum	11,517	12,615	17,545	24,285	28,129
	middle	13,087	14,509	20,317	27,904	32,064
	maximum	14,658	16,404	23,089	31,523	36,000
	U.S. Grade	GS9	GS11	GS12.6-13	GS14.5-15	GS16-18
New York U.N.	midpoint gross	18,588	23,202	27,588	32,745	36,096
Ratio U.N.:	Gvt. midpoint	142	160	136	118	112
CANADA	minimum	10,404	14,908	17,136	20,100	22,437
	middle	11,100	15,909	18,978	21,456	24,962
	maximum	11,796	16,911	20,821	22,812	27,487
	Canadian Grade	EN2	EN4	EN5-AOCA1-5	EN6	EN8
Ratio U.N.:	Gvt. midpoint	141	124	124	131	125
CANADA (Meteorology)	minimum	13,008	13,593	17,403	18,278	20,783
	middle	13,879	15,070	18,402	19,434	22,035
	maximum	14,750	16,547	19,402	20,591	23,288
	Meteorological Grade	4	6	8	9	10
Ratio U.N.:	Gvt. midpoint	122	131	128	145	141
*U.K.	minimum	4,300	7,013	9,493	13,055	15,130
	middle	5,606	8,029	10,284	13,830	15,817
	maximum	7,013	9,045	11,075	14,605	16,505
	U.K. Grade	Basic Grade	Main Grade	Sen. Grade	AD Eng.	Dir.Eng.B
Ratio U.N.:	Gvt. midpoint *including London allowance	289	256	235	210	201
AUSTRIA	minimum	not	not	not	7,022	10,447
	middle				8,734	12,318
	maximum	comparable	comparable	comparable	10,447	14,190
	Dienst Klasse				VII I-VIII 3	VIII 3-8
Ratio U.N.:	Gvt. midpoint				324	246
ITALY . .	minimum	3,878	4,549	5,622	7,541	11,885
	middle	3,921	5,064	6,598	8,430	12,507
	maximum	3,964	5,579	7,574	9,319	13,130
	Parametro	257	307	387-426	530	742-00.05
Ratio U.N.:	Gvt. midpoint	401	390	359	334	249
*FRANCE	minimum	4,648	6,143	9,349	9,646	17,673
	middle	5,375	7,567	9,835	12,552	18,743
	maximum	6,100	8,954	10,122	15,459	19,814
	Indices Nets	IO2 I-IV	IO2 V-VIII	IO1 I-III	IEC I-A	IG 2B
Ratio U.N.:	Gvt. midpoint *including Paris allowance and prime de rendement	311	276	254	236	175
*SWITZERLAND	minimum	6,716	7,376	8,316	9,319	10,324
	middle	7,637	8,297	9,237	10,240	11,821
	maximum	8,559	9,219	10,159	11,162	13,318
	Swiss Classe	5	4	3	2	1/1A
Ratio U.N.:	Gvt midpoint *including married man's Geneva allowance	212	245	265	281	270

NET: NET SALARY AND BENEFITS COMPARISONS

1. ENGINEERS

(NUCLEAR, CIVIL, SANITARY, AVIATION, TELECOMMUNICATIONS, METEOROLOGICAL)

US\$

COUNTRY	U.N. GRADE	P2	P3	P4	P5	D1
U.S.A.	middle	9,755	10,748	14,589	19,274	22,510
New York U.N.	midpoint net	14,240	17,393	20,350	23,650	25,610
Ratio U.N.:	Gvt midpoint	146	162	140	123	114
CANADA	middle	9,037	11,455	13,518	15,022	17,111
Ratio U.N.:	Gvt midpoint	130	125	123	130	123
CANADA (Meteorology)	middle	10,042	10,890	12,778	14,038	15,348
Ratio U.N.:	Gvt midpoint	117	132	131	139	135
*U.K.	middle	4,750	6,150	8,250	10,100	11,300
Ratio U.N.:	Gvt midpoint	258	244	212	201	195
*including London allowance						
ITALY	middle	3,526	4,485	5,692	7,230	10,752
Ratio U.N.:	Gvt midpoint	331	318	292	269	196
*FRANCE	middle	4,945	6,750	8,520	10,570	12,850
Ratio U.N.:	Gvt midpoint	253	226	208	196	174
*including Paris allowance and prime de rendement						
*SWITZERLAND	middle	6,750	7,260	7,955	8,695	9,778
Ratio U.N.:	Gvt midpoint	180	204	217	231	233
*including married man's Geneva allowance						

GROSS: GROSS SALARY AND BENEFITS COMPARISONS

2.1. SCIENTISTS

(PHYSICISTS, CHEMISTS, PHARMACISTS)

US\$

COUNTRY	UN GRADE	P2	P3	P4	P5	D1
U.S.A.	minimum	10,298	12,615	17,545	24,285	32,819
	middle	12,478	16,682	20,568	28,083	34,409
	maximum	14,658	19,549	23,591	31,881	36,000
	U.S. Grade	GS7-9	GS11-12	GS12.6-14.5	GS14.6-16.5	GS16.6-18
New York	UN midpoint gross	18,582	23,262	27,588	32,745	36,096
Ratio UN:	Gvt. midpoint	149	145	134	116	105
CANADA	minimum	not	11,428	14,713	21,236	23,548
	middle		13,212	19,289	24,454	26,881
	maximum	comparable	14,996	23,865	27,673	30,214
	Canadi. Grade		SR1	REM1	REM2	REM3
Ratio UN:	Gvt. midpoint		149	122	115	116
CANADA	minimum	not	not	23,447	25,467	31,527
	middle			27,184	29,355	34,052
	maximum	comparable	comparable	30,921	33,234	36,577
	Medical Sciences Grade			MSP1	MSP2	MSP3
Ratio UN:	Gvt. midpoint			87	96	91
*U.K.	minimum	6,313	8,305	9,555	13,818	17,055
	middle	7,503	9,555	11,786	14,921	17,242
	maximum	8,693	10,805	13,818	16,025	17,430
	U.K. Grade	SS0	PS0	PS05-SPS02.5	SPS02.5 DGS02.5	CS0
Ratio UN:	Gvt. midpoint	218	216	204	194	180
	*including London allowance					
AUSTRIA	minimum	not	not	7,022	9,456	14,941
	middle			8,734	11,823	16,812
	maximum	comparable	comparable	10,447	14,190	18,684
	Dienst Klasse			VII - VIII 3	VIII	IX
Ratio UN:	Gvt. midpoint			262	231	180
ITALY	minimum	3,878	4,549	5,622	7,540	11,885
	middle	3,921	5,064	6,598	8,430	12,507
	maximum	3,964	5,579	7,574	9,319	12,130
	Parametro	257	307	387-426	530	742-00.05
Ratio UN:	Gvt. midpoint	400	390	357	335	249
*FRANCE	minimum	4,648	6,143	9,349	9,646	17,673
	middle	5,375	7,567	9,835	12,552	18,743
	maximum	6,100	8,954	10,122	15,459	19,814
	Indices Nets	IO2 I - IV	IO2 V - VIII	IO1 I - III	IEG I - A	IG 2B
Ratio UN:	Gvt. midpoint	311	276	254	236	175
	*including Paris allowance and prime de rendement					
*SWITZERLAND	minimum	6,716	7,376	8,316	9,319	10,324
	middle	7,637	8,297	9,237	10,240	11,241
	maximum	8,559	9,219	10,159	11,162	13,318
	Swiss Classe	5	4	3	2	1/1A
Ratio UN:	Gvt. midpoint	212	245	265	281	270
	*including married man's Geneva allowance					

NET: NET SALARY AND BENEFITS COMPARISONS

2.1. SCIENTISTS

(PHYSICISTS, CHEMISTS, PHARMACISTS)

US\$

COUNTRY	U.N. GRADE	P2	P3	P4	P5	D1
U.S.A.	middle	9,369	11,574	14,753	19,309	23,103
New York U.N.	midpoint net	14,240	17,393	20,350	23,650	25,610
Ratio U.N.:	Gvt midpoint	152	150	138	122	111
CANADA	middle	not	9,605	12,614	16,809	18,200
Ratio U.N.:	Gvt midpoint	comparable	149	132	116	116
CANADA	middle	not	not	18,380	19,657	22,184
Ratio U.N.:	Gvt midpoint	comparable	comparable	91	99	95
*U.K.	middle	5,750	7,200	8,750	10,675	12,100
Ratio U.N.:	Gvt midpoint	214	208	200	191	182
*including London allowance						
ITALY	middle	3,527	4,485	5,692	7,230	10,752
Ratio U.N.:	Gvt midpoint	331	318	292	269	196
*FRANCE	middle	4,945	6,750	8,520	10,570	12,855
Ratio U.N.:	Gvt midpoint	253	226	208	196	174
*including Paris allowance and prime de rendement						
*SWITZERLAND	middle	6,750	7,260	7,955	8,695	9,778
Ratio U.N.:	Gvt midpoint	180	204	217	231	233
*including married man's Geneva allowance						

GROSS: GROSS SALARY AND BENEFITS COMPARISONS

2.2. AGRICULTURAL SCIENTISTS

(BIOLOGISTS, SOIL SCIENTISTS, FORESTRY, ENTOMOLOGY, HUSBANDRY SPECIALISTS ETC.)

US\$

COUNTRY	UN GRADE	P2	P3	P4	P5
U.S.A.	minimum	10,298	12,615	17,545	24,285
	middle	12,478	16,082	20,568	28,083
	maximum	14,658	19,549	23,591	31,881
	U.S. Grade	GS7-9	GS11-12	GS12.6-14.5	GS14.6-16.5
New York UN	midpoint gross	18,588	23,202	27,588	32,745
Ratio UN:	Gvt. midpoint	149	145	134	116
CANADA	minimum	11,793	14,533	17,337	20,417
	middle	12,893	15,753	18,433	23,447
	maximum	13,993	16,973	19,530	26,477
	Canadian Grade	BS3	BS4	BS5	BS6
Ratio UN:	Gvt. midpoint	122	125	128	120
CANADA	minimum	not	13,011	16,038	19,138
	middle		14,226	17,389	20,349
	maximum	comparable	15,442	18,740	21,561
	Canadian Forestry Grade		F.O.3	F.O.4	F.O.5
Ratio UN:	Gvt. midpoint		139	135	138
*U.K.	minimum	5,105	8,090	9,643	13,055
	middle	6,899	8,869	10,901	13,830
	maximum	8,693	9,648	12,160	14,605
	U.K. Grade	NAAS III	NAASII	NAAS I	SPSO
Ratio UN:	Gvt. midpoint	236	231	222	210
	*including London allowance				
AUSTRIA	minimum	not	not	9,456	13,441
	middle			11,823	15,312
	maximum	comparable	comparable	14,190	17,184
	Dienst Klasse			VIII	IX
Ratio UN:	Gvt. midpoint			195	179
ITALY	minimum	3,878	4,549	5,622	7,541
	middle	3,921	5,064	6,598	8,430
	maximum	3,964	5,579	7,574	9,319
	Parametro	257	307	387-426	530
Ratio UN:	Gvt. midpoint	400	390	357	335
*FRANCE	minimum	4,648	6,143	9,349	9,646
	middle	5,375	7,567	9,835	12,552
	maximum	6,100	8,954	10,122	15,459
	Indices Nets	IO2 I-IV	IO2 V-VIII	IO1 I-III	IEC I-A
Ratio UN:	Gvt. midpoint	311	276	254	236
	*including Paris allowance and prime de rendement				
*SWITZERLAND	minimum	6,716	7,376	8,316	9,319
	middle	7,637	8,297	9,237	10,240
	maximum	8,559	9,219	10,159	11,162
	Swiss Classe	5	4	3	2
Ratio UN:	Gvt. midpoint	212	245	265	281
	*including married man's Geneva allowance				

NET: NET SALARY AND BENEFITS COMPARISONS2.2. AGRICULTURAL SCIENTISTS(BIOLOGISTS, SOIL SCIENTISTS, FORESTRY, ENTOMOLOGY, HUSBANDRY SPECIALISTS ETC.)

US\$

COUNTRY	U.N. GRADE	P2	P3	P4	P5
U.S.A.	middle	9,369	11,574	14,753	19,309
New York U.N.	midpoint net	14,140	17,393	20,350	23,650
Ratio U.N.:	Gvt midpoint	152	150	138	122
CANADA	middle	9,394	11,489	12,412	16,203
Ratio U.N.:	Gvt midpoint	125	125	134	120
CANADA	middle		10,299	12,421	14,302
Ratio U.N.:	Gvt midpoint		139	134	136
*U.K.	middle	5,750	6,700	8,100	9,000
Ratio U.N.:	Gvt midpoint	214	224	216	226
	*including London allowance				
ITALY	middle	3,526	4,485	5,692	7,230
Ratio U.N.:	Gvt midpoint	331	318	292	269
*FRANCE	middle	4,945	6,750	8,520	10,570
Ratio U.N.:	Gvt midpoint	253	226	208	196
	*including Paris allowance and prime de rendement				
*SWITZERLAND	middle	6,750	7,260	7,955	8,695
Ratio U.N.:	Gvt midpoint	180	204	217	231
	*including married man's Geneva allowance				

GROSS: GROSS SALARY AND BENEFITS COMPARISONS

2.3. VETERINARIANS

US\$

COUNTRY	U.N. GRADE	P3	P4	P5	D1
U.S.A.	minimum	12,615	17,545	24,285	32,819
	middle	16,082	20,568	28,083	34,409
	maximum	19,549	23,591	31,881	36,000
	U.S. Grade	GS11-12	GS12.6-14.5	GS14.6-16.5	GS16.6-18
New York U.N. midpoint gross		23,202	27,588	32,745	36,096
Ratio U.N.: Gvt. midpoint		145	134	116	105
CANADA	minimum	15,237	17,497	19,893	not
	middle	16,183	18,602	21,091	
	maximum	17,130	19,708	22,290	comparable
	Canadian Grade	Vet.5	Vet.6	Vet.7	
Ratio U.N.: Gvt. midpoint		122	127	133	
*U.K.	minimum	6,928	8,810	not	not
	middle	7,501	9,949		
	maximum	8,275	11,088	comparable	comparable
	U.K. Grade	V01	DV0		
Ratio U.N.: Gvt. midpoint *including London allowance		272	246		
*FRANCE	minimum	6,143	9,349	9,646	17,673
	middle	7,567	9,835	12,552	18,743
	maximum	8,954	10,122	15,459	19,814
	Indices	I02 V-VIII	I01-III	1EC I-A	IG2B
Ratio U.N.: Gvt. midpoint *including Paris allowance and prime de rendement		276	254	236	175
*SWITZERLAND	minimum	7,376	8,316	9,319	10,324
	middle	8,297	9,237	10,240	11,821
	maximum	9,219	10,159	11,162	13,318
	Swiss Classe	4	3	2	1/1A
Ratio U.N.: Gvt. midpoint *including married man's Geneva allowance		245	265	281	270

Do not have comparable positions
in Central Government:-

AUSTRIA
ITALY

NET: NET SALARY AND BENEFITS COMPARISONS

2.3. VETERINARIANS

US\$

<u>COUNTRY</u>	<u>U.N. GRADE</u>	<u>P3</u>	<u>P4</u>	<u>P5</u>	<u>D1</u>
U.S.A.	middle	11,574	14,753	19,309	23,103
New York	U.N. midpoint net	17,393	20,350	23,650	25,610
Ratio U.N.:	Gvt midpoint	150	138	122	111
CANADA	middle	11,611	12,711	14,788	not
Ratio U.N.:	Gvt midpoint	128	131	132	comparable
*U.K.	middle	5,750	7,300	not	not
Ratio U.N.:	Gvt midpoint	261	239	comparable	comparable
*FRANCE	middle	6,750	8,520	10,570	12,855
Ratio U.N.:	Gvt midpoint	226	208	196	174
*including Paris allowance	and prime de rendement				
*SWITZERLAND	middle	7,260	7,955	8,695	9,778
Ratio U.N.:	Gvt midpoint	204	217	231	233
*including married man's Geneva allowance					

GROSS: GROSS SALARY AND BENEFITS COMPARISONS

3. MEDICAL DOCTORS

US\$

COUNTRY	U.N. GRADE	P3	P4	P5	P6/D1	D2
*U.S.A.	minimum	19,549	22,497	27,408	36,000	not
	middle	21,803	25,161	30,273		comparable
	maximum	24,058	27,825	33,139		
	U.S. Grade	GS12	GS13	GS14.5-16.5	GS18	
New York	U.N. midpoint gross	23,202	27,588	32,745	36,096	
	Ratio U.N.: Gvt. midpoint	107	108	107	100	
*U.S. doctors are allowed to have a private practice in addition						
CANADA	minimum	21,945	25,394	27,970	30,517	not
	middle	24,957	27,393	29,704	32,537	comparable
	maximum	27,957	29,392	31,439	34,557	
	Canadian Grade	HOF 1	HOF 2	HOF 3	HOF 4	
	Ratio U.N.: Gvt. midpoint	79	86	95	96	
*U.K.	minimum	10,633	16,305	16,780		not
	middle	12,456				comparable
	maximum	14,280				
	U.K. Grade	MO	SMO	PMO		
	Ratio U.N.: Gvt. midpoint	163	149	173		
*including London allowance						
AUSTRIA	minimum	not	9,456			
	middle		11,823			
	maximum	comparable	14,190			
	Dienst Klasse		VIII			
	Ratio U.N.: Gvt. midpoint		195			
*Austrian doctors are allowed to have a private practice in addition.						

Do not have comparable positions in Central Government:-

ITALY
FRANCE
SWITZERLAND

NET: NET SALARY AND BENEFITS COMPARISONS

3. MEDICAL DOCTORS

us\$

<u>COUNTRY</u>	<u>U.N. GRADE</u>	<u>P3</u>	<u>P4</u>	<u>P5</u>	<u>P6/D1</u>	<u>D2</u>
*U.S.A.	middle	16,875	19,142	22,571	26,322	not
New York U.N.	midpoint net	17,393	20,350	23,650	25,610	comparable
Ratio U.N.:	Gvt midpoint	103	106	105	97	
*U.S. doctors are allowed to have a private practice in addition						
CANADA	middle	17,129	18,522	18,180	21,496	not
Ratio U.N.:	Gvt midpoint	84	90	107	98	comparable
*U.K.	middle	9,000	11,550	11,900	not	not
Ratio U.N.:	Gvt midpoint	167	151	171	comparable	comparable
*including London allowance						

GROSS: GROSS SALARY AND BENEFITS COMPARISONS

4. NURSES

US\$

COUNTRY	U.N. GRADE	P1	P2	P3	P4	P5
U.S.A.	minimum	not	10,012	11,517	12,615	17,761
	middle		11,299	13,087	14,509	20,425
	maximum	comparable	12,586	14,658	16,404	23,089
	U.S. Grade		GS7	GS9	GS11	GS13
	New York U.N. midpoint gross		18,588	23,202	27,588	32,745
	Ratio U.N.: Govt. midpoint		186	178	190	159
CANADA	minimum	6,414	8,432	8,214	10,527	11,667
	middle	6,987	8,865	9,797	11,087	12,420
	maximum	7,561	9,309	10,380	11,648	13,174
	Canadian Grade	N.O.1	N.O.3	N.O.4	N.O.5	N.O.6
	Ratio U.N.: Govt. midpoint	178	177	202	212	226
*U.K.	minimum	not	not	4,928	8,858	12,655
	middle			5,396	9,608	13,367
	maximum	comparable	comparable	5,865	10,358	14,180
	U.K. Grade			matron	N.O.	D.C.N.O.
	Ratio U.N.: Govt. midpoint *including London allowance			381	252	216
ITALY	minimum	not	2,214	3,355	3,717	not
	middle		2,850	3,720	4,028	
	maximum	comparable	3,499	4,086	4,539	comparable
	Parametro		133-183	218	245	
	Ratio U.N.: Govt. midpoint		580	520	585	
*FRANCE	minimum	not	3,425	4,438	4,908	not
	middle		4,117	5,061	5,560	
	maximum	comparable	4,809	5,684	6,213	comparable
	Indices Nets		234-330	280-360	305-390	
	Ratio U.N.: Govt. midpoint *including Paris allowance and prime de rendement		407	413	448	
*SWITZERLAND	minimum	not	4,081	4,207	not	not
	middle		4,743	5,122		
	maximum	comparable	5,405	6,037	comparable	comparable
	Swiss Classe		17	14-15		
	Ratio U.N.: Govt. midpoint *including married man's Geneva allowance		342	397		

Do not have comparable positions in Central Government:-

AUSTRIA

NET: NET SALARY AND BENEFITS COMPARISONS

4. NURSES

US\$

COUNTRY	U.N. GRADE	P1	P2	P3	P4	P5
U.S.A.	middle	not	8,538	9,795	10,748	14,648
New York U.N.	midpoint net	comparable	14,240	17,393	20,350	23,650
Ratio U.N.:	Gvt midpoint		167	177	190	161
CANADA	middle	5,242	6,508	7,230	8,195	9,068
Ratio U.N.:	Gvt midpoint	182	181	198	204	215
*U.K.	middle	not	not	4,300	7,200	9,800
Ratio U.N.:	Gvt midpoint *including London allowance	comparable	comparable	348	242	207
ITALY	middle	not	2,493	3,349	3,703	not
Ratio U.N.:	Gvt midpoint	comparable	468	426	449	comparable
*FRANCE	middle	not	3,880	4,680	5,100	not
Ratio U.N.:	Gvt midpoint *including Paris allowance and prime de rendement	comparable	322	326	348	comparable
*SWITZERLAND	middle	not	4,404	4,699	not	not
Ratio U.N.:	Gvt midpoint *including married man's Geneva allowance	comparable	276	315	comparable	comparable

GROSS: GROSS SALARY AND BENEFITS COMPARISONS

5. LABORATORY TECHNICIANS.

US\$

COUNTRY	U.N. GRADE	P1	P2	P3	P4
U.S.A.	minimum	8,555	9,726	10,470	not
	middle	9,366	11,013	12,040	comparable
	maximum	10,178	12,300	13,611	
	U.S. Grade	GS5-6.5	GS7	GS9	
New York UN	midpoint gross	14,687	18,588	23,202	
Ratio UN:	Govt midpoint	152	169	195	
CANADA	minimum	9,222	10,934	not	not
	middle	9,834	11,700	comparable	comparable
	maximum	10,447	12,466		
	Canadian Grade	EG HOT7	EG HOT8		
Ratio UN:	Govt midpoint	126	134		
*U.K.	minimum	4,143	5,080	6,878	9,555
	middle	4,518	5,680	7,590	10,180
	maximum	4,893	6,280	8,303	10,805
	U.K. Grade	AX0	EX0	SEX0	CX0
Ratio UN:	Govt midpoint *including London allowance	283	286	268	238
AUSTRIA	minimum	not	not	3,539	not
	middle	comparable	comparable	4,225	comparable
	maximum			4,912	
	Dienst Klasse			IV	
Ratio UN:	Govt midpoint			453	
*FRANCE	minimum	3,021	4,092	5,528	4,370
	middle	3,244	4,675	5,633	6,099
	maximum	3,466	5,250	5,738	6,228
	Indices Nets	205-235	280-360	375-390	295-420
Ratio UN:	Govt midpoint *including Paris allowance and prime de rendement	406	358	372	408

Do not have comparable positions in Central Government:-

ITALY
SWITZERLAND

NET: NET SALARY AND BENEFITS COMPARISONS

5. LABORATORY TECHNICIANS

US\$

<u>COUNTRY</u>	<u>U.N. GRADE</u>	<u>P1</u>	<u>P2</u>	<u>P3</u>	<u>P4</u>
U.S.A.	middle	7,130	8,319	9,163	not
New York U.N.	midpoint net	11,560	14,240	17,393	comparable
Ratio U.N.:	Gvt midpoint	162	171	190	
CANADA	middle	7,413	9,425	not	not
Ratio U.N.:	Gvt midpoint	129	125	comparable	comparable
*U.K.	middle	3,735	4,600	5,850	7,800
Ratio U.N.:	Gvt midpoint	267	267	256	224
*including London allowance					
*FRANCE	middle	3,100	4,375	5,160	5,550
Ratio U.N.:	Gvt midpoint	327	286	297	320
*including Paris allowance and prime de rendement					

GROSS: GROSS SALARY AND BENEFITS COMPARISONS

6. ECONOMISTS/STATISTICIANS

US\$

COUNTRY	UN GRADE	P1	P2	P3	P4	P5	D1	D2
U.S.A.	minimum	not	8,582	12,615	17,545	24,285	32,819	Political
	middle		11,096	16,082	20,568	28,083	34,409	
	maximum	comparable	13,611	19,549	23,591	31,881	36,000	Appointment
	U.S. Grade		GS7-9	GS11-12	GS12.6-14.5	GS14.6-16.5	GS16.6-18	
New York UN	midpoint gross	14,687	18,588	23,202	27,588	32,745	36,096	
Ratio UN:	Gvt. midpoint		168	146	134	116	105	
CANADA	minimum	not	7,247	15,606	21,175	23,670	22,437	not
	middle		10,899	18,293	22,451	24,692	25,088	
	maximum	comparable	14,551	20,980	23,728	26,360	27,740	comparable
	Canadian Grade		ES1	ES2	ES3	ES4	ES5	
Montreal UN	midpoint gross	12,428	15,672	19,728	23,547	28,167	31,164	
Ratio UN:	Gvt. midpoint		144	108	104	114	124	
*U.K.	minimum	not	5,930	7,493	9,768	12,805	17,430	22,618
	middle		6,526	8,274	11,286	14,955		
	maximum	comparable	7,123	9,055	12,805	17,105		
	U.K. Grade		HE0	SE0	P4.5-SP2.5	SP2.5-AS4	US	DS
London UN	midpoint gross	12,805	16,233	20,307	24,231	28,938	31,986	36,156
Ratio UN:	Gvt. midpoint		249	249	215	194	184	166
	*including London allowance							
AUSTRIA	minimum	not	4,048	4,912	5,949	7,022	10,447	14,941
	middle		4,134	5,344	7,702	8,734	12,318	16,812
	maximum	comparable	4,220	5,776	9,456	10,447	14,190	18,684
	Dienst Klasse		IV 4-5	V 2 - VI 1	VI 2 - VII 7	VIII 1-VIII 3	VIII 3-8	IX
Vienna UN	midpoint gross	12,052	15,741	19,149	22,874	27,396	30,342	34,359
Ratio UN:	Gvt. midpoint		381	359	297	314	246	204
ITALY	minimum	not	3,878	4,519	5,622	7,541	11,885	13,379
	middle		3,921	5,064	6,598	8,430	12,597	13,876
	maximum	comparable	3,964	5,579	7,574	9,319	13,130	14,374
	Parametro		257	307	387-426	530	742 00-05	742 06
Rome UN	midpoint gross	12,428	15,672	19,728	23,547	28,167	31,164	35,287
Ratio UN:	Gvt. midpoint		400	390	357	335	249	253
*FRANCE	minimum	not	4,413	7,804	10,022	8,391	14,197	18,809
	middle		6,325	8,679	10,781	11,357	15,752	20,674
	maximum	comparable	8,254	9,545	11,440	14,325	17,307	22,541
	Indices Nets		300-525	475-550	575-630	685-A	A-B	B2-D
Paris UN	midpoint gross	13,181	16,704	20,886	24,894	29,685	32,808	37,054
Ratio UN:	Gvt. midpoint		264	241	231	261	215	179
	*including Paris allowance and prime de rendement							
*SWITZERLAND	minimum	not	6,716	7,376	8,316	9,319	10,324	Political
	middle		7,637	8,297	9,237	10,240	11,821	
	maximum	comparable	8,559	9,219	10,159	11,162	13,318	Implication
	Swiss Classe		5	4	3	2	1/1A	HC 5
Geneva UN	midpoint gross	12,805	16,233	20,307	24,231	28,938	31,986	
Ratio UN:	Gvt. midpoint		213	245	265	281	270	
	*including married man's Geneva allowance							

NET: NET SALARY AND BENEFITS COMPARISONS

6. ECONOMISTS/STATISTICIANS

US\$

COUNTRY	U.N. GRADE	P2	P3	P4	P5	D1	D2
U.S.A.	middle	8,386	11,573	14,754	19,314	23,105	Political
New York U.N.	midpoint net	14,240	17,393	20,350	23,650	25,610	Appointment
Ratio U.N.:	Gvt midpoint	170	150	138	122	111	
CANADA	middle	8,002	12,678	15,596	16,950	17,175	not
Montreal U.N.	midpoint net	11,780	14,330	16,700	19,470	21,110	comparable
Ratio U.N.:	Gvt midpoint	147	113	107	115	123	
*U.K.	middle	5,100	6,300	8,450	10,675	12,100	14,500
London U.N.	midpoint net	12,290	14,980	17,460	20,350	22,050	24,530
Ratio U.N.:	Gvt midpoint *including London allowance	241	238	207	191	182	169
ITALY	middle	3,526	4,485	5,692	7,230	10,752	11,810
Rome U.N.	midpoint net	11,670	14,250	16,640	19,430	21,080	23,480
Ratio U.N.:	Gvt midpoint.	331	318	292	269	196	199
*FRANCE	middle	5,725	7,650	9,280	9,690	12,840	14,150
Paris U.N.	midpoint net	12,510	15,240	17,740	20,660	22,360	24,860
Ratio U.N.:	Gvt midpoint *including Paris allowance and prime de rendement	219	199	191	213	174	176
*SWITZERLAND	middle	6,750	7,260	7,955	8,695	9,778	Political
Geneva U.N.	midpoint net	12,160	14,810	17,250	20,090	22,750	Implication
Ratio U.N.:	Gvt midpoint *including married man's Geneva allowance	180	204	217	231	233	

GROSS: GROSS SALARY AND BENEFITS COMPARISONS

7. VOCATIONAL AND EDUCATIONAL TRAINERS

US\$

<u>COUNTRY</u>	<u>UN GRADE</u>	<u>P3</u>	<u>P4</u>	<u>P5</u>
U.S.A.	minimum	12,615	17,545	24,285
	middle	16,032	20,568	28,033
	maximum	19,549	23,591	31,881
	U.S. Grade	GS11-12	GS12.6-14.5	GS14.6-16.5
New York UN midpoint gross		23,202	27,588	32,745
Ratio UN: Gvt. midpoint		146	135	116
CANADA	minimum	17,917	19,592	21,427
	middle	18,885	20,622	22,942
	maximum	19,853	21,553	24,457
	Canadian Grade	EDS4	EDS5	EDS6
Ratio UN: Gvt. midpoint		104	114	123

Do not have comparable positions in Central Government:-

U.K.
AUSTRIA
ITALY
FRANCE
SWITZERLAND

NET: NET SALARY AND BENEFITS COMPARISONS

7. VOCATIONAL AND EDUCATIONAL TRAINERS

US\$

<u>COUNTRY</u>	<u>U.N. GRADE</u>	<u>P3</u>	<u>P4</u>	<u>P5</u>
U.S.A.	middle	11,573	14,754	19,314
New York U.N.	midpoint net.	17,393	20,350	23,650
Ratio U.N.:	Gvt midpoint	150	138	122
CANADA	middle	12,490	14,610	15,896
Ratio U.N.:	Gvt midpoint	115	114	122

8. TRANSLATORS AND INTERPRETERS

US\$						
COUNTRY	U.N. GRADE	P1	P2	P3	P4	P5
U.S.A.	minimum	not	10,470	12,615	15,040	not
	middle		12,040	14,509	17,294	
	maximum	comparable	13,611	16,404	19,549	comparable
	U.S. Grade		GS9	GS11	GS12	
	New York U.N. midpoint gross		18,588	23,202	27,588	
	Ratio U.N.: Gvt midpoint		120	123	121	
CANADA	minimum	not	6,399	9,367	11,273	14,322
	middle		7,914	10,176	12,064	15,211
	maximum	comparable	9,429	10,986	12,956	15,882
	Canadian Grade		1	2	3	5
	Ratio U.N.: Gvt midpoint		198	194	195	185
*U.K.	minimum	not	3,930	5,930	7,493	not
	middle		4,742	6,524	8,274	
	maximum	comparable	5,555	7,118	9,155	comparable
	U.K. Grade		EO	HEO	SEO	
	Ratio U.N.: Gvt midpoint *including London allowance		341	315	294	
AUSTRIA	minimum	not	not	not	not	7,022
	middle					8,734
	maximum	comparable	comparable	comparable	comparable	10,447
	Dienst Klasse					VII
	Ratio U.N.: Gvt midpoint					314
*FRANCE	minimum	not	4,438	6,024	7,238	9,304
	middle		5,037	6,421	8,096	10,002
	maximum	comparable	5,637	6,819	8,954	10,700
	Indices Nets		280-355	375-425	450-525	540-600
	Ratio U.N.: Gvt midpoint *including Paris allowance and prime de rendement		332	326	308	297
*SWITZERLAND	minimum	not	6,350	6,716	7,376	8,316
	middle		6,971	7,637	8,297	9,237
	maximum	comparable	7,892	8,559	9,219	10,159
	Swiss Classe		7	5	4	3
	Ratio U.N.: Gvt midpoint *including married man's Geneva allowance		233	266	292	313

INTERPRETERS

CANADA	minimum		14,223
	middle		16,370
	maximum		18,518
	Canadian Grade		1
	Ratio U.N.: Gvt midpoint		121

Do not have comparable positions
in Central Government:-

ITALY

NET: NET SALARY AND BENEFITS COMPARISONS

8. TRANSLATORS AND INTERPRETERS

US\$

<u>COUNTRY</u>	<u>U.N. GRADE</u>	<u>P1</u>	<u>P2</u>	<u>P3</u>	<u>P4</u>	<u>P5</u>
U.S.A.	middle	not	9,063	10,748	12,575	not
New York U.N.	midpoint net	comparable	14,240	17,393	20,350	comparable
Ratio U.N.:	Gvt midpoint		157	148	162	
CANADA	middle	not	5,915	7,478	8,827	10,964
Ratio U.N.:	Gvt midpoint	comparable	199	192	189	178
*U.K.	middle	not	not	5,100	6,300	not
Ratio U.N.:	Gvt midpoint	comparable	comparable	294	277	comparable
	*including London allowance					
*FRANCE	middle	not	4,700	5,800	7,120	8,670
Ratio U.N.:	Gvt midpoint	comparable	266	263	249	238
	*including Paris allowance and prime de rendement					
*SWITZERLAND	middle	not	6,206	6,750	7,260	7,955
Ratio U.N.:	Gvt midpoint	comparable	196	219	237	252
	*including married man's Geneva allowance -					

INTERPRETERS

CANADA	middle		13,022
Ratio U.N.:	Gvt midpoint		110

9. LIBRARIANS

US\$

COUNTRY	U.N. GRADE	P1	P2	P3	P4	P5
U.S.A.	minimum	not	8,582	10,470	12,615	15,040
	middle		9,869	12,040	14,509	17,294
	maximum	comparable	11,156	13,611	16,404	19,549
	U.S. Grade		GS7	GS9	GS11	GS12
	New York U.N. midpoint gross		18,588	23,202	27,538	32,745
	Ratio U.N.: Gvt midpoint		190	194	190	189
CANADA	minimum	7,540	8,106	9,333	12,038	17,387
	middle	7,845	8,631	9,796	13,290	18,296
	maximum	8,151	9,157	10,359	14,492	19,205
	Canadian Grade	LS1	LS2	LS3	LS5	LS6
	Ratio U.N.: Gvt midpoint	159	182	202	177	154
*U.K.	minimum	3,930	4,680	6,805	8,780	9,605
	middle	4,230	5,405	7,274	9,224	10,530
	maximum	4,530	6,130	7,743	9,768	11,555
	U.K. Grade	EO 1-5	EO6-HEO2	HEO5-SEO2	SEO5-Prin.4.5	Prin.4-8
	Ratio U.N.: Gvt midpoint *including London allowance	303	300	281	264	272
AUSTRIA	minimum	not	4,048	4,912	5,949	7,022
	middle		4,134	5,344	7,702	8,734
	maximum	comparable	4,220	5,776	9,456	10,447
	Dienst Klasse		IV 4-5	V 2-VI 1	VI 2-VII 7	VII 1-VIII 3
	Ratio U.N.: Gvt midpoint		381	359	297	314
ITALY	minimum	not	not	2,979	4,549	5,632
	middle			3,859	6,061	7,470
	maximum	comparable	comparable	4,740	7,575	9,319
	Parametro			190-257	307-426	387-530
	Ratio U.N.: Gvt midpoint			512	389	377
*FRANCE	minimum	not	4,438	6,929	8,846	10,700
	middle		5,500	8,247	10,140	11,360
	maximum	comparable	6,562	9,545	11,436	12,020
	Indices Nets		280-410	430-550	520-630	600-650
	Ratio U.N.: Gvt midpoint *including Paris allowance and prime de rendement		304	254	245	262

Do not have comparable positions
in Central Government:-

SWITZERLAND

NET: NET SALARY AND BENEFITS COMPARISONS

9. LIBRARIANS

US\$

COUNTRY	U.N. GRADE	P1	P2	P3	P4	P5
U.S.A.	middle	not	7,623	9,063	10,748	12,575
New York	U.N. midpoint net	comparable	14,240	17,393	20,350	23,650
Ratio U.N.:	Gvt midpoint		187	192	189	188
CANADA	middle	6,022	6,415	7,230	9,675	12,679
Ratio U.N.:	Gvt midpoint	159	184	198	173	154
*U.K.	middle	3,510	4,350	5,600	7,000	8,030
Ratio U.N.:	Gvt midpoint *including London allowance	284	282	268	249	253
ITALY	middle	not	not	3,472	5,318	6,457
Ratio U.N.:	Gvt midpoint	comparable	comparable	411	313	301
*FRANCE	middle	not	5,050	7,300	8,780	9,700
Ratio U.N.:	Gvt midpoint *including Paris allowance and prime de rendement	comparable	248	209	202	213

GROSS: GROSS SALARY AND BENEFITS COMPARISONS

10. INFORMATION

US\$

COUNTRY	U.N. GRADE	P1	P2	P3	P4	P5
U.S.A.	minimum	8,582	10,470	12,615	15,040	not
	middle	9,869	12,040	14,509	17,294	
	maximum	11,156	13,611	16,404	19,549	comparable
	U.S. Grade	GS7	GS9	GS11	GS12	
New York U.N.	midpoint gross	14,687	18,588	23,202	27,588	
Ratio U.N.:	Gvt midpoint	149	154	159	159	
CANADA	minimum	not	8,025	11,812	17,387	19,609
	middle		9,873	12,592	18,559	20,957
	maximum	comparable	11,721	13,373	19,731	22,306
	Canadian Grade		IS 1	IS 2	IS 4	IS 5
Ratio U.N.:	Gvt midpoint		159	157	127	134
*U.K.	minimum	3,930	5,930	7,493	8,680	12,055
	middle	4,742	6,524	8,274	10,117	12,835
	maximum	5,555	7,118	9,055	11,555	13,655
	U.K. Grade	A10	I0	S10	P10	CI0B4
Ratio U.N.:	Gvt midpoint	270	249	243	238	223
*including London allowance						

Do not have comparable positions in Central Government:-

AUSTRIA
 ITALY
 FRANCE
 SWITZERLAND

NET: NET SALARY AND BENEFITS COMPARISONS

10. INFORMATION

US\$

<u>COUNTRY</u>	<u>U.N. GRADE</u>	<u>P1</u>	<u>P2</u>	<u>P3</u>	<u>P4</u>	<u>P5</u>
U.S.A.	middle	7,344	9,063	10,748	12,575	not
New York U.N. midpoint net		11,560	14,240	17,393	20,350	comparable
Ratio U.N.: Gvt midpoint		157	157	162	162	
CANADA	middle	not	7,288	9,195	12,683	14,672
Ratio U.N.: Gvt midpoint		comparable	162	156	132	133
*U.K.	middle	2,910	5,100	6,650	7,250	9,360
Ratio U.N.: Gvt midpoint *including London allowance		342	241	225	241	217

GROSS: GROSS SALARY AND BENEFITS COMPARISONS

11. PERSONNEL

US\$

COUNTRY	U.N. GRADE	P1	P2	P3	P4	P5
U.S.A.	minimum	not	10,012	12,615	15,040	17,761
	middle		10,939	14,509	16,793	20,425
	maximum	comparable	11,866	16,404	18,547	23,089
	U.S. Grade		GS7step 6-GS9step 5	GS11	GS12 steps 1-8	GS13
	New York U.N. midpoint gross		18,588	23,202	27,588	32,745
	Ratio U.N.: Gvt midpoint		170	161	164	160
CANADA	minimum	not	11,671	13,004	14,600	20,619
	middle		12,474	13,958	16,786	21,982
	maximum	comparable	13,277	14,913	18,973	23,346
	Canadian Grade		PE3	PE4	PE5-6	PE8
	Ratio U.N.: Gvt midpoint		126	141	140	128
*U.K.	minimum	not	not	5,930	8,680	12,805
	middle			6,524	10,117	13,696
	maximum	comparable	comparable	7,118	11,555	14,605
	U.K. Grade			HEO	Principal	Sen.Prin.step 2.5
	Ratio U.N.: Gvt midpoint			315	241	- Asst. Sec. 4
	*including London allowance					210
AUSTRIA	minimum	not	not	not	not	9,456
	middle					11,823
	maximum	comparable	comparable	comparable	comparable	14,190
	Dienst Klasse					8
	Ratio U.N.: Gvt midpoint					231
*FRANCE	minimum	not	4,403	7,814	10,122	8,391
	middle		6,325	8,679	10,781	11,351
	maximum	comparable	8,226	9,545	11,440	14,323
	Indices Nets		300-525	475-550	575-630	685-A
	Ratio U.N.: Gvt midpoint		264	241	231	262
	*including Paris allowance and prime de rendement					
*SWITZERLAND	minimum	not	6,716	7,376	8,316	9,319
	middle		7,637	8,297	9,237	10,240
	maximum	comparable	8,559	9,219	10,159	11,162
	Swiss Classe		5	4	3	2
	Ratio U.N.: Gvt midpoint		212	245	265	281
	*including married man's Geneva allowance					

Do not have comparable positions in Central Government:-

ITALY

NET: NET SALARY AND BENEFITS COMPARISONS

11. PERSONNEL

US\$

<u>COUNTRY</u>	<u>U.N. GRADE</u>	<u>P1</u>	<u>P2</u>	<u>P3</u>	<u>P4</u>	<u>P5</u>
U.S.A.	middle	not	8,270	10,748	12,227	14,283
New York U.N.	midpoint net	comparable	14,240	17,393	20,350	23,650
Ratio U.N.:	Gvt midpoint		172	162	167	166
CANADA	middle	not	9,045	10,116	12,017	15,311
Ratio U.N.:	Gvt midpoint	comparable	130	142	139	127
*U.K.	middle	not	not	5,100	7,250	10,700
Ratio U.N.:	Gvt midpoint	comparable	comparable	294	241	190
	*including London allowance					
*FRANCE	middle	not	5,725	7,650	9,270	9,700
Ratio U.N.:	Gvt midpoint	comparable	219	199	191	213
	*including Paris allowance and prime de rendement					
*SWITZERLAND	middle	not	6,750	7,260	7,955	8,695
Ratio U.N.:	Gvt midpoint	comparable	180	204	217	231
	*including married man's Geneva allowance					

12. FINANCE/BUDGET

US\$

COUNTRY	U.N. GRADE	P1	P2	P3	P4	P5
U.S.A.	minimum	8,555	10,584	11,517	12,615	15,040
	middle	9,595	11,871	13,087	14,509	17,294
	maximum	10,636	13,158	14,658	16,404	19,549
	U.S. Grade	GS5	GS7	GS9	GS11	GS12
	New York U.N. midpoint gross	14,687	18,588	23,202	27,588	32,745
	Ratio U.N.: Gvt midpoint	153	157	179	190	189
CANADA	minimum	9,575	10,024	12,068	17,004	21,730
	middle	10,214	11,756	12,873	18,155	23,208
	maximum	10,853	12,489	13,681	19,306	24,680
	Canadian Grade	FI 1	FI 2	FI 3	FI 5	FI 7
	Ratio U.N. midpoint	122	168	153	130	121
*U.K.	minimum	3,055	3,930	5,930	8,680	12,805
	middle	3,792	5,030	6,517	10,117	13,705
	maximum	4,530	6,130	7,105	11,555	14,605
	U.K. Grade	CO-E04	EO-HE02	HEO	Prin.	Sen.Prin.2.5- Asst. Sec.4
	Ratio U.N.: Gvt midpoint *including London allowance	338	322	315	241	211
AUSTRIA	minimum	not	not	not	7,022	not
	middle				8,734	
	maximum	comparable	comparable	comparable	10,447	comparable
	Dienst Klasse				VII	
	Ratio U.N.: Gvt midpoint				262	
ITALY	minimum	2,979	3,878	4,549	5,622	7,541
	middle		3,921	5,064	6,598	8,430
	maximum		3,964	5,579	7,574	9,319
	Parametro	190	257	307	387-426	530
	Ratio U.N.: Gvt midpoint	417	399	389	357	334
*FRANCE	minimum	not	4,403	7,776	10,122	8,363
	middle		6,325	8,679	10,781	11,859
	maximum	comparable	8,226	9,545	11,440	14,325
	Indices Nets		300-525	475-550	575-630	685-A
	Ratio U.N.: Gvt midpoint *including Paris allowance and prime de rendement		264	241	231	261
*SWITZERLAND	minimum	6,050	6,716	7,376	8,316	9,319
	middle	6,971	7,637	8,297	9,237	10,240
	maximum	7,892	8,559	9,219	10,159	11,162
	Swiss Classe	7	5	4	3	2
	Ratio U.N.: Gvt midpoint *including married man's Geneva allowance	184	213	245	265	281

NET: NET SALARY AND BENEFITS COMPARISONS

12. FINANCE/BUDGET

US\$

COUNTRY	U.N. GRADE	P1	P2	P3	P4	P5
U.S.A.	middle	7,314	8,940	9,801	10,748	12,575
New York U.N.	midpoint net	11,560	14,240	17,393	20,350	23,650
Ratio U.N.:	Gvt midpoint	158	159	177	189	188
CANADA	middle	7,526	8,597	9,379	12,580	16,057
Ratio U.N.:	Gvt midpoint	127	137	153	133	121
*U.K.	middle	3,220	4,075	5,097	7,250	10,000
Ratio U.N.:	Gvt midpoint *including London allowance	309	301	296	241	204
ITALY	middle	3,032	3,526	4,485	5,692	7,230
Ratio U.N.:	Gvt midpoint	306	331	318	292	269
*FRANCE	middle	not	5,235	7,650	9,270	9,700
Ratio U.N.:	Gvt midpoint *including Paris allowance and prime de rendement	comparable	219	199	191	213
*SWITZERLAND	middle	6,256	6,750	7,260	7,955	8,695
Ratio U.N.:	Gvt midpoint *including married man's Geneva allowance	160	180	204	217	231

Appendix B

GOVERNMENT PENSION FUND CONTRIBUTIONS

1. The information obtained and reported by the consultants is as follows. The foot-notes have been added.

- Austria: The Government pays whatever is necessary to cover the amount required by pensions when they are due. This means that there is a position in each annual budget for pensions. The relation is very roughly two-thirds salaries and allowances for active civil servants and one-third pensions to retired civil servants.
- Canada: Government contribution amounts to 14.5 per cent of salary.
- France: There is no special pension fund for civil servants. However, on the latest information the Government made a budgetary allocation of 22 per cent of payroll.
- Italy: There is no pension fund. Pensions are paid to retired civil servants from the normal governmental treasury resources.
- Switzerland: The Government pension contribution amounts to 6 per cent of salary plus 3.1 per cent towards old-age and survivors insurance.
- United Kingdom: There is no pension fund. Pensions are paid to retired civil servants from moneys voted annually by Parliament. a/
- United States: Federal Government contribution -
1970: 0.91 per cent of payroll
1971: 2.9 per cent of payroll b/
By 1980: 16-17 per cent of payroll (estimated).

a/ Information provided by Mr. Hillis.

b/ These contributions are for current payments. The 49th annual report of the Civil Service Retirement System (p. 35) shows a total level cost for the system of 22.49 per cent of payroll as of 30 June 1969, using an interest rate of 3.5 per cent. Since then, the pension benefits have been liberalized, the interest-rate assumption has been changed to 5 per cent, and the level-cost is reported to be about 23 per cent.

ANNEX XIII

STUDY OF THE POST ADJUSTMENT SYSTEM

Introduction

1. At its third meeting on 2 June 1971, the Special Committee decided that a separate study should be undertaken of the post adjustment system. It agreed to a suggestion that the study should be entrusted to Mr. Pascal Frochaux, currently Switzerland's Ambassador to Poland, who as member of the 1956 Salary Review Committee and later as member and chairman of the Expert Committee on Post Adjustments (ECPA) had actively participated in the elaboration of the system.
2. The Committee discussed the scope of the study, with Mr. Frochaux's participation, during its 91st meeting on 24 August 1971. As agreed at that meeting, the purpose of the study was to provide the Committee with an analysis of the operation of the post adjustment system in the light of its original concept together with proposals for any modifications that might be appropriate to adapt it to the present conditions.
3. The second part of this study deals with the possibility of excluding rent from the post adjustment, and the third part with certain problems of a purely statistical nature.

PART ONE

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ANNEX

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Author's note

The distances at which the sources of the statistics and other data used in this study were situated made it impossible for the author to verify each individual figure. Minor errors may therefore have been incorporated, although without detriment to the results and conclusions of the study.

STUDY OF THE POST ADJUSTMENT SYSTEM

by

Ambassador Pascal Frochoux

INTRODUCTION

1. In accordance with the terms of reference set by the Special Committee for the Review of the United Nations Salary System, this study deals with:

- the operation of the United Nations post adjustment system in the light of its original concept;

- any modifications that might be appropriate to adapt the system to present conditions.

In addition, the study is intended to provide an answer to the following questions:

(a) selection of the base, or bases, of the post adjustment system;

(b) adequacy of the statistical methods currently used in establishing equivalent standards of living of staff at different duty stations;

(c) effect of the incorporation of the dependency element in the post adjustment on the family allowances at the different duty stations;

(d) possibility of excluding the housing element from the post adjustment;

(e) implications of the recent monetary developments on the operation of the post adjustment system.

2. The study consists of two parts:

(a) The first deals with the operation of the post adjustment system from the technical standpoint;

(b) The second, to be issued at a later stage, will be devoted to an examination of the statistical methods used in establishing the cost-of-living indices (para. 1 (b)) and the possibility of excluding the housing element from the statistical comparison (para. 1 (d)).

PART ONE

OPERATION OF THE POST ADJUSTMENT SYSTEM

I. ORIGINS OF THE SYSTEM

3. The system was introduced on 1 January 1957 upon the recommendation of the 1956 Salary Review Committee (A/3209, paras. 133-142). It provided for:

(a) A system of net post adjustments by grade, calculated from the average net salary of each grade with a regression in two directions, namely:

(i) Vertical, moving upwards from P-1 to P-5 and above, the adjustment rate decreasing from 6 per cent at the P-1 level to 4 per cent at the P-5 and higher levels, with the average rate of 5 per cent being applied at the P-3 level:

(ii) Horizontal, moving from one class of post adjustment to another (class 2 to class 7, class 1 being that applicable at the base at index point 100, in other words involving no post adjustment). The rate of regression was approximately 1.11 per cent at the P-1 level and 0.83 per cent at P-5 and above.

(b) A rule whereby a change from one post adjustment class to another would take place only where the cost-of-living index, averaged over nine consecutive months, varied (upwards or downwards) by 5 points on the base 100.

4. The system was modified in two respects as a result of recommendations by ECPA a/ and ICSAB.

(a) On 1 January 1962, by a decision of the General Assembly, the net lump-sum post adjustments by grade were replaced by net lump-sum adjustments by steps, the adjustment rate (percentage of net salary) being nearly the same for each step within a given grade. The horizontal regression was eliminated altogether. Some vertical regression was retained to take partial account of the incidence of progressive taxation (cf. in this connexion ECPA/S.3/6 of 7 April 1961); b/

a/ Expert Committee on Post Adjustments.

b/ The decision followed a study whose purpose was to show:

- (i) whether, and the extent to which, the system had operated as a means of equalizing emoluments in the different duty stations; and
- (ii) whether, and the extent to which, with the passage of time, the system had operated to reduce the real income of certain grades and categories of staff and to increase the real income of other grades and categories.

(b) On 1 January 1964, by a decision of the Fifth Committee of the General Assembly, the nine-month average rule (cf. para. 3 (b)) governing movement from one class of post adjustment to another was replaced by the "four-month rule". Under this rule, change from one class to another takes place when the cost-of-living index reaches the new change-point (105, 110, 115, 120, etc. or 95, 90, 85, etc.) and remains at that level for four successive months, the new post adjustment being applied with effect from the fifth month.

5. On 1 January 1957, when the current salary system came into effect, the United Nations and ICAO were the only organizations applying the common salary system to have a staff assessment (internal taxation) plan, the purpose of which is set forth in resolution 239 (III) of the United Nations General Assembly, as follows:

"Desiring to impose a direct assessment on United Nations staff members which is comparable to national income taxes...".

Given the reluctance of the other specialized agencies to adopt a similar assessment scheme, the schedule of post adjustments (A/3209, para. 111) was expressed in 1956 in net amounts which could be applied equally well by organizations employing a gross salary scale and staff assessment and those with a net salary system without staff assessment. Since that time, the other organizations in the United Nations family following the common system of salaries and allowances have introduced the dual scale of gross and net salaries together with staff assessment. c/ The staff assessment plan is therefore an integral part of the salary system as currently applied. It cannot be disregarded in any study of the operation of the post adjustment system.

II. IDEAS UNDERLYING THE SYSTEM

6. It should be kept in mind, that, on the recommendation of the 1956 Salary Review Committee, the General Assembly decided that Geneva should become the base of the common salary system and that the salary scale was set at a level "adequate to recruit and retain staff there" (A/3209, para. 77). For other duty stations, the salaries established for Geneva are adapted to meet the cost of living at those localities, by means of post adjustments, plus or minus according to whether the cost of living is higher or lower than at Geneva at the base date (A/3209, para. 15 (viii)).

7. The 1956 Committee advanced a number of considerations d/ in its recommendations, viz.:

- (i) Initial post adjustments should be determined primarily on the basis of the cost-of-living relationship between Geneva and the office concerned;

c/ The specialized agencies had come into line with the United Nations in this respect by 1965, following the decision to base the pension system on gross salaries.

d/ A/3209, paras. 15 (viii) and 126-136.

- (ii) An element of judgement must be applied to the statistical price-level relationship to allow for differences in the pattern of expenditure at different places;
- (iii) No allowance should be made for so-called "hardship" factors except where they have a tangible financial effect on the cost of living;
- (iv) The initial classification would be altered subsequently according to local cost-of-living variations of five points from the base, this rule being applicable to Geneva as well (A/3209, para. 15 (ix)).

8. The 1956 Committee stated a number of other considerations indicating some uncertainty on its part about implementing the post adjustment system without having seen reliable statistical data or having had the experience which could be accumulated only over a period of years. For example:

- (i) "No 'scientific' evidence is available upon which a better pattern could be established" (A/3209, para. 140).
- (ii) "... the price comparison alone will never be equal to the task of comparing what are essentially different ways of life" unless the principle of "substantial equivalence of living standards" is abandoned (A/3209, para. 126).
- (iii) "Nevertheless, the price-level comparisons must still be made..." (A/3209, para. 127).
- (iv) "... nor will it ever be possible for staff at all duty stations to reproduce the pattern and standards of life at the base", and "there is room for the application of broad judgement in interpreting the statistical comparisons" (A/3209, para. 128).

Such was the background to the establishment, by ACC in 1959 on the recommendation of the 1956 Committee (A/3209, para. 15 (xxvii)) and ICSAB, of an expert committee to deal with post adjustments (ECPA), e/ whose terms of reference provide that it should:

(a) Make recommendations to ACC on the general administration of the system of post adjustments, including statistical methodology and the elements of judgement to be applied;

(b) Make recommendations, when required, in the case of headquarters locations regarding the classification of duty stations.

9. On the subject of family benefits, in relation to the post adjustment system, the 1956 Committee took the view that:

e/ E/2993, para. 24, and E/3108, para. 28.

- (i) "Full compensation" should be given to staff members with primary dependants
- (ii) Two-thirds of such compensation should be given to staff without primary dependants (A/3209, para. 138);
- (iii) As no entirely satisfactory solution could be found in the case of "minus" areas (where the cost-of-living is lower than at the base), the minus adjustments should be the same for staff with primary dependants and those without and should be calculated on the basis of 75 per cent of salary (A/3209, para. 141);
- (iv) Allowances should be set, uniformly for all duty stations, at \$200 per annum net for a dependent spouse (increased to \$400 in 1962) and \$300 per annum net for each dependent child, and provision should be made for additional dependency benefits through the system of post adjustments (A/3209, para. 193).

Such was the origin of the difference in post adjustments between the two groups of staff (those with and without primary dependants).

III. ANALYSIS OF THE SYSTEM

A. From the standpoint of principles

10. As we have already seen, the system is based on premises which reflect certain compromises between the various principles enunciated by the 1956 Committee. While the system was designed primarily as a means of compensating for living costs, it none the less includes:

(a) a social component in the plus classes of post adjustment (1 and over) which disappears when the duty station is at class 0 or is in one of the minus classes: A, B, C or D (differences in the plus classes relate solely to staff members with primary dependants and those without primary dependants);

(b) a difference in concept between net base salaries fixed to take account of outside taxation practice, and post adjustment fixed in a way that largely disregards outside taxation practice.

11. We shall accordingly consider the system and its operation, first from the standpoint of full compensation for the cost of living and thereafter in terms of staff members who have primary dependants and those who do not. We shall then turn to minus adjustments, dependency benefits and the four-month rule. The way the system has worked in the context of successive revisions of base salaries will also be examined.

B. From the standpoint of full compensation

12. In this part of the study, we shall accept as valid the statistical methods used to compare living costs between the base city (Geneva) and other duty stations, as well as the data used for the local assessment of cost-of-living variations. For purposes of analysis, therefore, we shall take as our point of departure the indices as they have been established.

13. The principle of full compensation, as enunciated by the 1956 Committee, is designed to ensure that, regardless of the duty station, salaries have equal purchasing power. In 1956, the question of whether such compensation should apply, as is the case outside the United Nations family, to a system of gross salaries or a system of net salaries did not arise. As we have seen, at that time only the United Nations and ICAO had gross salary scales and a staff assessment plan. Pensions were calculated on net salaries and post adjustments were net amounts which carried no pension entitlement. Since 1965, pensions have been calculated on gross salaries, and while post adjustments are still net they do in part enter into the calculation of pensions in the intervals between base salary revisions when classes of post adjustment are consolidated into base salaries. In view of this development and the general adoption of gross salary scales coupled with staff assessment, it follows that the post adjustment system should, logically, now be considered in terms of a system of gross rather than net salaries.

14. In either system, full compensation would, for each 5 per cent rise or fall in the cost of living, require an increase or reduction in salaries in the same proportion. However, it should be borne in mind that one portion of salary, i.e. the regulation pension contribution, is not affected by cost-of-living variations.

15. The pension contribution paid by the staff member is 7 per cent of his gross salary. This figure may increase for a time by 5 per cent or a multiple of 5 per cent between two base salary reviews as a result of the consolidation of one or more classes of post adjustment when the weighted average of post adjustments at the main duty stations f/ rises by 5 per cent. This additional contribution is essentially transitory and disappears when a corresponding number of classes of post adjustment are consolidated into base salaries. It can thus be ignored for the purposes of this study. g/ We shall therefore confine ourselves to the normal 7 per cent contribution. However, this contribution, which is a staff expenditure despite the fact that it is withheld at the source, remains unaffected by cost-of-living movements. The amount is the same for a staff member at a given grade and step, whatever his duty station. Consequently, this portion of the salary must in one way or another be excluded from the matter of compensation for rises or falls in the cost of living.

16. The computation of post adjustments on either gross salary or net salary allows for two possible solutions (in both cases) as described in paragraphs 17 and 18.

17. Solutions when post adjustment is calculated on gross salary:

(a) First solution: For each 5 per cent movement in the cost of living, the adjustment would not be 5 per cent (cf. para. 14), but the following formula would be used:

$$\frac{100 - 7}{100} \times 5 = 4.65 \text{ per cent of the gross step salary.}$$

This solution would not alter the rate of movement from one class of post adjustment to a higher or lower one as compared with the present system.

(b) Second solution: A 5 per cent adjustment would be applied for each 5 per cent movement in the cost of living, but in calculating the index the 7 per cent pension expenditure would be incorporated at its invariable index value of 100, using the following formula:

f/ The list of the duty stations involved is compiled after each salary review, on the following basis: the headquarters cities of the organizations - including the headquarters of the International Court of Justice, duty stations where there are at least 100 Professional and higher posts regardless of the organization concerned, and localities with at least 40 such posts in a single organization.

g/ It represents only 0.35 per cent of gross salary for a 5 per cent increase in contributions.

Former index: 125

New index: Budget weighting:	93 x 125 = 11,625
Contribution weighting:	<u>7 x 100 = 700</u>
Total	100 <u>12,325</u> = <u><u>123.25</u></u>
	100

In this way, the post adjustment would be slightly higher compared with the previous solution (5 per cent rather than 4.65, or 0.35 per cent more). On the other hand, there would be a time-lag in class-to-class movement, as the following table shows:

Year and month	<u>Geneva</u> Indexes		<u>Paris</u> Indexes		<u>New York</u> Indexes	
	present system	above method	present system*	above method	present system	above method
<u>1969</u>						
January	109.4	108.7	131.0	128.8	129.9	127.8
February	110.7	109.9	131.7	129.5	130.4	128.2
March	110.1	109.3	132.4	130.1	131.7	129.4
April	110.1	109.3	133.1	130.8	132.6	130.3
May	<u>110.2</u>	109.4	133.8	131.4	<u>132.9</u>	130.6
June	110.3	109.5	134.6	<u>132.2</u>	133.7	131.3
July	110.5	109.7	135.4	132.9	134.2	<u>131.8</u>
August	110.7	109.9	136.2	133.7	134.6	132.1
September	110.9	110.1	<u>122.0**</u>	<u>120.4</u>	135.7	133.2
October	111.2	110.4	122.4	120.8	136.3	133.7
November	111.6	110.7	122.8	121.2	136.8	134.2
December	111.9	<u>111.0</u>	123.3	121.7	<u>138.2</u>	135.5
<u>1970</u>						
January	112.2	111.3	124.4	122.7	139.2	136.5
February	112.2	111.3	125.5	123.7	140.2	137.4
March	112.8	111.9	126.6	124.7	141.3	<u>138.4</u>
April	112.9	112.0	126.9	125.0	142.3	139.4
May	112.7	111.8	<u>127.2</u>	125.3	<u>142.9</u>	139.9
June	113.5	112.5	127.5	125.6	143.8	140.8
July	113.8	112.8	128.1	<u>126.1</u>	144.3	141.2
August	114.4	113.3	128.7	126.7	144.8	141.6
September	115.3	114.2	129.3	127.2	145.7	<u>142.5</u>
October	116.0	114.8	129.6	127.5	146.5	143.2
November	116.8	115.6	129.9	127.8	146.9	143.6
December	<u>117.8</u>	116.5	130.2	128.1	<u>148.0</u>	144.6

* Only quarterly indexes were available and the figures for the intervening months have therefore been extrapolated.

** Change in US dollar rate from 4.94 to 5.55 French francs. Drop from class 6 to class 5 (125).

From this table, it can be seen that:

- in the case of Geneva, the change to class 2 (110) would have occurred in January 1970 instead of June 1969, i.e. six months later, while class 3 (115) would not have been reached until two months later in 1971;

- in the case of Paris, class 6 (130) would have been reached in July instead of January 1969. The devaluation of the French franc in September 1969 meant that Paris dropped to class 5 (125); the result would have been the same if this method had been used. Class 5 would have been reached under the index in June 1970 and by this method two months later;

- in the case of New York, the change to class 5 (130) in June 1969 would not have come until two months later, in August 1969. In 1970, the change to class 7 (135) would have occurred three months later, and to classes 8 (140) and 9 (145) four months later.

This method is entirely defensible technically, since it would offer the same guarantee of equal purchasing power of salaries, but it would have the disadvantage, from the "usual" standpoint, of not showing parallel results. The 7 per cent "constant" has an increasingly pronounced delaying effect on the final index figure as the cost of living advances, something which would be rather difficult to explain to the staff.

18. Solutions when post adjustment is calculated on net salary:

(a) First solution: At 1 July 1971, the pension contribution of 7 per cent of gross salary represented the following average percentages of net salary:

P-1	8.82 per cent
P-2	9.06 per cent
P-3	9.30 per cent
P-4	9.51 per cent
P-5	9.76 per cent
D-1	9.92 per cent
D-2	10.13 per cent

i.e., an over-all average of 9.50 per cent. For each 5 per cent movement in the cost of living, the net post adjustment would be given by the following formula:

$$\frac{100 - 9.5}{100} \times 5 = 4.53 \text{ per cent of the net step salary.}$$

Such an adjustment would give net salaries a fixed parity of purchasing power, but total net remuneration would be higher than if parity was based on gross (cf. para. 17) and not on net. Example:

	<u>Net</u>		<u>Gross</u>
<u>P-3, step I, class 5</u>			
Salary	11,283		14,690
Post adjustment (5 x 4.53 per cent)	<u>2,555</u>	(5 x 4.65 per cent)	<u>3,415</u> (optimal compensation)
	<u>13,838</u>		18,105
		NET	<u>13,569</u>

A gross salary of \$18,120 (P-4, step I) means a net salary of \$13,578. It would not be acceptable if, as a result of net post adjustments, gross salary was higher than the gross remuneration arrived at by making a 4.65 per cent cost-of-living adjustment in gross salaries. The figure of 4.53 per cent would therefore be too high. It should be lowered, according to salary level, in order to avoid the plus values (see annexed tables Nos. 2 to 15) which would result if it was applied. In other words, a schedule of net post adjustments should take the rates of staff assessment into account.

(b) Second solution: Pension contributions, representing an average expenditure of 9.50 per cent of net salary, would be included in the cost-of-living index at an invariable index value of 100, using the following formula:

Former index: 125

New index: Budget weighting: $90.5 \times 125 = 11,313$

Contribution weighting: $\frac{9.5}{100} \times 100 = 9.50$

Total: $100 \times \frac{12,263}{100} = 122.63$

By this method, only the effect of staff assessment would need to be taken into account in determining the post adjustment rate. On the other hand, this method, like the earlier one (para. 17 (b)), would lead to a lag in the changeover from one class of post adjustment to another. This is illustrated by the following examples:

Year and month	<u>Geneva</u>		<u>Paris</u>		<u>New York</u>	
	present system	above method	present system*	above method	present system	above method
<u>1969</u>						
January	109.4	108.5	131.0	128.0	129.9	127.0
February	110.7	109.6	131.7	128.6	130.4	127.5
March	110.1	109.1	132.4	129.3	131.7	128.6
April	110.1	109.1	133.1	129.9	132.6	129.5
May	<u>110.2</u>	109.2	133.8	130.5	<u>132.9</u>	129.7
June	110.3	109.3	134.6	131.3	133.7	130.4
July	110.5	109.5	135.4	132.0	134.2	130.9
August	110.7	109.6	136.2	<u>132.7</u>	134.6	131.3
September	110.9	109.8	<u>122.0</u> **	<u>119.9</u>	<u>135.7</u>	<u>132.3</u>
October	111.2	110.1	122.4	120.2	136.3	132.8
November	111.6	110.4	122.8	120.6	136.8	133.3
December	111.9	110.7	123.3	121.0	<u>138.2</u>	134.5
<u>1970</u>						
January	112.2	<u>111.0</u>	124.4	122.0	139.2	<u>135.4</u>
February	112.2	111.0	125.5	123.0	<u>140.2</u>	136.3
March	112.8	111.5	126.6	124.0	141.3	137.3
April	112.9	111.6	126.9	124.3	142.3	<u>138.3</u>
May	112.7	111.4	<u>127.2</u>	124.6	<u>142.9</u>	138.8
June	113.5	112.2	127.5	124.8	143.8	139.6
July	113.8	112.4	128.1	125.4	144.3	140.0
August	114.4	113.0	128.7	125.9	144.8	140.5
September	115.3	113.8	129.3	126.5	145.7	141.3
October	116.0	114.4	129.6	<u>126.7</u>	146.5	<u>142.0</u>
November	116.8	115.2	129.9	127.0	146.9	142.4
December	117.8	116.1	130.2	127.3	<u>148.0</u>	143.4

* Only quarterly indexes were available and the figures for the intervening months have therefore been extrapolated.

** Change in the US dollar rate from 4.94 to 5.55 French francs. Drop from class 6 to class 5 (125).

Using this method:

- Geneva would have advanced to class 2 (110) in February 1970 instead of June 1969;
- Paris, theoretically, would have reached class 6 (130) in September 1969 (when devaluation occurred) instead of January, i.e. eight months later, and the devaluation of the French franc would have made it drop to class 4 (120) instead of class 5 (125) in September 1969;
- New York would not have advanced to class 6 (130) and then class 7 (135) until four months later, to class 8 (140) until five months later, and it would not have reached class 9 (145) by the end of December 1970 as actually happened.

From the "visual" standpoint, this method would have the same drawbacks as the one described in paragraph 17 (b) involving the same approach.

C. Staff member with dependent spouse

19. As indicated in paragraph 9 (i), the post adjustment system is intended to provide "full compensation" for staff members with primary dependants. However, as indicated in paragraphs 14 and 15, the compensation should only involve that portion of salary which is affected by cost-of-living variations. The present system incorporates a degree of regression from P-1 to D-2, and it does so to take account of staff assessment and thereby to maintain a certain relationship between total remuneration (base salary + post adjustment) and outside taxation practice. Against this background, we have examined the level of total remuneration (gross) for each plus adjustment class, considering that the principle of full compensation is best assured when for each 5 per cent rise in the cost of living the gross base salary is increased by 4.65 per cent (0.35 per cent being the invariable figure for pension contributions).

20. Table 1 in the annex gives, in index form, the total gross remuneration corresponding to net base salary plus net post adjustment at 1 July 1971 after application of staff assessment. The table shows:

(i) that in all classes of post adjustment, at all grades and steps, the the gross remuneration based on net is higher than it would be if the post adjustment was calculated on gross salary, viz.:

- up to 1 per cent in classes 1 and 2
- up to 2 per cent " " 3 to 5
- up to 2.5 per cent in class 6
- up to 3.1 per cent " " 7
- up to 3.6 per cent " " 8
- up to 4.1 per cent " " 9
- up to 4.5 per cent " " 10

- (ii) that in terms of the existing staff assessment rates, the post adjustments as currently calculated on a net basis are too high.

21. Tables 2 to 15 show net post adjustment for each of the grades from P-1 to D-2, at the bottom and top steps, for each class of post adjustment. From these tables it follows that:

- (i) Since 1966, when new staff assessment rates were introduced (this factor has remained constant since that time), the post adjustment rate for each grade and step has remained materially the same, while base salaries (variable: 3 revisions) have increased over the period. The relation between salaries and staff assessment has thus changed, and this should have been reflected in the post adjustment rate;
- (ii) full compensation, taken as 4.65 per cent of gross salary, would have given, after staff assessment, lower "net" post adjustments than those that have been and are now applied. With respect to the schedule of post adjustments that became effective on 1 July 1971, the differences by class are shown in table 16;
- (iii) the difference is fairly significant for all grades, especially starting from the fourth or fifth class of post adjustment;
- (iv) the solution offering a fully balanced result would be to calculate post adjustment on the basis of gross salary.

D. Staff member with no dependent spouse

22. The first thing to bear in mind is that on each revision the net salary h/ is set by comparison with the outside net salary of a person at the same level with a dependent spouse. Thus, as a consequence of taxation, the net United Nations salary includes a social or dependency element equivalent to the outside tax benefit enjoyed by a person with a dependent spouse but not by a person without a dependent spouse. Since the gross or net base salary for both these groups of staff is the same, the staff member with no dependent spouse enjoys a kind of "invisible dependency allowance". That was clearly the reason prompting the 1956 Committee to grant only partial compensation to staff members with no dependent spouse in the system of plus post adjustments.

23. This situation calls for the following observations:

- (i) In all duty stations at class O (no post adjustment) a staff member with no primary dependants receives the same gross or net salary as a staff member with primary dependants. i/ The social benefit included in this salary represents, on average, 4 per cent of the gross salary. j/ While

h/ Excluding the added "margin".

i/ Excluding the dependency benefit itself, which is uniform for all duty stations.

j/ Differences in average national tax rates for persons with and without a dependent spouse (cf. A/AC.150/12, para. 16).

this is reasonable for staff members with primary dependants, it is hardly justifiable for those who have none. This social or dependency element represents in dollars:

P-1, step I 360	P-4, step I 723	D-1, step I 1,040
step X 494	step XII 971	step VII 1,242
P-2, step I 473	P-5, step I 908	D-2, step I 1,248
step X 633	step X 1,142	step IV 1,349
P-3, step I 588		
step XIII .. 818		

- (ii) In duty stations with minus post adjustments, the same deduction is applied to both these groups of staff members and their salary is therefore the same; k/
- (iii) In duty stations with plus post adjustments, the adjustment for a staff member with no primary dependants is two-thirds that of a staff member with primary dependants. This is in accord with the principle put forward by the 1956 Committee (cf. para. 9 (ii)). However, it may well be that there is an error of logic or at least an element of confusion between the principle of uniform purchasing power of salary, which requires that there should be full compensation, and the social principle which on the outside is expressed through a tax differential and not through cost-of-living allowances.

24. If the matter is considered from the standpoint of uniform purchasing power, then, other things being equal, there is no reason why full compensation should not be granted to the staff member without primary dependants, since the post adjustment system was introduced precisely to ensure such uniformity whatever the duty station. By the same token, however, the staff member with no primary dependants should be subject to a higher staff assessment to avoid his benefiting unduly from the "social element" included in salary. This would dispel the false impression which is wide-spread among the staff that the difference between post adjustments for those with and without primary dependants constitutes a dependency allowance.

k/ Excluding the dependency benefit itself, which is uniform for all duty stations.

25. Seen from the standpoint of full cost-of-living compensation, as we did in the case of the staff member with primary dependants (cf. para. 19), and applying a staff assessment rate that is 4 per cent higher, an examination of the present system shows plus and minus values in purchasing power as illustrated in tables 17 to 20 in the annex. In other words, compared with the results of full compensation (at 4.65 per cent for each upward step in cost of living), based on gross salary after applying staff assessment (at rates 4 per cent higher), the post adjustment of staff members with no primary dependants yield in the following cases:

	(a) <u>over-compensation</u>		(b) <u>under-compensation</u>	
	\$	Classes	\$	Classes
P-1, step I	19-279	1 - 5	42-285	6 - 10
step X	19-399	1 - 5	76-351	6 - 10
P-2, step I	15-469	1 - 6	30-324	7 - 10
step XIII	60-673	1 - 6	36-326	7 - 10
P-5, step I	22-738	1 - 7	96-268	8 - 10
step X	14-884	1 - 5	178-852	6 - 10
D-2, step I	68-1,048	1 - 8	20-107	9 - 10
step IV	105-1,168	1 - 9	2	10

26. Where one or more classes of post adjustments are consolidated into base salary at the rates for staff members with primary dependants, 1/ those who have no primary dependants benefit from a salary increment which those with primary dependants do not receive, as illustrated in the following table:

1/ This was the case in 1966, 1969 and 1971.

Grade and step	Net remuneration of staff member with no primary dependants		Difference
	Current	After consolidation of two classes	
	Consolidation of two classes with change of post classification from class 2 to class 0		
P-1, step I	7,257.50 base* 432.00 (cl. 2) <hr/> 7,689.50	7,257.50 base* 640.00 Consolidation 2 cl., married <hr/> 7,905.50 = class 0**	+ 216
P-3, step I	11,283.00 base 664.00 (cl. 2) <hr/> 11,947.00	11,283.00 base 996.00 Consolidation 2 cl., married <hr/> 12,279.00 = class 0	+ 332
P-5, step I	16,555.00 base 948.00 (cl. 2) <hr/> 17,503.00	16,555.00 base 1,422.00 Consolidation 2 cl., married <hr/> 17,977.00 = class 0	+ 474
D-2, step I	21,720.00 base 1,160.00 (cl. 2) <hr/> 22,880.00	21,720.00 base 1,740.00 Consolidation 2 cl., married <hr/> 23,460.00 = class 0	+ 580

* Base salary at 1 July 1971.

** New base salary which would correspond to current salary plus class 2 post adjustment for a staff member with a dependent spouse; but this will also be the base salary for a staff member without a dependent spouse.

27. The case of the staff member with no primary dependants raises yet another problem. There are situations where, following a significant devaluation of the local currency in relation to the dollar, the duty station drops back one or more classes (devaluation involves a local reduction in the cost-of-living index for salaries expressed in dollars). The case of Paris illustrates the point. In September 1969, the dollar rose from 4.94 to 5.55 French francs with the result that Paris fell from class 6 to class 5. At P-5, step X, a staff member with dependants lost \$729 in salary while his colleague without dependants lost only \$436. The latter's take-home pay in French francs was actually higher than it had been before devaluation, which was not so of his colleague with dependants. Thus in such a situation the system cannot be reversed without producing anomalies. The staff member with no dependants is given an undue advantage.

28. In conclusion, the existing arrangements for staff members with no primary dependants are far from logical, because:

- (i) the gross or net base salary includes an "invisible dependency allowance" which the staff member would lose if he was subject to a different scale of staff assessment than that applied to staff members with primary dependants;
- (ii) the post adjustment of two thirds of the amount granted to a staff member with dependants gives the impression that the remaining third represents a dependency allowance whereas it is actually part of "cost-of-living compensation" and ensures, in the same way as the other two thirds, the equal purchasing power of salary;
- (iii) in class O and the minus post adjustment classes (A, B, and C), these two groups of staff members are placed on exactly the same footing, regardless of their dependency status.

E. Minus adjustments

29. Our intention is not to pass judgement on the validity of the gross or net base salary, but rather to see whether the deductions made from it under the post adjustment system conform to the principle of uniform purchasing power. The 1956 Committee suggested (cf. para. 9 (iii)) that minus adjustments should be applied to 75 per cent of salary, for the reason that it is harder for a staff member to adjust his expenditure in circumstances of a reduced salary. In fact, for each 5 per cent by which the cost of living falls below 100, the deduction applied at present corresponds to the level of plus post adjustment for a staff member with no primary dependants; i.e. two-thirds of the plus post adjustment for a staff member with dependants.

30. Table 21 in the annex, which refers to the situation of a staff member with primary dependants, shows:

(a) the deductions which should be applied, cumulatively, for classes A, B and C if they were calculated on 75 per cent of net salary (at an average rate of 4.53 per cent to take account of the invariable proportion of pension contributions (cf. para. 18 (a)));

(b) deductions applied to 75 per cent of gross salary (at a rate of 4.65 per cent to take account of the invariable proportion of pension contributions and after application of staff assessment);

(c) the present deductions;

(d) deductions applied to 100 per cent of gross salary (at a rate of 4.65 per cent) reduced to two-thirds (cf. table 22 in the annex).

31. These tables indicate that:

- solutions (a) and (b) above would bring the deductions to levels that are rather higher than the present ones;

- the third solution ((d) above, cf. table 22) produces levels that are slightly lower than the present deductions; it would, however, have the advantage over the other solutions of taking greater account of the incidence of staff assessment.

32. Should the General Assembly not wish to abolish the minus adjustment system (various arguments can be adduced in its favour), the third solution (d) would represent a reasonable compromise, although it differs somewhat from the solution recommended by the 1956 Committee.

33. There remains the question of the staff member without primary dependants who, in minus classes and in class 0, benefits unduly from the "invisible dependency allowance" included in the gross and net salaries. The only solution here is to adopt different scales of staff assessment for staff members with and without primary dependants respectively, and to apply deductions to gross and not to net salaries.

F. Dependency benefits

34. As already indicated in paragraph 23 (i), base salaries in the United Nations contain a "social or dependency component", since non-United Nations civil servants whose salaries are used as a basis for comparison enjoy a relevant tax benefit. This component has been calculated, for the purposes of this study, on the assumption that the staff member without primary dependants would pay, outside the United Nations, a rate of tax on his gross salary some 4 per cent higher than the rate he would pay if he had primary dependants. m/ Table 23 in the annex indicates the size of the component for each post classification, with post adjustment calculated on gross salary at 4.65 per cent for each five-point movement in the cost of living. The size of the component would be slightly higher, by an amount ranging from 0.1 to 4.5 per cent according to the grade and the class, if calculated on the basis of total gross remuneration at the levels of net salary and post adjustments applicable from 1 July 1971 as set out in table 1. The problem here, however, relates to staff assessment and not to dependency benefits as set forth in the staff rules. Nevertheless, we feel that it might be useful to draw the Special Committee's attention to this aspect of the base salary system of the United Nations.

35. Under Staff Regulation 3.4, dependency benefits comprise:

(a) the allowance for a dependent wife or a dependent husband: \$400 net per annum;

(b) the allowance for each dependent child: \$300 per annum;

(c) the allowance for either a dependent parent, a dependent brother or a dependent sister, where there is no dependent spouse: \$200 per annum.

The allowances do not vary with the cost of living at the staff member's duty station. This arrangement was originally justifiable in view of the relatively narrow gap between place-to-place living costs. It is no longer the case today, when there is a range from minus 15 per cent to plus 40 per cent in relation to the base.

36. Not being linked with the cost of living, the allowances do not represent equal purchasing power in different duty stations. The variations are substantial, as shown below.

m/ Derived from document A/AC.150/12 of 11 June 1971, para. 16.

Class of post adjustment	%	Spouse and secondary dependant		Child
		(a)	(b)	\$
C	118	471	235	353
B	111	444	222	333
A	105	421	210	316
0	<u>100</u>	<u>400</u>	<u>200</u>	<u>300</u>
1	95	381	190	286
2	91	364	182	273
3	87	348	174	261
4	83	333	166	250
5	80	320	160	240
6	77	308	154	231
7	74	296	148	222
8	71	286	143	214
9	69	276	138	207
10	67	267	133	200

Thus, these allowances undergo a loss of purchasing power in proportion to the change in cost of living between classes 1 and 10; conversely, they have greater purchasing power in relation to the base at duty stations with minus post adjustments: A, B and C.

37. An analysis of the figures as from 1 January 1962, when the allowance for a dependent spouse was raised from \$200 to \$400, indicates that its purchasing power has very noticeably diminished in each class of post adjustment, because it is not linked with the cost of living, as shown below:

Class of post adjustment	Actual purchasing power at each class		Loss of purchasing power at each class	Allowance required after adaptation to the cost of living in January 1969
	%	\$	\$	\$
C	90	358	48	448
B	85	338	74	474
A	80	320	100	500
0 as at 1 January 1962	<u>100</u>	<u>400</u>	--	--
0 as at 1 January 1969*	76	304	127	527
1	72	290	153	553
2	69	276	179	579
3	66	264	206	606
4	63	253	232	632
5	61	243	259	659
6	58	234	285	685
7	56	225	311	711
8	54	217	338	738
9	52	210	364	764
10	51	203	390	790

* The Geneva special index rose from 108.2 to 135.8 between 1 January 1962 and 31 December 1968. Since the index 108.2 was reduced to 105 by decision of ICSAB, the corrected index as at 31 December 1968 is 131.7, indicating an increase of 31.7 per cent during the base period.

To provide this allowance with the same purchasing power as in 1962, at all duty stations, it would be necessary:

- (a) to adapt it to the Geneva cost-of-living level on the base date for salaries effective 1 July 1971, i.e. January 1969 = 100;
- (b) to introduce a different allowance for each class of post adjustment (a differential of 5 per cent for each 5 per cent increase or decrease in the cost of living);
- (c) to do the same for the half-rate allowance (para. 35 (c)).

38. With regard to the children's allowance of \$300, which has remained unchanged since 1 January 1957, n/ its purchasing power has substantially diminished as a result of the cost-of-living increase that has occurred since then, as can be seen below:

Class post adjustment	Actual purchasing power at each class		Loss of purchasing power at each class	Allowance required after adaptation to the cost of living in January 1969
	%	\$	\$	\$
C	82	246	65	365
B	78	233	87	387
A	73	220	108	408
0 as at 1 January 1956	<u>100</u>	<u>300</u>	--	--
0 as at 1 January 1969	70	209	130	430
1	66	199	151	451
2	62	190	173	473
3	60	182	194	494
4	58	174	216	516
5	56	167	237	537
6	54	161	259	559
7	52	155	280	580
8	50	150	302	602
9	48	144	323	623
10	46	140	345	645

As in the case of the other allowances (para. 37), the 1956 purchasing power of the children's allowance would be maintained if the amount of the allowance were linked with the cost of living on which present salaries are based. Furthermore, in order that its purchasing power should remain the same whatever the duty station, a different allowance would have to be introduced for each class of post adjustment (a differential of 5 per cent for each 5 per cent increase or decrease in the cost of living).

n/ The comparison refers to 1 January 1956, the base date of the system established by the 1956 Committee, the \$300 allowance having been paid at New York since 1955. The cost of living at Geneva rose during this period by 43.3 per cent, according to Swiss statistics covering the period 1 January 1956 to 30 April 1960 plus the Geneva special index for the period April 1960 to December 1968.

G. The four-month rule

39. The Expert Committee on Post Adjustments (ECPA) (see document ECPA/S.4/11 of 17 April 1962) recommended a change in the then existing rule whereby movement from one class of post adjustment to a higher or lower class took place when the cost-of-living index averaged over nine months varied by 5 per cent from the base index of 100. ECPA suggested in place of that rule a "four-month rule" under which a change in the class of post adjustment would be made when the cost-of-living index rose or fell 5 per cent in relation to the base 100 and stayed at that level for four successive months. The new rule was implemented on 1 January 1964.

The Special Committee has expressed an interest in knowing whether the four-month rule might not have created a further advantage for the staff (in addition to the advantage which some think arises from the automaticity of the post adjustment system) and whether it would not be advisable to reintroduce the former nine-month average rule.

In order to judge the effect of each rule, a comparison would have to be made of the results of their application. We have used in the analysis the following indexes:

(a) The Geneva special index from April 1960 to December 1965, disregarding any changes in base salaries during that period so as to avoid a discontinuous series of index figures (see table 24 in the annex);

(b) The Geneva post adjustment index from December 1965 to December 1969, including the revision of base salaries effective 1 January 1969 (see table 25 in the annex);

(c) The New York post adjustment index from March 1966 to December 1970, including the revision of base salaries effective 1 January 1969 (see table 26 in the annex);

(d) The Paris post adjustment index from March 1966 to December 1970, including the revision of base salaries effective 1 January 1969 (see table 27 in the annex).

40. It emerges from these tables that, compared with the nine-month rule, the four-month rule usually has the effect of advancing by one month the date on which a change in post adjustment takes place. On a few occasions the date is advanced by two months, and occasionally the dates coincide.

41. The slight advantage conferred on staff members by the four-month rule, as compared with the former arrangement, is justified not only by the administrative and practical advantages which led ECPA to suggest the change, but also by the existing time lag in cost-of-living compensation. Tables 24 to 27 show that, in all cases the post reclassifications occur when the cost-of-living index stands above the change-point (105, 110, 115, 120, etc.). Hence, in conditions of a

steady increase in the cost of living, the four-month rule leaves a fairly substantial margin that is uncompensated. This margin can be shown as a percentage (index points) for the years 1966 to 1970:

	1966 %	1967 %	1968 %	1969 %	1970 %	Five-year average*
Geneva	1.30	3.98	2.68	2.73	4.20	2.98
New York	2.80	3.40	4.98	3.92	5.91	4.20
Paris	3.63	3.81	4.06	1.56	3.39	3.29

* This figure represents an annual average calculated for the five-year period.

42. In the light of the foregoing, it may be concluded that the four-month rule is an extremely "cautious" measure - perhaps too cautious - despite the fact that it has led to two consecutive upward reclassifications in New York during the same year, as occurred in both 1969 and 1970. The reason has to do not with the four-month rule, but rather with the effects of inflation and in part with the post adjustment system itself. The fact is that, as a duty station rises in the scale of post adjustment classes, the gap between classes (five points over the base 100) represents an increasingly small percentage of the rise in the cost of living in relation to the level reached in the previous class, and conversely in the minus classes, as can be seen from the following table:

Class	Cost of living as a % of the preceding class	Class	Cost of living as a % of the preceding class
C	5.55	4	4.35
B	5.26	5	4.17
A	5.00	6	4.00
0	0	7	3.85
1	5.00	8	3.70
2	4.76	9	3.57
3	4.55	10	3.45

Under the present system, it is sufficient for the cost of living in New York to rise a little more than 3.5 per cent for that city to pass from class 8 to class 9. In other words, the higher the class, the faster the rate of reclassification.

43. This situation could be remedied by establishing a scale with uniform steps of 5 per cent in relation not to the base 100 but to the preceding class. We would thus have the following progression:

Class	Change as a percentage of previous class	Change between classes as a percentage of the base	Post adjustment change-points	
			new	present
(1)	(2)	(3)	(4)	(5)
C	5	4.50	85.75	85
B	5	4.75	90.25	90
A	5	5.00	95.00	95
0	5	0	<u>100.00</u>	<u>100</u>
1	5	5.00	105.00	105
2	5	5.25	110.25	110
3	5	5.50	115.75	115
4	5	5.80	121.55	120
5	5	6.10	127.65	125
6	5	6.40	134.00	130
7	5	6.70	140.70	135
8	5	7.05	147.75	140
9	5	7.40	155.15	145
10	5	7.75	162.90	150

44. As is clear from columns (4) and (5), such a scale would slow down the rate of movement from one class to another, particularly in the higher classes. Reclassification would occur only when the cost of living had actually risen by 5 per cent since the previous adjustment, as occurs at present when the post adjustment changes from class 0 to class 1. However, the amounts of post adjustments would not, of course, be uniform from one class to the next; like the indexes, they would be slightly progressive in order to ensure purchasing power parity of salaries. Such a method would entail the replacement of the present schedule of monetary adjustments by a schedule of percentage rates of adjustment for each class. Beginning with an initial rate of adjustment of 4.65 per cent of gross salary for a 5 per cent cost-of-living increase over the base, we would have the following schedule:

Class	Adjustment as a percentage of gross base salary	Progression of adjustments as a percentage of gross base salary
C	13.25 / 8.85*	0.70**
B	9.05 / 6.05*	0.25**
A	4.65 / 3.10*	0
0	--	--
1	4.65	0
2	9.55	0.25
3	14.65	0.70
4	20.05	1.45
5	25.70	2.45
6	31.65	3.75
7	37.85	5.30
8	44.40	7.20
9	51.30	9.45
10	58.50	12.00

* "Two-thirds" assumption.

** Degression.

For example, under this method, class 6 would be justified when the index reached 134, instead of 130 under the present rule. On the other hand, the post adjustment would be 3.75 per cent higher in amount relative to the gross base salary.

45. Such a schedule would offer the further advantage of eliminating the difficulties that arise upon consolidation into base salary of one or more classes of post adjustment, as is the case at present when the consolidation is not accompanied by a salary increase in real terms (cf. CCAQ/SEC/94 (PER) of 16 December 1969). The following are examples of the consolidation of three classes under the present system:

	<u>Before consolidation</u>		<u>After consolidation</u>	
	Index	Class	New index*	New class
a	116.0	3	100.8	0
b	121.0	4	105.2	1
c	136.8	7	118.9	3
d	142.8	8	124.1	4

* For the consolidation of three classes, the new indexes are at present determined by the formula: $\frac{\text{former index} \times 100}{115 (= \text{class } 3)}$

Examples c and d show a reduction of four classes rather than three. On the other hand, the method described in paragraph 43 would allow strictly parallel results in the case of consolidation, as is seen from the following examples:

	<u>Before consolidation</u>		<u>After consolidation</u>	
	Index	Class	New index*	New class
a	116.0	3	100.2*	0
b	121.0	3	104.5	0
c	136.8	6	118.2	3
d	142.8	7	123.3	4

* For the incorporation of three classes, the new indexes would be determined by the following formula: $\frac{\text{former index} \times 100}{115.75 (= \text{class } 3 \text{ index according to the table in para. } 43)}$.

This method yields a uniform reduction of three classes corresponding to the three classes consolidated into base salary. It would also avoid a break in continuity in the application of the four-month rule when one or more classes of post adjustment are consolidated in the course of the four-month period.

46. Although the system described above would eliminate the difficulties referred to, it would be excessively complicated to administer. It could be replaced by a simpler system of adjustments based on gross salaries, entailing a progressive differential in the indexes determining the classes, and adoption of the method of calculating the index presented in paragraph 17 (b), as follows:

Class	Change as a percentage of previous class	Change between classes as a percentage of the base	Change-points	Adjustment rates
C	5.55	5	85	-10
B	5.26	5	90	- 6.6
A	5.00	5	95	- 3.3
0	5.00	0	<u>100</u>	0
1	5.00	5	105	5
2	4.76	5	110	10
3	5.45	6	116	16
4	5.17	6	122	22
5	4.92	6	128	28
6	4.68	6	134	34
7	5.22	7	141	41
8	4.96	7	148	48
9	4.73	7	155	55
10	5.16	8	163	63

47. This method:

(a) would eliminate the phenomenon of an accelerating rate of reclassification with movement up the scale of classes;

(b) would make it possible, in the case of the consolidation of one or more classes into the base salary, to reduce uniformly all duty stations by the same number of classes;

(c) would warrant, on the other hand, a change of the four-month waiting period to three months, since it appears that three months would provide an adequate safeguard in respect of momentary or seasonal fluctuations in the cost of living. Tables 25 to 27 in the annex show, over a period of five years, that the index very rarely remains at the same level for more than two consecutive months, and any limited decrease occurs only in the course of a month. Since we are expressing here an opinion different from that of the ECPA (ECPA/S.12/9 of 22 April 1970, paras. 47 to 53), we wonder whether this question should not be submitted to that Committee for re-examination.

48. Another problem has engaged our attention. In ECPA's view (ECPA/S.12/9, para. 46), on the occasion of the consolidation of post adjustment into the base salary, an office which has already entered a four-month waiting period would apply the four-month rule on the basis of the index series valid before incorporation.

We do not share this view, although we acknowledge that it may have been arrived at on the basis of a particular situation, which perhaps led the Committee to the wrong conclusion. We are of the opinion that ECPA should re-examine the question, taking into account all the possible implications of this rule. In fact, the following examples indicate the sort of pay anomalies to which the application of this rule can give rise:

(1) The case of Paris as at 1 January 1969, when the index series was as follows:

1968 September	135.3
October	135.8
November	136.8
December	136.8

Before the consolidation of one class, the index justified advancement to class 7 with effect from 1 January 1969. Consolidation then took place, with the result that the December index was changed to 130.3 by the usual formula $\frac{136.8}{105} \times 100$.

The new series, revised retroactively, would have been as follows:

1968 September	128.8
October	129.3
November	129.8
December	130.3

On this basis, Paris would have had to wait until 1 April to move to class 6, whereas on the basis of the former series (which was no longer valid since it referred to a different salary situation), it could have done so from 1 January. What would the impact of this rule have been in the event of the consolidation of two or three classes? The new December index would have been:

- (a) consolidation of two classes: 124.3
- (b) consolidation of three classes: 118.9.

The rule would have authorized Paris, in case (a) to move to class 5, and in case (b) to class 4, with effect from 1 January 1969.

(2) New York on 1 January 1969 was in a very similar situation:

New series

1968 September	134.4	
October	135.0	
November	135.5	
December	135.8	129.3
1969 January (136.3)		129.9

On the basis of the original series, New York could have moved to class 6 as of 1 February 1969, whereas under the four-month rule based on the series valid as from 1 January 1969, it could not do so until 1 June. Had two or three classes been consolidated, the new indexes would have been as follows:

(a) two classes:	December 1968	123.4
	January 1969	123.9
(b) three classes:	December 1968	118.0
	January 1969	118.6

The application of the rule would have allowed New York to move, in case (a) to class 5, and in case (b) to class 4.

49. It would appear that the only valid method in situations of this kind is the establishment of a series of revised indexes for the four months preceding consolidation on the basis of the formula

$$\frac{x \cdot 100}{105} \quad \text{or} \quad \frac{x \cdot 100}{110} \quad \text{or} \quad \frac{x \cdot 100}{115}$$

depending on whether one, two or three classes are consolidated. The revised series would be the sole determining factor for the application of the four-month rule, as it is in the case of revaluation or devaluation (see below, under V). In this connexion, it must not be forgotten that the consolidation of post adjustment into base salary does not in any way reduce emoluments; on the contrary, it enhances them in that subsequent post adjustments are at least 4 per cent higher in amount than the earlier ones for the consolidated classes. Thus the adjustments are at least 4 per cent, 8 per cent or 12 per cent higher than the former ones, depending on whether one, two or three classes are consolidated.

H. Conclusions of the analysis

50. Whether a gross or a net salary system is used, an organization which functions on all five continents and employs an internationally recruited specialist staff will always have the problem of finding ways to ensure that salaries have the same purchasing power in the various areas of assignment. The only way of ensuring parity of purchasing power is through a system of adjustments, which, in the view of the author of this study, must meet the following requirements:

(1) It must be tied to a base city and a base date;

(2) Comparative (place-to-place) surveys must be carried out at fairly frequent intervals - every five years, for example - to measure the actual divergence, for an international staff which is largely expatriate, between the cost of living at the base city, on the base date, and the cost of living at a duty station. Once the relationship has been established, cost-of-living movements at the duty station may be observed locally (time-to-time surveys) until the next comparative survey is made;

(3) On this basis, determinations must be made of the salary corrections needed to rectify any divergences in purchasing power of salaries at the duty stations, taking into account the necessary link between outside net remuneration and net emoluments in the United Nations (salary, post adjustment and staff assessment);

(4) The system should be reversible in that it should ensure parity of purchasing power whether the cost of living rises or falls;

(5) It should be possible periodically to consolidate one or more classes of post adjustment into the base salary without disrupting the system;

(6) The system should not include provisions of a social nature, since the Organization's social policy can be reflected in the staff assessment plan and in the dependency benefits (provided that the latter are also adjusted to the cost of living at the duty station so that they have uniform purchasing power).

51. The United Nations net post adjustment system meets the requirements set forth under (1) and (2) above. It satisfies the requirements in (3) to only a very small extent and does not meet the requirements in (4), (5) and (6) for the following reasons:

(a) Staff assessment is not brought adequately into the scheme;

(b) Unchanging rates are used to calculate post adjustment despite the fact that successive base salary increases have altered the original relationship between base salaries and staff assessment;

(c) Insufficient gradation exists in the scale of staff assessments: there is too steep a climb between one income bracket and rate of assessment and the next;

(d) There is no separate assessment schedule for staff without primary dependants (cf. paras. 22-28);

(e) The system uses constant 5 per cent variations for adjustment classes on a base 100 instead of 5 per cent variations between classes.

52. Over the years, a certain amount of distortion has been introduced into the post adjustments, if not the system itself, owing to the fact that salaries have steadily risen, through both real increases and the consolidation of post adjustment classes (due to the continual rise in the cost of living), whereas the post adjustment rates continue unchanged even while salaries have moved into higher staff assessment brackets. This has led to certain excesses which, contrary to what the facts showed prior to 1962, would justify today the reintroduction of horizontal regression and a greater degree of vertical regression (cf. table 28) in the post adjustment schedule if it continues to be established on a net basis.

53. The analysis has also shown:

(a) that a system of net adjustments operating in conjunction with a gross salary and staff assessment system will always be imperfect;

(b) that a staff member with primary dependants is "over-compensated" by 1 to 4.5 per cent, depending upon the class of post adjustment;

(c) that a staff member with no primary dependants is over-compensated - sometimes considerably so - in classes 1 to 6, while he generally suffers a loss in the higher classes;

(d) that a separate staff assessment plan for staff members without dependent spouse can be introduced only in conjunction with a gross salary and post adjustment system;

(e) that the four-month rule is too cautious and restrictive and that its application on the basis of the old (pre-consolidation) index when classes of post adjustment are consolidated is not very appropriate;

(f) that the dependency benefits have lost much of their purchasing power since the time they were established and that the present post adjustment system does not ensure their uniform purchasing power at all duty stations, for the reason that they are not integrated into the system.

IV. THE CHOICE OF BASE FOR THE SYSTEM

54. In considering whether a post adjustment system should have a single base or can have more than one base, it is necessary to examine several possibilities:

55. First possibility: The United Nations family continues to follow a common salary system applicable everywhere.

In this case there must be a single base for the determination of post adjustments. The base city has only one function in this regard, that of permitting for the purposes of place-to-place cost-of-living surveys the setting of a basket of goods and services whose prices and composition reflect the living costs, at the base place and time, for the relevant group of international civil servants possessing a given income. It does not matter whether the city is placed in class 0 or in any other class. The income in question is that received on the base date, and it may very well consist of base salary plus post adjustment. For example, taking Geneva as the base and assuming that place-to-place surveys were carried out in October 1970, when Geneva was in class 2 with a post adjustment index of 111.3, the relationship at that time between Geneva, Paris and New York would have been as follows:

Geneva 100	Paris	116.4	(more expensive than Geneva)
Geneva 100	New York	131.6	(more expensive than Geneva)
Geneva 100	Rome	95.1	(less expensive than Geneva)
	(estimated)		

These figures show the cost-of-living differential with the base Geneva; October 1970 = 100. However, this base 100 corresponds to a cost of living of 111.3 relative to the cost of living of 100 to which class 0 base salaries were tied on 1 January 1969. Therefore, the indexes for these cities must be rebased to determine the actual relationship with the base salary, as follows:

Geneva index October 1970 x Paris index in relation to
Geneva October 1970

100

or
$$\frac{111.3 \times 116.4}{100} = 129.5$$

Thus:	When Geneva =	111.3	class 2
	Paris was	129.5	" 5
	New York was	146.4	" 9
	Rome would have been	105.8	" 1

For the purposes of place-to-place cost-of-living surveys, the base city from which data for comparison are derived does not necessarily have to be at class 0. Theoretically, a city other than Geneva could be used. However, the author of this study still believes - as he did in 1956 - that Geneva is the proper choice, for the following reasons: it is the headquarters of the European office of the United Nations and a number of specialized agencies; a large number of staff members live in Geneva o/ (a very important consideration in basic statistical surveys); the pattern of living conditions of the international staff is readily discernible in Geneva; the Geneva market offers a full range of goods; a suitable statistical service is available through the ILO; and the Swiss franc offers some guarantee of stability. p/ It is unlikely that any other city is as well-suited to serve as a base for comparing the living costs and standards of international civil servants.

56. Second possibility: The organizations in the United Nations family adopt a common system and schedule of salaries and allowances for non-expatriate staff in combination with an expatriation allowance for expatriate staff members.

A system of adjustments could operate in roughly the same way here as under the first possibility (para. 55). Again, the purpose would be to ensure uniform purchasing power of salaries in all duty stations. At the same time, the expatriation allowance could be fixed for each duty station on the basis of criteria other than cost of living (although the cost of living would clearly have to enter into it to some extent), such as: degree of difficulty of recruitment or transfer, any problems relating to climate or other local living conditions (although these may not be the same for every expatriate staff member, depending on his place of origin), distance from country of origin, cultural facilities, safety, etc.

o/ Geneva, 2,390; Paris, 805; Vienna, 738; Rome, 1,325; New York, 2,162.

p/ A devaluation in 1936 and a revaluation in 1971.

57. Third possibility: Each organization adopts its own salary scale.

This would do away with the common system and introduce a host of administrative and co-ordination problems not only for the organizations but also for member States. A diversified system of this kind would still necessitate the establishment of a common "field" pay scale for staff posted to offices other than the headquarters of the organization to which they belong. It would be unthinkable for staff members or experts of equal rank posted to the same duty station from different organizations not to receive the same emoluments. As in the case of the system described in paragraph 55, the common field scale would have to be supplemented by a system of post adjustments and be tied to a base city suitable for use in place-to-place cost-of-living comparisons.

58. Fourth possibility: The organizations adopt separate regional salary scales
(e.g. (1) The Americas and Australia
(2) Europe
(3) Africa
(4) Asia)

No attempt will be made to consider the correspondence between these scales or to decide whether such a system would be administratively workable. We shall simply look at the adjustments needed to ensure uniform purchasing power of the salaries within each geographical region. A system of post adjustments analogous to the common scale system could be applied, mutatis mutandis, to each of the regional scales. We would then have four schedules of post adjustments and would have to select four base cities, for example:

New York for the Americas and Australia

Geneva for Europe

Bangkok for Asia

Addis Ababa for Africa.

Each duty station within a given region would be placed in a class within the post adjustment scale adopted for that region. The classification would be fixed on the basis of the cost-of-living difference between the duty station and the regional base. This system would require that each base city have a statistical service to undertake comparative cost-of-living surveys, and there would be the attendant danger that the statistical methods utilized would become increasingly divergent and that the four separate post adjustment schedules would deviate more and more in their application.

V. DEVALUATION - REVALUATION - FLOATING CURRENCIES

59. Salaries are set in dollars but, with some exceptions, paid in the currency of the duty station. Therefore, any change in the dollar rate used to convert salaries into the local currency affects the cost of living at the duty station, which is reckoned in terms of the dollar rate. This applies to all duty stations (other than the United States, where the dollar is the local currency), no matter whether salaries are fully or partly converted into local currency or paid wholly in dollars. In other words, the purchasing power of dollar salaries and allowances outside the United States depends on the purchasing power of the dollar as determined by the rate of exchange used to convert salaries into local currency.

60. Therefore, the dollar rate and the cost of living, as reckoned for officials outside the United States of America, are directly related. Accordingly:

(a) a drop in the dollar exchange rate (following official revaluation of the local currency, trading on a floating exchange market or, again, as a result of devaluation of the dollar) automatically leads to a proportionate rise in the cost of living, which is then reflected in a rise in the local post adjustment index;

(b) conversely, a rise in the dollar rate (following official devaluation of the local currency, a drop in the local currency rate on a floating exchange market or, again, as a result of revaluation of the dollar) leads to a proportionate fall in the cost of living, which is then reflected in a drop in the local post adjustment index.

61. From the point of view of the statistical structure of the post adjustment system, there is no fundamental difference:

(a) between a rise in the cost of living caused by an internal increase in local prices and a rise in those prices following a drop in the dollar exchange rate;

(b) conversely, between a drop in the cost of living caused by an internal drop in local prices and a drop in those prices following a rise in the dollar exchange rate.

The fact is that the post adjustment indexes are still the dollar gauge of local living costs.

62. Theoretically, therefore, a change in the exchange rate of the dollar should not hinder the application of the four-month rule. However, in the case of a substantial revaluation or devaluation, it would not be right, in the case of the former, to make the staff suffer a considerable loss of purchasing power over four successive months, just as, in the case of the latter, the retention of a substantially increased purchasing power for four successive months would hardly be justified.

63. The Expert Committee on Post Adjustments has taken the view (ECPA/S.4/11 of 17 April 1962, para. 14) that the four-month rule should not apply following a

revaluation or devaluation and that, in such cases, the indexes should be revised in the light of the new rate of exchange and the post classification should be determined on the basis of the revised indexes. In other words, in order to determine the index for the preceding four months the dollar rate for the fourth month is used to revise the index figures for the previous three months. This method is, in itself, perfectly proper when a substantial revaluation or devaluation produces, in one month, a sharp change in the exchange rate and the index. But it does not eliminate every problem, as we shall see. The method could not in any case be applied in the case of minor exchange-rate variations. In the first situation, the aim is to avoid as far as possible any substantial loss or gain in purchasing power due to currency realignment measures. Minor variations, on the other hand, become submerged in a gradual rise or fall in cost of living. The difficulty is to draw the line between these two situations. It would seem reasonable to do this as follows:

(a) Changes of 1 per cent or more in the salary conversion rate: compile revised indexes retroactively by applying the new rate to the index figures for the preceding three months; the new indexes would be the basis for applying the four-month rule.

(b) Changes of 1 per cent or less in the salary conversion rate: apply the four-month rule in the usual way.

64. This method can be illustrated by the following examples:

1. Geneva

(a) The revaluation of the Swiss franc in May 1971 caused the United Nations to change the conversion rate and, in June, it rose from 4.32 Swiss francs to 4.08 Swiss francs to the dollar.

		Index	Rate	Revised index (4.08 Swiss francs)
February	<u>class 3</u>	119.2	4.32	126.2
March		119.6	4.32	126.7
April		119.7	4.32	126.8
May		119.8	4.32	126.9
June		120.0	4.32	127.0 class 5

Under the revised index, the four-month rule justified placing Geneva in class 5 on 1 June 1971.

(b) The consolidation of two classes of post adjustment into base salaries caused Geneva to drop from class 5 to class 3 on 1 July 1971 and brought the June index figure down from 127.0 to 115.5, leading to a new set of figures which was again modified when the exchange rate changed from 4.08 Swiss francs to 3.95 Swiss francs to the dollar in October.

		Index	Rate	Revised index (3.95 Swiss francs)
June	<u>class 3</u>	115.5	4.08	119.3
July		115.2	4.08	119.0
August		115.8	4.08	119.6
September		117.6	4.08	121.4
October		117.9	4.08	121.8

Under the revised index, the four-month waiting period for advancement to class 4 would start in September and Geneva would change to class 4 on 1 January 1972.

2. Montreal

In June 1970 the rate changed from 1.08 to 1.0325 Canadian dollars to the US dollar.

		Index	Rate	Revised index (1.0325 rate)
February	<u>class 2</u>	114.0	1.08	119.2
March		114.0	1.08	119.2
April		114.5	1.08	119.7
May		114.2	1.08	119.4
June		114.4	1.08	119.7

Under the four-month rule, the revised index justified placing Montreal in class 3 in June.

3. Theoretical examples of a 0.8 per cent change in the rate in May 1971:

	(a) <u>Drop in the rate</u>		(b) <u>Rise in the rate</u>	
	<u>Index</u>	<u>Rate</u>	<u>Index</u>	<u>Rate</u>
January	119.0	4.00	119.3	4.00
February	119.2	4.00	119.5	4.00
March	119.3	4.00	119.8 (119.5)	4.00 (4.032)
April	119.5	4.00	120.5	4.00
May	(119.6)	(4.00)	(121.0)	(4.00)
May	120.6	3.978	120.0	4.032

Since the exchange-rate variation is less than 1 per cent, the index need not be revised. The four-month waiting period starts in May in example (a) and in April in example (b).

65. As can be seen from the above examples, a drop in the dollar exchange rate used to convert salaries means a climb in the index, whereas the index drops when the rate rises. The process is purely arithmetical and the formula is as follows:

$$\frac{\text{Index x old rate}}{\text{new rate}}$$

66. In a system of adjustments by 5 per cent or multiples of 5 per cent, it is not possible to retain absolutely identical purchasing power before and after a revaluation or devaluation. Consequently, there will always be a limited loss or gain in purchasing power, depending on the magnitude of the currency readjustment and on the level reached by the index.

67. Gains are usually made in the case of devaluation, since the office concerned is given the classification for the next change-point above the index figure resulting from the devaluation. For example, office x, index figure 127, class 5, will stay in class 5 if the index figure following devaluation does not fall to 120 or below, subject, in cases at the cut-off point, to the results of the revised indexes for the three months preceding the month in which devaluation takes place. The following table illustrates the current method:

	<u>Pre-devaluation to indexes</u>	<u>Revised indexes</u>		
		(a)	(b)	(c)
January	126.0	120.0	119.5	118.5
February	126.2	120.2	119.7	118.7
March	126.5	120.5	120.0	119.0
April	<u>127.0</u>	<u>121.0</u>	<u>120.5</u>	<u>119.5</u>
May	-	121.5	121.0	120.0
June	-	126.6	121.5	120.3
Devaluation in April:	(a) 4.72 per cent			
	(b) 5.12 per cent			
	(c) 5.91 per cent			

In example (a), the office will stay in class 5;

In example (b), the office will also stay in class 5, since the index figure has not fallen to 120 or below over four successive months;

In example (c), the office will drop to class 4.

In all three cases, the office has the advantage of being, for a certain amount of time, one class higher than other offices where there is no devaluation, which have to wait until the index figure has crossed the change-point for at least four months. Consequently, there is practically always a gain when devaluation occurs. In addition, the drop in class is never in proportion to the amount of the devaluation.

68. Losses occur in the case of revaluation depending on the level reached by the index before the currency readjustment and on the amount of the revaluation, but also because the post adjustment is never in proportion to the revaluation. This is illustrated by the following examples:

	<u>Pre-revaluation indexes</u>	<u>Revised indexes</u>		
		(a)	(b)	(c)
January	120.0	126.0	123.9	123.6
February	120.2	126.2	124.2	123.8
March	120.5	126.5	124.5	124.0
April	<u>121.0</u>	<u>127.0</u>	<u>125.0</u>	<u>124.6</u>
May	-	127.5	125.5	125.1
June	-	127.7	125.7	125.3

Revaluation in April: (a) 4.96 per cent
 (b) 3 1/3 per cent
 (c) 3 per cent

In this instance:

(a) the office will immediately change to class 5, but will show a slight loss since the average 4 per cent post adjustment g/ is lower than the rate of revaluation;

(b) the office will change to class 4, as it would have before the revaluation, and will not reach class 5 until three months after revaluation; the temporary loss is almost the equivalent of one class of post adjustment;

(c) the office will also change to class 4, as it would have before the revaluation, but will not reach class 5 until four months later; the loss is even greater than in example (b).

69. Such situations obviously put a strain on the normal functioning of the post adjustment system. The staff members who gain on devaluation are not the same as those who lose on revaluation. The situation is even more acute now that currency readjustments are fairly frequent. We can see only one way of reducing such imbalances, which are caused by the rigidity of the change-points for classes of post adjustment. That rigidity must be eliminated.

70. To that end, the change-points should be replaced by cost-of-living brackets spanning those figures, to form an index range for the class in question, as shown specifically below:

g/ The rates actually vary between 4 and 4.6 per cent.

Class	Change-point	Index range for reclassification	Adjustment rate (%)
C	85	87.5 - 82.4	10
B	90	92.5 - 87.4	6 2/3
A	95	95.0 - 92.4	3 1/3
0	-	-	-
1	105	105.0 - 107.4	5
2	110	107.5 - 112.4	10
3	115	112.5 - 117.4	15
4	120	117.5 - 122.4	20
5	125	122.5 - 127.4	25
6	130	127.5 - 132.4	30
7	135	132.5 - 137.4	35
8	140	137.5 - 142.4	40
9	145	142.5 - 147.4	45
10	150	147.5 - 152.4	50

It would be reasonable for the initial differential, above and below the base, to remain at 5 per cent.

71. A schedule of this type would mean more equitable treatment as between cases of devaluation or revaluation and normal cases of fluctuations in the cost of living. It would not, however, resolve all the problems caused by changes in the rate of conversion. When a currency is revalued, there will always be some reduction in take-home pay because the post-adjustment compensation is only a little more than four fifths. The opposite applies in the case of devaluation, where the drop is only a little more than four fifths. But this margin, we repeat, never exceeds the one which the system involves in normal cases of rising cost of living. A "guarantee" could conceivably be introduced whereby, on revaluation (the system always works in favour of the staff member in a case of devaluation), the take-home pay will never be less than it was before revaluation. However, this would be tantamount to building into the system a certain inequality in relation to the other duty stations, which are compelled to wait patiently until the advancement of the index enables them to secure, in part, what some have received fortuitously. United Nations salaries are not exaggeratedly high, but they are high enough to absorb here and there a few fluctuations, temporary and unavoidable, in a system which in other respects offers undeniable advantages.

72. Whatever the system used, some difficulties are bound to arise. Let us not forget common sense and ECPA as means of resolving them.

VI. PROPOSALS

73. The current post adjustment system has performed its task for 15 years. It has, however, exhibited certain defects - mainly some confusion with regard to principles, especially between social principles and the principle of equal purchasing power. The proposals which follow are based on the results of the study and do not take into consideration the ease or difficulty, from the administrative standpoint, which the organizations might have in implementing them.

74. 1. Schedule of post adjustments

(a) The first solution, which we think the optimum one and which would meet all requirements, would be to change from a "net" system to a "gross" system. This would mean:

- (i) adopting throughout a system of gross salaries;
 - (ii) introducing, at the same time, a new two-scale staff assessment plan, one scale for staff members who have a dependent spouse and the other for those who do not;
 - (iii) establishing a system of adjustments based on gross with the progression and rates as set forth in the table in paragraph 46, modified where necessary in accordance with the principles elaborated in paragraph 70, and adopting the method described in paragraph 17 (b) for computing the index;
 - (iv) calculating, on the basis of the same rates, the adjustments applicable to the gross step salary for the two groups of staff members (those with and without dependants);
 - (v) applying staff assessment to the gross step salary + gross adjustments in respect of plus classes and to the gross salary less gross adjustment in respect of minus classes.
- (b) Another solution, but one which would not resolve all problems (cf. paras. 42 to 45), would be to:

- (i) adopt the foregoing proposals, with the exception of those in (iii) and (iv);
- (ii) fix uniform plus adjustments for the two groups of staff at 4.65 per cent of the gross step salary, for every 5 per cent cost-of-living increase above base 100;
- (iii) fix minus adjustments (if they are retained) at a reduced rate of 3.10 per cent (i.e. two thirds of 4.65) of the gross step salary, for every 5 per cent cost-of-living drop below base 100;

- (iv) as an alternative to (ii) and (iii) above:
 - (aa) adopt the method described in paragraph 17 (b) for computing the index;
 - (bb) uniform plus adjustments for the two groups of staff at 5 per cent of the gross step salary, for every 5 per cent cost-of-living increase above base 100;
 - (cc) minus adjustments at a reduced rate of 3.33 per cent (i.e. two thirds of 5 per cent) of the gross step salary, for every 5 per cent cost-of-living drop below 100;
- (v) where necessary, adopt the index scale set out in paragraph 70.

75. 2. Dependency allowances

These could still be fixed as net amounts. They should, however, be brought into line with the current cost of living and living costs at the various duty stations, in accordance with the rates adopted for post adjustments. For social reasons and also because the financial implications are slight, no reduction at duty stations where the cost of living is lower than base 100 might be necessary.

76. 3. Four-month rule

- (i) The waiting period could be cut to three months, which would be more than enough to determine whether the upward or downward movement in the cost of living is transitory or not;
- (ii) Where the salary conversion rate is changed by more than 1 per cent, a set of revised indexes would be prepared for the three months preceding the month in which the change takes place; the revised figures would then be the only valid basis for application of the rule;
- (iii) Where one or more classes are consolidated into base salaries, a set of revised indexes would be prepared as under (ii) above.

ANNEX

Table 1

Indices of total gross remuneration corresponding to net salaries with the addition of post adjustment as at 1 July 1971

Grades and Steps	Classes of post adjustment										
	0	1	2	3	4	5	6	7	8	9	10
P-1, Step I	100	100.1	100.2	100.6	100.9	101.3	101.6	101.9	102.2	102.5	102.7
Step X	100	100.3	100.5	100.7	100.9	101.1	101.3	101.8	102.2	102.6	102.9
P-2, Step I	100	100.3	100.6	100.8	101.1	101.3	101.5	101.7	102.1	102.5	102.9
Step X	100	100.4	100.9	101.3	101.7	102.0	102.3	102.6	102.9	103.2	103.4
P-3, Step I	100	100.2	100.4	100.9	101.3	101.7	102.1	102.5	102.8	103.1	103.4
Step X	100	100.3	100.5	100.7	101.1	101.6	102.1	102.5	102.9	103.3	103.6
P-4, Step I	100	100.4	100.7	101.0	101.3	101.6	101.8	102.2	102.8	103.2	103.7
Step X	100	100.4	100.8	101.2	101.5	101.9	102.1	102.7	103.3	103.8	104.3
P-5, Step I	100	100.2	100.6	101.1	101.5	101.9	102.3	102.6	103.0	103.6	104.2
Step X	100	100.2	100.3	100.6	101.1	101.6	102.0	102.4	102.8	104.5	104.2
D-1, Step I	100	100.3	100.6	100.9	101.2	101.6	102.1	102.7	103.2	103.6	104.1
Step VII	100	100.1	100.5	100.9	101.2	101.5	101.9	102.5	103.1	103.7	104.2
D-2, Step I	100	100.2	100.6	100.9	101.2	101.5	101.9	102.6	103.2	103.7	104.2
Step IV	100	100.3	100.6	100.9	101.3	101.9	102.5	103.1	103.6	104.1	104.5

Table 2

"Net" post adjustment at 4.65% of gross salary
(after application of staff assessment)

P-1 - Step I Classes of post adjustment	1 January 1966				1 January 1969				1 July 1971			
	Actual post adjustment: \$252 net (4.43%)		Actual post adjustment: \$276 net (4.45%)		Actual post adjustment: \$324 net (4.46%)		Actual post adjustment: \$276 net (4.45%)		Actual post adjustment: \$324 net (4.46%)		Actual post adjustment: \$324 net (4.46%)	
	Net	Differences by class	%	Differences by class	%	Net	Differences by class	%	Net	Differences by class	%	Differences by class
Indices	(1) \$	(2) \$	(3) \$	(4)	(1) \$	(2) \$	(3) \$	(4)	(1) \$	(2) \$	(3) \$	(4)
1	241	+ 11	+ 11	4.24	265	+ 11	+ 11	4.27	314	+ 10	+ 10	4.33
2	242	+ 10	+ 21	4.25	264	+ 12	+ 23	4.26	314	+ 10	+ 20	4.33
3	241	+ 11	+ 32	4.24	265	+ 11	+ 34	4.27	301	+ 23	+ 43	4.15
4	242	+ 10	+ 42	4.25	265	+ 11	+ 45	4.27	293	+ 31	+ 74	4.04
5	241	+ 11	+ 53	4.24	265	+ 11	+ 56	4.27	293	+ 31	+ 105	4.04
6	242	+ 10	+ 63	4.25	264	+ 12	+ 68	4.26	294	+ 30	+ 135	4.05
7	241	+ 11	+ 74	4.24	262	+ 14	+ 82	4.23	293	+ 31	+ 166	4.04
8	242	+ 10	+ 84	4.25	247	+ 29	+ 111	3.98	293	+ 31	+ 197	4.04
9	241	+ 11	+ 95	4.24	247	+ 29	+ 140	3.98	294	+ 30	+ 227	4.05
10	235	+ 17	+ 112	4.13	247	+ 29	+ 169	3.98	293	+ 31	+ 258	4.04
Average				4.23				4.18				4.11

Col. 1: "Net" post adjustment corresponding to 4.65% of gross salary for each succeeding class of post adjustment less staff assessment.

Col. 2: Differences for each succeeding class between actual post adjustment and post adjustment calculated on gross salary.

Col. 3: Cumulative difference.

Col. 4: Post adjustment for each succeeding class as a percentage of net base salary.

Table 3

"Net" post adjustment at 4.65% of gross salary
(after application of staff assessment)

P-1 - Step X Classes of post adjustment	1 January 1966			1 January 1969			1 July 1971					
	Actual post adjustment: \$336 net (4.43%)			Actual post adjustment: \$366 net (4.42%)			Actual post adjustment: \$426 net (4.42%)					
	Net	Differences by class		Net	Differences by class		Net	Differences by class				
(1) \$	(2) \$	(3) \$	(4) %	(1) \$	(2) \$	(3) \$	(4) %	(1) \$	(2) \$	(3) \$	(4) %	
1	329	+ 7	+ 7	4.34	338	+ 28	+ 28	4.09	402	+ 24	+ 24	4.17
2	314	+ 12	+ 19	4.14	338	+ 28	+ 56	4.09	402	+ 24	+ 48	4.17
3	307	+ 29	+ 48	4.05	338	+ 28	+ 84	4.09	401	+ 25	+ 73	4.16
4	307	+ 29	+ 77	4.05	338	+ 28	+ 112	4.09	402	+ 24	+ 97	4.17
5	307	+ 29	+ 106	4.05	338	+ 28	+ 140	4.09	402	+ 24	+ 121	4.17
6	308	+ 28	+ 134	4.06	339	+ 27	+ 167	4.10	402	+ 24	+ 145	4.17
7	307	+ 29	+ 163	4.05	338	+ 28	+ 195	4.09	384	+ 42	+ 187	3.98
8	307	+ 29	+ 192	4.05	338	+ 28	+ 223	4.09	373	+ 53	+ 240	3.87
9	308	+ 28	+ 220	4.06	338	+ 28	+ 251	4.09	373	+ 53	+ 293	3.87
10	307	+ 29	+ 249	4.05	338	+ 28	+ 279	4.09	373	+ 53	+ 346	3.87
Average				<u>4.09</u>				<u>4.09</u>				<u>4.06</u>

Col 1: "Net" post adjustment corresponding to 4.65% of gross salary for each succeeding class of post adjustment less staff assessment.

Col 2: Difference for each succeeding class between actual post adjustment and post adjustment calculated on gross salary.

Col 3: Cumulative difference.

Col 4: Post adjustment for each succeeding class as a percentage of net base salary.

Table 4

"Net" post adjustment at 4.65% of gross salary
(after application of staff assessment)

P-2 - Step I Classes of post adjustment	1 January 1966			1 January 1969			1 July 1971				
	Actual post adjustment: \$324 net (4.45%)			Actual post adjustment: \$351 net (4.41%)			Actual post adjustment: \$411 net (4.43%)				
	Net	Differences by class		Net	Differences by class		Net	Differences by class			
(1) \$	(2) \$	(3) \$	(4) %	(1) \$	(2) \$	(3) \$	(4) %	(1) \$	(2) \$	(3) \$	(4) %
1	315	+ 9	+ 9	326	+ 25	+ 25	4.10	385	+ 26	+ 26	4.15
2	316	+ 8	+ 17	324	+ 27	+ 52	4.07	385	+ 26	+ 52	4.15
3	300	+ 24	+ 41	323	+ 28	+ 80	4.06	385	+ 26	+ 78	4.15
4	295	+ 29	+ 70	324	+ 27	+ 107	4.07	385	+ 26	+ 104	4.15
5	295	+ 29	+ 99	323	+ 28	+ 135	4.06	385	+ 26	+ 130	4.15
6	294	+ 30	+ 129	323	+ 28	+ 163	4.06	385	+ 26	+ 156	4.15
7	295	+ 29	+ 158	324	+ 27	+ 190	4.07	385	+ 26	+ 182	4.15
8	295	+ 29	+ 187	323	+ 28	+ 218	4.06	374	+ 37	+ 219	4.03
9	294	+ 30	+ 217	324	+ 27	+ 245	4.07	357	+ 54	+ 273	3.85
10	295	+ 29	+ 246	323	+ 28	+ 273	4.06	358	+ 53	+ 326	3.86
Average			4.11				4.07				4.08

Col 1: "Net" post adjustment corresponding to 4.65% of gross salary for each succeeding class of post adjustment less staff assessment.

Col 2: Difference for each succeeding class between actual post adjustment and post adjustment calculated on gross salary.

Col 3: Cumulative difference.

Col 4: Post adjustment for each succeeding class as a percentage of net base salary.

Table 5

"Net" post adjustment at 4.65% of gross salary
(after application of staff assessment)

P-2 - Step XI Classes of post adjustment	1 January 1966			1 January 1969			1 July 1971		
	Actual post adjustment: \$420 net (4.41%)			Actual post adjustment: \$456 net (4.40%)			Actual post adjustment: \$531 net (4.40%)		
	Net (1) \$	Differences by class (2) \$	% (4)	Net (1) \$	Differences by class (2) \$	% (4)	Net (1) \$	Differences by class (2) \$	% (4)
1	395	+ 25	4.16	435	+ 21	4.20	488	+ 43	4.04
2	396	+ 24	4.17	434	+ 22	4.19	479	+ 52	3.97
3	395	+ 25	4.16	435	+ 21	4.20	453	+ 78	3.75
4	396	+ 24	4.17	435	+ 21	4.20	453	+ 78	3.75
5	395	+ 25	4.16	411	+ 45	3.97	453	+ 78	3.75
6	396	+ 24	4.17	404	+ 52	3.90	453	+ 78	3.75
7	390	+ 30	4.10	404	+ 52	3.90	453	+ 78	3.75
8	367	+ 53	3.86	403	+ 53	3.89	453	+ 78	3.75
9	368	+ 52	3.87	404	+ 52	3.90	453	+ 78	3.75
10	367	+ 53	3.86	403	+ 53	3.89	453	+ 78	3.75
Average			4.07			4.02			3.80

Col 1: "Net" post adjustment corresponding to 4.65% of gross salary for each succeeding class of post adjustment less staff assessment.

Col 2: Difference for each succeeding class between actual post adjustment and post adjustment calculated on gross salary.

Col 3: Cumulative difference.

Col 4: Post adjustment for each succeeding class as a percentage of net base salary.

Table 6

"Net" post adjustment at 4.65% of gross salary
(after application of staff assessment)

P-3 - Step I Classes of post adjustment	1 January 1966			1 January 1969			1 July 1971			
	Actual post adjustment: \$384 net (4.40%)	Actual post adjustment: \$426 net (4.41%)	Actual post adjustment: \$498 net (4.41%)	Net	Differences by class	%	Net	Differences by class	%	
	(1) \$	(2) \$	(3) \$	(1) \$	(2) \$	(4)	(1) \$	(2) \$	(3) \$	
1	367	+ 17	+ 17	403	+ 23	+ 23	478	+ 20	+ 20	4.24
2	367	+ 17	+ 34	403	+ 23	+ 46	475	+ 23	+ 43	4.21
3	366	+ 18	+ 52	404	+ 22	+ 68	446	+ 52	+ 95	3.95
4	367	+ 17	+ 69	403	+ 23	+ 91	442	+ 56	+ 151	3.92
5	367	+ 17	+ 86	403	+ 23	+ 114	444	+ 54	+ 205	3.94
6	367	+ 17	+ 103	403	+ 23	+ 137	444	+ 54	+ 259	3.94
7	367	+ 17	+ 120	383	+ 43	+ 180	444	+ 54	+ 313	3.94
8	366	+ 18	+ 138	374	+ 52	+ 232	444	+ 54	+ 367	3.94
9	367	+ 17	+ 155	375	+ 51	+ 283	444	+ 54	+ 421	3.94
10	341	+ 43	+ 198	374	+ 52	+ 335	444	+ 54	+ 475	3.94
Average										<u>4.00</u>

Col 1: "Net" post adjustment corresponding to 4.65% of gross salary for each succeeding class of post adjustment less staff assessment.

Col 2: Difference for each succeeding class between actual post adjustment and post adjustment calculated on gross salary.

Col 3: Cumulative difference.

Col 4: Post adjustment for each succeeding class as a percentage of net base salary.

Table 7

"Net" post adjustment at 4.65% of gross salary
(after application of staff assessment)

P-3 - Step XIII Classes of post adjustment	1 January 1966			1 January 1969			1 July 1971			
	Actual post adjustment: \$528 net (4.43%)	Actual post adjustment: \$573 net (4.42%)	Actual post adjustment: \$654 net (4.33%)	Net	Differences by class	%	Net	Differences by class	%	
	(1) \$	(2) \$	(3) \$	(1) \$	(2) \$	(3) \$	(1) \$	(2) \$	(3) \$	
1	492	+ 36	+ 36	519	+ 54	+ 54	619	+ 35	+ 35	4.10
2	471	+ 57	+ 93	520	+ 53	+ 107	618	+ 36	+ 71	4.09
3	471	+ 57	+ 150	519	+ 54	+ 161	618	+ 36	+ 107	4.09
4	471	+ 57	+ 207	519	+ 54	+ 215	605	+ 49	+ 156	4.01
5	472	+ 56	+ 263	520	+ 53	+ 268	571	+ 83	+ 239	3.78
6	471	+ 57	+ 320	519	+ 54	+ 322	571	+ 83	+ 322	3.78
7	471	+ 57	+ 377	519	+ 54	+ 376	570	+ 84	+ 406	3.78
8	471	+ 57	+ 434	520	+ 53	+ 429	571	+ 83	+ 489	3.78
9	472	+ 56	+ 490	501	+ 72	+ 501	570	+ 84	+ 573	3.78
10	471	+ 57	+ 547	479	+ 94	+ 595	571	+ 83	+ 656	3.78
Average			<u>3.97</u>							<u>3.96</u>

Col 1: "Net" post adjustment corresponding to 4.65% of gross salary for each succeeding class of post adjustment less staff assessment.

Col 2: Difference for each succeeding class between actual post adjustment and post adjustment calculated on gross salary.

Col 3: Cumulative difference.

Col 4: Post adjustment for each succeeding class as a percentage of net base salary.

Table 8

"Net" post adjustment at 4.65% of gross salary
(after application of staff assessment)

P-4 - Step I Classes of post adjustment	1 January 1966			1 January 1969			1 July 1971			
	Actual post adjustment: \$468 net (4.36%)	Differences by class		Actual post adjustment: \$510 net (4.37%)	Differences by class		Actual post adjustment: \$594 net (4.37%)	Differences by class		
	Net	(2) \$	(3) \$	Net	(2) \$	(3) \$	Net	(2) \$	(3) \$	
	(1) \$	(2) \$	(3) \$	(1) \$	(2) \$	(3) \$	(1) \$	(2) \$	(3) \$	
				%			%			
				(4)			(4)			
									%	
1	452	+ 16	+ 16	4.21	+ 13	+ 13	547	+ 47	(3) \$	(4)
2	452	+ 16	+ 32	4.21	+ 47	+ 60	548	+ 46	+ 47	4.03
3	453	+ 15	+ 47	4.22	+ 49	+ 109	548	+ 46	+ 93	4.04
4	428	+ 40	+ 87	3.99	+ 48	+ 157	548	+ 46	+ 139	4.04
5	419	+ 49	+ 136	3.90	+ 49	+ 206	548	+ 46	+ 185	4.04
6	420	+ 48	+ 184	3.91	+ 48	+ 254	548	+ 46	+ 231	4.04
7	420	+ 48	+ 232	3.91	+ 49	+ 303	547	+ 47	+ 277	4.04
8	420	+ 48	+ 280	3.91	+ 48	+ 351	505	+ 89	+ 324	4.03
9	420	+ 48	+ 328	3.91	+ 49	+ 400	498	+ 96	+ 413	3.72
10	420	+ 48	+ 376	3.91	+ 48	+ 448	506	+ 88	+ 509	3.67
Average				<u>4.01</u>						<u>3.98</u>

Col 1: "Net" post adjustment corresponding to 4.65% of gross salary for each succeeding class of post adjustment less staff assessment.

Col 2: Difference for each succeeding class between actual post adjustment and post adjustment calculated on gross salary.

Col 3: Cumulative difference.

Col 4: Post adjustment for each succeeding class as a percentage of net base salary.

Table 9

"Net" post adjustment at 4.65% of gross salary
(after application of staff assessment)

P-4 - Step XII Classes of post adjustment	1 January 1966			1 January 1969			1 July 1971			
	Actual post adjustment: \$600 net (4.31%)	Net	Differences by class	Actual post adjustment: \$651 net (4.31%)	Net	Differences by class	Actual post adjustment: \$744 net (4.23%)	Net	Differences by class	
	(1) \$	(2) \$	(3) \$	(4) %	(1) \$	(2) \$	(3) \$	(1) \$	(2) \$	(3) \$
1	562	+ 38	+ 38	4.04	620	+ 31	+ 31	677	+ 67	+ 67
2	563	+ 37	+ 75	4.05	619	+ 32	+ 63	678	+ 66	+ 133
3	563	+ 38	+ 113	4.05	620	+ 31	+ 94	677	+ 67	+ 200
4	563	+ 38	+ 151	4.05	604	+ 47	+ 141	678	+ 66	+ 266
5	563	+ 38	+ 189	4.05	572	+ 79	+ 220	677	+ 67	+ 333
6	563	+ 38	+ 227	4.05	572	+ 79	+ 299	677	+ 67	+ 400
7	528	+ 72	+ 299	3.80	572	+ 79	+ 378	669	+ 75	+ 475
8	520	+ 80	+ 379	3.74	571	+ 80	+ 458	621	+ 123	+ 598
9	519	+ 81	+ 460	3.73	572	+ 79	+ 537	621	+ 123	+ 721
10	520	+ 80	+ 540	3.74	572	+ 79	+ 616	620	+ 124	+ 845
Average				<u>3.93</u>						
				(4)						
				4.10						
				4.09						
				4.10						
				4.00						
				3.78						
				3.78						
				3.78						
				3.78						
				3.78						
				3.78						
				<u>3.75</u>						

Col. 1: "Net" post adjustment corresponding to 4.65% of gross salary for each succeeding class of post adjustment less staff assessment.

Col. 2: Difference for each succeeding class between actual post adjustment and post adjustment calculated on gross salary.

Col. 3: Cumulative difference.

Col. 4: Post adjustment for each succeeding class as a percentage of net base salary.

Table 10

"Net" post adjustment at 4.65% of gross salary
(after application of staff assessment)

P-5 - Step I Classes of post adjustment	1 January 1966				1 January 1969				1 July 1971			
	Actual post adjustment: \$564 net (4.30%)		Differences by class		Actual post adjustment: \$612 net (4.30%)		Differences by class		Actual post adjustment: \$711 net (4.29%)		Differences by class	
	Net (1) \$	(2) \$	(3) \$	(4) %	Net (1) \$	(2) \$	(3) \$	(4) %	Net (1) \$	(2) \$	(3) \$	(4) %
1	526	+ 38	+ 38	4.01	578	+ 34	+ 34	4.06	686	+ 25	+ 25	4.14
2	526	+ 38	+ 76	4.01	578	+ 34	+ 68	4.06	646	+ 65	+ 90	3.90
3	526	+ 38	+ 114	4.01	578	+ 34	+ 102	4.06	634	+ 77	+ 167	3.83
4	525	+ 39	+ 153	4.00	577	+ 35	+ 137	4.06	633	+ 78	+ 245	3.82
5	526	+ 38	+ 191	4.01	578	+ 34	+ 171	4.06	634	+ 77	+ 322	3.83
6	526	+ 38	+ 229	4.01	555	+ 57	+ 228	3.90	634	+ 77	+ 399	3.83
7	526	+ 38	+ 267	4.01	534	+ 38	+ 306	3.75	633	+ 78	+ 477	3.82
8	526	+ 38	+ 305	4.01	533	+ 38	+ 385	3.75	634	+ 77	+ 554	3.83
9	492	+ 72	+ 377	3.75	534	+ 78	+ 463	3.75	623	+ 88	+ 642	3.82
10	485	+ 79	+ 456	3.70	533	+ 79	+ 542	3.75	581	+ 130	+ 772	3.51
Average				3.95				3.92				3.83

Col. 1: "Net" post adjustment corresponding to 4.65% of gross salary for each succeeding class of post adjustment less staff assessment.
 Col. 2: Difference for each succeeding class between actual post adjustment and post adjustment calculated on gross salary.
 Col. 3: Cumulative difference.
 Col. 4: Post adjustment for each succeeding class as a percentage of net base salary.

Table 11

"Net" post adjustment at 4.65% of gross salary
(after application of staff assessment)

P-5 - Step X Classes of post adjustment	1 January 1966				1 January 1969				1 July 1971			
	Actual post adjustment: \$572 net (4.19%)				Actual post adjustment: \$729 net (4.19%)				Actual post adjustment: \$825 net (4.10%)			
	Net	Differences by class		%	Net	Differences by class		%	Net	Differences by class		%
	(1) \$	(2) \$	(3) \$	(4)	(1) \$	(2) \$	(3) \$	(4)	(1) \$	(2) \$	(3) \$	(4)
1	662	+ 10	+ 10	4.13	668	+ 61	+ 61	3.84	797	+ 28	+ 28	3.96
2	661	+ 11	+ 21	4.12	570	+ 59	+ 120	3.85	797	+ 28	+ 56	3.96
3	614	+ 58	+ 79	3.85	671	+ 58	+ 178	3.86	770	+ 55	+ 111	3.83
4	611	+ 61	+ 140	3.81	670	+ 59	+ 237	3.85	730	+ 95	+ 206	3.63
5	611	+ 61	+ 101	3.81	670	+ 59	+ 296	3.85	730	+ 95	+ 301	3.63
6	611	+ 61	+ 262	3.81	670	+ 59	+ 355	3.85	731	+ 94	+ 395	3.63
7	611	+ 61	+ 323	3.81	670	+ 59	+ 414	3.85	730	+ 95	+ 490	3.63
8	610	+ 62	+ 385	3.80	622	+ 107	+ 521	3.57	731	+ 94	+ 584	3.63
9	611	+ 61	+ 446	3.81	615	+ 114	+ 635	3.51	705	+ 120	+ 704	3.50
10	597	+ 75	+ 521	3.72	616	+ 113	+ 748	3.54	664	+ 161	+ 865	3.30
Average				<u>3.87</u>				<u>3.76</u>				<u>3.67</u>

Col. 1: "Net" post adjustment corresponding to 4.65% of gross salary for each succeeding class of post adjustment less staff assessment.

Col. 2: Difference for each succeeding class between actual post adjustment and post adjustment calculated on gross salary.

Col. 3: Cumulative difference.

Col. 4: Post adjustment for each succeeding class as a percentage of net base salary.

Table 12

"Net" post adjustment at 4.65% of gross salary
(after application of staff assessment)

D-1 - Step I Classes of post adjustment	1 January 1966			1 January 1969			1 July 1971		
	Actual post adjustment: \$624 net (4.22%)	Net	%	Actual post adjustment: \$678 net (4.22%)	Net	%	Actual post adjustment: \$780 net (4.19%)	Net	%
	(1) \$	(2) \$	(3) \$	(1) \$	(2) \$	(3) \$	(1) \$	(2) \$	(3) \$
1	610	+ 14	+ 14	664	+ 14	+ 14	725	+ 55	+ 55
2	605	+ 19	+ 33	663	+ 15	+ 29	726	+ 54	+ 109
3	604	+ 20	+ 53	613	+ 65	+ 94	725	+ 55	+ 164
4	605	+ 19	+ 72	612	+ 66	+ 160	726	+ 54	+ 218
5	572	+ 52	+ 124	613	+ 65	+ 225	723	+ 57	+ 275
6	558	+ 66	+ 190	615	+ 65	+ 290	665	+ 115	+ 390
7	558	+ 66	+ 256	612	+ 66	+ 356	665	+ 115	+ 505
8	558	+ 66	+ 322	613	+ 65	+ 421	665	+ 115	+ 620
9	558	+ 66	+ 388	612	+ 66	+ 487	665	+ 115	+ 735
10	558	+ 66	+ 454	604	+ 74	+ 561	664	+ 116	+ 851
Average			<u>3.91</u>						
			(4)						(4)
			4.12						3.90
			4.09						3.90
			4.08						3.90
			4.09						3.90
			3.86						3.89
			3.77						3.58
			3.77						3.58
			3.77						3.58
			3.77						3.58
			3.77						3.57
			<u>3.91</u>						<u>3.74</u>

Col. 1: "Net" post adjustment corresponding to 4.65% of gross salary for each succeeding class of post adjustment less staff assessment.

Col. 2: Difference for each succeeding class between actual post adjustment and post adjustment calculated on gross salary.

Col. 3: Cumulative difference.

Col. 4: Post adjustment for each succeeding class as a percentage of net base salary.

Table 13

"Net" post adjustment at 4.65% of gross salary
(after application of staff assessment)

D-1 - Step VII Classes of post adjustment	1 January 1966			1 January 1969			1 July 1971		
	Actual post adjustment: \$696 net (4.01%)	%	Net	Actual post adjustment: \$753 net (4.01%)	%	Net	Actual post adjustment: \$867 net (4.01%)	%	Net
	Differences by class		(1) \$	Differences by class		(1) \$	Differences by class		(1) \$
1	(2) \$ + 24	(3) \$ + 24	672	(2) \$ + 20	(3) \$ + 20	733	(2) \$ + 25	(3) \$ + 25	842
2	(2) \$ + 30	(3) \$ + 54	666	(2) \$ + 21	(3) \$ + 41	732	(2) \$ + 73	(3) \$ + 98	794
3	(2) \$ + 29	(3) \$ + 83	667	(2) \$ + 20	(3) \$ + 61	733	(2) \$ + 72	(3) \$ + 170	795
4	(2) \$ + 30	(3) \$ + 113	666	(2) \$ + 21	(3) \$ + 82	732	(2) \$ + 73	(3) \$ + 243	794
5	(2) \$ + 29	(3) \$ + 142	667	(2) \$ + 38	(3) \$ + 120	715	(2) \$ + 73	(3) \$ + 316	794
6	(2) \$ + 29	(3) \$ + 171	667	(2) \$ + 82	(3) \$ + 202	671	(2) \$ + 73	(3) \$ + 389	794
7	(2) \$ + 30	(3) \$ + 201	666	(2) \$ + 81	(3) \$ + 283	672	(2) \$ + 130	(3) \$ + 519	737
8	(2) \$ + 69	(3) \$ + 270	627	(2) \$ + 82	(3) \$ + 365	671	(2) \$ + 145	(3) \$ + 664	722
9	(2) \$ + 85	(3) \$ + 355	611	(2) \$ + 81	(3) \$ + 446	672	(2) \$ + 145	(3) \$ + 809	722
10	(2) \$ + 85	(3) \$ + 440	611	(2) \$ + 82	(3) \$ + 528	671	(2) \$ + 145	(3) \$ + 954	722
Average									
			3.76			3.58			3.58
			(4)			(4)			(4)
			3.88			3.91			3.89
			3.84			3.90			3.67
			3.85			3.91			3.68
			3.84			3.90			3.67
			3.85			3.81			3.67
			3.85			3.58			3.67
			3.84			3.58			3.41
			3.62			3.58			3.34
			3.52			3.58			3.34
			3.52			3.58			3.34
			3.52			3.72			3.34
			3.76			3.72			2.57

Col. 1: "Net" post adjustment corresponding to 4.65% of gross salary for each succeeding class of post adjustment less staff assessment.

Col. 2: Difference for each succeeding class between actual post adjustment and post adjustment calculated on gross salary.

Col. 3: Cumulative difference.

Col. 4: Post adjustment for each succeeding class as a percentage of net base salary.

Table 14

"Net" post adjustment at 4.65% of gross salary
(after application of staff assessment)

D-2 - Step I Classes of post adjustment	1 January 1966				1 January 1969				1 July 1971			
	Actual post adjustment: \$696 net (3.99%)		Differences by class		Actual post adjustment: \$753 net (4.00%)		Differences by class		Actual post adjustment: \$870 net (4.01%)		Differences by class	
	Net (1) \$	(2) \$	(3) \$	% (4)	Net (1) \$	(2) \$	(3) \$	% (4)	Net (1) \$	(2) \$	(3) \$	% (4)
1	671	+ 25	+ 25	3.85	737	+ 16	+ 16	3.91	838	+ 32	+ 32	3.86
2	671	+ 25	+ 50	3.85	737	+ 16	+ 32	3.91	798	+ 72	+ 104	3.67
3	670	+ 26	+ 76	3.84	736	+ 17	+ 49	3.91	798	+ 72	+ 176	3.67
4	671	+ 25	+ 101	3.85	737	+ 16	+ 65	3.91	798	+ 72	+ 248	3.67
5	671	+ 25	+ 126	3.85	709	+ 44	+ 109	3.76	798	+ 72	+ 320	3.67
6	671	+ 25	+ 151	3.85	676	+ 77	+ 186	3.59	798	+ 72	+ 392	3.67
7	671	+ 25	+ 176	3.85	675	+ 78	+ 264	3.58	730	+ 140	+ 532	3.36
8	621	+ 75	+ 251	3.56	676	+ 77	+ 341	3.59	726	+ 144	+ 676	3.34
9	615	+ 81	+ 332	3.53	675	+ 78	+ 419	3.58	726	+ 144	+ 820	3.34
10	614	+ 82	+ 414	3.52	675	+ 78	+ 497	3.58	725	+ 145	+ 965	3.34
Average				<u>3.76</u>				<u>3.73</u>				<u>3.56</u>

Col. 1: "Net" post adjustment corresponding to 4.65% of gross salary for each succeeding class of post adjustment less staff assessment.

Col. 2: Difference for each succeeding class between actual post adjustment and post adjustment calculated on gross salary.

Col. 3: Cumulative difference.

Col. 4: Post adjustment for each succeeding class as a percentage of net base salary.

Table 15

"Net" post adjustment at 4.65% of gross salary
(after application of staff assessment)

D-2 - Step IV Classes of post adjustment	1 January 1966				1 January 1969				1 July 1971			
	Actual post adjustment: \$732 net (3.94%)				Actual post adjustment: \$804 net (4.00%)				Actual post adjustment: \$927 net (4.00%)			
	Net (1) \$	(2) \$	(3) \$	% (4)	Net (1) \$	(2) \$	(3) \$	% (4)	Net (1) \$	(2) \$	(3) \$	% (4)
1	725	+ 7	+ 13	3.90	796	+ 8	+ 8	3.96	862	+ 65	+ 65	3.72
2	726	+ 6	+ 13	3.90	795	+ 9	+ 17	3.95	863	+ 64	+ 129	3.73
3	725	+ 7	+ 20	3.90	771	+ 33	+ 50	3.83	862	+ 65	+ 194	3.72
4	726	+ 6	+ 26	3.90	729	+ 75	+ 125	3.62	863	+ 64	+ 258	3.73
5	723	+ 9	+ 35	3.89	729	+ 75	+ 200	3.62	784	+ 143	+ 401	3.39
6	665	+ 67	+ 102	3.58	730	+ 74	+ 274	3.63	784	+ 143	+ 544	3.39
7	665	+ 67	+ 169	3.58	729	+ 75	+ 349	3.62	784	+ 143	+ 687	3.39
8	665	+ 67	+ 236	3.58	729	+ 75	+ 424	3.62	784	+ 143	+ 830	3.39
9	665	+ 67	+ 303	3.58	707	+ 97	+ 521	3.52	784	+ 143	+ 973	3.39
10	665	+ 67	+ 370	3.58	663	+ 141	+ 662	3.30	784	+ 143	+ 1116	3.39
Average				3.74				3.37				3.52

Col. 1: "Net" post adjustment corresponding to 4.65% of gross salary for each succeeding class of post adjustment less staff assessment.
 Col. 2: Difference for each succeeding class between actual post adjustment and post adjustment calculated on gross salary.
 Col. 3: Cumulative difference.
 Col. 4: Post adjustment for each succeeding class as a percentage of net base salary.

Table 16

Net minus differences in post adjustment by class calculated on gross salary, compared with post adjustment in effect from 1 July 1971

Grades and Steps	Up to \$100		\$101-\$200		\$201-\$300		\$301-\$400		\$401-\$500		Over \$500	
	classes	classes	classes	classes	classes	classes	classes	classes	classes	classes	classes	classes
P-1, Step I	1 - 4	5 - 8	9 - 10	-	-	-	-	-	-	-	-	-
Step X	1 - 4	5 - 7	8 - 10	-	-	-	-	-	-	-	-	-
P-2, Step I	1 - 3	4 - 7	8 - 9	10	10	6 - 7	8 - 10	8 - 10	8 - 10	8 - 10	8 - 10	8 - 10
Step XI	1 - 2	4 - 3	4	5	5	5	6 - 7	6 - 7	6 - 7	6 - 7	6 - 7	6 - 7
P-3, Step I	1 - 3	4 - 4	5 - 6	7 - 8	7 - 8	9 - 10	9 - 10	9 - 10	9 - 10	9 - 10	9 - 10	9 - 10
Step XIII	1 - 2	3 - 4	5	6	6	7 - 8	7 - 8	7 - 8	7 - 8	7 - 8	7 - 8	7 - 8
P-4, Step I	1 - 2	3 - 4	5 - 6	7	7	8	8	8	8	8	8	8
Step XII	1	2 - 3	4	5 - 6	5 - 6	7	7	7	7	7	7	7
P-5, Step I	1 - 2	3	4	5 - 6	5 - 6	7	7	7	7	7	7	7
Step X	1 - 2	3	4	4	4	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6
D-1, Step I	1	2 - 3	4 - 5	6	6	7 - 10	7 - 10	7 - 10	7 - 10	7 - 10	7 - 10	7 - 10
Step VII	1 - 2	3	4	5	5	6	6	6	6	6	6	6
D-2, Step I	1	2 - 3	4	5 - 6	5 - 6	7 - 10	7 - 10	7 - 10	7 - 10	7 - 10	7 - 10	7 - 10
Step IV	1	2 - 3	4	4	4	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6	5 - 6

Table 17

Staff member with no dependants
Differences in purchasing power of base
salaries and post adjustments
(in US dollars)

Classes	P-1, Step I					P-1, Step X				
	Post adjustment (1)	Staff assessment (2)	Total "NET" post adjustment (3)	Present post adjustment	Difference in purchasing power	Post adjustment (1)	Staff assessment (2)	Total "NET" post adjustment (3)	Present post adjustment	Difference in purchasing power
0	-	360	-	-	+ 360	-	494	-	-	+ 494
1	314	377	63	216	+ 279	402	517	115	284	+ 399
2	628	394	234	432	+ 198	804	540	264	568	+ 304
3	919	411	508	648	+ 140	1,205	562	643	852	+ 209
4	1,212	428	784	864	+ 80	1,607	585	1,022	1,136	+ 114
5	1,505	444	1,061	1,080	+ 19	2,009	608	1,401	1,420	+ 19
6	1,799	461	1,338	1,296	- 42	2,411	631	1,780	1,704	- 76
7	2,092	478	1,614	1,512	- 102	2,795	654	2,141	1,988	- 153
8	2,384	495	1,889	1,728	- 161	3,168	677	2,491	2,272	- 219
9	2,680	512	2,168	1,944	- 224	3,541	700	2,841	2,556	- 285
10	2,973	528	2,445	2,160	- 285	3,914	723	3,191	2,840	- 351

(1) Net post adjustment calculated at 4.65 per cent of gross salary after application of staff assessment (cf. tables 2 to 15).

(2) Additional staff assessment of staff member with no dependent spouse (working hypothesis based on additional assessment of 4 per cent of total gross remuneration).

(3) Balance of post adjustment after deduction of staff assessment.

Table 18

Staff member with no dependants

Differences in purchasing power of base salaries and post adjustments (in US dollars)

Classes	P-3, Step I					P-3, Step XIII				
	Post adjustment (1)	Staff assessment (2)	Total "NET" post adjustment (3)	Present post adjustment	Difference in purchasing power	Post adjustment (1)	Staff assessment (2)	Total "NET" post adjustment (3)	Present post adjustment	Difference in purchasing power
0	-	588	- 588	-	+ 588	-	818	- 818	-	+ 818
1	478	615	- 137	332	+ 469	619	856	- 237	436	+ 673
2	953	642	311	664	+ 353	1,237	894	343	872	+ 529
3	1,399	670	729	996	+ 267	1,855	932	923	1,308	+ 385
4	1,841	697	1,144	1,328	+ 184	2,460	970	1,490	1,744	+ 254
5	2,285	724	1,561	1,660	+ 99	3,031	1,008	2,023	2,180	+ 157
6	2,729	752	1,977	1,992	+ 15	3,602	1,046	2,556	2,616	+ 60
7	3,173	779	2,394	2,324	- 70	4,172	1,084	3,088	3,052	- 36
8	3,617	806	2,811	2,656	- 155	4,743	1,122	3,621	3,488	- 133
9	4,061	833	3,228	2,988	- 240	5,313	1,160	4,153	3,924	- 229
10	4,505	861	3,644	3,320	- 324	5,884	1,198	4,686	4,360	- 326

(1) Net post adjustment calculated at 4.65 per cent of gross salary after application of staff assessment (cf. tables 2 to 15).

(2) Additional staff assessment of staff member with no dependent spouse (working hypothesis based on additional assessment of 4 per cent of total gross remuneration).

(3) Balance of post adjustment after deduction of staff assessment.

Table 19

Staff member with no dependants
Differences in purchasing power of base
salaries and post adjustments
(in US dollars)

Classes	P-5, Step I					P-5, Step X				
	Post adjustment (1)	Staff assessment (2)	Total "NET" post adjustment (3)	Present post adjustment	Difference in purchasing power	Post adjustment (1)	Staff assessment (2)	Total "NET" post adjustment (3)	Present post adjustment	Difference in purchasing power
0	-	908	- 908	-	+ 908	-	1,142	- 1,142	-	+ 1,142
1	686	950	- 264	474	+ 738	797	1,195	- 398	486	+ 884
2	1,332	992	340	948	+ 608	1,594	1,248	346	972	+ 626
3	1,966	1,035	931	1,422	+ 491	2,364	1,301	1,063	1,458	+ 395
4	2,599	1,077	1,522	1,896	+ 374	3,094	1,354	1,740	1,944	+ 204
5	3,233	1,119	2,114	2,370	+ 256	3,824	1,408	2,416	2,430	+ 14
6	3,867	1,161	2,706	2,844	+ 138	4,555	1,461	3,094	2,916	- 178
7	4,500	1,204	3,296	3,318	+ 22	5,285	1,514	3,771	3,402	- 369
8	5,134	1,246	3,888	3,792	- 96	6,016	1,567	4,449	3,888	- 561
9	5,757	1,288	4,469	4,266	- 203	6,721	1,620	5,101	4,374	- 727
10	6,338	1,330	5,008	4,740	- 268	7,385	1,673	5,712	4,860	- 852

(1) Net post adjustment calculated at 4.65 per cent of gross salary after application of staff assessment (cf. tables 2 to 15).

(2) Additional staff assessment of staff member with no dependent spouse (working hypothesis based on additional assessment of 4 per cent of total gross remuneration).

(3) Balance of post adjustment after deduction of staff assessment.

Table 20

Staff member with no dependants
Differences in purchasing power of base
salaries and post adjustments
(in US dollars)

Classes	D-2, Step I					D-2, Step IV				
	Post adjustment (1)	Staff assessment (2)	Total "NET" post adjustment (3)	Present post adjustment	Difference in purchasing power	Post adjustment (1)	Staff assessment (2)	Total "NET" post adjustment (3)	Present post adjustment	Difference in purchasing power
0	-	1,248	- 1,248	-	+ 1,248	-	1,349	- 1,349	-	+ 1,248
1	838	1,306	- 468	580	+ 1,048	862	1,412	- 550	618	+ 1,168
2	1,636	1,364	272	1,160	+ 888	1,725	1,474	251	1,236	+ 985
3	2,434	1,422	1,012	1,740	+ 728	2,587	1,537	1,050	1,854	+ 804
4	3,232	1,480	1,752	2,320	+ 568	3,450	1,600	1,850	2,472	+ 622
5	4,030	1,538	2,492	2,900	+ 408	4,234	1,662	2,572	3,090	+ 518
6	4,828	1,596	3,232	3,480	+ 248	5,018	1,725	3,293	3,708	+ 415
7	5,558	1,654	3,904	4,060	+ 156	5,802	1,788	4,014	4,326	+ 312
8	6,284	1,712	4,572	4,640	+ 68	6,586	1,851	4,735	4,944	+ 209
9	7,010	1,770	5,240	5,220	- 20	7,370	1,913	5,457	5,562	+ 105
10	7,735	1,828	5,907	5,800	- 107	8,154	1,976	6,178	6,180	+ 2

(1) Net post adjustment calculated at 4.65 per cent of gross salary after application of staff assessment (cf. tables 2 to 15),

(2) Additional staff assessment of staff member with no dependent spouse (working hypothesis based on additional assessment of 4 per cent of total gross remuneration).

(3) Balance of post adjustment after deduction of staff assessment.

Table 21

Minus adjustments^{1/}

Net deductions by class as at 1 July 1971:

- (a) calculated on 75 per cent of net salary at an average rate of 4.53 per cent (cf. para. 18)
- (b) calculated on 75 per cent of gross salary at a rate of 4.65 per cent, less staff assessment
- (c) actual deductions as at 1 July 1971 (class A)
- (d) based on 4.65 per cent of gross salary, less staff assessment, reduced to two thirds (cf. table 22, class A, col. 2/3)

(in US dollars)

	P-1		P-2		P-3		P-4		P-5		D-1		D-2	
	I	X	I	XI	I	XIII	I	XII	I	X	I	VII	I	IV
(a)	247	327	315	410	461	513	461	597	562	684	632	735	738	786
(b)	209	301	288	386	358	463	411	505	515	598	544	650	653	647
(c)	216	284	274	354	332	436	332	496	474	550	520	578	580	618
(d)	209	268	257	343	319	412	365	473	457	531	481	577	580	575

^{1/} Staff members with primary dependants.

Table 22

Net deductions for minus adjustment areas calculated at 4.65% of gross salary, less staff assessment

Class	P-1, Step I		P-1, Step X		P-2, Step I		P-2, Step XI		P-3, Step I		P-3, Step XIII		P-4, Step I		P-4, Step XII	
	Present deductions \$216	3/3	2/3	3/3	2/3	3/3	2/3	3/3	2/3	3/3	2/3	3/3	2/3	3/3	2/3	3/3
A ^{1/}	314	209	402	268	385	257	515 ^{1/}	343	478	319	618	412	548	365	720	473
B	314	209	402	268	385	257	515	343	478	319	618	412	548	365	734	489
C	314	209	402	268	385	257	515	343	478	319	618	412	568	379	734	489

Class	P-5, Step I		P-5, Step X		D-1, Step I		D-1, Step VII		D-2, Step I		D-2, Step IV	
	Present deductions \$474	3/3	2/3	3/3	2/3	3/3	2/3	3/3	2/3	3/3	2/3	3/3
A	686	457	797	531	721	481	866	577	871	580	862	575
B	686	457	797	531	751	500	866	577	871	580	934	623
C	686	457	797	531	786	524	866	577	871	580	940	627

^{1/} The figures underlined differ from those indicated for class 1 in tables 5, 9, 13 and 14 because of the overlapping of two levels of staff assessment.

^{2/} In most cases, class A determines the amount to be deducted cumulatively for each 5 per cent by which the cost of living is below 100.

Table 23

Presumed "tax benefit" component in the net salary of a staff member with dependent spouse ^{1/}

(in US dollars)

Class of post adjustment	Grades and Steps													
	P-1 Step I	P-1 Step X	P-2 Step I	P-2 Step XI	P-3 Step I	P-3 Step XIII	P-4 Step I	P-4 Step XII	P-5 Step I	P-5 Step X	D-1 Step I	D-1 Step VII	D-2 Step II	D-2 Step IV
C	327	448	429	547	533	742	657	881	824	1,036	943	1,126	1,132	1,223
B	338	463	444	594	551	767	680	911	852	1,071	976	1,165	1,170	1,265
A	349	478	458	613	569	793	702	941	880	1,107	1,008	1,203	1,209	1,307
0	360	494	473	633	588	818	723	971	908	1,142	1,040	1,242	1,248	1,349
1	377	517	495	662	615	856	759	1,016	950	1,195	1,088	1,299	1,306	1,412
2	394	540	517	692	642	894	792	1,062	992	1,248	1,137	1,357	1,364	1,474
3	411	562	539	721	670	932	826	1,107	1,035	1,301	1,185	1,415	1,422	1,537
4	428	585	561	751	697	970	860	1,152	1,077	1,354	1,233	1,472	1,480	1,600
5	444	608	583	780	724	1,008	893	1,197	1,119	1,408	1,282	1,530	1,538	1,662
6	461	631	605	809	752	1,046	927	1,242	1,161	1,461	1,330	1,588	1,596	1,725
7	478	654	627	839	779	1,084	961	1,237	1,204	1,514	1,379	1,646	1,654	1,788
8	495	677	649	868	806	1,122	995	1,332	1,246	1,567	1,427	1,703	1,712	1,851
9	512	700	671	898	833	1,160	1,028	1,378	1,288	1,620	1,475	1,761	1,770	1,913
10	528	723	693	927	861	1,198	1,062	1,423	1,330	1,673	1,524	1,819	1,828	1,976

^{1/} This component has been calculated on the assumption of an additional assessment of 4 per cent of gross salary of a staff member without primary dependants, and post adjustment of 4.65 per cent of base gross salary for each of the classes 1 to 10, the rate being reduced to 2/3 for classes A, B and C.

Table 24

Geneva special index (April 1960 = 100)

Months	1 9 6 1		1 9 6 2		1 9 6 3		1 9 6 4		1 9 6 5	
	Indexes		Indexes		Indexes		Indexes		Indexes	
	current (1)	average (2)	current	average	current	average	current	average	current	average
January	103.2		108.2	107.0	111.9	111.0	117.1	115.3	120.5	118.9
February	103.5		108.5	107.6	112.2	111.2	117.1	115.7	120.5	119.2
March	103.9		108.9	107.8	112.6	111.5	117.2	116.1	120.9	119.6
April	104.5		109.6	108.2	113.0	111.7	117.6	116.5	<u>121.0</u>	119.9
May	105.1		109.9	108.5	113.5	111.9	117.6	116.8	121.3	<u>120.2</u>
June	105.6		110.5	108.8	113.9	112.3	117.6	117.0	121.6	120.5
July	106.3		110.8	109.2	114.4	112.6	117.9	117.2	121.8	120.8
August	<u>106.8</u> (3)		111.4	109.5	114.8	113.1	118.5	117.5	122.3	121.0
September	107.5	<u>105.1</u>	<u>110.7</u>	109.8	115.3	113.5	119.0	117.7	122.9	121.4
October	107.8	105.6	111.0	<u>110.1</u>	115.9	113.9	119.5	118.0	123.1	121.7
November	108.1	106.1	111.3	110.4	116.6	114.4	119.7	118.2	123.7	122.0
December	108.4	106.6	111.6	110.7	116.8	114.9	119.8	118.5	124.5	122.4

(1) Indexes determining adjustments under the four-month rule.

(2) Nine-month average indexes.

(3) Indexes underlined indicate the figure that would have justified a change in class of post adjustment with effect from the following month, on the assumption that base salaries had been fixed in April 1960 and had remained unchanged to the end of December 1965.

Table 25

Geneva index (December 1965 = 105)

Months	1966		1967		1968		1969	
	Indexes		Indexes		Indexes		Indexes	
	current	average	current	average	current	average	current	average
December 1965	105.0 ^{1/}							
January	105.2		108.0	106.8	111.8	110.6	109.4 ^{2/}	107.4
February	105.4		108.3	107.1	112.2	110.9	110.7	108.1
March	105.5		108.6	107.4	112.5	111.1	110.1	108.5
April	105.7		109.0	107.7	112.3	111.4	110.1	108.9
May	105.9		109.4	108.0	112.1	111.6	110.2	109.7
June	106.1		109.8	108.3	111.9	111.7	110.3	109.8
July	106.3		110.1	108.7	112.2	111.9	110.5	110.5
August	106.5	105.7	110.4	109.0	112.5	112.0	110.7	110.1
September	106.8	105.9	110.7	109.3	112.9	112.2	110.9	110.2
October	107.1	106.1	110.9 ^{3/}	109.7	113.4	112.3	111.3	110.3
November	107.4	106.3	111.2	110.0 ^{4/}	113.9	112.6	111.6	110.5
December	107.7	106.6	111.4	110.3	114.5	112.8	111.9	110.7
					109.0 ^{2/}			

1/ In the absence of a continuous series, the monthly index figures have been obtained from the three-monthly indexes by extrapolation. Index 105 = ICSAB recommendation.

2/ Consolidation of one class into the base salary as of 1 January 1969, and rebaseing of the index by the formula:

$$\frac{\text{former index} \times 100}{105} = \text{new index.}$$

3/ The current index figures underlined are those which determined the change of class with effect from the following month under the four-month rule.

4/ The average index figures underlined are those which would have determined a change of class with effect from the following month under the nine-month average rule.

Table 26

New York Index (Geneva, December 1965 = 105)

	1966		1967		1968		1969		1970	
	Indexes		Indexes		Indexes		Indexes		Indexes	
	current	average	current	average	current	average	current	average	current	average
January	120.1		124.4	123.7	129.0	127.2	<u>129.9</u> ^{1/}	125.5	139.2	135.9
February	120.9		125.0	124.0	129.7	127.7	130.4	126.4	140.2	136.7
March	121.6		125.2	124.4	130.3	128.2	131.7	127.3	141.3	137.5
April	122.0		125.2	124.6	130.8	128.7	132.6	128.2	142.3	138.4
May	122.0		<u>125.4</u> ^{2/}	124.8	131.2	129.3	132.9	129.1	<u>142.9</u>	139.2
June	122.1		125.7	<u>125.0</u> ^{3/}	<u>131.9</u>	129.8	133.7	<u>130.0</u>	<u>143.8</u>	<u>140.2</u>
July	123.2		126.1	125.1	132.6	<u>130.3</u>	134.2	129.9	144.3	141.0
August	123.6		126.4	125.3	133.6	130.9	134.6	130.9	144.8	141.9
September	124.2	122.2	126.8	125.6	134.4	131.5	135.7	132.9	145.7	142.7
October	124.8	122.7	128.3	126.0	135.0	132.2	<u>136.3</u>	133.6	146.5	143.5
November	124.6	123.1	128.4	126.4	135.5	132.8	136.8	134.3	146.9	144.3
December	124.5	123.4	128.9	126.8	135.8	133.4	<u>138.2</u>	<u>135.0</u>	<u>148.0</u>	<u>145.1</u>

^{1/} Consolidation of one class into the base salary as of 1 January 1969 and rebasing of the index by the formula: $\frac{\text{former index} \times 100}{\text{new index}}$

^{2/} The current index figures underlined are those which determined the change of class with effect from the following month under the four-month rule.

^{3/} The average index figures underlined are those which would have determined a change of class with effect from the following month under the nine-month average rule.

Table No. 27

Paris index (Geneva, December 1965 = 105)

	1966		1967		1968		1969		1970	
	Indexes ^{1/}		Indexes		Indexes		Indexes		Indexes	
	current	average	current	average	current	average	current	average	current	average
January	?		126.2	124.3	130.9	128.9	131.0	128.9	124.4	128.3
February	?		<u>126.5^{3/}</u>	124.7	131.8	129.4	131.7	129.4	125.5	127.4
March	121.7		126.8	<u>125.1^{4/}</u>	<u>132.8</u>	130.0	132.4	129.9	126.6	126.5
April	122.1		127.1	125.6	133.1	130.6	133.1	130.5	126.9	125.6
May	122.6		127.4	126.0	133.4	131.1	133.8	131.2	127.2	<u>124.6</u>
June	123.1		127.7	126.4	133.7	131.7	134.6	131.8	127.5	125.2
July	123.4		128.0	126.8	134.2	132.2	135.4	132.5	128.1	125.8
August	123.7		128.4	127.2	134.7	132.8	136.2	133.2	128.7	126.5
September	123.9		128.8	127.5	135.3	133.4	<u>122.0^{5/}</u>	132.2	129.3	127.1
October	124.6		129.2	127.8	135.8	133.9	122.4	131.3	129.6	127.7
November	125.3	123.4	129.6	128.2	136.3	134.4	122.8	130.3	129.9	128.2
December	125.9	123.8	130.0	128.5	<u>136.8</u>	134.9	123.3	129.3	130.2	128.6
					<u>130.3^{2/}</u>					

^{1/} Since only three-monthly index figures were available, the monthly index figures have been obtained by extrapolation for the purposes of a continuous series.

^{2/} Consolidation of one class into the base salary as of 1 January 1969, and re-basing of the index by the formula: $\frac{\text{former index} \times 100}{\text{new index}}$.

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^{3/} The current index figures underlined are those which determined the change of class with effect from the following month under the four-month rule.

^{4/} The average index figures underlined are those which would have determined a change of class with effect from the following month under the nine-month average rule.

^{5/} The US dollar moved from 4.94 to 5.55 French francs; hence the movement from class 6 to class 5 (125).

Table 28

Comparison of net rates of post adjustment under the current schedule and the net rates that would currently be justified with the application of the staff assessment plan

Grades	Bottom step Net rates		Top step Net rates	
	current	proposed ^{1/}	current	proposed ^{1/}
D-2	4.01	3.56	4.00	3.52
D-1	4.19	3.74	4.01	3.57
P-5	4.29	3.83	4.10	3.67
P-4	4.37	3.94	4.23	3.75
P-3	4.41	4.00	4.33	3.90
P-2	4.43	4.08	4.40	3.80
P-1	4.46	4.11	4.42	4.06

^{1/} These are the average rates taken from tables 2 to 15.

STUDY OF THE POST ADJUSTMENT SYSTEM

PART TWO

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PART TWO

VII. POSSIBILITY OF EXCLUDING THE HOUSING ELEMENT FROM THE POST ADJUSTMENT SYSTEM

1. Background to the problem

77. Rent is a major factor in the family budget of international civil servants. Depending on the state of the housing market at the duty station, the two principles of substantial equivalence of living standards and equal purchasing power of salaries may be considerably affected. A newly arrived staff member may have to pay considerably more rent than a colleague with a number of years' residence. However, the difference in cost is perhaps not always a consequence of market laws. It may result from greater comfort, more favourable location or higher personal requirements. In comparative cost-of-living surveys, a comparison is generally made between the actual cost of apartments rented by staff members, with adjustments here and there to take into account the general conditions prevailing in the places concerned. r/ The statistical method used thus makes it possible to compare costs to a certain extent, but hardly standards, since living conditions may differ. Nevertheless, all place-to-place comparisons involve a "photograph" of the situation current at the time of the survey among the group of international civil servants. True, we may ask whether the adjustment system should go beyond an intrinsically equal purchasing power based on averages, or whether it should at the same time ensure equality of standards. In any event, comparisons in this area are very difficult and, consequently, highly subject to errors of estimation. The purpose of this study is not so much to examine this aspect of the question as to see whether it is possible to consider a "rent excluded" post adjustment system, and if so, what the consequences would be.

78. From the point of view of either comparative or local cost-of-living statistics, it is not difficult to establish a "rent excluded" index. The creation of a "rent excluded" post adjustment system would likewise present no difficulty, but as we shall see below the implementation of such a system would be conceivable only if a housing allowance system was established at the same time. There are thus two aspects to the problem:

1. The establishment of local or place-to-place cost-of-living indexes based on elements other than rent and,
2. The housing allowance system which will be a logical consequence of this.

r/ Cf. Statistical Papers, Series M, No. 14.

2. Indexes

79. A cost-of-living index confined to all groups of expenditure other than rent is perfectly feasible. It might be a "rent excluded" index or a "constant rent" index. To illustrate these two methods, we shall use the Geneva local index as established for international civil servants in that city by the Swiss Federal Statistical Office. The Geneva index for March 1971 was made up as follows:

	<u>Weighting</u>	<u>Group indexes</u>	<u>Results</u>
1. Elements taken from the index of the <u>canton</u> of Geneva	71.0	113.91	8088
2. Rent	16.4	124.82	2047
3. Domestic services	4.9	138.03	676
4. Medical services	3.1	131.59	408
5. Restaurant meals	1.0	130.30	130
6. Education, home leave	<u>3.6</u>	<u>114.14</u>	<u>411</u>
	100.0		Index = 117.60

(We shall disregard in the demonstration which follows the index corrected by the factor $\frac{101.70}{100}$ resulting from the index of 105 in December 1965 and the consolidation of one class on 1 January 1969. The real index at that date was in fact 119.6).

80. On this basis, we can determine the following two indexes:

(a) "Rent excluded" index

	<u>Weighting</u>	<u>Group indexes</u>	<u>Results</u>
1. Elements taken from the index of the <u>canton</u> of Geneva	84.9	113.91	9671
2. Rent	0.0	-	-
3. Domestic services	5.9	138.03	814
4. Medical services	3.7	131.59	487
5. Restaurant meals	1.2	130.30	156
6. Education, home leave	<u>4.3</u>	<u>114.14</u>	<u>491</u>
	100.0		Index = 116.19

The weighting of the groups is different because the weighting of rent, 16.4 is distributed proportionately among all the other groups in the index.

(b) "Constant rent" index

	<u>Weighting</u>	<u>Group indexes</u>	<u>Results</u>
1. Elements taken from the index of the <u>canton</u> of Geneva	71.0	113.91	6088
2. Rent	16.4	<u>100.00</u>	1640
3. Domestic services	4.9	138.03	676
4. Medical services	3.1	131.59	408
5. Restaurant meals	1.0	130.30	130
6. Education, home leave	<u>3.6</u>	114.14	<u>411</u>
	100.0		Index = 113.53

In this index, the weighting of the groups is unchanged, but rent is regarded as constant since a base date identical to that marking the entry into force of the base salaries.

81. These two indexes, "rent excluded" and "constant rent", differ both in conception and in the results they give. Both of them must be viewed in the light of our purpose, namely to exclude the rent factor from the current post adjustment system, while retaining the principle, which we regard as both fundamental and essential, of equal purchasing power of salaries.

(i) The "rent excluded" index (cf. paragraph 80 (a))

82. This index can be interpreted in two ways:

(a) Rent is totally disregarded and the value of the index refers only to the portion of family expenditure other than rent. The index could therefore be used in a post adjustment system in which cost-of-living compensation was paid for only 83.6 per cent of the base salary ($100 - 16.4$ (rent portion) = 83.6). In that event, however, how would it be possible to compensate for rent increases, and how would the equal purchasing power of salaries at locations other than the base be determined? In the first case, a local rent index would have to be established, so that changes in rents could be measured and compensation in the form of a housing allowance granted. In the second case, equal purchasing power of salaries at all duty stations could be ensured only by comparing all groups of family expenditure, including rent. Place-to-place statistical comparisons of rents paid by international civil servants would therefore have to be conducted, so that the price relationships to the Geneva base for this group of expenditure could be established. Once this was done, a system of compensation would have to be introduced, either plus or minus depending on whether prices in places other than Geneva were higher or lower, to ensure that salaries as a whole had equal purchasing power. We see no benefit which would compensate for the great administrative complications of adopting, on this basis, a post adjustment system complemented by an extremely complicated housing allowance system.

(b) Alternatively, we can assume that, rents being disregarded, their increase follows the average general trend of the other groups in the index. In other words, in the example given in paragraph 80 (a), rents would be considered to have increased since the base date by 16 per cent, corresponding to the general index of 116. This interpretation would involve calculating post adjustments on 100 per cent of base salary, rather than on only part of it as in subparagraph (a) above. However, this index would lead to inequalities. Duty stations where rents were not high in relation to the other elements of the index would be at an advantage, whereas the reverse would be the case at duty stations where rents were more expensive. This is shown by the following theoretical examples:

(1) Rent index lower than those of other groups

	<u>Weighting</u>	<u>Group indexes</u>	<u>Results</u>
1. Other groups	71.0	115	8165
2. Rent	16.4	105	1722
3. Domestic services	4.9	118	578
4. Medical services	3.1	116	359
5. Restaurant meals	1.0	119	119
6. Education, home leave	3.6	120	<u>432</u>
		Index =	113.75

The same, "rent excluded" index:

1. Other groups	84.9	115	9763
2. Rent	0.0	-	-
3. Domestic services	5.9	118	696
4. Medical services	3.7	116	429
5. Restaurant meals	1.2	119	143
6. Education, home leave	4.3	120	<u>516</u>
		Index =	115.47

(2) Rent index higher than those of other groups

1. Other groups	71.0	115	8165
2. Rent	16.4	125	2050
3. Domestic services	4.9	118	578
4. Medical services	3.1	116	359
5. Restaurant meals	1.0	119	119
6. Education, home leave	3.6	120	<u>432</u>

The same, "rent excluded" index:

	<u>Weighting</u>	<u>Group indexes</u>	<u>Results</u>
1. Other groups	84.9	115	9763
2. Rent	0.0	-	-
3. Domestic services	5.9	118	696
4. Medical services	3.7	116	429
5. Restaurant meals	1.2	119	143
6. Education, home leave	4.3	120	<u>516</u>
			Index = 115.47

It can be seen that this method does not give satisfactory results. In the first example, the exclusion of rents whose index is lower than that of the other groups leads to a two-point rise in the over-all index, whereas in the second example, where the rent index is higher than those of other groups, the over-all index is almost two points lower. This method can therefore be rejected.

(ii) The "constant rent" index (cf. paragraph 80 (b))

83. This index reflects the change in the cost of living, on the assumption that rents have remained constant since the period when the general index at the base (Geneva) was 100. Since Geneva is the base city, the base date for salaries and for the index should be the same there. The starting point would then be the assumption that at that time base salaries were sufficient to allow staff members to meet housing expenses of an order of magnitude averaging 16.4 per cent of their base salary. We shall return to this percentage in paragraph 90 and the following paragraphs.

84. First of all, a few examples to illustrate the results the "constant rent" index method would give, and the practical consequences of using it:

(1) Rent index lower than those of other groups

	<u>Weighting</u>	<u>Group indexes</u>	<u>Results</u>
1. Other groups	71.0	115	8165
2. Rent	16.4	105	1722
3. Domestic services	4.9	118	578
4. Medical services	3.1	116	359
5. Restaurant meals	1.0	119	119
6. Education, home leave	3.6	120	<u>432</u>
			Index = 113.75

The same, "constant rent" index:

	<u>Weighting</u>	<u>Group indexes</u>	<u>Results</u>
1. Other groups	71.0	115	8165
2. Rent	16.4	<u>100</u>	1640
3. Domestic services	4.9	118	578
4. Medical services	3.1	116	359
5. Restaurant meals	1.0	119	119
6. Education, home leave	3.6	120	<u>432</u>
			Index = 112.93

(2) Rent index higher than those of other groups

1. Other groups	71.0	115	8165
2. Rent	16.4	125	2050
3. Domestic services	4.9	118	578
4. Medical services	3.1	116	359
5. Restaurant meals	1.0	119	119
6. Education, home leave	3.6	120	<u>432</u>
			Index = 117.03

The same, "constant rent" index:

1. Other groups	71.0	115	8165
2. Rent	16.4	<u>100</u>	1640
3. Domestic services	4.9	118	578
4. Medical services	3.1	116	359
5. Restaurant meals	1.0	119	119
6. Education, home leave	3.6	120	<u>432</u>
			Index = 112.93

In both cases, the "constant rent" index is the same. Both over-all indexes are reduced in proportion to the difference between their respective "rent" indexes and the base index of 100.

85. The effects of this method on local post adjustment indexes are:

- (i) To keep the average portion of family budgets spent on rent constant from the base date for salaries, and consequently to eliminate any influence on the index from rent changes at the duty station;

- (ii) To slow down the increase in local indexes and, consequently, to delay the date of the advance to a higher class of post adjustment (as in the cases mentioned in paragraphs 17 (b) and 18 (b));
- (iii) To provide a stable base for the establishment of a housing allowance system.

86. Calculation of the place-to-place indexes would follow the same principle. The rent group at each duty station would be kept with the same weighting and the same constant value of 100 as at the base station. In other words, this would mean that staff members, whatever their duty station, would be considered to spend on average the same portion of income on rent, and at the same value, as at the base city and date taken as a reference point (Geneva). The two examples given below illustrate how a place-to-place comparison would be conducted to measure the discrepancy in cost of living as against base Geneva, with both the weighting and the value for rent kept constant.

(1) Geneva-Paris s/

	Geneva = 100	P a r i s		
	<u>Weighting</u>	<u>Weighting</u>	<u>Group indexes</u>	<u>Results t/</u>
1. Food	27.72	29.93	106.9	3199.5
2. Clothing	6.88	9.48	119.2	1130.0
3. Rent	<u>16.40</u>	16.40	<u>100.0</u>	1640.0
4. Domestic services	4.86	5.05	154.6	780.7
5. Transportation	10.04	9.45	106.5	1006.4
6. Household equipment	5.27	5.82	109.1	635.0
7. Household furnishings	3.21	2.31	92.4	213.4
8. Personal care	4.42	5.52	121.5	670.7
9. Medical care	3.10	2.68	121.8	326.4
10. Recreation	6.23	5.60	114.2	639.5
11. Miscellaneous	2.83	2.39	100.3	239.7
12. Education	3.30	1.42	100.0	142.0
13. Home leave	1.84	1.71	100.0	171.0
14. Purchases outside country of residence	<u>3.90</u>	<u>2.24</u>	100.0	<u>224.0</u>
	100.00	100.00		110.183

s/ Weighting adjusted in the light of constant weighting and value for rent, indexes for other groups taken from the comparative survey conducted in Paris in April 1967, taking as the basis for comparison Geneva in September 1966 = 100.

t/ Simple calculation not using the Fisher formula. Use of the Fisher formula would give a slightly (about one point) lower index.

The same calculation, but taking rent at the index current at the period, 154.6, would result in an over-all index of 119.14 instead of 110.18, in other words a difference of almost two classes of post adjustment.

(2) Geneva-Rome u/

		R o m e v/			
		Geneva = 100		Group	
		<u>Weighting</u>	<u>Weighting</u>	<u>indexes</u>	<u>Results</u>
1.	Food	28.33	26.24	103.6	2718.5
2.	Clothing	8.72	8.87	110.3	972.8
3.	Rent	<u>16.40</u>	<u>16.40</u>	<u>100.0</u>	1640.0
4.	Domestic services	5.11	6.46	132.3	854.7
5.	Transportation	10.85	11.10	106.8	1185.5
6.	Household equipment	6.75	6.08	103.7	630.5
7.	Household furnishings	3.26	2.88	89.2	256.9
8.	Personal care	4.52	3.69	92.9	342.8
9.	Medical care	3.23	4.18	122.2	510.8
10.	Recreation	6.32	5.89	138.5	815.8
11.	Miscellaneous	3.02	2.73	120.6	329.2
12.	Education	1.75	2.61	100.0	261.0
13.	Home leave	1.74	2.92	100.0	<u>292.0</u>
					108.105

The same calculation, but taking rent at an index of 132.5, as it was at the time of the comparative survey, would result in an over-all index of 113.40 instead of 108.10, in other words a difference of more than 5 points, or one class of post adjustment.

87. As the two examples given in paragraph 86 show, the rent factor would be dealt with in all comparative cost-of-living surveys in the same way as education and home leave, that is to say at a constant value of 100.

u/ Weighting adjusted in the light of constant weighting and value for rent, indexes for other groups taken from the comparative survey conducted in January 1971, taking as the basis for comparison Geneva in June 1968 = 100.

v/ Simple calculation not using the Fisher formula. Use of the Fisher formula would give a slightly (about one point) lower index.

3. The housing allowance system

88. In a post adjustment system using "constant rent" indexes, the adjustment, although calculated on 100 per cent of the base salary, gross or net, compensates only for the difference in the cost of living as reflected in the groups other than rent. This is reflected not in the total post adjustments, but in the "constant rent" index, which is as low in comparison to the current situation as rents are high at the duty station in comparison to rents paid at Geneva on the date of entry into force of the base salary scale. The result would be that depending on the level of the rent index currently used in comparative or local indexes, duty stations would be classified one or two post adjustment classes lower than their present classification, as can be seen from the examples used above, in which:

The Geneva index would fall by four points (cf. tables in paragraphs 79 and 80 (b))

The Paris index would fall by nine points (cf. paragraph 86 (1)) and

The Rome index would fall by five points (cf. paragraph 86 (2)).

Applied to New York, this method would lower the post adjustment index by at least 13 points, or more than two classes. This is because the rent group index used in the last comparative survey in November 1969 was 176.2 as compared with 100 at Geneva in October 1969. Most staff stationed in New York could undoubtedly claim a housing allowance.

89. Since compensation for rent is paid under a post adjustment system based on "constant rent" indexes, the equal purchasing power of salaries would not be ensured unless the system was combined with a suitable housing allowance scheme.

90. As can be seen from the composition of the index mentioned in paragraph 79, the average portion of the family budget spent on rent by staff members at Geneva is 16.4 per cent. The rent spread may however be fairly wide both above and below this average. Moreover, as was pointed out in paragraph 77, the cost of rent may depend on individual motivations, and on personal requirements with regard to the location, size, comfort, modernity or fittings of the accommodation. Relatively expensive accommodation close to the office allows a saving on transportation costs, and may in fact be no more expensive than cheaper accommodation in the suburbs which would involve higher transportation costs. Care must therefore be exercised in defining rent and selecting a reasonable percentage for consideration. Moreover, steps must be taken to ensure that the rules for the implementation of a housing allowance system do not reduce the personal responsibility of the staff member to the point where he is no longer interested in seeking a reasonable and economical solution to his housing problem. In addition, the system must not open the way to excessive interference by the administration in the private life of the staff member. A solution must therefore be found which, on the one hand, maintains the personal responsibility of the staff member both for the choice of his housing and for the resulting financial consequences to him and, on the other hand, protects the interests of the administration, in other words limits beforehand the possibilities of abuse.

91. If a housing allowance system is to be established, the standard percentage of salary constituting a normal rent must first of all be defined. Only if the rent exceeds this percentage will a housing allowance be paid to a staff member, on terms to be defined. For this purpose we shall use the weighting given in the most recent comparative cost-of-living surveys to the rent group, which also includes heating, electricity and gas. These are:

	%
Geneva	19.17
Paris	19.03
Vienna	20.66
Rome	21.46
New York	22.00
Montreal	18.00
Addis Ababa	22.10
Bangkok	22.30
Mexico	19.20

This gives an average figure for headquarters locations of 20 per cent. The average of the nine cities listed above would be 20.43 per cent. Taking into account the fact that the range of goods and services used in statistical comparisons covers approximately 90 per cent w/ of the net income of staff members, the actual portion of income spent on rent, heating, electricity and gas might on average reach 18 per cent.

92. Pending more ample information, it may therefore be assumed that staff members spend on average 18 per cent of their net income to cover these expenses. The statistical services of the United Nations and the International Labour Organisation would certainly be in a position to determine a more accurate percentage on the basis of the statistical comparisons conducted in recent years, and, if necessary, to subdivide it into specific percentages for each of these categories of expenditure (rent, heating, electricity, gas, etc.). A housing allowance system could function normally only if the expenses to be taken into account were readily identifiable. It would then remain to be determined what average percentage of income is taken up on average by what the organizations have agreed to regard as "rent" at Geneva, the base of the salary system. As a working hypothesis, we can arbitrarily take a figure of 16 per cent.

93. Assuming that 16 per cent represents the average expenditure on rent, what figure should be taken as the standard percentage below which rent would still be regarded as normal? It must be borne in mind that this figure should be

w/ CO-ORD/CC/SG/127, annex 2, para. 2.

sufficiently high to encourage staff members to house themselves at prices remaining below the limit, and to ensure that the housing allowance remains a special measure for the alleviation of exorbitant rent burdens. A margin of 2 to 4 per cent above the average would appear reasonable. The housing allowance would therefore not come into the picture unless the rent exceeded 18 to 20 per cent of net salary.

94. The question also arises whether the financial interest of the staff member in his choice of accommodation should not be made even greater by requiring him to pay part of that portion of the rent which exceeds the standard rate adopted. In other words, the housing allowance might not correspond exactly to the portion of the rent exceeding 18 to 20 per cent of net base salary. It might be fixed at two thirds or three quarters of that portion, the remaining cost to be borne by the staff member. In our view, such a measure would to some extent penalize the "newcomer", who often has a choice only among several apartments, all equally expensive.

95. The principle of equal purchasing power of salaries calls for:

(a) Applying the standard percentage (see para. 93) uniformly at all duty stations, including Geneva, the base station and those included in class 0 in the post adjustment scale;

(b) Applying this standard percentage, without regard to duty station and time, to the net step salary, exclusive of post adjustments, which, as we have seen, would provide compensation only for cost-of-living elements other than rent;

(c) Redetermining the amount of individual housing allowances:

- After every change in base salary, whether as a result of an increase in real salary or of the consolidation of post adjustment classes;
- After promotion or advancement to a higher step;
- After a currency revaluation or devaluation.

96. Where there has been an increase in real salary, without a consolidation of post adjustment classes, the "constant rent" index series can be continued unchanged. On the other hand, in the case of consolidation of one or more post adjustment classes, the consolidation must be accompanied by a limited salary increase to cover the difference between the portion of the rent borne by the staff member before the consolidation and the portion which he will now have to assume; otherwise, the consolidation alone would result in a reduction in net income, as the following hypothetical case shows:

	<u>Before consolidation</u>		<u>After consolidation</u>	
	\$	\$	\$	\$
Net base salary	10,000		10,400	
1 post adjustment class	400		-	
Real rent: \$2,500, including:				
- amount paid by staff member				
(20 per cent of \$10,000)		2,000		2,080
- housing allowance	<u>500</u>		<u>420</u>	
Net income	10,900		10,820	

97. The difference results from the fact that the staff member's share of the rent, fixed at 20 per cent of net base salary, is higher after the consolidation, which added to the salary an amount representing only compensation for cost-of-living elements other than rent. In a system of this kind, it would therefore be essential, following the consolidation of post adjustment classes, to increase salaries by the following amounts in order to compensate for rent:

- 1 per cent per post adjustment class consolidated if the standard rate of the housing allowance system is 20 per cent and the plus post adjustment approximately 4 per cent;

- 0.9 per cent per class if the standard rate is 18 per cent.

This is illustrated by the following table, which can be compared with the one in paragraph 96:

	\$	\$
Base salary <u>after</u> consolidation	10,400	
Compensation: 1 per cent	<u>100</u>	
New base salary	10,500	
Rent: \$2,500, including:		
- amount paid by staff member		2,100
- housing allowance	<u>400</u>	
Net income	10,900	

If the standard rate is 18 per cent, consolidation of a class will produce the following table:

	<u>Before consolidation</u>		<u>After consolidation</u>	
	\$	\$	\$	\$
Net base salary	10,000		10,400	
1 post adjustment class	400		94	
Compensation: 0.9 per cent	-			
Rent: \$2,500, including:				
- portion paid by staff member (18 per cent)		1,800		1,889
- housing allowance	<u>700</u>		<u>611</u>	
Net income	11,100		11,105	

98. A system of housing allowances necessarily implies the right of the administration to inspect the rented accommodation when the staff member applies for an allowance, for abuses can occur. The administration must satisfy itself that the accommodation is in keeping with the staff member's family status and professional rank, taking into account the accommodations locally available.

99. It is also necessary to determine what is to be taken as the rent yardstick in calculating the housing allowance. Conditions may vary from one duty station to another depending on local custom, the state of the housing market, the size of the urban centre concerned, etc. Should consideration be given not only to net rent but also to the cost of heating or air-conditioning (and to what extent), the cost of travel to work, considerations paid to the landlord or other persons, necessary renovation, etc.? All these questions must be resolved before a housing allowances system is instituted.

4. Furnished apartments and houses; apartments and houses owned by staff members

100. The housing allowance system described in the preceding paragraphs applies to rent for unfurnished apartments. The situation is somewhat different in the case of furnished apartments and houses and again in the case of apartments or houses which are purchased outright.

101. In the case of furnished apartments or houses, a certain portion of the rent obviously represents rental of the furniture. The housing allowance system must take this into account in establishing a basis of equivalency with rent paid for an unfurnished apartment. The portion of the rent presumably representing rental of the furniture usually amounts to the normal interest on and amortization of the sum which the tenant would otherwise have to invest in furniture. It is not easy to arrive at an estimate of the percentage involved, and rental agencies are very often reluctant to offer a figure. As a general rule, it is estimated at 20 per cent of the rent. Accordingly, only 80 per cent of the rent for a furnished apartment or house should be considered in calculating a housing allowance.

102. On the other hand, if the staff member was obliged to take a furnished apartment because the administration did not assume the costs of transporting his own furniture, the full rent of the furnished apartment should be used in calculating the housing allowance.

103. In our view, a housing allowance system cannot very well make provision for putative rents in the case of an apartment or house purchased outright by the staff member. Such a purchase represents an investment in which the purchaser has sole responsibility for any resulting costs. In such cases, the staff member should not normally be entitled to a housing allowance.

5. Advantages and disadvantages of a housing allowance system

104. Like any method or system of salaries and allowances, a system of "rent excluded" post adjustments supplemented by a housing allowance system presents both advantages and disadvantages for the staff member and the administration alike. We shall discuss a few of these below without attempting to deal with them in an exhaustive fashion.

(a) Advantages:

105. The system described above would have the following advantages over the one currently in use:

- (i) It would obviate the need for rent surveys in establishing a place-to-place cost-of-living index and thus eliminate all challenges by staff members to the statistical method employed x/ in place-to-place comparisons to establish the relative cost of rent;
- (ii) It would represent a more equitable arrangement as regards this area of the staff member's expenses and thus ensure in all cases the greatest possible parity of purchasing power for this portion of his salary; the staff member would have the assurance that he would not have to suffer from the payment of an exorbitant rent, since, regardless of his duty station and of local rent levels, his expenses would not exceed the standard percentage (for example, 18 or 20 per cent) adopted for his net step salary;
- (iii) It would provide a guarantee to a newly arrived staff member or one transferred to a new post that his rent expense would in all cases be kept within the percentage adopted, and this would result in greater staff mobility;

x/ See in this connexion Statistical Papers, series M, No. 14/Rev.1, pp. 7 and 10.

- (iv) It would reduce the post adjustment index range in relation to the base and slow down the rate of transfer from one class to another;
- (v) It would prevent the situations which arise under the present system of post adjustment indexes reflecting rent, in which staff members whose rents are below the average or are not affected by an increase in the over-all index have an advantage over other staff members.

(b) Disadvantages:

106. The disadvantages are perhaps less striking, but some do nevertheless exist:

- (i) The introduction of a right of review by the administration and, hence, a relative curtailment of the staff member's freedom of choice of accommodations if he wishes to claim a housing allowance;
- (ii) The possibility of abuse in cases where staff members confine their search for an apartment to those renting above the standard rate;
- (iii) An increase in administrative work, accounting and control procedures;
- (iv) The need to set up a joint body to which a staff member could have recourse if he felt that he had suffered injury as a result of an administrative decision relating to housing allowances;
- (v) A slight impact on pensionable salaries reflecting the time and geographical lag in advancing to higher post adjustment classes (see para. 15) as a result of the slower rate of increase in the indexes (see para. 85 (ii)). This could be corrected by providing for the consolidation of one post adjustment class each time the weighted average of post adjustments reached 5 per cent of the weighted average of base salaries.

6. Conclusions

107. As we have seen, it is perfectly feasible to establish a post adjustment system which would disregard rent fluctuations and comparative place-to-place rent levels. This would involve:

- (a) Including the rent group in the local cost-of-living index at a constant value of 100 as from the effective date of the base salary scale;
- (b) Including the rent group in the calculation of comparative place-to-place cost-of-living indexes at a constant value of 100 both for the base city (Geneva) and for the city concerned;
- (c) Using the same weighting for the rent group in local indexes and comparative indexes, without regard to duty station, since the system requires

giving a single weight to rent solely on the basis of base salaries, which are the same everywhere. This weighting would have to correspond to the standard rate representing the figure above which the staff member could claim a housing allowance.

108. Since the post adjustment system would not provide any compensation for the cost-of-living differences resulting from rent levels, it would have to be supplemented by a housing allowance system. Such a system is perfectly conceivable and practicable; it would involve:

(a) Determining the standard percentage of base salaries which would be regarded as representing a normal rent level for the individual staff member. This percentage would, in principle, hold good for all duty stations, subject, however, to the possibility of its being fixed at a lower figure for certain stations where housing was substandard;

(b) Defining the concept of rent for purposes of the system;

(c) Granting a housing allowance to any staff member whose rent exceeded the above-mentioned percentage of his base salary; the amount of the allowance would correspond to the portion of the rent in excess of that percentage;

(d) Readjusting the amount of the housing allowance after all changes in base salary, promotions and advances to a higher step.

STUDY OF THE POST ADJUSTMENT SYSTEM

PART THREE

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PART THREE

VIII. ADEQUACY OF THE STATISTICAL METHOD CURRENTLY USED IN
ESTABLISHING EQUIVALENT STANDARDS OF LIVING OF STAFF
AT DIFFERENT DUTY STATIONS

1. Background of the problem

109. It is entirely clear that the concept of "equivalent standards of living" involves as many hard-to-measure, subjective elements as objective elements, which are the only ones that can be evaluated statistically.

110. Some of the subjective elements may be general in nature and susceptible of over-all assessment. This is partly the task of ECPA, whose terms of reference include the making of recommendations on "the elements of judgement to be applied" (cf. para. 8 (iv) (a)). The other subjective elements depend on the persons concerned, their ability to adjust to their surroundings, their skill in taking advantage of local opportunities and their aptitude for creating a favourable environment and obtaining intellectual or recreational benefits at minimum cost. These elements cannot be measured statistically and cannot be subjected to over-all assessment. It must also be borne in mind that international officials come from diverse geographical and social backgrounds. At the same rate of pay, one might subjectively (or perhaps even objectively) feel that his standard of living is high, while another would consider it low. There is not and cannot be any one "typical model" of the living standard of international civil servants.

111. Apart from subjective elements, the standard of living depends, of course, on income. This is an objective element, and equivalence of income can be measured with relatively good accuracy in terms of the cost of living at a duty station. In this part of the study we shall consider whether the statistical method currently has served to equalize incomes, that is to say, whether it is suitable for giving equal purchasing power to salaries paid at the different duty stations.

2. Outline of the present method

112. When the first post adjustment system, employing minus differentials, was introduced in 1947-1948, it was necessary to determine what method to use for measuring differences in the cost of living between New York and other duty stations. It was agreed at that time that the calculations should use the simplified Fisher formula, $y/$ which may be expressed as follows:

$y/$ Recommended by the first group of experts and implicitly accepted by the 1956 Committee of Experts and by ECPA.

$$\text{Index} = \sqrt{\frac{\sum (P_n Q_o)}{\sum (P_o Q_o)} \times \frac{\sum (P_n Q_n)}{\sum (P_o Q_n)}}$$

where

P_o = price at the base city in period o;

Q_o = quantity at the base city in period o;

P_n = price at the duty station under consideration in period n;

Q_n = quantity at the duty station under consideration in period n.

113. The Fisher formula involves two quotients:

$$(1) \frac{\sum (P_n Q_o)}{\sum (P_o Q_o)} = \text{index by the simplified Laspeyres formula}$$

$$(2) \frac{\sum (P_n Q_n)}{\sum (P_o Q_n)} = \text{index by the simplified Paasche formula.}$$

Thus, the Fisher formula leads to a geometric mean of the indexes obtained by the so-called Laspeyres and Paasche formulas. Use of the Fisher formula means that for each comparative cost-of-living survey a list of retail prices and weights for various groups, sub-groups and items constituting what is known as the "basket of goods and services" must be prepared for the base city and the duty station under consideration (i.e. for each of these places). This is a time-consuming and painstaking process.

3. Analysis of the present method

114. To put it briefly and simply, the Laspeyres formula places stress on the base city, and only the weighting of the various components of the basket at that city is relevant; it disregards the basket at the duty-station being surveyed. Conversely, in the Paasche formula emphasis is placed on the duty station, and only the weighting of the various groups within the duty station basket is relevant, while the basket at the base city is disregarded. The Fisher formula is a compromise between these two (the geometric mean of the Laspeyres and Paasche indexes, which in fact yields almost the same results as an arithmetic mean). It

eliminates, or at least attenuates, the extreme influences resulting from the different price patterns and the differences in composition between the baskets. A person transferred to a station whose local market has a different pattern will naturally tend to adapt himself more or less to that pattern and adjust his behaviour and his needs accordingly. He will replace certain consumer items with others and arrange his expenditures in the most judicious manner in the light of local conditions. The resulting differences between the base city and other duty stations would not be taken into account if only the Laspeyres formula or only the Paasche formula were used.

115. The most recent place-to-place surveys of headquarters cities, conducted through the statistical services of the United Nations and the ILO, z/ yield the following results depending on the formula used:

Geneva = 100^{aa/}

	Paasche indexes	Laspeyres indexes	Fisher indexes	Percentage by which (3) differs	
	(1)	(2)	(3)	from (1)	from (2)
Paris	115.1	121.7	118.4	+ 2.9	- 2.8
Rome	110.7	116.5	113.6	+ 2.6	- 2.5
Vienna	100.5	104.7	102.6	+ 2.1	- 2.0
New York	117.0	130.3	123.5	+ 5.6	- 5.5
Montreal ^{bb/}					

z/ The ILO is responsible for comparative surveys made from the base Geneva; these surveys cover only duty stations in Europe. Surveys elsewhere are the responsibility of United Nations, New York.

aa/ Indexes: Paris in April 1967, with base Geneva = 100 in September 1966
 Rome in January 1971, " " " = 100 in June 1968
 Vienna in May 1970, " " " = 100 in June 1968
 New York in November 1969 " " = 100 in October 1969
 (rate of exchange: 4.32 Swiss francs = \$1)

bb/ Montreal indexes rebased to Geneva are not available. The 1967 comparative survey with base New York = 100 yielded the following results: Paasche index 92.3, Laspeyres index 93.1 and Fisher index 92.7; in other words, the Laspeyres index is 0.4 per cent higher and the Paasche index 0.4 per cent lower than the Fisher index.

116. For the same surveys, the indexes for selected groups calculated by the different formulas are shown in the following table:

$$\text{Geneva} = 100^{\text{aa}}/$$

	Indexes			Percentage by which (3) differs	
	Paasche (1)	Laspeyres (2)	Fisher (3)	from (1)	from (2)
1. <u>Food</u>					
Paris	104.2	109.6	106.9	+ 2.6	- 2.5
Rome	99.0	108.4	103.6	+ 4.6	- 4.6
Vienna	84.7	93.4	88.9	+ 5.0	- 4.8
New York	104.2	118.2	111.0	+ 6.5	- 6.1
2. <u>Housing</u>					
Paris	151.6	157.7	154.6	+ 2.0	- 2.0
Rome	131.2	133.4	132.3	+ 0.8	- 0.8
Vienna	117.3	118.7	118.0	+ 0.6	- 0.6
New York	179.5	167.7	173.5	- 3.3	+ 3.5
3. <u>Transportation</u>					
Paris	104.4	108.5	106.4	+ 1.9	- 1.9
Rome	105.8	107.8	106.8	+ 0.9	- 0.9
Vienna	105.1	105.8	105.5	+ 0.4	- 0.3

In these examples the Fisher formula yields an index which differs by 0.4 to 6.5 per cent from the Paasche index and by 0.3 to 6.1 per cent from the Laspeyres index.

117. It may be asked, of course, whether the Fisher indexes, whose formula seems somewhat arbitrary because of its purely mathematical operation, reflect objective reality or fall short of it. It is very difficult to give a clear-cut answer to this question without a more thorough study that would consider all the details of a number of comparative surveys.

118. As already noted, the Laspeyres formula tends to measure variations in living costs without reference to the pattern of expenditures or, consequently, their respective weights in the survey city, whereas the Paasche formula only takes these latter into account, to the exclusion of the pattern of expenditures and their relative weights at the duty station. The purchasing power of salaries at the comparison base city, Geneva, is measured in terms of prices and quantities. The problem, therefore, is to determine the equivalent of that purchasing power in the other duty stations. The Laspeyres formula would appear at first sight to be the more appropriate one in that it measures differences in purchasing power in terms of prices at the duty station for the same quantities as at Geneva. From the standpoint of the theory of purchasing power, the manner in which a staff member apportions his expenditures at a duty station is of little importance. The aim of the comparative surveys is to ensure that the staff member's purchasing power is the equivalent of that of the salaries paid at Geneva and not to measure the respective purchasing power of the income of two groups of persons situated in different countries not linked by a common salary system. The Paasche formula entails the reverse operation; it takes the duty station as a base, as though it were a constant factor - which it is not, because incomes at the duty station will depend on the outcome of the comparative survey. This formula would in any case be incapable, by itself, of ensuring equivalence in the purchasing power of salaries.

119. It must be recognized that while the Laspeyres formula is certainly borne out by logic, it does not allow for the effects of substitutes or of the adaptation of staff members to local conditions. In this respect, the Fisher formula would appear, for lack of a better solution, as a compromise which would arbitrarily offset any exaggerations resulting from the use of the Laspeyres formula alone. Indexes calculated by the Fisher formula therefore reflect a very considerable degree of caution in the assessment of respective living costs. It might almost be concluded that such indexes fall short of objective reality, as opposed to surpassing it. It would not, however, be wise to abandon the formula at the present stage; it offers all the advantages accruing from caution. Nevertheless, a more exhaustive study, which could be undertaken by ECPA, might lead to a decision to abandon it in favour of the Laspeyres formula alone, even if the latter formula resulted in slightly higher indexes.

120. Having regard to the degree of latitude involved in any system or formula used in comparative surveys and to the problems described in paragraph 41, it might be that the sensible course would be to adopt a system of "index ranges" as described in paragraph 70.

121. A place-to-place comparison of living costs is a delicate operation requiring considerable care. Its worth depends in the first instance on the objectivity of the price collecting agent. Pricing errors may occur in either direction. As surveys cover some 200 items of goods and services, cc/ it is generally held that pricing errors are partially self-adjusting and that they affect the results of

cc/ On occasion, they cover as many as 350 items, as in the case of the New York/Geneva survey in October/November 1969 (cf. ECPA/S.12/9).

indexing by not more than 1 per cent upwards or downwards. The United Nations uses for price collection the services of independent, experienced agents who have no family ties with international civil servants. This is a reasonable practice which offers assurances of objectivity. Furthermore, cases in which there are doubts as to the interpretation of data or in which difficulties arise as the result of new situations can be referred for advice to ECPA, and this offers an additional assurance of impartiality.

4. Survey of prices and wages in 31 major cities^{dd/}

122. Several members of the Special Committee attached some importance to this publication, which calls for the following comment:

(a) The aim of the survey is not to compare the living costs of a given group of persons but to compare the price of certain goods and services and the wages actually paid in the countries surveyed. The survey takes into account only goods and services which are comparable and available in the cities surveyed, which greatly limits the scope of the exercise.

(b) In the food sector, the survey employs a basket of goods entailing 25 items of food, beverages and toilet articles. Unit prices are related to prices at Zurich. All that is given is the relationship of individual prices, so that, for example, a kilogram of salt has the same weighting as a kilogram of potatoes. The same method is used in the comparison of prices in the household appliance sector, the survey being confined to a comparison of the price of a refrigerator or an electric or gas cooking stove. In the case of rents, the comparison is based on two types of apartment, one with three rooms, kitchen and bathroom, built after 1960 and the other with three rooms and a kitchen, without bathroom, built before 1940. The survey contains no comparison of prices for electricity, water, gas, heating, etc. In the case of services, too, the survey is no more than a report of unit prices, with the cost of a shampoo and hairset for women given the same weight as a tram ticket.

(c) Such a survey can provide some indication of the cost of a given item or service in a given place and can relate that cost to the wages paid at that place to a bus driver, a mechanic, a bank cashier and a secretary. Such, however, is the extent of its usefulness. It is of no value for comparing the living costs of international civil servants, an undertaking which requires procedures that are more exacting, more comprehensive and better adapted to the actual purpose of United Nations surveys, which is to ensure that the salaries paid to this category of staff shall have the same purchasing power throughout the world as they have at Geneva. This is a more difficult operation which calls for a far higher degree of scientific probity than the mere juxtaposition of prices.

5. Construction of comparative indexes

123. The preparation of comparative indexes and the approach to be adopted to certain problems of statistical comparison which this study was required to examine on the basis of recent place-to-place surveys and of current practice, calls for certain observations which are set out below for the attention of the Special Committee or possibly for study by ECPA.

dd/ Issued in June 1971 by the Union de banques suisses.

(i) Selection of the comparison-base city

124. In accordance with the present division of tasks between the United Nations and the ILO, place-to-place comparisons of living costs are carried out by the United Nations from New York as the base for the majority of duty stations, and by the ILO from Geneva as the base for duty stations in Europe. As all the indexes have to be related to Geneva, which is the base city for salaries and for the post adjustment system, the indexes calculated with New York as the base must be reconverted to the Geneva base. Instead of a direct comparison, as between, for example, Geneva and Mexico City, a double operation is undertaken:

(1) The Mexico City index is calculated in relation to New York, taken as base 100;

(2) This index is rebased to Geneva using the New York/Geneva ratio derived from the most recent comparative survey, for example, that of November 1969, which gives the Mexico City index in relation to Geneva for the end of October 1969; this index must then be reconverted to base 100 of the post adjustment system, Geneva having reached index figure 111.3 in October 1969. The post adjustment index for Mexico City is derived in this way.

125. This twofold operation would be perfect if the expenditure pattern - and, hence, the weighting - and the price pattern were the same in New York and Geneva, which they are not. In this connexion, a comparative exercise was undertaken in order to determine the result of a direct Mexico City-Geneva comparison, taking, for the purpose, the prices in those two cities used in the November 1969 surveys with New York. ee/ The following results were obtained:

(a) Direct Geneva-Mexico City comparison: 106.6 ff/

(b) New York-Mexico City comparison and rebasing to Geneva: 108.4 ff/

- namely, a difference of 1.7 points, or 1.6 per cent.

126. This single example may perhaps not be conclusive. According to the United Nations Statistical Office, to repeat the same exercise for other duty stations would have been too heavy and time-consuming a task. Other examples would surely have given comparable results with greater or lesser differences owing to the mere fact that by using New York as the base the reference weighting is not the same as that of Geneva. Since Geneva is the base for the salary and post adjustment system, comparative statistical surveys should refer to that base only. To make the survey through New York is tantamount to taking New York as the "purchasing power standard", the benchmark, and to introducing into the system a polarity which can only lead to distortions. gg/ It seems, moreover, that a thorough knowledge of

ee/ Exchange rate: \$1 = 4.32 Swiss francs or 12.5 pesos.

ff/ Indexes in relation to Geneva in October 1969 = 100.

gg/ ECPA/S.7/5/Rev.1, para. 7.

living conditions in the base city is essential if we are to determine the relationship between that base and other duty stations. It was in this spirit that, as far back as 1959 hh/ ECPA suggested that a part of the United Nations Statistical Office should be transferred to Geneva in order to form, with the ILO Statistical Branch, a joint secretariat to make comparative surveys based on Geneva. This recommendation is just as valid today. The argument that Geneva does not offer the full range of goods suitable for tropical climates is not apposite. So-called tropical clothing is also worn in Rome and in Paris, a fact which had not to date prevented direct comparison with Geneva.

(ii) Weighting

127. In any comparative cost-of-living survey, the fact that Geneva is the comparison-base city should never be overlooked. A study of Geneva weights and prices should be made whenever base salaries are reviewed, ii/ so that the comparison base and the new salaries are in harmony. Once established, this statistical basis should be used for every comparative survey until the next base salary review justifying establishment of a new statistical basis.

128. In recent comparative surveys the following weights were used for Geneva:

	S u r v e y s a t			
	Paris	Rome	Vienna	New York
I. Food	26.80	27.39	27.39	27.7
II. Clothing	6.65	8.43	8.43	8.7
III. Housing and domestic service	23.87	24.11	24.11	23.7
IV. Transport	9.71	10.49	10.49	11.6
V. Household equipment	5.10	6.54	6.54	
VI. Furnishings	3.10	3.15	3.15	
VII. Household and personal services	4.27	4.37	4.37	
VIII. Medical care	3.00	3.13	3.13	26.5
IX. Recreation	6.02	6.11	6.11	
X. Miscellaneous	2.74	2.91	2.91	
XI. Education	3.19	1.69	1.69	
XII. Home leave	1.78	1.68	1.68	1.8
XIII. Purchases outside country of residence	3.77	-	-	-

hh/ CO-ORDINATION/R.293 of 14 April 1959, para. 9; ECPA/S.7/5/Rev.1, para. 8; ECPA/S.8/11, para. 32.

ii/ At present, comparative surveys take as a base the survey made at Geneva in March 1966; these data have certainly been overtaken by the movement in prices and salaries since that date (cf. ECPA/S.13/5 of 8 March 1971, para. 3).

129. With the exception of Rome and Vienna, for which the place-to-place comparison was made at the same time, the weights for the base city in the comparative surveys are different. Although use of the Fisher formula reduces the importance of the respective weights, it seems that uniformity of the comparison base is essential if cost-of-living deviations from precisely this base are to be measured in accordance with a like criterion.

130. Furthermore, the weight given to the "education" and "home leave" items which, as is known, are assigned the index value of 100 in all comparative surveys, should be the same as that used in the Geneva special index (both items together 3.6) and repeated in the comparative surveys both in the weighting of the base city and that of the survey city. They are constant data, standard weights, valid for all duty stations. They express the average portion of Geneva salary spent on education outside the country, for which there is a special system of grants, and on home leave which does not depend on the location of the duty station. The principle of parity of purchasing power of salaries requires that this portion, which is expressed by a constant value in the comparative index, should also be assigned a constant weight. One is meaningless without the other. The fact that average education costs at the survey city are higher or lower than at the base is of little significance, since this portion is to be assigned the same importance irrespective of the duty station. jj/ The ECPA practice of allocating a monthly increase of 0.3 per cent to these items in local post adjustment indexes seems reasonable. This figure should, however, be reviewed periodically on the basis of the increase in the special index for Geneva, the base city for the whole system, or on the basis of movements in post adjustment indexes at the headquarters cities of the organizations participating in the common salary system. Such indexes would furnish an appropriate yardstick.

(iii) Obligation to reply to questionnaires

131. In the 1970 Geneva/Vienna comparative survey, kk/ only 44.5 per cent of the staff members asked to furnish data on their household expenses and rents replied to the questionnaires. In the case of Geneva, as comparison base, the 1966 data are based on replies from 46.9 per cent of the staff members requested to supply data. Lastly, the weighting for Vienna was calculated on the basis of only 28 per cent of the questionnaires sent out. This is a small percentage. The statistical comparisons would gain in precision and objectively if they were based on a broader range of data. The question then arises whether a provision making it obligatory to reply to such administration inquiries should not be included in the staff rules. Such a provision would serve the interests of both staff and administration.

jj/ Cf. practice sanctioned by ECPA - document ECPA/S.13/5, para. 11.

kk/ Document ECPA/S.13/5 of 8 March 1971, paras. 6 and 7.

(iv) Role of ECPA

132. ECPA has a leading role to play in administration of the post adjustment system in general and in statistical methodology in particular. It is composed of prominent persons wholly independent of the administrations of the international organizations. Although it advises on problems referred to it, it is not competent (except by discreet suggestions) to deal with a question or problem concerning statistical methodology on its own initiative. It should be given such competence and its terms of reference 11/ established in 1959 should be amended accordingly.

(v) Comparison of rents

133. The comparison of rents between one city and another is probably the most difficult operation. It is, however, one which may, in addition to providing a comparison of costs, have an impact on the style and standard of living. In places where rents are very high, staff members will, purely because they wish to use income economically, have to accept less spacious housing than they would be able to afford in a place where the conditions of the housing market are better balanced or where prices are more in line with staff salaries. This can be seen, for example, in the case of Geneva and New York. In the latter city, the apartments occupied by staff members have generally one room less and probably also have smaller rooms than those occupied by their Geneva colleagues. The difference in rooms occupied is reflected in the result of the Paasche indexes which are almost equivalent to the Laspeyres indexes (cf. para. 115, column (2)) if not even higher, as in the case of New York.

134. In this connexion, the 1967 New York/Montreal comparative survey is revealing. The following figures emerged from that survey:

Apartment size	Montreal		New York	
	Number	%	Number	%
1 bedroom	14	24	294	47
2 bedrooms	19	32	235	38
3 "	15	25	79	13
4 "	11	19	13	2

A more thorough survey would probably show, the Montreal example indicates, that staff members are more poorly housed in New York than elsewhere.

135. Moreover, there is no uniformity of coverage in the surveys conducted for the purpose of comparing rents. For example, the surveys covered:

11/ Cf. para. 8 (iv) (a) and (b).

- (a) In the case of Geneva/Vienna - apartments with 3 to 8 rooms;
- (b) In the case of Geneva/New York - apartments with 0 to 4 bedrooms;
- (c) In the case of New York/Montreal - apartments with 1 to 4 bedrooms.

136. Furthermore, although the Geneva comparison base, covering 839 apartments, may be considered adequate (35 per cent of total strength), the same is not true in the case of Vienna where only 99 apartments were considered for a total of 738 staff members in the professional category and above (13.4 per cent of total strength). Greater uniformity would also be advisable in evaluating expenses related to rent. In the Vienna survey, for example, painting and decoration costs were spread over one year, while in the New York survey they were spread over three years.

137. A sufficiently close relationship in respect of the unit price of apartments can clearly be obtained by establishing a price ratio weighted by the number of tenants for each type of apartment. This relationship does not, however, reflect "equivalence of housing conditions". The question may obviously arise whether parity of the purchasing power of salaries, which the place-to-place indexes are supposed to ensure, must always be complemented by an absolutely equivalent standard regardless of normal general living conditions at the duty station. In any case, the statistical data available are inadequate to elucidate the entire question. It is suggested that ECPA should make an exhaustive study of the whole question of the statistical approach to problems connected with the comparison of rents, which account for a large part of family budgets.

(vi) Place-to-place comparison base

138. The Geneva/Vienna/Rome place-to-place surveys made in 1970 used the March 1966 study of the expenditure pattern of international officials as the basis for Geneva. The same was so for the comparative Geneva/New York survey of October/November 1969. Now, in the interval (1 January 1969) salaries had been revised, a fact which would have justified the establishment of a new weighting to take account of changes occurring in family budget patterns as a result of the rise in incomes and prices. Since then, there has been a further revision of salaries, on 1 July 1971. Another inquiry to determine the expenditure pattern of staff members at Geneva seems essential if statistical comparisons are to be given a sound and up-to-date basis.

6. Summary of recommendations

139. Examination of the statistical method used to establish equivalent standards of living of staff members in different duty stations prompts the following recommendations:

- 1. Concentrate the statistical services responsible for comparative place-to-place cost-of-living surveys at Geneva.

2. Use Geneva data as the comparison base for all place-to-place cost-of-living surveys.

3. Standardize the format of comparative surveys and ensure that the same weight and same index value of 100 are given to "education" and "home leave" in the weighting of the survey city as well as the base.

4. Authorize ECPA to undertake any studies it deems necessary for the proper functioning of the post adjustment system, particularly in the matter of statistical methodology, and instruct it, as a matter of priority, to:

(a) make an exhaustive study in order to determine, in the light of the purpose of any place-to-place comparative survey which is to ensure equivalence of purchasing power with that of Geneva salaries, whether the Laspeyres formula should not be substituted for the Fisher formula as the method of calculating comparative indexes;

(b) reconsider the method used in comparative surveys relating to rents.

5. Make it compulsory for staff members to respond to all administration inquiries related to cost-of-living surveys.

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