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UNITED NATIONS COMMON SYSTEM: REPORT OF THE INTERNATIONAL CIVIL SERVICE COMMISSION

Draft resolution submitted by the Chairman
following informal consultations

Report of the International Civil Service Commission

The General Assembly,

Having considered the fifteenth report of the International Civil Service Commission 1/ and other related reports, 2/

I

COMPREHENSIVE REVIEW OF THE CONDITIONS OF SERVICE OF THE STAFF IN THE PROFESSIONAL AND HIGHER CATEGORIES

Recalling that, by its resolution 42/221 of 21 December 1987, it had requested the International Civil Service Commission to undertake a comprehensive review of the conditions of service of staff in the Professional and higher categories,

Recalling also the guidance it had provided on this comprehensive review in resolutions 42/221, section III, and 43/226, section I, of 21 December 1988,

1/ Official Records of the General Assembly, Forty-fourth Session, Supplement No. 30 (A/44/30), vols. I and II.

2/ Ibid., Supplement No. 9, (A/44/9); A/C.5/44/14; A/C.5/44/16; A/C.5/44/18; A/C.5/44/20.

Recalling further, in respect of the request contained in paragraph 4 (c) of part I of resolution 43/226, that the overall costs of all the elements of the solutions proposed in the comprehensive review should, as far as possible, be comparable to the costs of the current remuneration system,

Noting that, only upon completion of the comprehensive review in all its aspects, can the decisions covered in part I of the present resolution be considered final,

1. Requests the Secretary-General to make all necessary efforts to absorb in 1991 and subsequent years a significant portion of the additional costs arising in respect of the regular budget of the United Nations as a result of the adoption of the present resolution;

2. Also requests the Secretary-General, in his capacity as Chairman of the Administrative Committee on Co-ordination, to emphasize to the executive heads of the specialized agencies the importance of assisting the respective governing bodies in taking parallel measures to the same effect;

A. Remuneration structure

Noting with concern that it has not been possible for the Commission to recommend the introduction of a revised remuneration structure,

1. Takes note of the views of the Commission with regard to the principle that housing be treated separately from the rest of the remuneration package and of the decision of the Commission contained in paragraph 196 3/ relating to undertaking further work on remuneration structures;

2. Urges the Commission to complete its consideration of all issues related to the introduction of a revised remuneration structure for the United Nations common system including its impact on margin consideration and on the housing needs of staff in hardship duty stations and to present its final and complete conclusions to the General Assembly at its forty-fifth session;

B. Comparator

1. Reaffirms that the Noblemaire principle should continue to serve as the basis of comparison between United Nations emoluments and those of the highest paying civil service which, by its size and structure, lends itself to such comparison;

2. Endorses the Commission's recommendation to conduct periodic checks every five years to determine which is the highest paid civil service, and consequently

3/ Paragraph reference is to Official Records of the General Assembly, Forty-fourth Session, Supplement No. 30 (A/44/30), vol. II.

requests the Commission to present a methodology for carrying out such checks to the General Assembly at its forty-sixth session;

C. Margin considerations

Recalling that, in section I of resolution 40/244 of 18 December 1985, the General Assembly had approved a range of 110 to 120 with a desirable mid-point of 115 for the margin between the net remuneration of officials in the Professional and higher categories of the United Nations in New York and that of officials in comparable positions in the United States federal civil service, on the understanding that the margin would be maintained at a level around the desirable mid-point of 115 over a period of time,

1. Confirms that the current concept of the margin should continue to apply;
2. Also confirms that the current margin range of 110 to 120 should continue to apply;
3. Endorses the methodological approach, as outlined in paragraph 173 (d), 3/ for the calculation of the net remuneration margin;
4. Requests the Commission to continue to report the net remuneration margin on an annual basis;
5. Also requests the Commission to monitor the annual net remuneration margin over the five-year period from the calendar year 1990 with a view to ensuring, to the extent possible, that by the end of that period the average of successive annual margins is around the desirable mid-point of 115 and to report on the experience gained to the General Assembly at its forty-ninth session and, in the meantime, requests the Commission to present an interim report on the net remuneration margin for the period 1990-1991 to the General Assembly at its forty-seventh session;

D. Post adjustment

1. Requests the Commission to reconsider the decision contained in paragraph 250 (a) relating to the granting of post adjustment increases due to cost of living;
2. Takes note of all other decisions taken by the Commission in respect of the operation of the post adjustment system as reflected in chapter VI; 4/
3. Endorses, with effect from 1 July 1990, the recommendations contained in paragraph 261 regarding the removal of regressivity from the post adjustment system

4/ Chapter reference is to Official Records of the General Assembly, Forty-fourth Session, Supplement No. 30 (A/44/30), vol. II.

and the inclusion of pension contributions as a separate item in the post adjustment index, on the understanding that, as indicated in paragraph 262, the current remuneration correction factor and floor protection measures will be discontinued;

4. Instructs the Commission to complete as soon as possible, and preferably by the end of 1991, a round of place-to-place surveys using the methodology outlined in chapter VI on the understanding that the surveys at the seven headquarters' duty stations and at other duty stations with more than 150 Professional staff members will be finalized by the end of 1990 and that, at duty stations with small numbers of staff members, every effort will be made to utilize to the maximum the external data sources as outlined in paragraph 235;

5. Requests the executive heads and the staff to co-operate with the Commission during the place-to-place survey process;

6. Requests the Commission to devise appropriate measures to deal with those duty stations where, upon implementation of a place-to-place survey, there exists a significant difference between the post adjustment index and the actual multiplier;

7. Confirms that, following the introduction of the revised salary scale referred to in paragraph 3 of section H of the present resolution and pending the outcome of the respective place-to-place surveys in those locations where the index reflected in the post adjustment multipliers exceeds the post adjustment index, net remuneration will continue to be adjusted only to reflect currency fluctuations until the post adjustment index surpasses the index reflected by the post adjustment multipliers;

E. Mobility and hardship

1. Approves, with effect from 1 July 1990, the introduction of a mobility and hardship allowance as outlined in paragraphs 313 to 322 and 328, an assignment grant as outlined in paragraphs 323 to 327 and the provisions relating to the reimbursement of boarding costs contained in paragraph 329, on the understanding that the amounts contained in the matrix for staff serving at Headquarters or in North America and European duty stations and similar designated locations will be payable from their fourth assignment only if they have served in at least two field duty stations;

2. Requests the Commission to report on the operation of the mobility and hardship allowance and the assignment grant to the General Assembly at its forty-seventh session;

F. Motivation/productivity

1. Endorses, with effect from 1 July 1990, the recommendations contained in paragraph 356 concerning structural improvements to the salary scale which should be appropriately reflected in the scale of pensionable remuneration and also endorses the recommendation contained in paragraph 357 (a) relating to the modification of promotion policy;

2. Invites the organizations to take appropriate steps to introduce the Commission's recommendations in paragraph 357 (d) and (e) in respect of non-monetary awards and environmental motivators;

3. Invites the Commission again to review performance evaluation systems in all United Nations common system organizations with a view to:

(a) Ensuring that such systems are objective and transparent;

(b) Tying within-grade step increments and promotions to merit, as indicated in the performance evaluation reports, rather than primarily to longevity;

G. Allowances

1. Endorses, with effect from 1 July 1990, the recommendations contained in chapter IX with respect to:

(a) The children's allowance in respect of disabled children as contained in paragraph 429 (e);

(b) The calculation of the commutation of unused annual leave, as contained in paragraph 453 (d);

(c) The scale of separation payments, as contained in paragraph 453 (g);

2. Takes note of the conclusions of the Commission reflected in paragraphs 406 and 453 (a), (e) and (f) and confirms, with respect to paragraph 453 (b) and (c), that the terms and conditions of payment of the repatriation grant should remain unchanged in all respects;

3. Requests the Commission to collect the necessary information on the practices of the organizations of the common system regarding the granting of expatriate entitlements to staff members living in their home countries while stationed at duty stations located in another country in order to assess the feasibility of harmonizing practices among organizations and to report thereon to the General Assembly at its forty-fifth session;

4. Also requests the Commission to reconsider the methodology for the determination of dependency allowances in the light of the tax practices of the comparator and to report thereon to the General Assembly at its forty-fifth session;

5. Further requests the Commission to provide an overview of the package of common system allowances, including the level, rationale and procedure for review of each allowance, *inter alia*, by reference to the package of allowances provided by the comparator and to report thereon to the General Assembly at its forty-fifth session;

H. Base salary scale

1. Approves, with effect from 1 July 1990, the establishment of a floor net salary level for staff in the Professional and higher categories by reference to the corresponding base net salary levels of officials in comparable positions serving at the base city of the comparator civil service;

2. Also approves with effect from 1 July 1990 revised rates of staff assessment for staff members with neither a dependent spouse nor a dependent child to be used in conjunction with gross base salaries and gross amounts of separation payments and, consequently, approves as of the same date an amendment to the Staff Regulation of the United Nations as set forth in annex I to the present resolution, to replace, for staff in the Professional and higher categories, the present scale of staff assessment for staff with neither a dependent spouse nor a dependent child;

3. Further approves, with effect from 1 July 1990, the revised scale of gross and net salaries for staff in the Professional and higher categories contained in annex II to the present resolution, together with the procedures for its construction and implementation that are reflected in annex III to the present resolution;

II

FUNCTIONING OF THE INTERNATIONAL CIVIL SERVICE COMMISSION

Recalling that, in section VIII of its resolution 42/221, it had requested the Commission to undertake a study of its functioning with a view to enhancing its work,

Recalling also its request to the Commission in section II of its resolution 43/226 to expand this review in consultation with the organizations of the United Nations common system and staff representatives and to report to the General Assembly at its forty-fifth session,

Noting that the Commission's action has been limited so far to considering the format of its annual report and to agreeing to practical arrangements for the conduct of its work during its sessions,

1. Requests the Secretary-General, together with his colleagues in the Administrative Committee on Co-ordination and after consultations with the representatives of staff participating in the Commission, to review the functioning of the Commission and to present a report on the matter together with the views of the Commission thereon to the General Assembly at its forty-sixth session and in the meantime requests the Commission to maintain, in connection with matters related to comprehensive reviews of conditions of service of staff, the arrangements established in response to the General Assembly's invitation in paragraph 2 of part I of General Assembly resolution 43/226;

2. Requests the Commission to continue to seek improvements in the presentation of its report;

III

OTHERS

A

Recognizing the changing demographic pattern of the United Nations common system work-force, as well as the increasing trend in some Member States towards extending the length of service of its work-force, and noting that in a number of Member States, the normal retirement age, as well as the corresponding mandatory age of separation, are higher than they are at present in the United Nations common system,

Commends to the attention of the governing bodies of the organizations of the common system the Commission's recommendations to increase the mandatory age of separation to age 62 for staff members entering into service on or after 1 January 1990;

B

Recalling its request in resolution 43/226 to the Commission to report to the General Assembly at its forty-fifth session on progress made by the organizations in connection with the introduction of special measures for the recruitment of women,

Urges the organizations of the common system to provide the fullest information to the Commission on the introduction of special measures for the recruitment of women so as to enable the Commission to analyse appropriately the progress achieved and to report thereon to the General Assembly at its forty-fifth session;

C

Recalling section II of its resolution 37/126 and section VII of its resolution 42/221 concerning the practice of some Member States of making supplementary payments or deductions with respect to their nationals,

Recalling also its request to the Commission to report on these practices to the General Assembly at its forty-fourth session,

Noting the limited response to the Commission's inquiries on the matter,

Noting also the decisions taken by the Commission in paragraph 90 of volume 1 of its report 1/ and the Commission's intention to report further on this matter to the General Assembly at its forty-fifth session,

1. Requests the Secretary-General to contact those Member States that have not so far provided information on supplementary payments and deductions to seek their co-operation in providing such information forthwith in order for the

Commission to complete its study, which should also include a review of the impact of the introduction of the revised remuneration package on practices currently in effect;

2. Requests the Secretary-General and the executive heads of the specialized agencies to take appropriate steps to bring an end to these practices.

Annex I

Amendment to the Staff Regulations of the United Nations

Regulation 3.3

Replace the last column of the table under assessment in subparagraph (i) of paragraph (b) by the following:

Assessment
(percentages)

Total assessable payments (United States dollars)	Staff assessment rates used in conjunction with gross base salaries and <u>the gross amounts of separation payments</u> Staff member with neither a dependent spouse nor a dependent child
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First \$15 000 per year	17.7
Next \$5 000 per year	34.3
Next \$5 000 per year	38.6
Next \$5 000 per year	41.9
Next \$5 000 per year	43.9
Next \$10 000 per year	46.3
Next \$10 000 per year	48.4
Next \$10 000 per year	50.4
Next \$15 000 per year	51.3
Next \$20 000 per year	54.1
Remaining assessable payments	59.0

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Annex II

Salary scale for the professional and higher categories showing annual gross salaries and net equivalents after application of staff assessment

effective 1 July 1990

(In United States dollars)

Level	S t e p s															
	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	XIII	XIV	XV	
USG Gross	121635															
Net D	73050															
Net S	65255															
ASG Gross	110000															
Net D	67000															
Net S	60485															
D-2 Gross	89189	91251	93313	95375	97438	99500										
Net D	56070	57163	58256	59349	60442	61535										
Net S	51423	52369	53316	54262	55209	56156										
D-1 Gross	78333	80068	81834	83600	85366	87132	88998	90664	92430							
Net D	50300	51236	52172	53108	54044	54980	55916	56852	57788							
Net S	46393	47236	48079	48922	49765	50608	51451	52294	53137							
P-5 Gross	68611	70180	71748	73317	74885	76454	78022	79591	81161	82729	84300	85875	87574			
Net D	45050	45997	46744	47591	48438	49285	50132	50979	51826	52673	53520	54367	55214			
Net S	41659	42423	43186	43950	44714	45478	46242	47006	47770	48534	49298	50062	50826			
P-4 Gross	55818	57320	58822	60324	61825	63327	64829	66356	67895	69415	70944	72474	74004	75533	77063	
Net D	38050	38876	39702	40528	41354	42180	43006	43832	44658	45484	46310	47136	47962	48788	49614	
Net S	35346	36091	36836	37581	38325	39070	39815	40560	41305	42050	42795	43540	44285	45030	45775	
P-3 Gross	45088	46449	47811	49172	50533	51895	53256	54618	56015	57425	58836	60247	61658	63069	64480	
Net D	31950	32726	33502	34278	35054	35830	36606	37382	38158	38934	39710	40486	41262	42038	42814	
Net S	29825	30528	31230	31933	32635	33338	34040	34743	35443	36143	36843	37543	38242	38942	39642	
P-2 Gross	35831	37007	38183	39359	40536	41712	42888	44064	45249	46467	47684	48902				
Net D	26490	27184	27878	28572	29266	29960	30654	31348	32042	32736	33430	34124				
Net S	24856	25488	26119	26751	27383	28014	28646	29277	29908	30537	31165	31793				
P-1 Gross	26857	27916	28975	30034	31128	32221	33315	34408	35519	36649						
Net D	20970	21637	22304	22971	23638	24305	24972	25639	26306	26973						
Net S	19779	20394	21009	21624	22238	22851	23465	24078	24689	25296						

D = Rate applicable to staff members with a dependent spouse or child.
 S = Rate applicable to staff members with no dependent spouse or child.

Annex III

A. Construction of the salary scale

The salary scale in annex II has been derived from the current net base salary scale applicable to staff with a dependent spouse or child through a combination of the following:

(a) Consolidation of 12 multiplier points of post adjustment on a no gain/no loss basis on the basis of the existing methodology for such consolidation;

(b) Elimination of regressivity in accordance with paragraph 3 of section D of part I of the present resolution;

(c) Introduction of structural changes in accordance with paragraph 1 of section F of part I of the present resolution;

(d) Inclusion, on an overall average basis, of the remuneration adjustment recommended by the Commission in paragraph 125; 3/

(e) Determination of gross salary through reverse application of the current staff assessment rates for staff with a dependent spouse or child;

(f) Determination of net salary for staff with neither a dependent spouse nor a dependent child through the application of the revised staff assessment rates contained in annex I.

B. Implementation measures

1. Upon implementation, on 1 July 1990, of the salary scale contained in annex II, a revised post adjustment multiplier and a revised post adjustment index will be established at each duty station.

2. At the base of the system, New York, the revised post adjustment multiplier applicable on 1 July 1990 will be determined, using if necessary partial classes of post adjustment, so as to arrive at total net emoluments 5/ which, when compared with the corresponding net emoluments that would have been applicable on 1 July 1990, on the basis of the current system, on an overall average basis, represents the percentage adjustment recommended by the Commission in paragraph 125. 3/

/...

3. At all other duty stations, the revised post adjustment multipliers applicable on 1 July 1990 will be determined, using if necessary partial classes of post adjustment, so as to arrive at total net emoluments 5/ that, when compared to the net emoluments that would have been applicable on 1 July 1990 at that duty station on the basis of the current system, represent an adjustment equivalent in amount 6/ to that applicable at the base of the system.

4. After 1 July 1990, at each duty station, the first change in the post adjustment classification resulting from cost-of-living movement will take place when the post adjustment index applicable prior to the introduction of the scale reaches the level that would have triggered the next full class of post adjustment under the operation of the post adjustment system. Thereafter, changes will be effected on the basis of the movement of the revised post adjustment index.

5/ Revised net base salary plus revised post adjustment.

6/ Using as a reference point United States dollar net emoluments at the P-4, step VI, level.