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WORLD INTELLECTUAL PROPERTY ORGANIZATION GENEVA

WORLD INTELLECTUAL PROPERTY ORGANIZATION

COORDINATION COMMITTEE

Thirty-First Session (24th Ordinary) Geneva, September 20 to 29, 1993

STAFF MATTERS

(SECOND SUPPLEMENT TO DOCUMENT WO/CC/XXXI/1)

Memorandum of the Director General

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I. SALARIES FOR THE GENERAL SERVICE CATEGORY

- 1. Under Article 12.1 of its Statute, the International Civil Service Commission, hereinafter referred to as "the ICSC," has responsibility for establishing the relevant facts for, and making recommendations as to, the salary scales of staff in the General Service category at the headquarters duty stations of the organizations of the United Nations "common system," including Geneva. For that purpose, the ICSC conducts periodic surveys (at intervals of five years) of the salaries paid by local employers and, as a result of such surveys, draws up salary scales which it recommends for implementation by the United Nations and the other organizations applying the common system. The surveys are conducted and the salary scales established on the basis of a methodology determined by the ICSC itself.
- The latest such survey in Geneva was conducted from November 1990 to January 1967 and resulted in a revised salary scale which, upon the a of the ICSC, was introduced by the United Nations and all other recommend organizations applying the common system in Geneva, with effect from January 1, 1991. As far as WIPO is concerned, the said salary scale was provisionally (pending the decision of the WIPO Coordination Committee) applied by the Director General as from January 1, 1991. The same salary scale was later approved by the WIPO Coordination Committee at its September-October 1991 session (see document WO/CC/XXVIII/7, paragraph 46) although, at the same session--that is, roughly two years ago--the Director General informed the WIPO Coordination Committee that a number of WIPO staff members had initiated an internal appeal procedure against the said salary scale on the grounds that, in reaching its recommendation, the ICSC had not correctly applied its own methodology (see document WO/CC/XXVIII/2, paragraphs 27 to 30).
- 3. After exhaustion of the said internal appeal procedure, five staff members lodged a complaint with the Administrative Tribunal of the International Labour Organization (hereinafter referred to as "the Tribunal").
- 4. The complainants contended, <u>inter alia</u>, that in determining the effect of the above-mentioned survey, the ICSC had acted in breach of its own methodology, because by including, in its calculation, seniority or longevity steps granted by two Geneva-based organizations (other than WIPO) beyond the maximum of the common system salary scale, the ICSC compared the local salaries with a higher amount that it should have compared it with and thereby reduced the percentage by which it ought to have raised the salaries paid by the common system organizations. In other words, two Geneva-based organizations have extra within-grade steps that are not provided for in the common system and the ICSC--the guardian of the common system--took the resulting higher figures (condemned by the ICSC!) into account in its calculations.
- 5. The Tribunal delivered its judgement (No. 1265) on July 14, 1993, and found that the complainants were right in objecting to the counting of extra within-grade step increments beyond the maximum of the common system salary scale as it was "unfair to count benefits improperly granted to the staff of

some organisations and so artificially inflate the comparative figures of pay of staff in organisations like WIPO that do abide by the rules of the system." As a result, the Tribunal:

- (i) set aside as from January 1, 1991, the decisions determining the complainants' pay according to the salary scale applicable to WIPO General Service staff insofar as the extra-within grade steps granted by other organizations in Geneva to their staff counted in reckoning that scale; and
- (ii) decided that WIPO should "draw up a revised scale that discounts those steps for the sake of comparison and pay the complainants the difference between the present figure and the figure on the revised scale" and pay interest at the rate of eight per cent a year on arrears due up to the date of the implementation of the revised salary scale.
- 6. In addition, WIPO had to pay 5,000 Swiss francs in costs to each of the five complainant staff members.
- 7. The effect of the judgement is that not only the General Service salary scale that came into effect on January 1, 1991, but also the General Service salary scales that came into effect on January 1, 1992 (see document WO/CC/XXX/2, paragraphs 9 and 10) and on January 1, 1993 (see document WO/CC/XXXI/1, paragraphs 9 and 10) must be revised, since the latter two are based on the January 1, 1991, salary scale. Pensionable remuneration and pension contributions of General Service staff, which are derived from the salary scales, as well as language allowances, which are based on the January 1, 1991, salary scale, also require adjustment, with retroactive effect from January 1, 1991.
- 8. The Tribunal did not determine the percentage of the adjustment to be made to the January 1, 1991, salary scale.
- 9. On July 27, 1993, the Director General wrote to the Chairman of the ICSC to request (i) the necessary information on the applicable methodology (as in force at the time of the 1990-1991 Geneva General Service salary survey) to enable a determination to be made of the adjustment to be applied to the 1991 General Service salary scale; (ii) assistance in drawing up revised salary scales for 1991, 1992 and 1993; and (iii) guidance regarding the adjustment of the language allowance for General Service staff as of January 1, 1991.
- 10. After consultations with the United Nations and the other Geneva-based organizations, the ICSC wrote to the Director General on August 26, 1993, attaching a revised salary scale as of January 1, 1991. The said revised salary scale was 0.47 per cent higher than the scale initially recommended by the ICSC. The letter of August 26, however, raised serious doubts as to the assumptions on which the revised scale was based and new questions as to the manner in which the scale initially recommended by the ICSC was constructed. Those doubts and questions were shared by the administrations of other Geneva-based organizations. On August 31, 1993, the Director General, therefore, requested clarification from the ICSC. On the same day, the ICSC sent to the Director General a new revised scale which is 0.93 per cent higher than the scale recommended by the ICSC in 1991 and was stated by the ICSC to be "more in line with the methodology that was then applicable." On September 3, 1993, therefore, the Director General requested the ICSC to

confirm that the latter revised scale was strictly in accordance with the methodology that was applicable in 1991. The Vice-Chairman of the ICSC replied on September 8, 1993, that he would have difficulty in confirming that the latter scale was strictly in conformity with the methodology that was applicable in 1991, but that it was "in conformity to the methodology as interpreted by the ILO Administrative Tribunal." The Director General, for his part, is of the view that the methodology applicable at the time of the 1990-1991 salary survey prohibited the taking into account of any steps beyond the maximum of the common system salary scale and that, insofar as such steps have been excluded in the computation of the salary scale sent to him by the ICSC on August 31, 1993, the latter salary scale is indeed in accordance with the said methodology.

- 11. The latter revised salary scale is recommended by the ICSC, under Article 12 of its Statute, for uniform application by all common system organizations with staff in Geneva. The ICSC also provided guidance regarding the procedure for the drawing up of revised salary scales for 1992 and 1993 and the adjustment of the language allowance for General Service staff.
- 12. It is important to note that, until the Tribunal's judgement, it was believed that organizations applying the common system had no discretion to adopt salary scales other than the ones recommended by the ICSC. This belief seems to be erroneous since the Tribunal, in the considerations of its judgement in question, stresses "the duty of any organisation that introduces elements of the common system or any other outside system into its own rules to make sure that the texts it thereby imports are lawful" (paragraph 21) and that "by incorporating the standards of the common system in its own rules the Organization has assumed responsibility towards its staff for any unlawful elements that those standards may contain or entail. Insofar as such standards are found to be flawed they may not be imposed on the staff and WIPO must if need be replace them with provisions that comply with the law of the international civil service" (paragraph 24).
- 13. In other words, it will be necessary henceforth, whenever there is doubt as to the lawfulness of any decision or recommendation of the ICSC, for the WIPO Coordination Committee to examine such lawfulness, and it will no longer be safe to apply the dicta of the ICSC only because they come from the ICSC and are labelled "common system." The WIPO Coordination Committee will also have to bear in mind that not only the decisions of the ICSC, but also its own decisions are subject to review by the Tribunal.
- 14. It is hereby proposed that the WIPO Coordination Committee approve the revised scale of net salaries for staff in the General Service category as recommended by the ICSC on August 31, 1993, with effect from January 1, 1991, as well as consequential revised scales of net salaries with effect from January 1, 1992, and January 1, 1993, and related scales of gross salaries which have been computed by the United Nations. The relevant amendments to Staff Regulation 3.1 appear in Annex I. It is to be noted that the salary scale for the General Service category with effect from January 1, 1993, shown in Annex I supersedes the scale proposed for approval by the WIPO Coordination Committee in paragraphs 9 and 10 and Annex V of document WO/CC/XXXI/1.
- 15. As a consequence of the revision of the January 1, 1991, salary scale, the language allowances for staff in the General Service category should also be included with effect from January 1, 1991. The relevant amendment to Staff Regulation 3.7 appears in Annex II.

- 16. The estimated cost to WIPO of the 0.93 per cent adjustment of General Service salaries since January 1, 1991, and of the related adjustments of language allowances, pension fund contributions and overtime payments, together with interest, is approximately 850,000 Swiss francs for the period from January 1, 1991, to December 31, 1993.
 - 17. The WIPO Coordination Committee is invited to note the information contained in paragraphs 1 to 16, above, and to approve the amendments to the Staff Regulations referred to in paragraphs 14 and 15, above.
- II. DIFFERENCE OF WORKING HOURS OF PROFESSIONAL STAFF BETWEEN GENEVA AND THE BASE CITY OF THE COMMON SYSTEM (NEW YORK)
- 18. It is recalled that, at its September-October 1991 session, the WIPO Coordination Committee decided to establish a Working Group on Professional Remuneration with the task, inter alia, to establish the facts concerning the alleged inequality of treatment between staff serving in Geneva and those serving at the base of the common system (New York) (document WO/CC/XXVIII/7, paragraph 38).
- 19. One of the alleged inequalities of treatment brought to the attention of the Working Group was the difference of the number of hours that WIPO Professional staff members in Geneva on the one hand and United Nations Professional staff members in New York on the other were required to work in a year, a difference reckoned by the International Bureau to be 11.8 per cent more for the former than for the latter. While not denying that fact, the Working Group considered that the difference could be explained by "local circumstances" (see documents WO/CC/XXX/1, Annex I, paragraph 15 and WO/CC/XXX/4, paragraph 13).
- 20. At the September 1992 session of the WIPO Coordination Committee, the Director General, in his comments on the report of the Working Group, stated that "he consider[ed] that the fact that the difference in working hours between the base city of the remuneration system and Geneva is not taken into account in the remuneration of WIPO Professional staff is inconsistent with the principle of equal remuneration for equal work (a principle that, so far, nobody dared to challenge) and that the remuneration of WIPO Professional staff should be adjusted to take that difference into account" but that, "mindful of the appeal made by the General Assembly of the United Nations to the organizations of the United Nations common system "to refrain from seeking to establish for their staff, whether by provisions in their staff regulations or by other means, additional entitlements and benefits, as such actions would be detrimental to the common system under which all staff should receive equal [!] treatment irrespective of their employing organizations" (resolution 46/191 of December 20, 1991), and although it is considered that WIPO staff in Geneva and United Nations staff in New York do not in this respect receive equal treatment, [he] merely propose[d, at that stage,] that the Coordination Committee note that the Director General intend[ed] to request the ICSC to review the question of the difference of working hours of Professional staff between Geneva and the base city of the common system (New York) and to make recommendations as to how that difference of working hours could be taken into account in the determination of Professional remuneration of WIPO Professional staff" (see document WO/CC/XXX/4, paragraphs 14 and 15).

- 21. The WIPO Coordination Committee noted with approval the intention of the Director General referred to in the preceding paragraph (document WO/CC/XXX/6, paragraph 29) and, as mentioned in paragraph 21 of document WO/CC/XXXI/1, the Director General so requested the ICSC in a letter addressed to its Chairman on October 22, 1992.
- 22. Subsequently, in December 1992, the General Assembly of the United Nations noted that the Commission would study in 1993 the issue of working hours (Resolution 47/216, Section I.A., paragraph 5).
- 23. An item entitled "Relationship Between Hours of Work and Remuneration" was included on the agenda of the 38th session of the ICSC which was held from July 15 to August 3, 1993. Consideration of that agenda item by the ICSC took place on the basis of a note by the Secretariat of the ICSC (document ICSC/38/R.15), copies of which are available for consultation by any delegation which so wishes. The extract of an advance copy of the report of the ICSC for the year 1993 relevant to the said agenda item is reproduced as Annex III to the present document.
- The so-called analysis of the issue by the Secretariat of the ICSC is based on the premise that "the nature of Professional work is not directly related to the schedule of working hours" (document ICSC/38/R.15, paragraph 8; emphasis added). In the ICSC's parlance, this becomes: nature of Professional level work was such that it did not lend itself to strict adherence to work schedule parameters [!]" (see Annex III, paragraph 181). This is not the type of language that one would expect from an expert body. What does it mean? Where is the borderline between not related and not directly related? Are Professional staff members expected to adhere to the work schedule provided for in the Staff Regulations and Rules or are they not? In WIPO, they do respect the work schedule, and the fact that the overwhelming majority of Professional staff members work beyond the normal working hours, out of professional conscience, does not mean that they are allowed to work less. What conclusion can one draw from such statements? That working hours are not relevant to Professional employment and that, as far as Professional staff members are concerned, the rules prescribing the work schedule of the Organization are of no legal value? A very unwise and dangerous message to send to the staff indeed.
- 25. Such peremptory statements are not supported by any fact or argument. Stating, as some members of the ICSC found fit to do, that "the consideration of work schedule parameters for professional staff was demeaning" (see Annex III, paragraph 181) is not an argument, but just a gratuitous offense to devoted staff members—unless those members of the ICSC meant that it was demeaning for them to review one of the basic conditions of employment of Professional staff.
- 26. The so-called analysis of the issue by the Secretariat of the ICSC is based only on a broad statement that "the Secretariat knows of no private sector concerns that pay overtime to Professional staff." This is a most disconcerting statement since each time references have been made to conditions of employment in the private sector (e.g., in the meetings of the Working Group on Professional Remuneration) such references have been dismissed by the Commission as irrelevant, the only valid reference being to the comparator national civil service, namely the United States Federal Civil

Service. Yet, no reference is made in the ICSC Secretariat document to the fact that the United States Code does provide for cash compensation of overtime worked by federal civil servants, including at Professional levels. That fact was brought to the attention of the ICSC by the representative of WIPO and by the Chairman of the Consultative Committee on Administrative Questions (CCAQ). The ICSC noted it (see Annex III, paragraph 185) but drew no conclusion from it.

- 27. It is to be noted that the ICSC, which has shown in the past remarkable alertness in tracking down small variations in the conditions of employment from one organization to the other, is not prepared to recognize a blatant major difference as the difference of working hours of Professional staff between New York and Geneva. The ICSC gives no serious reasons which could justify its conclusion. The ICSC obviously does not wish to elaborate a methodology to reckon differences of working hours between duty stations and an equitable formula for compensating such differences.
- 28. Working hours are part of the WIPO Staff Regulations and Rules. Their establishment is the responsibility of the WIPO Coordination Committee. The Director General hopes that the WIPO Coordination Committee will not share the views of the ICSC. Noting that the General Assembly of the United Nations will be apprised of the review by the ICSC of the question of the relationship between hours of work and remuneration in the annual report that the ICSC will submit at the 1993 session of the General Assembly of the United Nations, the Director General will wait for the consideration of this question by the General Assembly of the United Nations and revert to it at the 1994 ordinary session of the WIPO Coordination Committee.
 - 29. The WIPO Coordination Committee is invited to note that the Director General will revert to the question of the relationship between hours of work and remuneration at the 1994 ordinary session of the WIPO Coordination Committee.

III. ADVICE ON AN APPOINTMENT TO A POST OF GRADE D.1

- 30. Staff Regulation 4.8(a) provides that "staff members shall be appointed by the Director General; however, appointments to posts in the Special category (grades D.1 and D.2) shall be made taking into account the advice of the Coordination Committee."
- 31. The Director General will, if the WIPO Coordination Committee agrees, promote Mr. Raymond Andary, a national of Lebanon, to grade D.1. Mr. Andary joined the Organization on January 1, 1975, and his present position is that of Head, Developing Countries Section, Industrial Property Information Division, which section will become a division. Grade D.1 is in line with the level of the duties of the head of a division.
 - 32. The WIPO Coordination Committee is invited to advise the Director General in respect of the intended promotion referred to in paragraph 31, above.

IV. WIPO STAFF PENSION COMMITTEE

- 33. The WIPO Coordination Committee decided, in its ordinary session of 1977, that the WIPO Staff Pension Committee would consist of three members and three alternate members, one member and one alternate to be elected by the WIPO Coordination Committee. The members elected by the WIPO Coordination Committee have a four-year term of office.
- 34. In 1992, the WIPO Coordination Committee elected as member of the WIPO Staff Pension Committee, Mr. Clemens Wetz, Counsellor (Financial Affairs), Permanent Mission of the Federal Republic of Germany to the Office of the United Nations and other International Organizations in Geneva, for the remainder of the term of office of his predecessor in the said Permanert Mission, Mr. Wolfgang Milzow (who had himself been elected as member of the WIPO Staff Pension Committee in 1989), that is, until the 1993 ordinary session of the WIPO Coordination Committee.
 - 35. The WIPO Coordination Committee is invited to elect a member of the WIPO Staff Pension Committee for a term of four years expiring with the 1997 ordinary session of the WIPO Coordination Committee.

[Annex I follows]

ANNEX I

SALARY SCALES FOR THE GENERAL SERVICE CATEGORY (Staff Regulation 3.1)

Catégorie des services généraux / General Service category

Traitements en vigueur à partir du : ler janvier 1991 Salaries in force as from: January 1, 1991

(montants annuels en francs suisses / annual amounts in Swiss francs)

	ECH. 1	ECH. 2	ECH. 3	ECH. 4	ECH. 5	ECH. 6	ECH. 7	ECH. 8	ECH. 9	ECH. 10	EGH. 1
Grade	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10	STEP 11
6.1	1) 57929	60092	62256	64419	66585	68755	70986	73218	75449	77680	79913
	2) 43299	44727	46155	47583	49012	50440	51868	53296	54724	56152	57581
٥.	1) 63836	66192	68550	70980	73410	75841	18271	80700	83132	85561	87991
	2) 47198	48753	50309	51864	53419	54975	56530	58085	59641	96119	62751
,	1) 70307	72963	75618	78274	80930	83585	86241	88897	91552	94208	96864
;	2) 51433	53133	54832	56532	58232	59931	61631	63331	65030	66730	68430
4.9	1) 77605	80496	83386	86277	89168	92028	94949	97839	100730	103621	106511
	2) 56104	57954	59804	61654	63504	65354	67204	69054	70904	72754	74604
ı,	1) 85874	89038	92203	95369	98533	101699	104864	108028	111194	114360	117524
;	2) 61396	63421	65447	67473	69498	71524	73550	75575	17601	79627	81652
9.9	1) 94986	98453	916101	105386	108852	112319	115785	119252	717221	126183	129650
	2) 67228	69447	71665	73884	76102	78321	80539	82758	84976	87194	89413
٠	1)104968	108764	112560	116355	120152	123947	127744	131539	135335	139132	142927
;	2) 73616	76046	78475	80904	83334	85763	88193	90622	93051	95481	97910

Traitements bruts: élément de la rémunération considérée aux fins de la pension et base de l'imposition interne (art. 3.16bis)
 Gross salaries: component of pensionable remuneration and basis for internal taxation (Reg. 3.16<u>bis)</u>
 Traitements nets (art. 3.1) / Net salaries (Reg. 3.1.).

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Catégorie des services généraux / General Service category

Traitements en vigueur à partir du : ler Janvier 1992 Salaries in force as from: January 1, 1992

(montants annuels en francs suisses / annual amounts in Swiss francs)

	ECH. 1	ECH. 2	ECH. 3	ECH. 4	ECH. 5	ECH. 6	ECH. 7	ECH. 8	ЕСН. 9	ECH. 10	ECH. 11
Grade	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10	STEP 11
,	1) 58827	60849	62870	64892	66914	68942	71607	73013	75048	77084	79120
ــ خ	2) 45073	46559	48045	49531	51017	52503	53989	55475	56961	58447	59933
	1) 64344	66547	68754	20972	73190	75407	77625	79843	82076	84309	86542
7.9	2) 49128	50747	52366	53985	55604	57223	58842	60461	62080	63699	65318
,	1) 70351	72776	75201	77625	15008	82492	84934	87375	89816	92261	94719
و. و	2) 53532	55302	57072	58842	21909	62382	64152	65922	67692	69462	71232
	1) 77016	79654	82309	84965	87622	90278	92943	95618	98293	100968	103644
.5 4	2) 58397	60323	62249	64175	10199	68027	69953	71879	73805	15731	77657
,	1) 84591	87500	90409	93329	96258	99188	102117	105066	108037	111007	113977
ر. د.	2) 63904	66013	68122	70231	72340	74449	76558	78667	80776	82885	84994
,	1) 92979	96186	99393	102600	105838	109090	112342	115594	118846	122099	125351
<u>و</u> و	2) 69979	72288	74597	76906	79215	81524	83833	86142	88451	90760	93069
,	1)102218	105759	109320	112880	116441	120001	123562	127123	130683	134244	137804
<u>;</u>	2) 76631	79159	81687	84215	86743	89271	91799	94327	96855	99383	116101

Iraitements bruts: élément de la rémunération considérée aux fins de la pension et base de l'imposition interne (art. 3.16bis)
 Gross salaries: component of pensionable remuneration and basis for internal taxation (Reg. 3.16<u>bis</u>)
 Iraitements nets (art. 3.1) / Net salaries (Reg. 3.1.).

Catégorie des services généraux / General Service category

Traitements en vigueur à partir du : ler janvier 1993 Salaries in force as from: January 1, 1993

(montants annuels en francs suisses / annual amounts in Swiss francs)

		ECH. 2	ECH. 3	ECH. 4	ECH. 5	ECH. 6	ECH. 7	ECH. 8	ECH. 9	ECH. 10	ECH. 11
Grade	STEP 1	STEP 2	STEP 3	STEP 4	STEP 5	STEP 6	STEP 7	STEP 8	STEP 9	STEP 10	STEP 11
-	1) 60882	62968	65055	67155	69255	71355	73455	75555	77866	00101	
	2) 46497	48030	49563	51096	52629	54162	55695	57228	58761	60294	61827
6.2	1) 66587	68874	71162	73450	75737	78038	80342	82645	84948	87252	80570
	2) 50681	52351	54021	55691	57361	59031	10209	62371	64041	11.759	67381
6.3	1) 72809	75310	77823	80342	82860	85379	87901	90437	92973	95509	98045
	2) 55223	57049	58875	10209	62527	64353	66179	68005	69831	71657	73483
7	1) 79708	82449	85190	87934	90694	93453	96213	98977	101775	104574	CECEO1
;	2) 60242	62229	64216	66203	68190	70177	72164	74151	76138	78125	80112
ı,	1) 87542	90565	93587	60996	99644	102709	105774	108839	111904	114068	110033
;	2) 65921	68097	70273	72449	74625	76801	78977	81153	83329	85505	87681
9.5	1) 96249	99570	102925	106280	109635	112989	116344	119699	123054	126409	120764
	2) 72190	74572	76954	79336	81718	84100	86482	88864	91246	93628	96010
۲-	1)105880	109553	113226	116899	120573	124246	127919	131592	135265	138030	140610
;	2) 79052	81660	84268	86876	89484	92092	94700	97308	91666	102524	105132

Traitements bruts: élément de la rémunération considérée aux fins de la pension et base de l'imposition interne (art. 3.16bis)
 Gross salaries: component of pensionable remuneration and basis for internal taxation (Reg. 3.16<u>bis</u>)
 Traitements nets (art. 3.1) / Net salaries (Reg. 3.1.).

[Annex II follows]

ANNEX II

LANGUAGE ALLOWANCE FOR THE GENERAL SERVICE CATEGORY (Staff Regulation 3.7)

Present Text

Proposed Text

[No change]

(a)

- members in the General Service category who pass an examination organized for the purpose by the Director General and who demonstrate proficiency in one or two of the following languages: Arabic, English, French, Russian and Spanish. The allowance shall not be payable for the staff member's mother tongue nor for any language in which the Director General considers that the staff member is required to be fully proficient by the terms of his appointment.
- (b) The allowance is 4,176 Swiss francs per annum for proficiency in any two of the languages mentioned in paragraph (a) above, and 2,784 Swiss francs per annum for proficiency in any one of them, subject to the proviso contained in the said paragraph.

(b) The allowance is 4,212 Swiss francs per annum for proficiency in any two of the languages mentioned in paragraph (a) above, and 2,808 Swiss francs per annum for proficiency in any one of them, subject to the proviso contained in the said paragraph.

[Annex III follows]

ANNEX III

EXTRACT OF AN ADVANCE COPY OF THE REPORT OF THE ICSC FOR THE YEAR 1993

I. Relationship between hours of work and remuneration

175. The Commission addressed this issue in the context of questions raised on the matter in 1991 during reviews of the remuneration of the Professional and higher categories by the Co-ordination Committee of the World Intellectual Property Organization (WIPO) and the Administrative Committee on Co-ordination (ACC). Similar questions had also arisen during the International Telecommunication Union (ITU) Consultative Group meetings in late 1992 and early 1993.

176. This issue had come before the Commission at the request of the Director-General of WIPO and the ITU Consultative Group. The General Assembly had taken note of the Commission's intention to study the matter in 1993. 19 The thrust of the proposals from WIPO were that the post adjustment system should be modified to permit a consideration of working hour differences between New York and Geneva. Specifically, it was proposed that since the working hours in Geneva were 40 hours per week and, on average, 35.8 in New York (35 hours per week except during sessions of the General Assembly when they were 37.5), net remuneration in Geneva should increase by 11.8 per cent to account for these differences in working hours.

Views of the organizations

177. The Chairman of CCAQ noted that views on this issue were difficult to reconcile since they might be based on technical, emotional or political considerations. The question of hours of work and remuneration had been addressed by CCAQ in 1992 in response to a request from ACC. Whilst appreciating that hours of work varied in different locations, CCAQ had reached the general conclusion at that time that the status quo should be retained for the time being. That remained the view of the majority of organizations in CCAQ. Some organizations, however, preferred the adjustment of net remuneration to reflect working hour differences. He expressed disappointment that details of the practice of the comparator civil service had not been made available and requested more information in this respect.

178. The representative of WIPO recalled that, in October 1992, the Director General of WIPO, with the approval of the WIPO Coordination Committee, had requested the Commission to review the question of the difference of working hours of Professional staff between Geneva and the base city of the common system (New York) and to make recommendations as to how that difference of working hours could be taken into account in the determination of the remuneration of WIPO Professional staff. Addressing the "conceptual"

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framework" of the study prepared by the ICSC Secretariat, he pointed out that the premise that the nature of Professional work was not directly related to working hours was, disconcertingly, based on a broad reference to practices in the private sector and took no account of the practice of the comparator itself, which, under the United States Code, provided for cash compensation of overtime worked by federal civil servants, including at professional levels. That premise also failed to acknowledge the links between the volume of Professional work, the time required to perform it, working hours, the staffing of the organization, Professional remuneration and the resulting level of resources required. Moreover, it led to dangerous conclusions and sent the undesirable message that working hours were not relevant to Professional employment. The Director General of WIPO had made his position clear on this issue: working hours were part of the conditions of employment of Professional staff; the difference in working hours between the base city of the common system and the city where WIPO had its headquarters was inconsistent with the principle of equal treatment reaffirmed by the General Assembly of the United Nations in resolution 46/191 and should be compensated for. To that end, it would certainly be possible to find simpler and faster methods to reckon differences in working hours than the one suggested by the ICSC Secretariat.

View of the staff representatives

179. The President of CCISUA did not consider this issue to be one which required much time for the Commission's consideration. He felt that the issue required no action.

Discussion by the Commission

- 180. The Commission noted that the establishment and maintenance of relevant working hours were determined locally by the organizations of the common system. The Commission had dealt with this issue only in the context of specific remuneration issues, inter-alia, the treatment of working hours in the context of General Service survey methodology, the measurement and comparison of total compensation vis-à-vis the comparator and the relationship of working hours to overtime and shift differential payments. The Commission considered that the work performed by the Professional and higher categories could best be defined by tasks and/or projects as opposed to working hour increments.
- 181. The Commission considered that the nature of Professional level work was such that it did not lend itself to strict adherence to work schedule parameters. Furthermore, no overtime was paid to Professional staff in the common system. Some Commission members expressed the view that the consideration of work schedule parameters for professional staff was demeaning. In this regard, the Commission did not consider it possible to circumscribe Professional work activities by a time element as was done for production workers on piece work or clerical workers subject to overtime

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payments. The Commission considered that it was expected that Professional staff would complete a task or project without a strict concern for the schedule of work hours and without expectation of a salary adjustment to account for the extra hours worked or compensatory time off. It was noted, in this regard, that the work schedules applicable at common system duty stations were based largely on local practice as determined at the time of local General Service salary surveys.

- 182. Nevertheless, the Commission addressed the technical requirements that should be considered if working hour increments were to be considered as a basis for adjusting the net remuneration of the Professional and higher categories. In this regard it noted that the WIPO analysis, which seemed to be supported by the ITU and ACC considerations of the issue, adjusted net remuneration for weekly work schedule differences without consideration of the actual hours worked in a year. It further noted that because of differences in leave provisions and other time-related provisions of the organizations, an accurate measurement of annual working hours, by duty station, would need to be calculated before consideration could be given to the adjustment of remuneration for this factor. It noted in this regard that some organizations of the common system granted compensatory time off for overtime worked by Professional staff. It further noted that leave, in addition to that reflected in the standard common system leave package, was granted by some organizations. These and other differences made it necessary to measure annual working hours accurately. The Commission considered that annual working hours were not measured by simply placing the weekly work schedule of Geneva in the numerator of a fraction and the average weekly work schedule of New York in the denominator, as proposed in the WIPO calculations.
- 183. The Commission noted in addition the detailed calculations included in the extensive documentation before it, that would need to be applied to a comprehensive data base reflecting organizations' practices on working hours and leave, before any conclusion could be arrived at on this item. Such a database was not currently available and a major effort would be required to establish it. Even if such a database were available, the issue was viewed as complex because of the diversity of administrative practices.
- 184. The Commission considered that notwithstanding the technical aspects of a measurement methodology, a number of related considerations would require attention if such an adjustment to net remuneration of Professional staff were made. These were the relationship of working hours to:
- (a) local practice (Since a duty station's working hours were largely based on local practice to satisfy the Flemming principle how could this be reconciled with the Noblemaire principle requiring a reference to the comparator for Professional staff?);
- (b) net remuneration margin calculations (If adjustments to remuneration were to be made within the common system for working hours differences, should not such differences also be measured within the context of net remuneration margin calculations? The Commission recalled in this regard that it had made such measurements in the early 1980's but only in the context of total compensation comparisons.);

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- (c) flexible working hours programmes (If staff have a choice in the selection of their individual working hours, in the context of a flexible working hours programme, how should such choices be integrated in the adjustment of net remuneration for working hours differences?).
- All of these issues would need to be studied further before any conclusion could be reached about an appropriate net remuneration adjustment mechanism.
- 185. With regard to comparator practices, it was noted that overtime payments applied to professional levels up to the GS 15 (equivalent of P.5 of the common system) although at a reduced rate of pay and limited to a maximum amount.
- 186. Some members were of the opinion that the comparator United States Civil service should be the base for any work hour comparisons. With regard to comparator practices, it was noted that pay was based on an annual requirement of 2087 hours; that overtime pay was not required for Professionals, but when paid it was with substantial limitation and specific caps.

Decision of the Commission

187. The Commission decided to maintain the current common system practices with regard to working hours and to inform the General Assembly accordingly.

[End of Annex III and of document]