

GB.304/8/2 304th Session

### **Governing Body**

Geneva, March 2009

#### EIGHTH ITEM ON THE AGENDA

## Reports of the Programme, Financial and Administrative Committee

#### **Second report: Personnel questions**

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#### I. Statement by the staff representative

(Eleventh item on the agenda)

1. The statement by the staff representative is reproduced in the appendix to the present report.

#### II. Composition and structure of the staff

(Thirteenth item on the agenda)

- **2.** The Committee had before it a paper <sup>1</sup> on the composition and structure of the staff. The document was submitted for information.
- **3.** Sir Roy Trotman, speaking on behalf of the Workers' group, noted the overall intention to strive towards gender parity. He observed from the document that there were some difficulties, and that in some areas the Office was falling behind the set target of 33 per cent for the share of women in senior positions (P5 and above) in the 2006–09 Human Resources Strategy (the Strategy). As regards geographic distribution, he urged the Office to ensure that staff representation properly reflects the membership of the Organization and to create more opportunities for people from under- and non-represented countries to apply for vacant positions.
- **4.** As regards rejuvenation of the staff, he indicated the need for more affirmative action in preparing the ILO for the future. A cadre of younger people needed to be recruited and trained to ensure a solid base of expertise and experience. In this respect, he requested further information on the recruitment of young people.
- **5.** As regards allocation of resources, he noted that some staff funded from extra-budgetary resources nevertheless stayed with the Office for extended periods. The uncertainty surrounding contract extensions could affect the performance of these staff members. He urged the Office to identify some form of job security for staff paid through extra-budgetary funds.
- **6.** Sir Roy Trotman congratulated the Office for defending and promoting the interests of persons with disabilities but asked the Office to provide relevant statistics in this regard.
- 7. Mr Julien, speaking on behalf of the Employers' group, expressed concern about the low rates of staff mobility between the regions, notably in Africa, and, to a lesser degree, in Europe. His group expressed regret at the very small number of people from the world of enterprises that were recruited by the ILO. Moreover, other than in ACT/EMP, very few staff members came from employers' organizations; this situation limits the full contribution of the employers to the activities of the ILO.
- **8.** The representative of the Government of the United Kingdom, speaking on behalf of the group of Industrialized Market Economy Countries (IMEC), recalled that in November 2008, the group had asked for more information on posts which had been vacant, those that had been vacant for more than six months, and a breakdown of staff between headquarters and the field over the past ten years, as well as information on the use of resources which became available through non-filling of positions. In November 2009, the Committee would be called upon to discuss the revised Strategy for 2010–15. In 2007, the Office had

<sup>&</sup>lt;sup>1</sup> GB.304/PFA/13.

promised to provide a forward-looking paper to inform the discussion on the revised Strategy, including the impact of the United Nations (UN) initiative on the harmonization of business practices on human resources (HR) matters. Neither the information nor the paper had been provided. She stressed the need to pay sufficient attention to succession planning, especially as a large number of retirements are expected in the next few years, and indicated that the Office should ensure that HR issues were included in the risk management system. Her group wished for tripartite consultations during the preparation of the revised Strategy. She urged all constituents and managers to work with the Human Resources Development Department in this regard, and said that IMEC stood ready to help.

- **9.** The representative of the Government of the Republic of Korea, speaking on behalf of the Asia–Pacific group (ASPAG), welcomed the increase in the number of staff in the Professional category and above. His group's view was that, in order to strengthen the ILO's capacity to assist its constituents, the utmost priority should be given to reinforcing the expertise of ILO staff. Given the high proportion of the budget devoted to staff costs, he nevertheless called for continuing efforts to balance the need to increase expertise with efficiencies in staff management through ongoing grade restructuring and increasing the relative proportion of Professional staff.
- 10. The speaker was concerned about the persistent imbalance in regional distribution of qualified and experienced staff. According to the paper before the Committee, the Asia and the Pacific region was still under-represented and his group felt that the Office had neglected the opportunity to redress the situation by recruiting from only 15 per cent of the under-represented regions. The group strongly urged the Office to take measures to remedy the situation as soon as possible.
- 11. As regards gender parity, ASPAG commended the Office on its achievements but commented that the figures for women at the P5 level were still below target. The Office should continue its efforts to increase the proportion of women at all levels. The group noted that the number of recruitments in 2008 at the Professional level exceeded that of the previous year. The group felt that the new recruitment and placement system (RAPS) was likely to further expand opportunities for external candidates, particularly from under-represented countries by making the recruitment procedures more inclusive and transparent. The group asked the Office to provide detailed information on RAPS, and requested prior notice of the launching of each RAPS exercise.
- 12. The representative of the Government of the Bolivarian Republic of Venezuela was pleased with the information provided by the Office in the document before the Committee, but was concerned at the lack of balance in geographical representation. He noted that 47 per cent of non-linguistic staff recruited came from only ten countries. This percentage increased if linguistic staff were included. The number of non-represented countries (63) was very high, while 16 over-represented countries, including five of the ten countries, represented half of the staff of the Office.
- 13. The representative of the Government of India stressed the need to ensure that all member States were represented in the staff of the Office. She called for special recruitment campaigns aimed at non- and under-represented countries. She deplored the fact that there were no Indian nationals in senior positions on the staff at present. She also urged the Office to continue its efforts to achieve gender parity.
- 14. The representative of the Government of Japan supported the statements of IMEC and ASPAG and underlined the importance of regrading exercises to cut staff costs and called upon the Office to make greater efforts in this regard. He requested more statistical data on the situation as regards General Service staff. He noted that, although the Asia and the

Pacific region was under-represented, only one non-linguistic recruitment had been made from that region in 2008. He also noted the increased numbers of technical cooperation staff in the field and urged the Office to continue in this regard. He requested the Office to consult widely on the revised Strategy prior to its submission to the November 2009 session of the Committee.

- **15.** The representative of the Government of Egypt supported previous speakers' comments on the imbalance in the representation of different countries and urged the ILO to take remedial steps as soon as possible.
- **16.** The representative of the Government of Jordan noted that many Arab states were not represented and called upon the Office to take action as soon as possible. He also indicated that the Arab group had agreed that the ILO could recruit Arab nationals against non-represented quotas in the region.
- 17. The representative of the Director-General (Ms Strachan) thanked the Committee for its comments, questions and suggestions. In responding to the query about vacant positions, she indicated that there were at present 28 vacant positions in the Professional category 18 at headquarters and ten in the regions. These were being advertised through the first RAPS exercise of 2009 and its addendum. Of those vacancies, seven had existed for more than six months. It was unfortunately not possible to provide statistics on General Service staff, as recruitment of local General Service staff was decentralized to the field offices. With the advent of RAPS, the Office was being more effective in its management of planned departures. The length of time during which posts remained vacant was diminishing, and during those periods the Office used temporary measures to bridge any replacement gaps. Much progress was being made compared to past years.
- 18. As regards enterprise experience, the Office acknowledged that such experience enriched the Office's knowledge base. She indicated that the Office included employers' and workers' organizations in its prospection database. As regards efforts to recruit persons with non- and under-represented nationalities, the Office remained committed to this important objective. It should, however, be borne in mind that the competitive process is first and foremost based on competencies, with nationality a secondary consideration. The Office was making efforts to widen the pool of candidates applying for competitions, especially targeting regions and nationalities which were less than adequately represented, through a variety of means, including the translation of vacancy announcements into other languages, and the use of national, regional and international media. It also continued to hold discussions with individual government representatives to jointly explore options on the way forward.
- 19. Regarding the number of staff with disabilities, she indicated that this was difficult to ascertain because of issues of confidentiality. She pointed to two measures that the Office was taking to provide reasonable accommodation to facilitate the recruitment of staff with disabilities or support serving staff who developed a disability: the installation of a lift from the underground car-park for persons with disabilities for which work was under way; and the establishment of a "reasonable accommodation fund". A provision albeit modest for this fund had been included in the 2010–11 programme and budget proposals. The fund would be at the disposal of managers both at headquarters and in the field.
- **20.** A preview of the revised Strategy to the current session of the PFA prior to its submission to the November 2009 Committee had not been possible because the Office had had to choose how to allocate its limited resources. Priority had been given to implementation of the current Strategy, as well as the provision of inputs into documents for which there were long-standing commitments. However, the other papers presented to the Committee, such

as the Strategic Policy Framework (SPF) and the programme and budget proposals, give a clear indication of the areas which will need to be included in the revised Strategy.

- 21. As regards rejuvenation of the staff, 20 per cent of new recruits over the past year had been 35 years of age or under. This should help to increase the representation of young people in the staff, since they currently represent only 6.8 per cent. It was nevertheless necessary to maintain a balance between recruiting young staff members and recruiting more experienced senior staff who can immediately provide high-level services to constituents. With respect to the need for staff to serve in regions other than their regions of origin, she reaffirmed that the Office supported the need for such cross-fertilization. This was reflected in the target in the current HR Strategy which aimed at having at least 33 per cent of Professional and higher category staff serving in a region other than their region of origin. This target had been met and could be revised in the new Strategy.
- 22. In responding to the other points made, Ms Strachan confirmed that HR issues were included in risk management considerations. As regards job security for extra-budgetary staff, the issue was being discussed in the context of the contracts policy review. A zero-growth budget meant that additional regular budget positions could not be created to accommodate long-serving extra-budgetary staff, however technical cooperation (TC) staff could be integrated through the regular budget competitive recruitment process.
- **23.** The Committee took note of the paper.

# III. Decisions of the United Nations General Assembly on the report of the International Civil Service Commission

(Fourteenth item on the agenda)

- **24.** The Committee had before it a paper <sup>2</sup> on decisions of the United Nations General Assembly on the report of the International Civil Service Commission.
- **25.** Sir Roy Trotman drew attention to paragraph 7 of the paper concerning children's and secondary dependant's allowances. He noted that the measures would have a negative impact on staff at certain duty stations. He also noted that some organizations of the UN common system had not yet applied the revised allowances to their staff. The Workers' group supported the point for decision.
- **26.** Mr Julien, considering that the decisions had already been accepted in advance by the Governing Body at its last session, supported the point for decision.
- 27. The Committee recommended that the Governing Body note the action taken by the Director-General to give effect to the measures adopted by the United Nations General Assembly.

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<sup>&</sup>lt;sup>2</sup> GB.304/PFA/14.

#### IV. Pensions questions

(Fifteenth item on the agenda)

## (a) Decisions of the United Nations General Assembly on the report of the Board of the United Nations Joint Staff Pension Fund

- 28. The Committee had before it two papers <sup>3</sup> on pensions questions for information.
- 29. Mr Julien announced that his group had already received a report on the question through its representative on the Pensions Committee and he took note of the two documents. Concerned by the consequences of the financial crisis, he wish to know whether staff members who were due to retire in the coming months would suffer the effects of the crisis.
- **30.** The Director of the Human Resources Development Department indicated that the Fund was not unaffected by the crisis. There had been a fall in the current market value of its assets but the management of the Fund had indicated that there was no cause for immediate concern as it can meet its obligations in the short term without being required to sell its equity, bonds or real estate investments. For the longer term, and provided the financial crisis did not continue for an extended period, no particular problem was foreseen, given the conservative approach to investments taken by the Fund.
- **31.** The Committee took note of the information provided.

### (b) Report of the Board of the Special Payments Fund

**32.** The Committee took note of the information provided.

## V. Matters relating to the Administrative Tribunal of the ILO

(Sixteenth item on the agenda)

#### (a) Composition of the Tribunal

- **33.** The Committee had before it a paper <sup>4</sup> on the composition of the Administrative Tribunal of the ILO, proposing that the terms of office of judges Mr Ba, Mr Barbagallo, and Ms Hansen be renewed.
- 34. The Committee, through the draft resolution below, recommends to the Governing Body that it propose to the 98th Session of the International Labour Conference the renewal of the terms of office of Mr Ba, Mr Barbagallo, and Ms Hansen for three years.

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<sup>&</sup>lt;sup>3</sup> GB.304/PFA/15/1 and GB.304/PFA/15/2.

<sup>&</sup>lt;sup>4</sup> GB.304/PFA/16/1.

The General Conference of the International Labour Organization,

*Decides*, in accordance with article III of the Statute of the Administrative Tribunal of the International Labour Organization,

to renew the terms of office of Mr Seydou Ba (Senegal), Mr Giuseppe Barbagallo (Italy) and Ms Dolores M. Hansen (Canada) for three years.

#### (b) Statute of the Tribunal

- **35.** The Committee had before it a document <sup>5</sup> for information deferring discussion of this item to the 306th Session (November 2009) of the Governing Body.
- **36.** The Committee took note of the information.

Geneva, 17 March 2009.

Points for decision: Paragraph 27;

Paragraph 34.

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<sup>&</sup>lt;sup>5</sup> GB.304/PFA/16/2.

#### **Appendix**

Statement by the Chairperson of the Staff Union Committee to the Programme, Financial and Administrative Committee of the ILO Governing Body

(304th Session – March 2009)

Mr Chairperson, Worker and Employer Vice-Chairpersons, members of the Governing Body, Mr Director-General, and others assembled here today and following the proceedings over the Internet.

In his introductory remarks to the discussion on the programme and budget proposals, the Director-General focused heavily on the financial crisis. The staff of the ILO are fully aware of the need to reorient and refocus our work to respond to this crisis, as many of us are actively involved in promoting a fair and sustainable response to the difficulties faced.

In his remarks, the Director-General also promoted the active involvement of the social partners in the search for sustainable solutions. He noted the key role for social dialogue in crisis times.

As the Chairperson of the Staff Union, I can only welcome these remarks, and hope that such active involvement in the search for solutions also applies within the ILO.

However, in times of change and crisis – information, consultation and negotiation become even more essential. Both in response to the financial crisis – and to improve the effectiveness of the services provided to the constituents – we fully accept and are open to change.

But change cannot come at any cost. The mere fact of being in crisis, of being faced with change, either as a country or as an Organization, must not result in hasty policy development. And negotiations or consultations with the representatives of workers become an even more important element in ensuring that the policies being put forward balance the flexibility required by the Office with the concerns, the interests and the rights of staff.

Of course, there may be a need to move things forward at a more rapid pace, and the Union has already committed itself to the Director-General, and to the Office as a whole, to be ready to mobilize itself quickly and to commit its resources fully, to finding solutions. We would much rather be using our resources constructively in addressing questions of concern to staff from the earliest possible stage, than spending our energies and modest resources in a dispute over changes that have already been decided.

In this respect, the union should not be seen as an obstacle, but as an active partner in addressing issues of concern to staff.

I am sure that many of you are aware of the difficulties currently being faced regarding the proposed amendments to the staff regulations that have been placed on the agenda of the PFAC during the current session.

These amendments raised serious concerns among the staff, who have called upon the Union to take decisive action to bring these concerns to the administration, and to you, the members of the Governing Body, and to find a solution.

It took some time for the Union to get to this point, we did not arrive at calling an extraordinary General Assembly overnight. In fact, efforts were made to negotiate over this Article, as both the Union and the administration committed to do when signing the Collective Agreement on a Procedure for Recruitment and Selection back in 2000.

This made it impossible for the Union to play its role – its statutory role – of defending the staff's rights and interests, when the original proposals went forward without having been negotiated, and absent of any substantive dialogue over the Office's proposals and the Union's counter proposals.

That having been said, I am encouraged by recent steps taken by both sides. Following initial informal – and in some cases serendipitous – contacts between the Union leadership and representatives of the administration, there seems to be some openness to finding solutions.

The Union welcomes these open doors, and the flexibility shown by the members of the Governing Body in allowing the two sides to initiate discussions. While the subject is quite complex, and there remains a considerable amount of work to come to agreement, we are hopeful that we will be able to make a new proposal to you in the future.

It probably goes without saying that this subject is being followed very closely by staff members around the globe. The staff are expecting a lot from us – both from the Union and the Office. To be transparent, we have regularly kept the staff informed of progress.

Apart from this very specific subject, the Union would also like to raise some issues related to the Field Structure Review. Here I will focus on three main areas: employment security, precarious employment situations and as I mentioned earlier, mobility. Allow me to briefly touch on these, in order.

From the very beginning, in 2007 when the consultants began their initial work, the Union has raised the issue of safeguarding employment security as our highest priority in relation to the Field Structure Review. We are encouraged by the administration's assertion that all efforts are being made to ensure that potential job losses will be "as close to zero as possible". Reference to retraining and redeployment, particularly for those staff who would otherwise be facing separation from the ILO, is a fundamental element.

The Union has also asked for information – including clear estimations and projections wherever possible – on the social and human impact of the proposed Field Structure Review. We appreciate the reference to "close to zero" impact on staff, but the staff are keen to know *how* close to zero.

Given the rapid expansion of the Office's technical cooperation programme, and the increasing use, and sometimes misuse, of technical cooperation contracts within the Office – which have serious limitations related to the status and career of officials holding such contracts – need to be given particular attention in the Field Structure Review. We have raised, both formally and informally, a number of suggestions for ensuring equality of treatment between staff on the regular budget and those who may spend five, ten, 15 years or longer serving the Office on Technical Cooperation contracts.

Another serious concern is with the proposed expansion of so-called National Coordinators. National Coordinators have a unique status within the Office – and one which, as far as I am aware, has no equivalent in the UN Common System. While these staff do hold ILO employment contracts, they are exempted from a large part of the ILO Staff Regulations.

The paper itself proposes that national ILO coordinator positions be created and discontinued in countries depending on programme needs and financial resources. However, we have raised before, and we repeat again here, that a review of the rules governing the conditions of service of national coordinators should take place before considering a further expansion of these types of employment arrangements – which from our perspective do not adequately balance flexibility with needed job security.

Consideration needs to also be given to reviewing the responsibilities of GS and National Officers in the field, to ensure that their grades correspond to the actual work they are accomplishing.

On mobility, the administration has on many occasions stressed the linkage between the proposed amendments to Article 4.2 of the Staff Regulations and the Field Structure Review. We could not agree more! Perhaps I should repeat this point, for the record ... so you know we are not always in disagreement with management.

Let me close by saying something else with which I think the administration will also agree. We are not here to co-manage. We fully accept that this is not our role – nor would we want it to be.

But in times of increasingly rapid change, in times of crisis, the involvement of representatives of staff from the earliest possible point when addressing issues related to terms and conditions of work should, in our opinion, add value to the process. It is presumably for this reason that the Staff Union's role in representing and defending the interests of the staff is enshrined in the Staff Regulations themselves.

Once again, we are hopeful that the recently opened dialogue with the administration will pave the way forward, not only for finding a solution to the current dispute, but if successful, for rebuilding confidence in the overall system of dialogue within the Office.

Thank you.