



ELEVENTH ITEM ON THE AGENDA

**Reports of the Programme, Financial
and Administrative Committee****Second report: Personnel questions****Contents**

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1. The Programme, Financial and Administrative Committee met on 16 and 22 March and was chaired by Mr. Amorim (Government, Brazil; Chairperson of the Governing Body). Mr. Willers (Government, Germany) was the Reporter.

I. Statement by the staff representative

2. The Chairperson of the Staff Union Committee stated that in the reorganization of the Office – which had continued uninterrupted for almost two years – the Staff Union had noted some very positive landmarks but also some worrying signals that warranted corrective action on the part of the Office. The most positive aspect of the reorganization – and one which reflected a basic value of the ILO – had been the extension of the right to collective bargaining to the internal framework of industrial relations in the Office. The Staff Union was pleased and grateful that the Governing Body had been supportive of this process. Collective bargaining was serving the ILO well both by improving staff management relations and by humanizing the image of the ILO amongst other United Nations agencies. During the Governing Body's session in November 2000, it had been noted that the ILO was now viewed as a model for best practice in the UN system. While this process was proceeding well in general, the Staff Union was concerned that it had been unable to obtain the commitment of the senior management to hold an annual discussion with the Staff Union on a strategy for staff training. The Staff Union also called upon the Office to sign the collective agreement concerning the personal development plan which had been awaiting signature for over a month since negotiations ended. As concerned the implementation of the collective agreements, the Staff Union and the Human Resources Development Department had been making concerted efforts, many of which were reported in the document submitted to this session of the Governing Body. Along with the signatory parties, the Governing Body was in a position to help bring this process of change to full fruition. Staff training, for instance, depended on the will of the Governing Body to allocate funds for that purpose.
3. In the Staff Union's addresses to the 277th and the 279th Sessions of the Governing Body, attention had been drawn to the fact that, hitherto, most of the specific skills applied within the ILO had been acquired through a process of trial and error. Acquiring specialization in ILO-specific skills – such as the abolition of child labour, the extension of social protection in the informal sector or the promotion of social dialogue – through a process of trial and error was not the most efficient way. Training was recognized to be an investment that yielded excellent results in terms of staff efficiency and effectiveness. For many years, the ILO had been asserting that the staff were the Organization's most critical asset, yet the Office spent much less per capita on staff training than other organizations (that had been much less bold in recognizing the role of their staff) and less, for example, than the United States Federal Government, the European Commission, or the civil services of France or Germany. The success of the new personal development plan, and the entire approach taken in this regard, depended heavily on training. Hence, the Staff Union believed that the ILO should spend between 2 and 5 per cent of its total budget on training. It was hoped and expected that the Governing Body would give tangible expression to the importance of training when it determined allocations for the forthcoming programme and budget. This would also facilitate reorganization.
4. With regard to the changes to article 13 of the Financial Rules, under consideration at the present session, the Staff Union shared the view that the use of public funds should be monitored, and believed that staff could make a contribution by calling attention to improper practices. The ILO's staff, constituents and clients would all benefit from an open culture. Identifying and resolving problems before they were out of hand was not only more desirable but more effective. All wanted an end to the cover-up and blame

cultures that poisoned some organizations and wanted to see a more receptive attitude towards whistle-blowing, which had proven to be as effective as a conventional audit but much cheaper. However, whistle-blowing could be implemented only when people could come forward without fear of reprisal and when the Office did not act as party and judge at the same time. This guarantee had been provided for in the Collective Agreement on the Procedure for the Resolution of Grievances signed in September 2000. The Staff Union had already expressed its reservations concerning the proposed amendments to article 13 of the Financial Rules on whistle-blowing because it considered the amendments were worded in such a way as to frustrate their intention and undermine the spirit and the text of the corresponding provisions of the Staff Regulations approved by the Governing Body in November 2000. The Staff Union objected strongly to the implicit threat of sanctions to staff who came forward to raise queries on the legality of workplace practices. Furthermore, in the best interests of the ILO, the whistle-blowing clause should guarantee a separation between the roles of party and judge and the Staff Union considered this could be done only if these issues were channelled through the ombudsperson.

5. The proposed programme and budget (2002-03) contained changes in the priorities and activities of the ILO. A zero growth approach meant that some areas of activity would receive more resources and others would receive less. This would have an inevitable effect on work organization and the working conditions of staff. For instance, a reorganization was taking place to establish “more flexible working practices” with regard to in-house printing, to create “an improved workflow and new technology” with regard to relations, meetings and documents services and to obtain “further developments and use of information technology” in the area of publications. There were many other examples in the documents submitted to the Governing Body. The Staff Union considered that, in these and in all other cases, the paramount concern should be to enhance the quality of services to constituents, coupled with the improvement of conditions of work. However, this should not lead to the assumption that outsourcing and automation were better, cheaper and in the interests of the ILO.
6. The independence of the Organization hinged, in part, on the stability of its staff, a condition which had long been recognized as the basis for the integrity, impartiality and independence of its civil servants. If a different ideology prevailed, what was to stop the Office from outsourcing to private lawyers all the work of the supervisory machinery on the application of international labour standards? Signs of an undesirable shift were evident already in the way many staff members were hired outside the framework of the Staff Regulations, even though they worked on core activities of the ILO. The values promoted by the ILO should be the basis both for its action throughout the world and for its relations with its own staff. What could be expedient in the short term could be a major source of tension, added costs and loss of effectiveness, in the long term.
7. Consequently, the Staff Union sought the involvement of staff in any reorganization and was opposed to the long-term use of short-term and other precarious contracts. Reorganization also meant that staff should be able to work better and people always worked better when they knew where they were, who they worked with and what they were expected to do. Some staff members had been wondering for months to which organizational unit they belonged. There were some instances of units that had supposedly been absorbed into other units or outsourced when, in fact, they continued to operate as in the past: some examples were given in the documents submitted to the present session of the Governing Body.
8. There were also cases in which senior managers had not consulted the staff on the changes made and had, instead, acted in a high-handed and unilateral manner known in the house under the banner of “reorganization by intimidation”. This concern had been raised in the Joint Negotiating Committee. The Staff Union had been informed that consultants costing

hundreds of thousands of dollars had received their conclusions together with their terms of reference and that, apparently, those terms of reference did not take account of the specificity of the international civil service. The Staff Union wondered whether all those who were responsible for reorganizing the Office were attentive to the Director-General's concern that the reorganization be fair and efficient and that all staff be part of the process. It wished to reaffirm its conviction that providing full information to staff and involving them fully and fairly in the process was in everyone's interest.

9. The Staff Union's role was to ensure that working conditions were protected and improved. It also wanted to contribute to gains in efficiency and productivity. The Staff Union believed that the most important resource available to the ILO was the ingenuity and commitment of its staff which could be enhanced in a climate of fairness and transparency. The Staff Union concurred with the need to reorganize, modernize and to have better information technology, but not to the detriment of the rights of staff.
10. In the light of the important impact they had on staff management relations, the speaker expressed the hope that the Governing Body would consider the proposals of the Staff Union on whistle-blowing and that it would invite the Office to ensure a fair, transparent and effective process of change which was based equally on the priorities set by the Governing Body, on the need for an independent international civil service and on the principles and rights at work that the ILO defended throughout the world. The Staff Union also requested the Governing Body to view a higher allocation to staff training as an investment for the future of the Office and its staff.

II. Composition and structure of the staff (Tenth item on the agenda)

11. The Committee had before it an Office paper¹ on the composition and structure of the staff, which had been submitted for information.
12. Mr. Blondel, speaking on behalf of the Worker members, first reverted to the statement by the Staff Union representative. He expressed concern that collective agreements had been signed, but had apparently not been applied. He was concerned that the Office was not practising what it preached to others. As regards the paper on the composition and structure of the staff, Mr. Blondel commented on the number of officials holding fixed-term contracts (1,381) as opposed to those holding without-limit-of-time contracts (878). He found this situation unsatisfactory. In 1999, there were 166 officials to whom without-limit-of-time contracts had been granted. In the present document, there was an indication that only 16 such contracts were granted. On the other hand, on a more positive note, the percentage of women officials had increased; this trend should continue. In addition, the figures in the document reflected the percentage of permanent officials. The Worker members would like to see similar statistics for fixed-term officials. A clarification was requested on the budget figures relating to contractual work, which had been increased for the 2002-03 budget. The Worker members would like to have a definition of contractual services, in order to have a better understanding of the staff covered by this item. Reverting to two other points made by the Staff Union representative, as regards outsourcing, the Worker members were not in favour of a policy of systematic outsourcing. As regards the notion of mediator, more clarification was required as to how and when the function would work. As regards training, the Worker members did not believe that this could be financed from extra-budgetary resources. Training must not stop at headquarters

¹ GB.280/PFA/10.

but should also envelop field staff; therefore, part of the regular budget should be devoted to training activities. The PFAC should examine the proportion of the budget to be allocated to these activities. This would fall under a traditional definition of decent work in its most generic sense.

13. Mr. Marshall, speaking on behalf of the Employer members, took note of the Office paper. He requested information on the average number of vacancies that existed at any one time. He also requested information in relation to the number and distribution of contractors employed by the Organization, as this did not appear in the staff listing produced in this report.
14. The representative of the Government of Sudan referred to the fact that Sudan appeared on the list of non-represented countries on non-linguistic posts as at 31 December 2000. He asked what was to happen in relation to these countries, especially Sudan, which had presented candidates but had not obtained appointments.
15. The representative of the Government of Trinidad and Tobago also referred to the list of countries not represented on non-linguistic posts and requested further information, in future reports, on States with adequate, more than adequate and less than adequate representation.
16. The representative of the Government of Saudi Arabia thanked the Director-General for the excellent document and reiterated comments made by other colleagues in relation to non-represented countries in the Organization. He also noted the fact that Bahrain was the only country of the Gulf Cooperation Council which was represented in this Organization. He asked that the Director-General take into consideration nationals from other countries of the Gulf Cooperation Council and other Arab States.
17. The representative of the Government of the Republic of Korea commented on the fact that more officials were recruited in 2000 from over-represented countries than under-represented countries. He therefore believed that the Office should concentrate on searching for qualified persons from under-represented countries. He then asked what strategy the Office was following to balance the geographical distribution of the staff members of the Office.
18. The Government representative of the Libyan Arab Jamahiriya underscored the fact that the ILO, whose mandate was to safeguard working standards throughout the world, should be a paragon for workers' organizations throughout the world. He was therefore concerned to hear the representative of the staff make a number of negative comments about the state of affairs within the Office. He agreed with some previous speakers that all countries should be represented in the Organization and participate in the implementation of its programmes. But there needed to be a balanced and just distribution of posts within the Office to avoid possible claims of discrimination within the Organization. This Organization in particular should not apply double standards. Its specificities must be safeguarded.
19. The representative of the Government of the United Arab Emirates thanked the Office for preparing the document and reiterated the fact that there was a notable under-representation from member States of the Gulf Cooperation Council and asked that this be rectified in the future.
20. The representative of the Director-General (Mr. Wild, Director of the Human Resources Development Department) responded to the issues raised by the various Committee members. He referred to the questions asked by Mr. Blondel and the Government representative of the Libyan Arab Jamahiriya following the presentation by the staff

representative (Mr. Dror). Mr. Wild indicated that it was to be expected that the Staff Union Committee would concentrate its remarks primarily on issues of concern to staff. But there had been a number of positive successes arising from the collaboration between his Department and the Staff Union and he ventured to say that overall employee relations in the Office had never been better. He reiterated that four collective agreements were in the process of being successfully implemented and the discussion on the human resources strategy paper would reinforce this. A fifth collective agreement, dealing with personal development plans, was about to be signed. This was taking longer than the Staff Union Committee would like, but it did not mean there was no agreement, nor that the Office was not committed to training. It simply meant that reflection on the terms of the draft agreement was taking longer on the management side, a delay due to pressures surrounding work associated with the Governing Body session.

21. Responding further to the points raised by the representative of the Staff Union, with regard to the issue of training, Mr. Wild indicated that his department's budget for this purpose in the next biennium was expected to be about the same as that for 2000-01. It was necessary therefore to work more effectively within that budget. In this respect, the Human Resources Development Department was seeking to shift resources away from routine administration into areas which focused on enhancing the technical capabilities of the Office. This would mean looking at a number of options, including outsourcing some types of work.
22. Mr. Wild said the Office was also looking at outsourcing as a possible approach to dealing with certain administrative and related functions in a number of departments, such as organizing travel, managing and processing claims of various types and language training. Functions related to the core mandate of the ILO would not be part of this consideration. There was no mantra of outsourcing around the Office. If the quality and cost of services provided by the Office could not be improved through this means, this avenue would not be pursued. He confirmed that the Office was working hard to improve consultations with, and involvement of, staff when the option of outsourcing was being considered.
23. He then responded to the staff representative's comments concerning recruitment of staff not covered by the Staff Regulations, as well as precarious employment in the Office. He recalled that, during the past 18 months, the Office had made great inroads into reducing the numbers of staff in precarious positions and that the issue raised by Mr. Dror referred specifically to the situation of IPEC and Declaration staff. Most project funding was time-limited and the Office had traditionally employed relevant staff only during the period for which funding was available. Two current developments were that, firstly, the human resources strategy paper prepared for the present Governing Body session proposed that the Office introduce the National Professional Officer (NPO) staff category which would regularize the position of a number of IPEC staff; secondly, the question of how projects were financed (i.e. whether from regular or extra-budgetary funding) was directly related to the type of contract under which staff were employed. Projects like IPEC and the Declaration were long-term major projects and it was questionable whether a large proportion of their staff should continue to be engaged on short-term contracts. This was an issue currently being examined in the Office.
24. Mr. Wild addressed the questions posed by Mr. Blondel. He said there were no collective agreements signed which were not being implemented by the parties. As to the issue of why document GB.280/PFA/10 indicated a decrease in the number of without-limit-of-time contracts in 2000 by comparison with 1999, he said the answer lay in the cut-off dates for the annual titularization exercise, in that the year 2000 exercise had not been completed until February 2001 and the relevant data had not therefore been included in the paper. Accordingly, the year 2001 data would contain a disproportionately high number of staff moving from fixed-term to without-limit-of-time status. The position

of women in the Office, which related to another of Mr. Blondel's questions, had strengthened overall during the past 12 months. Table 5 of GB.280/PFA/10 indicated that there had been increases in the numbers of women in the Professional grade levels. Within this overall increase there had been a reduction of women at lower grade levels and an increase at the higher levels. While the overall numbers were not as high as the Office would like, there was a trend in the right direction. To make a substantial impact, however, for every ten recruits the Office would, in the future, need to recruit six women and four men. That was the target the Office was moving towards (in 2000, the proportion was six men to four women, which was, in turn, an improvement on the previous year of seven men to three women). As concerns the issue of contractual services, Mr. Wild undertook to provide an answer during the course of the Committee's subsequent discussion on the human resources strategy update paper. Mr. Wild indicated that the implementation of the mediation element of the new grievance procedure was proceeding well. A call for candidatures had resulted in over 80 expressions of interest. Twelve staff members were now proceeding through a pilot training programme, with another to start shortly. A programme to train staff in the field would commence later this year. Consequently, about 40 staff members would relatively soon be trained and available to undertake their new responsibilities.

25. Mr. Wild turned to the questions raised by Mr. Marshall. Mr. Wild indicated that the Office currently had 36 staff vacancies. This figure should be added to the data in GB.280/PFA/10 to produce the total number of established posts. In relation to the number and distribution of contractors employed by the Office, about 500 external collaborators were engaged each month and about 150 short-term contracts renewed. In other words, while there were over 2,200 employees on the ILO staff list, the number of staff working in the Office on any particular day was substantially higher.
26. Finally, he responded to the issues identified by various Government members. Firstly, as regards action to reduce the number of under- and non-represented countries, he indicated that progress had been made and further action was being taken – the number of countries in this category had been reduced by four during the past year; ten persons from under- or non-represented countries had joined the Office under the Young Professionals Career Entrants Programme earlier this year; recruitment missions would shortly travel to the Gulf States and to the Republic of Korea; and advertisements to fill vacancies from external sources were directed primarily towards the nationals of such countries. Mr. Wild asked the representatives of governments and workers' and employers' organizations from those countries to provide the details of good candidates and the Office would examine them seriously. Secondly, he undertook to look further at the presentation next year of data covering staff from States with adequate and more than adequate representation. Thirdly, the explanation of why over half of the 57 staff recruits for 2000 came from over-represented countries lay in the fact that they were mainly drawn from staff working inside the ILO on a series of short-term contracts. He mentioned that he had foreshadowed to the Governing Body last year that a number of staff from over-represented countries who had contributed to the Organization over a number of years ought to be placed on fixed-term contracts. The fact that this had now happened was a necessary outcome of resolving the issue of precarious employment in the Office.

III. ILO human resources strategy update

27. The representative of the Director-General (Mr. Wild) introduced the Office paper² and opened the discussion with an oral update of the situation as regards development appraisals. He indicated that the negotiations between the Office and the Staff Union on this issue had been completed, and that an agreement had been initialled. In the light of current budgetary discussions, the Office was not quite ready to sign the agreement, but this would happen soon and would be reported to the Governing Body for information at its November 2001 session. No amendments to the Staff Regulations would be required to implement in full the personal development planning system.
28. The Employer Vice-Chairperson indicated that his group was prepared to support the point for decision. He nevertheless had some questions but they would not affect the adoption of that point. He wished to know the cost of the retroactive regrading exercise. In addition, while recognizing management's responsibility in negotiating collective agreements, some issues required comment. In this respect, he drew attention to the three levels of appeal as regards the grading exercise and hoped that these would not prove overly burdensome for the Office. He also indicated that the concept of class action might be a potential risk area. Finally, while recognizing that awareness raising as regards harassment was important, he hoped that the ongoing training mentioned in this area would not lead to too great an expense for the Office.
29. The Worker Vice-Chairperson reiterated that it was not the role of the Workers' group and of its spokesperson to substitute themselves for the Staff Union. He indicated that he had discussed with the staff representatives whether they were satisfied by the proposals. As they seemed to be generally satisfied, Mr. Blondel expressed his satisfaction. He enquired whether paragraph 20(b) of the point for decision referred to paragraph 13 of the document which mentioned that agreement had not been reached. If this were the case, the Office was asking for a derogation relating to something not yet concluded and he could not approve that proposal; however, if paragraph 20(b) was requesting a derogation relating to the collective agreement on classification, he could approve the proposal.
30. Mr. Wild indicated, in response to the intervention by Mr. Blondel, that three collective agreements had been negotiated: one on harassment at work, one on the introduction of a new grading system and one on personal development planning. The first two had been signed and the texts were attached to the document before the Committee. The third agreement had the approval of the Staff Union, but the Office had not yet been able to confirm its final position. Nothing in the document before the Committee related to the implementation of that third agreement.
31. After the explanation provided by Mr. Wild, Mr. Blondel confirmed that his group approved the required derogation mentioned in paragraph 20(b).
32. The representative of the Government of the Russian Federation regretted the undesirable spread of collective bargaining practices which were not appropriate in this international context. Referring to the late submission of the document, he asked the Director-General to take the necessary steps to cease this kind of practice. As for paragraph 20, the Government of the Russian Federation proposed that the wording of points (b) and (c) be the same as those adopted by the Committee in November 2000 in order to ensure that a review of collective agreements be undertaken in two years' time, as these practices had not yet been approved in the ILO or in the United Nations as a whole. Referring to the

² GB.280/PFA/11.

reform of the system of contracts, he approved the introduction of the National Professional Officer category but on the basis of fixed-term contracts. With respect to paternity leave, he indicated that his Government would be prepared to examine applying in the ILO either the practice of the UN or that of WHO, but he would object to granting double benefits which would introduce unhealthy differences between different organizations of the UN system. He suggested that the Director-General raise this issue with his counterparts at the Administrative Committee on Coordination (ACC).

- 33.** The representative of the Government of Switzerland supported the efforts surrounding implementation of the HR strategy and thanked the Office for its document, although she would have appreciated having more time to analyse it properly. She raised two issues. The first related to a specific clause found in the two collective agreements: article 10.4 in the agreement on job classification and article 25.3 in the agreement on harassment. Both clauses provided that “in case of doubt between the provisions of the present agreement and an article of the Staff Regulations, the interpretation most favourable to the staff member would prevail”. Her delegation considered that the Staff Regulations should prevail in case of doubt and if necessary the Staff Regulations should be modified accordingly. The second issue related to paternity leave; although her Government shared the preoccupations of the Office regarding family needs where the presence of the father was necessary following the birth or adoption of a child, her Government could not share the Office’s view that the introduction of such a measure would carry no salary costs for the Organization. For consistency reasons, her Government was not in favour of introducing new entitlements when, at the same time, it was committed to zero real growth in the Organization’s budget. As a matter of fact, the Office already responded to the needs of families and fathers in a favourable manner since fathers had been able to use all or part of the seven days of uncertified sick leave in this context. Moreover, ILO officials were entitled to 30 days of annual leave and nine public holidays; these favourable conditions of service enabled any father to extend his presence with his family by using his annual leave. Finally, her Government noted the International Civil Service Commission’s attitude which indicated that paternity leave was not part of its competency but that of each organization. Nevertheless, she believed that the Director-General should still request a recommendation from the ICSC regarding paternity leave in order to reduce the difference in treatment.
- 34.** The representative of the Government of the United Kingdom, speaking also on behalf of the Governments of Canada, Denmark, France, Germany, Italy, Japan and Portugal, welcomed the efforts made by the Office to modernize the ILO’s human resources strategy. While having no difficulties with the substance of the proposals contained in the report before the Committee, the speaker regretted that the paper had been received very late and that instead of being asked to approve specific amendments to the Staff Regulations, the Governing Body was, in effect, being asked to sign a number of blank cheques. As regards the statement in paragraph 19 of the paper, that there would be no cost implications attached to granting an entitlement to paternity leave and to introducing the National Professional Officer category, it had to be borne in mind that there were certain opportunity costs for the Organization involved in both proposals, even if the wage bill was not increased.
- 35.** The speaker recalled that the Governing Body had made it clear in November 2000 that it did not wish to rewrite collective agreements, which were a matter between the Office and the Staff Union. The Governing Body was interested only in those agreements in so far as they had consequences for the Staff Regulations, the Financial Regulations, the ILO Constitution, the ILO Administrative Tribunal, the UN common system or the budget. The paragraph which met with opposition in November 2000 had been modified in the latest batch of collective agreements and this was welcomed. There were no difficulties with the collective agreement on grading and a derogation from article 4.2(f) of the Staff

Regulations could be authorized on an exceptional basis but it was requested that this be time-limited, perhaps until November 2001, and be specific to those persons mentioned in paragraph 5 of the agreement. An assessment of the likely costs of this exercise would be welcomed.

36. There was no difficulty with the substance of the collective agreement on harassment, he said, but he asked that specific amendments to the Staff Regulations be put before the Governing Body in November 2001. The introduction of the National Professional Officer category was supported: there was no wish to delay this initiative but there was wariness about using derogations of authority under a little used provision agreed by the Governing Body in 1974. As a solution, it was proposed that paragraph 20(d) be amended by noting that the Staff Regulations would be supplemented by a reference to the term "National Professional Officer", where applicable.
37. The proposals contained in paragraph 20(e) were acceptable, in principle, but he asked that paternity leave in the ILO be introduced on exactly the same terms as in the WHO. On these matters, it was proposed that appropriate amendments to the Staff Regulations be presented to the Governing Body in November 2001.
38. The representative of the Government of the United States expressed gratitude for the innovative changes that were taking place in the area of human resource management, but regretted that the late arrival of the documents left insufficient time to evaluate fully, analyse and reflect on the changes being proposed. The point for decision in paragraph 20 could not therefore be supported as more time for reflection was needed.
39. Both of the collective bargaining agreements presented to the current session contained language that the Governing Body had removed from the two collective agreements presented in November 2000. At that time, the Governing Body had said it would note the collective agreement on recruitment and selection if the text omitted the paragraph which stated that "in case of a doubt concerning a relevant provision of the Staff Regulations and a provision of the collective agreement, the interpretation most favourable to the official or officials concerned would apply". Unfortunately, almost identical wording was contained in the two agreements now presented. In addition, in the absence of a specific text, it was not possible to agree to allow the Director-General to amend the Staff Regulations either in regard to the implementation of the two new collective agreements or in respect of the proposals regarding paternity leave and family support obligations. In the absence of proposed amendments to the Staff Regulations, which had been promised for March 2001, no approval could be given concerning the entitlement to paternity leave.
40. With regard to paragraph 20(d), it was noted that, in line with the recommendations of the ICSC, the ILO was proposing to introduce the National Professional Officer category and to bring three of its current General Service positions into this new class. The three candidate positions for this redesignation were the Programme Administrative Support Officer (PASO), the Senior PASO and the National Professional Project Personnel (NPPP). To qualify for the NPO, the ICSC required that candidates hold regular, non-contract positions, that they perform programme, administrative and financial functions and that they be located in the field. In the ILO, two of the three proposed positions for conversion met the requirement; the third did not. While the PASO and the Senior PASO were regular, non-contract positions and met the functional and location elements of the ICSC standards, the NPPP did not because it was a contract position and failed to meet the functional element of performing in a technical cooperation context. As part of its justification for extending the NPO category to its NPPP staff, the ILO stated that the ICSC had accorded the UNHCR some flexibility to award indefinite contracts to its NPOs. However, there was a great difference between according indefinite contracts to personnel already classified as NPOs and extending the category to a new class of positions not

allowed for conversion under current ICSC standards. Therefore, this justification could not be used to bring NPPP staff under the NPO classification and it was not possible to agree to the proposal as presented.

41. The representative of the Government of the Netherlands indicated that the internal procedures which accounted for the delay in the final publication of documents were not helpful to the Governing Body and its supervisory role. Great importance was attached to many of the issues raised in the document and there was no wish to postpone the decision-making process on account of micro-management. In the document presented in November 2000, reference had been made to several important issues pertaining to the work-life agenda, including the matter of domestic partnerships, where the ILO lagged behind other international organizations in the common system. Her Government had urged the ILO to put into place a policy to recognize domestic partnerships, as recommended by the Consultative Committee on Administrative Questions (CCAQ), and had requested a detailed report on the matter in March 2001. Unfortunately, no progress report had been received. This policy was long overdue in an organization specializing in the world of work in all its facets. The speaker stressed the importance that her Government attached to the recognition of domestic partnerships where the national law of the country of origin of an official recognized these relationships by a legal contract, in order that partners derived rights and benefits from such relationships. Accordingly, a request was made for a progress report on this matter in November 2001.

42. In response to the various interventions, the representative of the Director-General (Mr. Wild) said that he felt it would not be difficult to redraft the point for decision in such a way as to allay most if not all concerns expressed. In responding to the individual comments, he understood the dissatisfaction expressed at the tardy arrival of the document under consideration. The 12-month timescale adopted by the Governing Body for the introduction of a series of changes relating to the human resources strategy meant that the Governing Body, the Staff Union and the Office were all under sometimes unacceptable pressure. However, more changes were being introduced in the Office during that 12-month period than had been introduced in the 82 years of ILO history. If the Governing Body wished to slow down the pace of change, the Office would, of course, follow its wish and the implementation of a certain number of elements of the strategy could be delayed. He then turned to the questions raised by the Employer Vice-Chairperson. As regards the costs of the baseline grading exercise, Mr. Wild explained that these would be exactly the same as if the grading exercise had been done under the previous system and without retroactivity. The same UN common system grading standards were being applied, but the new provisions permitted action to be taken more equitably and more quickly. As regards the number of jobs which would be regraded, the Office was awaiting line managers' proposals. However, on the basis of his own department, he estimated that approximately 5 per cent of jobs would be affected. As regards the administrative burden of the appeals mechanism, he agreed that there were indeed three levels of appeal; however, as he explained, the processes surrounding the appeals mechanism were simplified and very rapid. Mr. Wild noted the point made by Mr. Marshall regarding class action, but did not consider it posed a serious risk to the Organization and this view was shared by the legal advisers. Training on harassment issues was necessary given the importance and sensitivity of this area. A training strategy was still being developed. It was not anticipated that this would necessarily involve courses as such, but forms of appropriate training would be provided, and the subject would be covered during induction programmes. In this way, ongoing training would gradually spread through the Organization. In response to the questions raised by the Government of the Russian Federation, Mr. Wild stated that in respect of paragraph 20(b) of the agenda paper, a two-year review was not required because the grading issue under consideration was a one-time exercise. He said, in response to a similar question from the Government of the United Kingdom, speaking also on behalf of others, that having a time limit of November 2001 to complete the exercise

would not be a problem and the exercise would be limited as described in paragraph 5 of the paper. In paragraph 20(c), the mention of the Governing Body's review of the Staff Regulations at its March 2003 session was the same as that adopted by the Governing Body at its November 2000 session. Mr. Wild addressed two other issues raised by the Government of the Russian Federation. As regards contract reform, the Office would return to the Governing Body with clear proposals for implementation. The present document flagged the Office's intention to reduce the number of contracts currently in use to only three. Mr. Wild also acknowledged the support given to consideration of the National Professional Officer category. On the question of paternity leave, Mr. Wild explained that the only difference between the present proposal and WHO practice was that the latter had provided only for five days' paid leave and had limited its provisions to a trial two-year period.

43. In response to concerns raised by several governments regarding article 10.4 of the grading agreement and article 25.3 of the harassment agreement, Mr. Wild understood that some governments might have felt that those provisions undermined the Staff Regulations. However, the purpose of those articles was to signal the intent of the parties to implement the agreements as written. In order to do so, amendments to the Staff Regulations might sometimes be necessary, and such amendments would be submitted to the Governing Body for approval. Possibly, a collective agreement and associated Staff Regulations were different; agreements and the Staff Regulations were different documents with different purposes. But the Staff Regulations had precedence in terms of application of conditions for ILO staff. If, for any reason, the intended sense of the agreements was not correctly reflected in the Staff Regulations, further amendments to the Staff Regulations would be sought. The issues raised by the Governments of the United States and of Switzerland reflected the debate in the Committee in November 2000 and which resulted in a change to the text of the Staff Regulations and the introduction of the notion of the two-year review.
44. As regards cost issues surrounding paternity leave, Mr. Wild indicated that there were no direct monetary implications linked to paternity leave, as it was not intended to engage short-term staff to handle work generated by a five-day absence. He acknowledged, however, that there was an opportunity cost. The number of officials who would avail themselves of this provision would be very limited. As regards the costs linked to the implementation of the National Professional Officer category, these would be negligible – this was partly because the remuneration package currently offered to those under other contract arrangements would remain more or less unchanged but would be redistributed to include new benefits, and partly because the impact for PASO and Senior PASO staff would be to move them from the General Service category into the local Professional category. Still on the subject of National Professional Officers, and in response to a question raised by the Government of the United States, Mr. Wild explained that the proposals under consideration did not include anything which was not already being applied by other organizations in the UN common system, with the agreement of the International Civil Service Commission. He confirmed that the ILO was not proposing to apply the proposals to international technical cooperation experts. In line with practices in UNDP, UNFPA and other organizations, the NPO category would be applied to nationals controlling relevant programmes in their countries. The proposals resulted from recommendations made by the External Auditor on the basis of existing situations in other UN organizations. The ILO would use the common system job titles, and – like other agencies – would report annually to the ICSC.
45. Mr Wild made a number of suggestions as to how the point for decision in paragraph 20 of the paper might be redrafted to reflect the discussion in the Committee. He indicated that paragraph 20(a) could remain as drafted and that paragraph 20(b) could be amended to reflect that this was a one-time exercise and would be completed by November 2001. As for paragraph 20(c), he acknowledged that the Committee saw no problems with the

provisions of the agreement on harassment-related grievances, but that it wanted to see the proposed changes to the Staff Regulations before it was prepared to approve the approach in this area. This would, however, mean that the new provisions could not be implemented before November 2001. Mr Wild said he proposed to incorporate in paragraph 20(d), relating to National Professional Officers, the suggestion made by the Government of the United Kingdom. He noted that there had been no substantial points of principle raised by the Committee with respect to paragraph 20(e) – paternity leave and implementation of family support orders – but that the Committee wished to approve the associated Staff Regulations before giving its final authorization in these areas. Finally, Mr Wild noted that paragraph 20(f) could remain as currently drafted.

46. Mr Wild said that the revised text for the points for decision would be circulated to Committee members in advance of the meeting convened to adopt its report to the Governing Body. He confirmed that the baseline grading exercise would be a one-time matter completed later this year, and indicated that he would provide ongoing information about grading developments generally.
47. Mr Wild noted the urgency with which the Government of the Netherlands sought action on the question of domestic partnerships, but indicated that addressing the issue was not simple and a concrete set of proposals could not be brought before the Governing Body before November 2001.
48. The Chairperson felt that while a redrafting of the point for decision was necessary, on the basis of the comments made by the Committee, it was advisable to leave such redrafting until the Committee met again to approve its report. He encouraged the Office and the governments concerned to reach consensus on the wording, and to obtain the approval of both the Workers' and Employers' groups, prior to the next meeting.
49. ***The Committee may wish to recommend to the Governing Body that it:***
 - (a) *note the status of implementation of the human resources strategy;*
 - (b) *note the Collective Agreement on Arrangements for the Establishment of a Baseline Classification and Grading (Appendix I) and approve, on an exceptional one-time basis, any necessary derogation from article 4.2(f) of the Staff Regulations solely for the purpose of meeting the Office's commitment referred to in paragraph 5 above and on the understanding that the baseline grading exercise will be completed by November 2001, and request the Office to provide an evaluation report on the exercise at the 283rd Session (March 2002) of the Governing Body;*
 - (c) *note the Collective Agreement on Prevention and Resolution of Harassment-related Grievances (Appendix II) and request the Office to provide the associated Staff Regulations to the Governing Body for its approval in November 2001, noting that these Regulations will be reviewed at the Governing Body session in March 2003;*
 - (d) *approve the proposal outlined in Appendix III to introduce the National Professional Officer category of staff and request the Office to amend the Staff Regulations to include this new staff category within their scope;*
 - (e) *request the Office:*

- (i) *to submit a revised proposal for a paternity leave benefit, together with proposed amendments to the Staff Regulations, for consideration at the 282nd Session of the Governing Body in November 2001;*
- (ii) *to submit to the 282nd Session of the Governing Body in November 2001 an implementation and impact analysis of the paternity leave proposal;*
- (iii) *to notify the ICSC of the ILO proposal and request it to respond, before November 2001, if it sees any conflict between the paternity leave proposal and the common system;*
- (iv) *to submit to the Governing Body for approval at its 282nd Session the Staff Regulations which would authorize the Office to take action to implement family support obligations through salary deductions where an official does not honour a relevant court order;*
- (f) *reaffirm the primacy of the UN common system with respect to the establishment of terms and conditions of employment for ILO officials;*
- (g) *reaffirm the Staff Regulations as the legal basis for the establishment of conditions of employment of ILO officials.*

IV. Decisions of the United Nations General Assembly on the report of the International Civil Service Commission (Twelfth item on the agenda)

50. The Committee took note of an Office paper³ which reported on the outcome of the United Nations General Assembly's consideration of the annual report for 2000, prepared by the International Civil Service Commission.

V. Pension questions (Thirteenth item on the agenda)

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

51. The Committee took note of the paper before it,⁴ which recalled that it had been informed of the report of the Board in November 2000.⁵ In December 2000, the United Nations General Assembly had considered and approved the report of the Board (A/55/9).

³ GB.280/PFA/12.

⁴ GB.280/PFA/13.

52. Mr. Blondel, speaking on behalf of the Worker members, reiterated requests made in previous Governing Body sessions that the Office intervene in order to find a solution to the problem of pensions of former international civil servants in the ex-USSR.

**(b) First Supplementary Report – Appointments
to the ILO Staff Pension Committee
(United Nations Joint Staff Pension Board)**

53. The Committee examined an Office paper⁶ concerning the replacement of the representatives of the International Labour Conference on the ILO Staff Pension Committee. It expressed its appreciation to Mr. Oechslin for his active participation in the Pension Committee. The point for decision was adopted.

54. *The Committee accordingly recommends that the Governing Body propose to the International Labour Conference the following resolution for adoption at its 89th Session (June 2001):*

The General Conference of the International Labour Organization

Appoints to the ILO Staff Pension Committee (United Nations Joint Staff Pension Board), for a period of three years until 8 October 2004, the following members and alternate members:

Members:

Mr. W. Ringkamp (Government, Germany)

Mr. M. Barde (Employer)

Mr. M. Blondel (Worker)

Substitute members:

Mr. R. Schibli (Switzerland)

Mr. P. Simonsen (Denmark)

Mr. A. Young (United Kingdom).

⁵ GB.279/PFA/13/1.

⁶ GB.280/PFA/13/1.

VI. Other personnel questions (Fourteenth item on the agenda)

(a) Exceptional measures concerning agreed terminations (article 11.16 of the Staff Regulations)

55. The Committee had before it a paper⁷ reporting on measures concerning agreed terminations.
56. Mr. Blondel, speaking on behalf of the Worker members, wished to know the total cost of these exceptional measures, rather than just the supplementary cost. He also sought reassurance that the 58 departures mentioned in the paper were entirely voluntary, and that officials had not been encouraged to leave by the Office. He expressed concern as to the consequences of these departures, asking whether these staff members would be replaced, or whether there would be a staff shortage in certain areas.
57. Mr. Marshall, speaking on behalf of the Employer members, wished to know how many of the 58 applications had been accepted. He echoed the Workers' questions as regards service delivery, and overall cost of the measures. The Employers also sought clarification as to whether this was a single exception to article 11.16 or an ongoing derogation of that article.
58. The Government representative of the United States indicated that her Government would prefer that the normal procedures relating to the calculation of indemnities be applied, and that the more favourable calculation recommended by the Director-General not be used in this case.
59. The representative of the Director-General (Mr. Wild) responded that the total cost of the exercise was estimated at US\$4.4 million. As regards the number of departures, discussions had started with approximately 80 people, some of whom the Office did not wish to lose, and others who decided not to take advantage of the measures. At the end of the exercise, 58 officials requested agreed terminations, all of which were accepted. Of the 58, 42 officials were in the General Service category, and 16 in the Professional and higher categories. As regards service delivery, Mr. Wild indicated that one area, RELCONF, had had a considerable number of requests for agreed terminations. Rather than refuse the requests, the Office had decided that this would provide an opportunity for structural change in that department and, with this in mind, the departures would be phased over a period of time so that the changes could be handled effectively.
60. He stated that the exception to the Staff Regulations which was being reported to the Committee was intended as one exception to article 11.16, which would apply to the 16 officials in the Professional and higher categories.

(b) Composition of the ILO Administrative Tribunal

61. The Committee had before it an Office paper⁸ concerning the extension of the terms of office of two of the Administrative Tribunal Judges. The point for decision was adopted.

⁷ GB.280/PFA/14/1.

62. *The Committee accordingly recommends that the Governing Body submit to the International Labour Conference, for adoption at its forthcoming session, the following resolution:*

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 appointment of Mr. Michel Gentot (France) and that of Mr. Jean-François Egli (Switzerland) for a term of three years.

VII. Other business

63. The Government representative of the Netherlands asked what was the secretariat's view on the matter raised by the Staff Union on whistle-blowing, particularly the relation between the new grievance procedure and the involvement of the ombudsperson, and the internal oversight procedure where the Treasurer and the Internal Auditor were involved.
64. The representative of the Director-General (Mr. Wild) indicated that the grievance agreement stated that the Office would enter into discussions with the Staff Union on whistle-blowing arrangements. Those discussions had been stalled pending the proposed changes in the Financial Regulations. He considered that there was no contradiction between the amendments to these Regulations, as discussed by the Committee earlier in the week, and the possibility of an arrangement allowing staff, on a confidential basis, to raise issues with the Office with the possible involvement of the ombudsperson. A discussion along these lines would be pursued with the Staff Union.

Geneva, 27 March 2001.

(Signed) D. Willers,
Reporter.

Points for decision: Paragraph 49;
Paragraph 54;
Paragraph 62.

⁸ GB.280/PFA/14/2.