



SEVENTH ITEM ON THE AGENDA

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

	<i>Page</i>
I. Statement by the staff representative	1
II. Amendments to the Staff Regulations	2
(a) Amendments approved by the Director-General	2
(b) Proposed amendments to the Staff Regulations	3
III. Exceptions to the Staff Regulations	4
IV. ILO human resources strategy: Update	4
V. Review of contracts policy	9
VI. Domestic partnerships.....	12
VII. Pensions questions.....	18
(a) Report of the Board of Trustees of the Special Payments Fund.....	18
(b) Report of the 184th Session of the Standing Committee of the Board of the United Nations Joint Staff Pension Fund (UNJSPF).....	19
VIII. Report of the International Civil Service Commission	19
IX. Matters relating to the Administrative Tribunal of the ILO.....	20
X. Other personnel questions.....	20

1. The Programme, Financial and Administrative Committee met on 8 November and was chaired by Mr. Tou (Government, Burkina Faso; Chairperson of the Governing Body). Mr. Botha (spokesperson, Employers' group) was the Reporter.

I. Statement by the staff representative

2. The Chairperson of the Staff Union Committee expressed the Union's belief that the present system of collective bargaining, based on 18 months' experience, was an improvement on the previous system and that it had contributed to the image of the ILO as an organization that implemented its value-base. Much change had been achieved in a short time, harmoniously, and in the interests of the staff. However, the process was not perfect. The Staff Union wished to flag three issues: not all the agreements foreseen had been signed; the implementation of signed agreements left much to be desired; and the general level of dialogue between staff and management across the Office was rather lacking, notably on topics that could not be handled through collective bargaining, such as working climate improvement and culture change. As for the first issue, in March 2000, the Governing Body considered a comprehensive plan to reform human resources management in the Office, based on an agreement between the Staff Union and Human Resources Development (HRD). The most important accomplishment within that plan had been the new Grievance and Harassment Resolution procedure, including the establishment of the Joint Panel and the appointment of the ILO's first Ombudsperson. At this point, the Staff Union wished to recall its view that staff now had the opportunity to raise with the Ombudsperson concerns about workplace practices, which may also relate to fraud. Each staff member should be free to raise such issues with the Office through the Ombudsperson, who could provide the two indispensable guarantees required for effective whistle-blowing to ensure that the Office did not act in the double role of party and judge; and to provide full protection from any possibility of reprisal or victimization. Unfortunately, there were areas where progress had been slower than planned, not for any slowness on the part of the Union: the reform of the performance appraisal system, the establishment of a new job grading system, proposals for a reform of benefits and rewards, proposed amendments to the Statute of the ILO Administrative Tribunal, and the review of contracts policy. Some issues, such as the new grading system, had been negotiated months ago; last year the administration described the need to devise a new grading system as urgent, and the Union could not understand what prevented signature of the text. As regards discussions on the proposed amendments to the Statute of the Administrative Tribunal (ILOAT), the Union recalled its serious concerns about some fundamental problems with the Tribunal: it did not have *locus standi* in the ILOAT, the need for a right to appeal beyond the Tribunal, the denial for over ten years of all requests for oral hearings, lack of access by appellants to the Tribunal to full and free access to all information material to their case, and the fact that the Tribunal's function was limited to a review of decisions taken by the ILO administration, thereby precluding relational issues (harassment and sexual harassment) from being brought to the Tribunal. The Staff Union only asked for a fair and proper procedure for resolution of all disputes and considered that its position was fully in line with that of the Governing Body, that the Office should move forward faster on the issue, and the Governing Body should consider proposals for change next March. Contrary to what the Office paper said, negotiations with the Staff Union on contracts policy had not yet commenced. The Staff Union was ready to consider any improvements to contracts policy that were meaningful and in conformity with the basic principles of the international civil service, notably independence, employment stability and career development. Discussions on this issue needed to be pragmatic, fair and anchored in the ILO's reality, bearing in mind that comparisons with national settings were unhelpful, since the average age of entry into ILO service was higher (thus impacting on pension rights), and the ILO did not offer unemployment insurance, thus making it more

difficult for most staff to leave before retirement age. The Staff Union would welcome a clearer statement of changes that the Office sought to introduce, particularly as regarded employment conditions of those holding fixed-term and without-limit-of-time contracts, and would support any change in contracts policy that served to strengthen job security, in keeping with the notion of decent work. As regards implementation of signed agreements, this had been imperfect at headquarters, but even less rigorous in field duty stations. For example, facilitators in field duty stations had not yet been trained; the promised simplified manuals had not yet been published; the baseline matching/grading exercise, for which deadlines had not been respected at headquarters, had barely started in the field; and the assessment centres for local field staff had not yet been established. The Staff Union insisted that all collective agreements implemented in headquarters should also be implemented in the field without delay.

3. The Staff Union recalled that the present situation worldwide called for added security measures and it wished to see the same security provisions being applied to all categories of staff (including local staff) as a matter of urgency. This was a matter raised previously with the Governing Body. As regards domestic partnerships, the Staff Union hoped that proper solutions would be found to extend residence rights at the duty station, health insurance and other benefits to such partners, thus bringing the ILO up to the standard set by certain UN organizations, and removing an obstacle to staff mobility. The Staff Union wished to make a final point regarding communications between the Staff Union and the administration. Many changes had taken, and would take, place in all domains of HRD. Yet the Staff Union had never had the occasion to meet the Senior Management Team and its prime source of information was word of mouth, including slow and often inaccurate messages. The staff wished to associate itself with the Director-General's emphasis on communication, dialogue and teamwork and the Staff Union believed that an effective flow of information would help staff to accept change. The Staff Union would be willing partners in a discussion on this issue. The Staff Union intended to ensure that the Joint Training Council devoted attention and resources to team building and looked forward to useful discussions on this topic, convinced that a good flow of information could enhance trust and willingness of staff to endorse change.
4. In summary, what the staff expected from the Office and from the Staff Union was meaningful agreements, better implementation and more dialogue.
5. Mr. Botha, speaking on behalf of the Employers, thanked the Chairperson of the Staff Union for his statement and indicated that his comments would be noted at the time of debates on the issues on the Committee's agenda. He also hoped that remedies could be found to problems raised by the Chairperson.

II. Amendments to the Staff Regulations (Eighth item on the agenda)

(a) Amendments approved by the Director-General

6. The Committee took note of a paper¹ on the amendments to the Staff Regulations approved by the Director-General during the preceding 12 months under the authority delegated to him by the Governing Body.

¹ GB.282/PFA/8(Rev).

(b) Proposed amendments to the Staff Regulations

7. The Committee had before it a document² setting out proposed amendments to the Staff Regulations concerning the awarding of a paternity leave benefit, the establishment of a scheme under which the Office would be authorized to take action to implement family support obligations through salary deductions where an official does not honour a relevant court order, and regulations to implement the Collective Agreement on Prevention and Resolution of Harassment-related Grievances.
8. Mr. Botha, speaking on behalf of the Employers, felt that the circular on paternity leave should clearly set out whether or not attending the birth of the child would form part of the paternity leave. In addition, it should be made clear when the pilot scheme was to start and finish. He felt there could be some conflict between the 24-month period identified by the Office, and the review which would take place on the basis of guidelines provided by the ICSC (International Civil Service Commission). As regards family support obligations, Mr. Botha felt that the proposed addition to article 3.16 should read “The Director-General will provide ...”, rather than “The Director-General may provide ...”, as the deduction should be obligatory. On the harassment-related grievance procedures, Mr. Botha reiterated the Employers’ concern that emphasis should be put on resolving the matter at the lowest level in the quickest time frame. The Employers’ group also felt that the procedure would not assist settlement by the manager.
9. Mr. Blondel, speaking on behalf of the Worker members, indicated that his group had no objections to the proposals as long as reassurance was given that they had all been discussed and agreed with the Staff Union.
10. The representative of the Government of Germany, while regretting the late distribution of the document in question, was pleased to note that paternity leave had been limited to five days and for a trial period only. As regards the harassment-related grievances procedure, he wondered whether it was useful for the Office to employ a full-time Ombudsperson, and requested information on the status of the Ombudsperson.
11. The representative of the Director-General (Mr. Wild, Director, Human Resources Development Department) indicated that the trial period for paternity leave would commence immediately upon publication of the circular announcing the Governing Body’s approval and would end two years later. During that period, should the ICSC provide different guidelines, the Governing Body would again be consulted; otherwise, at the end of the trial period, the Governing Body would be requested either to extend, reject or modify the ILO’s pilot scheme. Appropriate wording would be added to the circular to reflect the inclusion of presence at the birth of a child in the period of paternity leave. As regards deductions from earnings, Mr. Wild indicated that in certain circumstances the Director-General may be called upon to exercise judgement in the application of this provision. In view of this, “may” rather than “will” was a better choice of word. As regards negotiations with the Staff Union, Mr. Wild indicated that the regulations relating to harassment-related grievances were designed to implement the collective agreement which had been negotiated and signed with the Union. The Staff Union had had the opportunity to comment on these and the other proposed regulations. Mr. Wild agreed that the lateness of some of the documents was very regrettable, but was also indicative of the difficult and sensitive nature of the substance. Further efforts would be made in future to avoid such a situation. Mr. Wild informed the Committee that the Ombudsperson had been appointed during October 2001 as an ILO official at the D.1 level on a full-time basis. To judge by

² GB.282/PFA/8/1.

the workload to date, a full-time contract was justified, but this situation would in any case be reviewed early next year.

12. *The Committee recommends to the Governing Body that it –*

- (a) approve the scheme of the paternity leave benefit as outlined in document GB.282/PFA/8/1 (paragraph 5) on a pilot basis, with guidance on the conditions of entitlement to the benefit being provided through an associated Office circular. The scheme would be reviewed in the light of any guidelines proposed subsequently by the ICSC;*
- (b) approve the text of article 3.16(b) as set out in document GB.282/PFA/8/1 (paragraph 10); and*
- (c) approve the text of the Staff Regulations set out in Appendix I to document GB.282/PFA/8/1.*

III. Exceptions to the Staff Regulations

(Ninth item on the agenda)

13. The Committee noted that there was no business under this agenda item.

IV. ILO human resources strategy: Update

(Tenth item on the agenda)

14. The representative of the Director-General (Mr. Wild) introduced document GB.282/PFA/10, which provided an update on implementation of the new human resources (HR) strategy, by providing up-to-date information foreshadowed in various parts of the document. First, in relation to collective bargaining (paragraph 5), although it was anticipated that the Joint Negotiating Committee (JNC) would meet twice prior to the Governing Body in relation to proposed changes to the ILO Administrative Tribunal (ILOAT) and the subject of performance and reward, the one meeting that had taken place during October did not produce results yet able to be brought to the Governing Body and the discussions on performance and reward had not yet commenced.

15. In paragraph 11, concerning implementation of the baseline grading agreement, this had occurred in two phases, at headquarters and in field duty stations. Considerable advance training had been provided to field managers as they did not have access to the central grading advisory unit in Geneva. All headquarters positions had been graded and the final stages of the appeals process were in train. In the field, the situation was as follows: in Asia-Pacific and Europe, the grading process was completed; in Africa, the process was virtually completed; in the Americas, the process would be completed within two to three weeks; and in the Arab States region, the process had not yet commenced because of other changes in the office. Mr. Wild provided the data missing from paragraph 11: 1,809 positions were to be examined during the period between March and November 2001; of these, 1,392 positions had had their grade level approved; 153 positions (or 10.9 per cent of the total number of positions) were upgraded from the beginning of the baseline exercise, 1 January 2000; and if, as was reasonable to expect, the remaining field results were consistent with the overall results achieved to date, it was anticipated that the total number of upgradings would be about 179 (or 9.8 per cent of all positions). As far as appeals were concerned, headquarters staff total 1,092, from whom 118 appeals (relating to under 10 per cent of staff) had been submitted to the Independent Review Group (IRG).

The IRG had so far decided nine of these appeals and the relevant positions had all been confirmed at the assessed grade. Mr. Wild said that it should also be noted that, since 1 January 2000, jobs had continued to be regraded as the Organization has changed. During 2000, there were 35 reclassifications and, to date during 2001, a further 25 grading changes had occurred. This order of grading change was the norm and affected about 1.5 per cent of positions on an annual basis.

16. As far as the status of the (ongoing) job grading agreement mentioned in paragraph 12 was concerned, Mr. Wild said that the agreement had not yet been signed as there was a complex series of discussions still required between PROGRAM, FINANCE and HRD Department around the managerial elements of implementing the ongoing grading system, in particular concerning the movement of staff from the General Service to the Professional category. However, a resolution of these issues was expected shortly and the agreement could then be signed.
17. Mr. Wild then commented on the issue of performance and reward addressed in paragraph 27. He indicated that the Office and the Staff Union had agreed to approach this issue on three bases: benefit simplification, which would focus on reviewing payment systems and administrative rules; re-engineering existing benefits (e.g. personal promotions and merit increments) to establish more sensible rules; and to look creatively at financial and non-financial rewards to improve staff motivation. In particular, the Office was concerned to motivate staff towards fund-raising for and delivery of technical cooperation and to take measures to encourage ongoing staff learning, the taking of initiative, improvements to client service and teamwork. It was anticipated that proposals would be brought to the Committee in March 2002.
18. Mr. Blondel, speaking on behalf of the Worker members, observed that the document represented a progress report on the HR strategy agreed to by the Governing Body in 1999 and that certain issues were developed in further detail in associated documents on the agenda of the Committee at its current session. He noted with approval that a further collective agreement, dealing with Personal Development Plans, had been signed by the Office and the Staff Union. He wished to make certain observations concerning the discussions which had commenced concerning the ILOAT. The Tribunal had over time, because of its experience and practice, attracted organizations other than the ILO to its jurisdiction. Accordingly, it could not be the Human Resources Development Department and the Staff Union exclusively which could be involved in proposing changes to the functioning of the Tribunal. The Governing Body and other units in the Office, particularly the Legal Office, must be involved. Moreover, he would not like to see the Tribunal become a type of labour court, where trade union representatives were members of the court. As for the baseline grading exercise, he observed that, given the relatively low number of appeals, the process seemed to have worked in a pragmatic and effective manner. He hoped that any grievances within the Office involving sexual harassment would not be an ongoing feature. After all, the staff of the Office were not "savages". He observed the progress made in relation to the Young Professionals Career Entrants Programme (YPCEP) and noted that the Worker members continued to support its objectives. But he sought clarification on whether the Programme was being implemented in a geographically balanced manner.
19. Mr. Botha, speaking on behalf of the Employer members, made several comments. He noted that there was no report on the assessment centres, and asked for a report on progress. He asked that a copy of the collective agreement on Personal Development Plans be provided to Committee members and sought clarification of its consequences for the Office, both financial and motivational. He noted that the low number of appeals indicated that the grading exercise appeared to have been successful so far and sought information on its cost, what staff felt about it, had discussions been held within the common system

about the exercise and were there any implications for other organizations. Mr. Botha said that the improvements in recruitment had been noted and enquired about the number of vacancies at any one time and the average time it takes to fill vacancies. As far as the YPCEP was concerned, Employer members were interested to know how the first intake was funded and what was proposed in relation to funding the second intake. He assumed that there would be an evaluation of YPCEP at some stage. Finally, he asked how many cases concerning harassment-related grievances was the Office aware of.

20. The Government representative of Slovakia, speaking on behalf of the Eastern European Governments, wished to know the basis on which selections were made under the YPCEP, observing that the group of countries he represented was significantly under-represented at all levels in the Office, particularly at higher levels. He would like to see a gradual improvement in this situation.
21. The Government representative of Namibia indicated that, in relation to paragraphs 18 and 19 on resourcing, the southern African region still had a problem with “the right people not being in the right posts” and many vacancies in the MDTs were not yet filled. He also asked for information on the extent to which African candidates were included in the YPCEP. Finally, he sought clarification from the Office in relation to apparent discrepancies with the Staff Union about the status and effectiveness of implementation of the HR strategy.
22. The Government representative of the Russian Federation stated that its view on collective bargaining and collective agreements in the Office had not changed. He proposed that the collective agreement on Personal Development Plans be reviewed by the Governing Body after a two-year period. In relation to the baseline grading exercise, like the Employer members, he sought information on the cost implications of the exercise. Further, he asked that the Office provide at the Committee’s session in November 2002 details on the expenditure made in implementing the HR strategy and cost savings resulting from the strategy in terms of the increased effectiveness of ILO staff.
23. The Government representative of Mexico supported the comments of previous speakers concerning the recruitment of new staff and stressed the need for proper consideration to be given to geographical representation.
24. The Government representative of the United Kingdom made a general statement on behalf of the IMEC (Industrialized Market Economy Countries) group of countries. She welcomed the update provided by the Office and stated that IMEC fully supported the Office’s efforts to improve and modernize its HR policies and procedures. The ILO should be an employer of choice and should, therefore, have modern terms of service for its employees. She underlined IMEC’s continued support for the UN common system and stressed that any improvements proposed by the Office should be fully consistent with the common system. In this respect, she expressed appreciation for the fact that the views of the ICSC had been sought, received and acted upon by the Office in relation to the proposed amendments to the Staff Regulations on paternity leave. But she regretted that, so far, such guidance did not appear to have been sought in relation to other proposals on the Committee’s agenda, including that dealing with domestic partnerships. She also urged that the ICSC be consulted in relation to the proposed reform of contract policies.
25. The Government representative of the Republic of Korea, referring in particular to the YPCEP and broader staff recruitment, said that his Government very much appreciated the efforts of the Office to rejuvenate itself and increase national diversity as well as achieve gender balance. But he considered that further efforts must be made to reduce the number of under-represented countries, including the Republic of Korea, by considering the new

scale of assessment for contributions as part of the recruitment criteria for the YPCEP and other ILO opportunities.

26. The Government representative of the Libyan Arab Jamahiriya supported the comments made by the Government representative of Namibia about the need to improve the representation of nationals of African member States at all levels of the Office. He also expressed concern that vacancy notices were often received late in his country which precluded possible candidates from even being considered.
27. The representative of the Director-General (Mr. Wild) responded to the various comments made by members of the Committee. He reassured Mr. Blondel that the ILO Legal Office was intimately involved in the negotiation of proposals for change to the ILOAT. He indicated that if the Office and the Staff Union could agree on proposals for change, these would be brought to the Governing Body and would also have to be the subject of consultation with the other organizations having accepted the Statute of the Tribunal, either before or after the Governing Body had been apprised of the proposals. A decision on any changes to the Statute could only be taken by the International Labour Conference on the recommendation of the Governing Body.
28. Mr. Wild then addressed questions about the YPCEP. He confirmed to Mr. Blondel and other speakers that next March the Committee would again receive a document on the composition of ILO staff, which would make clear the situation concerning geographical distribution. He stressed that a key objective of the YPCEP was to improve geographical balance and that the intake for 2002 would be exclusively from under- or non-represented countries (in fact, there were two Koreans, two Japanese, two Americans and four other persons from non-represented countries, including from Eastern Europe). As regards the consideration of the scale of assessment as a recruitment criterion, Mr. Wild agreed with the representative of the Government of the Republic of Korea and said that this would be done as soon as practicable. Mr. Wild informed Mr. Botha that the YPCEP was funded in 2001 by a levy on all areas of the Office affected by last year's early retirement programme. A proposal for funding the programme in 2002 would be discussed by the Senior Management Team shortly and would involve the Office as a whole bearing the cost of the first three years' training. There would be a formal review of the programme at the end of 2003. As regards African candidates for the YPCEP, the programme received 4,000 applicants from all regions for the 2002 intake, and nine have already been selected, including excellent African candidates.
29. Mr. Wild informed the Committee that the copies of the collective agreement on Personal Development Plans could be made available to all members. The agreement would not have to be implemented through amendments to the Staff Regulations. Financial implications would be limited to costs associated with the preparation and printing of documents to support the Plans and to training materials and training programmes, involving a total of less than \$100,000. Ongoing implementation would simply be a matter of management and staff time associated with discussions on career aspirations and training and development plans for individual staff.
30. As for the issue of the cost of the baseline grading exercise, Mr. Wild said it would vary depending on the grades persons moved from and to. The vast majority of upgrades involved one-grade moves only. There would ultimately be some impact on standard costs, but at this stage the specific impact had not been assessed.
31. Mr. Wild said that, in terms of the common system, there had been several discussions with the ICSC secretariat on changes to the ILO grading system. The ILO had been asked to make a presentation on its reforms to an ICSC-sponsored meeting dealing with the

broad issue of pay and benefits reform (but also including job classification and contracts issues) in Vienna in December 2001.

- 32.** The Office's vacancy levels were at an all-time high, Mr. Wild said. In 1999, 79 vacancies had to be filled; in the year 2000, 82; and this year to date there were already 111 vacancies (35 of which were in the field). The current situation was the result of the large number of early retirements at the end of 2000 and beginning of 2001. While this had permitted the Office to undertake a series of reorganizations and change the skill mix and upgrade skills in a number of units, there was a need to improve the timeliness of recruitment action. The Office's target under the new procedures was to be able to recruit within three to four months. Early results from the new procedures, which had only just been implemented, were promising – of the four competitions completed to date, two were completed in three months, one in four months and one in six months. Recruiting a staff member in three months would not have been possible under the old system. In terms of improving the quality and consistency of recruiting processes, including the YPCEP, 96 persons had now completed the new assessment centre requirements. Twelve assessment centres have been conducted involving 27 internal candidates (66 per cent successful completions) and 69 external candidates (75 per cent successful completions). Mr. Wild agreed with the comments of the Government representative of Namibia that the "right people had to be put into the right posts, at the right time". This was an ongoing task, to which the current reforms to the recruitment procedures were clearly directed.
- 33.** In response to Mr. Botha, Mr. Wild said that the Office did not have a large number of harassment cases. During the past two years, his Department had examined six or seven such cases. No such cases were currently part of the formal grievance process and he did not know how many the Ombudsperson may be dealing with, given confidentiality requirements.
- 34.** Mr. Wild said he did not consider the differences in views expressed by the Office and the Staff Union about the progress of the new HR strategy as strange or disturbing. As was the nature of industrial relations, the Office and the Staff Union would wish to emphasize different issues and concerns in making presentations to the Committee. But what was clear from what had been said by both sides was that for the most part the reform process was proceeding well even if there was still need for improvement in a number of areas.
- 35.** In terms of the issues raised by the Government representative of the Russian Federation, Mr. Wild confirmed again that copies of the new collective agreement would be circulated and that its term was for a two-year period. He also confirmed that, as the Governing Body had previously agreed, the results of a major evaluation of the success or otherwise of the HR reforms would be presented at the Committee's session in November next year. Mr. Wild informed the Government representative of Mexico that he hoped to improve the presentation of the document dealing with the composition of the staff, which would be presented at the next session of the Governing Body. Mr. Wild informed the Government representative of the United Kingdom on behalf of IMEC that the Office would not do anything that would breach the common system without first discussing the issue(s) with the Governing Body. In response to the concerns expressed by the Government representative of the Republic of Korea, Mr. Wild said the impact of the changing financial contributions, upwards or downwards, to the Office would be reflected in the Office's recruitment guidelines next year and the Republic of Korea remained a target for recruitment. Finally, he indicated to the Government representative of the Libyan Arab Jamahiriya that he would seek to make the availability of vacancy notices in hard copy form more effective, but that the best way to identify ILO vacancies was through the Internet. He also informed the representative that there were likely to be some marked improvements in terms of geographical representation during the past two years or so

reflected in the composition of the staff document to be provided to the Governing Body next March.

36. The Committee took note of the document.

V. Review of contracts policy (Eleventh item on the agenda)

37. The Committee had before it a paper³ describing the current contract policy in force in the Office and outlining the approach envisaged for the review and reform of that policy.
38. Mr. Blondel, speaking on behalf of the Worker members, recalled his group's concern regarding the high incidence of precarious employment and the long-term employment of fixed-term officials. While the variety of temporary contracts provided for a high degree of flexibility in the Office's operations, it was also perceived as a means of undermining the geographical quota system which the Workers' group could not accept. Another serious consequence of an excessive use of temporary contracts was that the Office employed people who worked at the periphery of the Organization and who, in practice, had no moral commitment towards the Organization and, even worse, did not even know the meaning of tripartism. The initiative to reform contracts, which was welcomed, should serve to correct these types of effects. The speaker also insisted on the necessity to negotiate the reform with the staff representatives.
39. Referring to the timing of the contracts policy review, Mr. Blondel questioned how, if the Office was to implement changes quickly, this action would be related to and made consistent with changes evolving at the common system level. An approach was needed to avoid solutions that would worsen the current situation. In this respect, he considered that an indefinite appointment that could be terminated by either side was not a civil service contract, but a contract meant as an exception to the Staff Regulations that would neither safeguard the independence of a civil servant nor bind the staff member to the duty of maintaining confidentiality. Such a contract would be akin to a private law contract, which was completely different. Without rejecting this approach, Mr. Blondel stressed the need to study the matter thoroughly and analyse all the consequences it might have. Moreover, any contract reform had to be totally transparent and all recruitment in the Office had to be equitable and in accordance with the standards the Governing Body had established with the unique objective of eliminating precarious employment. In recognizing that it would be very difficult to achieve this objective because of the Office's need for flexibility to respond to urgent work or heavy workload periods, temporary employment should not be confused with outsourcing. In this context, the speaker had learned about the suppression of the ILO language courses which were to be subcontracted to a private company with the result that some 15 teachers would be laid off. Without commenting on the validity of the decision, he expressed the hope that the Office would behave properly towards these teachers. In concluding, Mr. Blondel stressed that the Office did not need people "passing by" but civil servants who could become experts in their field and would perform their work in response to the objectives the ILO wanted to achieve.
40. Mr. Botha, speaking on behalf of the Employer members, noting that the ICSC was also conducting a review of contract policies, indicated that the purpose of the contracts policy review was worthy and its stated objectives deserved the Committee's support. He indicated that mechanisms would have to be developed to avoid the renewal of contracts of

³ GB.282/PFA/11.

a definite duration; that clear rules should ensure that equity prevailed for the termination of indefinite duration contracts as well as in relation to the correct application of notice periods and appropriate separation benefits; that a redundancy policy would need to be developed dealing with processes, financial and other benefit arrangements in line with common system requirements; and that conditions of employment and benefits accrued to each type of contract should be considered and trustees of benefit funds be consulted. As regards service contracts, Mr. Botha expected that these would focus on delivery, penalties, time limits and required standards and that a fee or fees would be paid under the specified conditions, usually upon completion. He then enquired how the Office would make progress on reforming ILO contract arrangements while waiting for any relevant ICSC recommendations, it being understood that the Office would not propose an approach which might be inconsistent with such recommendations. The speaker also requested information as to how the new contract policy would apply in the Turin Centre, CIS, CINTERFOR and other autonomous institutions. In addition, it was important to know how the Office intended to deal with current contracts in the move to a new policy. Finally, he indicated that the cost of this exercise should be communicated to the Committee.

41. The representative of the Government of Germany indicated that, in principle, his Government was in favour of reviewing and reforming the Office's contracts policy. However, this should be done in full collaboration with the ICSC. Supporting the views expressed by Mr. Botha, he noted that the ICSC would not reach a decision before the end of 2002. In order to avoid adopting contractual arrangements different from those contemplated by the ICSC, the representative suggested that the ILO consult the ICSC beforehand and, if the approach envisaged corresponded to that of the common system, then the ILO could play a pioneering role in the whole process which, given its tripartite structure, would be quite a good thing.

42. The representative of the Government of the Russian Federation considered the review of contracts policy as one of the key issues in the reform of HR management in the ILO. He thanked the Director-General for the document and for the indication that the views of the Governing Body were being sought before the proposals were finalized. The speaker recalled his Government's position regarding the creation of conditions to enable selection of the best candidates and their most rational utilization in the interests of the Organization. He explained that the system of awarding contracts for life did not motivate the professional development of staff and restricted the possibility for competitive selection in general, as well as the nomination of staff for changing programme priorities. The rigidity of this type of contract system worked against the flexibility needed by organizational restructuring, strategic budgeting and staff versatility. The representative was satisfied that the Office shared his Government's view. However, he considered that the proposal to introduce an indefinite contract appeared to be a cosmetic or superficial change and suggested more audacious solutions be considered, such as those adopted by the OSCE (Organization for Security and Cooperation in Europe), the Organization for the Prohibition of Chemical Weapons (OPCW) and the Comprehensive Nuclear Test-Ban Treaty Organization (CTBTO). He indicated that the Office should, in any case, opt for the principle of a non-career service. Another suggestion would be to follow the example of other UN organizations, such as the UN and WHO, where permanent contracts were no longer awarded and current contracts were being reduced by attrition. This measure would not require any amendment of the Staff Regulations and could be decided upon by the Director-General. As a final comment, the speaker indicated that fixed-term contracts responded properly to the needs of modern staff policies and should be retained. Moreover, there was no reason to set a precedent in the UN common system by doing away with fixed-term contracts.

43. The representative of the Director-General (Mr. Wild) thanked the Committee for a very useful exchange. It was important that his Department secure the views of the Committee before entering into detailed negotiations with the Staff Union and before contributing to the ICSC debate on the issue. There were three major issues of concern. The first related to people working in some of the most important programmes of the Organization, like IPEC and the Declaration, who were employed under precarious conditions because the funding came from extra-budgetary resources. Moreover, this situation meant that it was increasingly difficult to persuade talented staff employed under the regular budget to work in those flagship programmes. Something had to be done to correct this situation. The second issue related to the high incidence of precarious employment in the Office. Over the past year and a half, measures had been taken to reduce the incidence of precarious contracts. Precarious employment had been defined as being employment on short-term contracts for more than two years out of three: this was regarded as an inappropriate use of short-term contracts. One year ago, there had been more than 100 people identified in that situation; and today there were only some 30 people. Accordingly, some 70 such contracts had been regularized and procedures had been established that ensure that no one would be appointed on a short-term contract for more than two years. The third issue, which was an important one, related to the debate around the appropriateness of without-limit-of-time contracts or permanent contracts. While the speaker shared concerns about the inappropriate nature of a contract for life in a world that was changing significantly, he described the uncertainty and frustration of fixed-term contract holders anxious to have their contracts renewed. He therefore considered it to be more appropriate to introduce contracts of indefinite duration which would, at the same time, reduce the administrative work associated with contract renewals. Recalling the comment made by the representative of the Government of the Russian Federation, the speaker agreed that certain changes could be made in line with the proposals put to the Committee which did not have an impact on the common system. It was unlikely that the ICSC would define three types of contract which would be subsequently implemented in the UN common system. The ILO intended to devise a series of guidelines around contract types, including the incumbent benefits. At the same time, the ILO would consult and work with the ICSC. As many organizations had diverged from having the same contract system, the common system had itself decided that the issue should be placed on the agenda with a view to having a rational policy and the ILO could play a leading role in that process.
44. As concerned the ILO language school, there were currently some 800 students: only 200-300 came from the ILO and the vast majority came from other organizations, notably WIPO and the ITU, which had been subsidized from the ILO training budget to the extent of some \$600,000 per biennium. Both of those organizations had been asked whether they would be prepared to pay the actual costs of training and that situation has led to a review of the language training facilities. Currently, there were constructive discussions taking place with all staff of the language school, together with representatives of the Staff Union, with a view to reaching an agreement on the most desirable transitional measures needed to create a new model language school.
45. Reference had been made to the need to find a correct balance between long-term and short-term employment. The Office had considered that there was a need for a number of core ILO staff who viewed the ILO as a career service but, equally, there was also a series of projects and activities where the skill needs of the Organization changed from time to time, sometimes rapidly, and where short-term staff were needed to reflect those changes, as well as changes in the geographical location of certain initiatives, changes in the volume of output, etc. The statistical data showed that approximately half the people employed in any year were regular budget staff and half were short-term staff and that situation was reviewed as the nature of the work changed and advanced. There was a priority need to rationalize the present situation of having multiple contract types. The Committee would be regularly updated on the discussions that took place with the Staff Union and in the

context of the ICSC and concrete proposals would be submitted, together with an indication of any cost implications once the work had been completed. Those autonomous institutions (which were not covered by the ILO Staff Regulations), such as the Turin Centre, would not be affected by any proposals in this area although the management of the Centre was consulting with the ILO in order to implement similar reforms. As concerned the transition from current to new contracts, it might be proposed that the new contract types would apply only to staff who are newly recruited, unless current staff would prefer to be employed on an indefinite contract with a notice period. Such details still had to be determined. The proposed changes to contract types were not intended to be superficial, either in terms of increasing security for certain members of staff, whether they were working currently on projects or on renewable-type contracts, or in terms of the heavy administrative burden required to reproduce contracts for renewal.

VI. Domestic partnerships (Twelfth item on the agenda)

- 46.** The Committee had before it a document⁴ presenting proposals for addressing the issue of recognition of domestic partners in the ILO.
- 47.** Mr. Blondel, speaking on behalf of the Worker members, noted that the document posed the question as to whether dependency status should be accorded in respect of persons living in situations other than in a marriage formally solemnized by religious or civil ceremony. That question had been examined by the Consultative Committee on Administrative Questions (CCAQ) in 1998 and the outcome of that discussion had been drawn to the attention of the organizations of the UN common system, which was how the issue came before the Governing Body. It appeared that domestic partnership benefit schemes concerned only a very small percentage of the population and, indeed, the rate of enrolment in such programmes was generally low, for the reasons provided in paragraph 10 of the document. The ILO, which portrayed itself as the global champion of non-discrimination in employment and occupation, should pay particular attention to this question. The Worker members refused to engage in a debate of a philosophical, moral or religious nature and would consider the issue exclusively from the angle of discrimination, with a view to ending that discrimination. The document presented to the Committee provided a very good basis on which to advance the question in terms of examining how to accord benefits to the persons concerned and of determining the cost to the Organization.
- 48.** The representative of the Government of the Russian Federation expressed the view that the question of domestic partnership, dependency status and the setting of appropriate benefits was the prerogative of the ICSC, in accordance with the Statute of the Commission recognized by all UN common system organizations, including the ILO. Accordingly, it was considered that the Governing Body had no option other than to refer this issue to the ICSC. It was therefore suggested that the proposal in paragraph 11 of the document be replaced by the following text: “The Committee recommends to the Governing Body that it request the opinion of the ICSC on the issue of domestic partnerships.”
- 49.** The representative of the Government of the Netherlands, speaking on behalf also of Denmark and with the support of Sweden, Norway and Belgium, welcomed the document: it was long overdue, as the CCAQ had first examined the issue in 1991. The document was carefully drafted and gave ample information on the issue, with the intention of initiating a

⁴ GB.282/PFA/12.

discussion which could provide guidance to the Office. However, the amount of information provided also blurred the picture somewhat and the question could be posed as to whether there was an intention to advance the issue. The possible formal steps necessary to do so were not reflected in the paragraph for decision and there was no timetable foreseen for the process, which might not anyway be fully and solely in the hands of the Governing Body. The very late arrival of the document had also limited the time needed to exchange views, not only with relevant governmental authorities but also with other delegations. However, there was appreciation for this first document on the issue and for the efforts put into its formulation. The Netherlands had urged the ILO to make progress on this matter as society was constantly changing and institutions needed to adapt themselves to such changes. Admittedly, change did not occur everywhere with the same intensity but at least it could be concluded that there was more openness and willingness to accept differences in outlook. The document mentioned certain countries which had updated their legislation to recognize forms of partnership other than marriage. These forms, as well as the criteria which had to be met in order for them to be legally recognized, were described clearly. In general, such legislation allowed two people to conclude a legal contract of partnership and to live together as spouses with the responsibility to care for each other, without a marriage ceremony. Since those national laws meant that partners could derive rights similar to a marriage from their domestic partnerships, it seemed logical that nationals of those countries also benefit from a recognition of these rights when they worked for the UN or its specialized agencies: this would guarantee to the partners of such employees a pension, in case the employee died, for example. The Netherlands had in mind this type of situation when it requested a document and a decision on this matter, being well aware that not only in the Netherlands but in many other countries across the globe, people lived together on the basis of a legalized partnership. Pursuing the matter in this manner, with reference to national legislation, would mean that any decision on the issue would not affect those countries or societies where different views on the matter prevailed and where changes affecting their own legislation could not be supported. This course could, however, imply discrimination between staff members on the basis of their nationality. But this type of discrimination existed now: distinctions were already made depending on the law of the country of nationality of a staff member when it came to the acceptance of common-law marriages and polygamous marriages. The other road towards recognition was to introduce a formulation which was no longer related to the law of any country and where, basically, proof of an existing relationship could be provided by evidence such as a shared bank account, shared property, wills in each other's names, etc. This would seem to be the fairest approach. However, it could mean introducing criteria such as were mentioned in the document in paragraph 2 under (e) and (f) which might no longer exist even for formal marriages and which may have been part of the reason why people had moved away from formal marriages.

50. The speaker indicated that the delegations on whose behalf she spoke were all in favour of a solution which did not discriminate and which was workable and reliable. The World Bank and the IMF had taken action and had formulated a policy on domestic partnerships which was no longer related to the law of the country of nationality of the staff member. However, as those organizations did not fall within the UN common system, they had a freedom that the ILO did not have. Introducing such a new approach here would mean affecting the common system. While there was no problem in discussing the introduction of changes to the common system, it had to be assumed that this would be addressed first within the appropriate forums and only then become valid in the UN and specialized agencies. Such an approach would take a long time and an early result was not foreseen. Accordingly, there was a preference for a step-by-step approach. The CCAQ, the UN secretariat and its associated programmes had taken the national law of the staff member's home country as a reference point in relation to the recognition of common-law marriages. That is, if the national law of a staff member's country accepted polygamous marriages or

common-law marriages, the organization would also recognize those relationships for the purpose of granting benefits. The speaker proposed that the ILO continue on that path as a first step and leave open any further discussions with the UN and its specialized agencies on the matter. The shift towards change was shown by the fact that, according to paragraph 6 of the document, most UN specialized agencies had the question of domestic partnership under consideration. The ILO just happened to be the first of the specialized agencies to table the matter formally. It was proposed that the point for decision be adjusted by rephrasing paragraph 11(a) – since the definition of domestic partnerships was already given in the document – and also by amending paragraph 11(b) to reflect the fact that in the first instance the criteria would be those set by the national legislation. All of the other elements for decision would remain unchanged. In addition, the Office should send the document and the report of this discussion to the ICSC for its view. Finally, the speaker asked for a progress report on the matter for the March 2002 session of the Governing Body.

51. The representative of the Government of Germany emphasized that his Government associated itself with the substance of the intervention made by the representative of the Government of the Netherlands. The proposal contained in the document and the modification proposed by the representative of the Government of the Netherlands was supported, as a type of pilot project. This was an experimental period where a number of potential solutions were being examined on a step-by-step basis. The speaker proposed that the Committee agree on a period of time of, for example two or three years, within which to review the matter. In addition, he suggested that, during this experimental phase, an external assessment of the situation be undertaken both to examine the circumstances and the repercussions of this experiment, with a view to assisting the Governing Body on making future decisions.
52. The representative of the Government of Canada indicated that his delegation shared many of the views already expressed. The document was welcome but its late arrival had not afforded sufficient time for adequate consultation and discussion. Canadian law now prohibited discrimination on the basis of sexual orientation and it also recognized, to a very large extent, domestic partnerships including same-sex partnerships, on an equal par with common-law spouses and awarded accompanying entitlements. His Government therefore welcomed and encouraged the efforts of the Office to bring its human resources policies into line with current societal trends regarding domestic partnerships. As was evident from the document, the matter was a complicated legal issue and there was a requirement (as had been indicated by the Government representative of the Russian Federation) to ensure that whatever steps the ILO took were consistent with those of the UN common system. It was regretted that the document provided no indication of consultation with, or advice from, the ICSC, which should be included in any future document. The Office was urged to intensify its efforts with a view to preparing a more comprehensive document well in advance of the next session of the Governing Body in order to provide the Committee with a solid basis for consideration and decision at that time.
53. The representative of the Government of the Libyan Arab Jamahiriya observed that the subject under discussion was very sensitive and complex. Everyone agreed that the basis of society was the family and a family was defined as a man, a woman and children. This was the pillar of society, and each society needed this foundation which was provided by religion, by tradition, custom and law. The document referred to types of partnerships such as cohabitation between unmarried couples and other unacceptable relationships. The ILO should not recognize these arrangements, and he could not therefore support the point for decision.
54. The representative of the Government of Italy observed that the question of domestic partnership was complex and its treatment had resulted in considerable differences in

national legislation and in the public perception of the problem. The effort made by the Office to draw attention to the question was appreciated, as was the statement made by the representative of the Government of the Netherlands to highlight the contradictions which could arise when considerations were based on national legislation. The Government of Italy favoured a non-discriminatory solution and, at the same time, a realistic approach which could be adopted in a gradual fashion and accord with the process under way in the UN system. Consequently, the Office was invited to intensify its consultations with the relevant UN bodies with a view to preparing for the next session of the Governing Body a document which took account of the comments made by the Committee.

- 55.** The representative of the Government of Portugal considered that the Committee had been called upon to decide a personnel question which, while complex, concerned the core mandate of the ILO – the principle of non-discrimination. In accordance with the view expressed by Mr. Blondel, the only way to address this matter was from the viewpoint of non-discrimination. The Government of Portugal associated itself with the views expressed by the representative of the Government of Canada. In Portugal, national legislation had recently been reviewed with the aim of ensuring, particularly in the area of employment, the application of constitutional principles of non-discrimination, including non-discrimination on the basis of sexual orientation. Support was expressed for the Office to continue to advance the issue and, in this respect, to present a more detailed document to the next Governing Body session.
- 56.** Mr. Botha, speaking on behalf of the Employer members, agreed that the issue under discussion was indeed complex, both legally and emotionally. The document was very useful but drew its experience largely from the European experience, particularly in the approach taken to common-law marriage. Some of the solutions put into place in other institutions, for example in the World Bank, appeared unnecessarily burdensome and would not normally be applied in other relationships. There were very real problems in applying, as a standard, the concept recognized in the home country of a staff member: unfortunately, some countries maintained homophobic policies and there would be problems in addressing, for example, the situation where partners worked in the same institution but came from different countries. The paper pointed to the problem of perceptions of discrimination and noted that there were good economic, moral, competitive and equitable reasons for dealing with the issue. The Employer members agreed with that approach and therefore endorsed the principle of non-discrimination as outlined in paragraph 8. The Employer members also continued to support what had already been agreed by the Governing Body, that is, the approval of a commitment to ensure that officials of the Office be selected without discrimination on the basis of, inter alia, marital status and sexual preference. Noting also the likelihood of low costs, the Employer members supported the approach outlined in the proposal (paragraph 11). The opinion of the UN Joint Staff Pension Fund should also be obtained. There was support for extending benefits to certain individuals on a pilot basis, as suggested in paragraph 11(c), and for placing a time limit on that pilot, after which a review would have to be undertaken.
- 57.** The representative of the Government of the United States noted the information and proposals on this item with interest. The extension of various benefits to the domestic partners of employees was an important issue in the United States, as elsewhere, and it was appropriate that the UN specialized agencies consider their own approach to what was clearly an increasingly significant human resource issue. The time available to review the paper had been inadequate and had essentially precluded any meaningful analysis by concerned entities in the United States. In addition, the question arose as to how the ILO's proposal would be coordinated with other agencies of the common system. In this regard, the speaker considered that the procedure used to develop the new paternity leave policy showed clearly that it was possible to refer human resource issues to the ICSC, obtain feedback and proceed. As had been suggested by the representative of the Government of

Canada, it was proposed that action on paragraph 11 be postponed, pending referral to the ICSC and a subsequent discussion in this Committee.

- 58.** The representative of the Government of Namibia noted that in Africa, the notion of domestic partnership could extend beyond the concept of a couple to extended families and polygamous relationships. There was therefore uncertainty as to what should be discussed: certain possibilities were not covered in the document. No mention had been made about the offspring of domestic partnerships and the benefits that would accrue in respect of those children. The point for decision could not be approved at this stage as there was a need to consult thoroughly on the matter.
- 59.** The representative of the Government of Algeria noted that the late arrival of the document had not allowed the African group time for consultation on the issue. His delegation questioned the use of the term “domestic partnership” and considered that, after an attentive reading of the document, it would have been preferable to use the term “concubinage” or “free union” as the term used was far more equivocal. It should be stressed that, as this question was still being studied by other UN common system organizations, the issue required an in-depth review and consultations between constituents. The late publication of the document and the lack of consultation did not allow the matter to be advanced. His delegation also wondered whether this question had reached the level of legal maturity necessary for its discussion in the ILO. It also wondered whether the ILO was the correct forum to examine a question that was still being considered by other UN agencies, including the Office of the Commissioner for Human Rights. The ILO should disassociate itself from philosophical debates on discrimination: all initiatives should be taken within the context of the needs of its constituents in the world of work, where there was still much to be done. Noting that the document referred to the experience of the World Bank and the IMF, the speaker stressed that these were organizations operating in a different legal framework outside the UN system and that their financial means were greater than those of the ILO. In the light of these comments he therefore wished to express his reservations about the Office paper.
- 60.** The representative of the Government of Nigeria indicated that while the right to introduce new policies was accepted, no decision on this issue should be taken until the matter had been further discussed.
- 61.** The representative of the Director-General (Mr. Wild) conceded that the issue before the Committee was very complex as was evident from the diverse points of view that had been put forward. The fact that the document had been tabled only for a relatively short time reflected not only the difficulty of drafting a complex document but also the need to try and ensure that, from the legal point of view and on the basis of informal consultations with a number of members of the Committee, the document would move the issue forward and not be so controversial as to be unacceptable. The cost of introducing this proposal was negligible: the number of persons who would qualify for these kinds of benefits using the criteria set out in paragraph 2 was minimal even though the benefits to the individuals themselves would be relatively significant. The Office could and should seek the view of the ICSC. The proposal made in the document suggested in fact that the ILO play a specific role in consulting with some of the UN organizations to advance consideration of the issue in that forum. Not only had there been little progress on the question since it was first discussed in 1991, but it appeared the situation was actually going backwards. By way of example, the speaker quoted the response received from the Legal Office of the UN Joint Staff Pension Fund which stated that: “The Fund does not recognize common law or domestic partner relationships and same-sex partnerships irrespective of the employing organization having attributed a dependency allowance for the partner.” The Office had been faced with very difficult and emotional situations flowing from the death, for instance, of an official whose partner was unable to benefit from certain entitlements.

62. The speaker considered that this issue raised the question as to the ILO's role in driving changes in the area of discrimination. The Governing Body had already made a decision that it would not discriminate in recruitment on the basis of specific grounds including gender, marital status and sexual preference. It would be illogical and unjust to prohibit discrimination on recruitment and then to deny, on appointment, entitlement to any of the benefits associated with a partnership arrangement.
63. Decision paragraph 11(c) suggested very little change. It suggested that, on the appointment of an official or upon relocation to another duty station, the Office try and obtain residency status for the partner (obviously within the context of the law of the country concerned). That proposal also suggested that, on a short-term pilot basis, the Office assume the same responsibility for a domestic partner as it did for other recognized family members in the event of an emergency evacuation for security reasons. In other words, the Office would not abandon the partners of officials or leave them to their own devices to escape a dangerous situation. The third element of the paragraph proposed that when the Office appointed people, transferred staff to a new duty station or repatriated them, then it would pay the travel costs of their partners. The proposal did not address any other benefits at this stage. Those benefits that had been proposed were minor. It was already the case that dependent children of an official were covered in respect of relevant benefits, irrespective of the marital status or partnership form of their parents.
64. In the interests of taking the issue forward in a way that would not be of concern to the ICSC, the speaker suggested that the Office use the CCAQ definition of domestic partner and the criteria for recognition in relation to those issues just related (residency permits, emergency evacuation and transfer costs on assignment, relocation and repatriation). To some extent, this would formalize what the Office could do already in some respects. Subject to the approval of the ICSC – using the same approach as had been taken with paternity leave – the Office would propose introducing those benefits on a pilot basis. Before the Governing Body in March, the Office would also seek to coordinate a meeting of the specialized agencies in Geneva to ascertain the extent to which there was a common view on the issue of benefits. Those views would be reported to the Governing Body in March 2002 in a more detailed paper with the intention of suggesting a way to advance a broader agenda. An approach would also be made to request the ILO Staff Health Insurance Fund to examine the issue of health insurance. The agenda would thus be advanced in small steps, subject to the approval of the ICSC. The Office would also commit to a time-bound action to return to the Governing Body with a more holistic recommendation on the treatment of benefits that would by then have been discussed among the Geneva-based UN agencies and with the ICSC itself.
65. The Chairperson, noting there were no objections to this course, requested that a proposal, as outlined, be prepared for the Committee's consideration. [The proposal appears below.]
66. *The Committee may wish to recommend that the Governing Body authorize the Office to proceed on the following basis –*
- (a) *that, for present purposes, it define the phrase “domestic partner” as meaning a couple of the same or opposite sex, whose relationship may be regulated by legal instruments, but who are unable legally, or not intending, to enter into a legal relationship of marriage;*
- (b) *that the criteria which must be met for recognition of a “domestic partnership” be those identified in paragraph 2 of document GB.282/PFA/12;*

- (c) *that further consideration be given as to what benefits/assistance should be extended to a staff member in respect of a domestic partner. In this context, it is noted that:*
- (i) *the Office will now provide assistance in obtaining the necessary permit for a domestic partner to live with the staff member at the duty station and that, in the event of an evacuation from a duty station for reasons of security, the Office would assume the same responsibility for a domestic partner as it does for other recognized family members;*
 - (ii) *with the agreement of the International Civil Service Commission (ICSC), the Office would extend, on a pilot basis, to domestic partners the benefit of payment of travel costs on appointment, transfer and repatriation;*
 - (iii) *the Office will seek to identify, in discussion with other organizations of the UN common system, what additional benefits or assistance might be granted on a trial basis, following further consultation with ICSC;*
 - (iv) *the Office will approach the Management Committee of the Staff Health Insurance Fund (SHIF) to discuss the possibility, consequences and basis on which some or all of the health insurance benefits granted to other recognized dependent family members could be extended to domestic partners;*
 - (v) *the Office will approach the United Nations Joint Staff Pension Fund with a view to having the issue of recognition of a domestic partner as a beneficiary under a UN pension placed on the agenda of the next meeting of the United Nations Joint Staff Pension Board in 2002; and*
 - (vi) *in parallel, measures will be taken in the context of inter-agency discussions to advance the human resources reform strategy and, in particular, the Work and Family Agenda being pursued in the UN, to seek agreement among the common system agencies for the governing bodies of individual agencies to address the issue of the recognition of domestic partners in the context of their own staff regulations or rules.*

VII. Pensions questions (Thirteenth item on the agenda)

(a) Report of the Board of Trustees of the Special Payments Fund

67. The Committee took note of a document⁵ on the Special Payments Fund which had been submitted for information.

⁵ GB.282/PFA/13/1.

(b) Report of the 184th Session of the Standing Committee of the Board of the United Nations Joint Staff Pension Fund (UNJSPF)

68. The Committee had before it a document ⁶ which had been submitted for information concerning the 184th session (July 2001) of the Standing Committee of the Board. The Standing Committee had dealt mainly with: the management of the Fund's investments; the fundamental review of the Fund's benefit provisions; the pension situation of former international civil servants in the ex-USSR; the Fund's budget; and the structure of the Board.
69. Mr. Blondel, speaking on behalf of the Worker members, noted with concern that the Fund had lost more than \$4 billion in investments following the recent worldwide deterioration of financial markets. He also reiterated requests that he had made in previous Governing Body sessions about the need to find a rapid solution to the problem of pensions of former international civil servants in the ex-USSR. Mr. Botha, speaking on behalf of the Employers, supported Mr. Blondel's comments.
70. The representative of the Director-General (Mr. Wild) indicated that, although all pension funds had been negatively impacted by recent financial market events, the long-term stability of the Fund continued to be healthy. Within the last month, the Fund had already recuperated \$1 billion of its losses. As regards the ILO retired Russian staff, Mr. Wild indicated that the supplementary benefit paid by the ILO and the Staff Union to these ex-staff members had recently been doubled.

VIII. Report of the International Civil Service Commission
(Fourteenth item on the agenda)

71. The Committee had before it a paper ⁷ informing the Governing Body of the recommendations of the ICSC, submitted to the United Nations General Assembly in its annual report for 2001, which had financial implications for the Office and were submitted to the Committee for early consideration so as to avoid the need for costly retroactive adjustments. The paper also provided information on the ICSC's examination of other issues.
72. Mr. Blondel, speaking on behalf of the Worker members, requested a follow-up report at the March 2002 session of the Governing Body as regards the ICSC's comprehensive review of the pay and benefits system, as this review would impact on the conditions of employment of the staff.
73. *The Committee recommends that the Governing Body –*
- (a) accept the recommendations of the ICSC, subject to their approval by the United Nations General Assembly, on the following entitlements:*
- (i) an increase of 3.87 per cent in the base/floor salary scale; and*

⁶ GB.282/PFA/13/2.

⁷ GB.282/PFA/14.

(ii) consequential increases in the mobility and hardship allowance and separation payments for staff in the Professional and higher categories with effect from 1 March 2002; and

(b) authorize the Director-General to give effect in the ILO, through amendments to the Staff Regulations (as necessary), to the measures referred to in subparagraph (a), subject to their approval by the General Assembly.

IX. Matters relating to the Administrative Tribunal of the ILO

(Fifteenth item on the agenda)

74. The Committee noted that there was no business under this agenda item.

X. Other personnel questions

(Sixteenth item on the agenda)

75. The Committee noted that there was no business under this agenda item. However, the representative of the Government of the Netherlands took the opportunity to raise an issue related to deadlines for distribution of documents. She wondered whether it would be useful to establish a maximum deadline of five days prior to the session for publication of documents on which consultation was necessary. After discussion within the Committee, it was agreed that only the two-week deadline for those documents not requiring consultation would be maintained.

Geneva, 13 November 2001.

Points for decision: Paragraph 12;
Paragraph 66;
Paragraph 73.