



TENTH ITEM ON THE AGENDA

**Reports of the Programme, Financial
and Administrative Committee**

Second report: Personnel questions

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Introduction

1. The Programme, Financial and Administrative Committee of the Governing Body met on 22 and 23 March and was chaired by Mr. Elmiger (representative of the Government of Switzerland, Chairperson of the Governing Body). Mr. Blondel (Worker member, France) was the Reporter.

I. Statement by the staff representative

2. The staff representative referred to recent developments in ILO management-staff relations as representing the beginning of an era of collective agreements in the Office, something that successive Staff Union Committees had been endeavouring to achieve since at least 1982. The first collective agreement was more than just an achievement for ILO staff; it signalled a change in orientation towards the ILO's constituents and civil society as the Office moved from advising others on international labour standards, to a "people orientation", where the right to bargain collectively was implemented. Those who feared that this could bring conflict in the transition to collective bargaining were wrong; in fact, quite the contrary was occurring. The initial collective agreement would be signed and become effective on 1 April. Other agreements would follow on dispute and grievance procedures and on substantive issues identified in the paper before the Committee.
3. The staff wanted a better functioning and more relevant ILO. The Administration had proposed a plan to bring more flexibility into human resources (HR) management; the Union preferred to propose the objective of "flexibility with fairness" to ensure and enhance the independence of international civil servants, which would be guaranteed by recruitment through truly international competitions, employment stability and promotion based mainly on merit, while securing the highest standards of efficiency, competence and integrity. In this respect, the Union saw a need for policy initiatives in five areas. First, HR processes had to match more successfully the abilities of individuals with the needs of the Office. The ILO was fortunate in having a stable staff who could best acquire managerial and ILO-specific skills through planned staff training, yet the need for this training had been virtually ignored by the Office, judging by successive budget allocations. The Union felt that 2 to 5 per cent of the ILO budget should be spent on training and a "Joint Training Board", having Union representation, should be mandated to decide on priorities and allocations. Second, if the brainpower and resourcefulness of its staff was the main asset of the Office, as had been recognized by the Governing Body and the Administration, emphasis had to be placed on encouraging individual and team initiative. The Union expressed a desire to be involved in developments in this area, which should include an examination of possible incentives through the pay system. Staff mobility was the Union's third concern. Many staff were willing to move between duty stations and regions, but the needs of families and financial obligations often created a situation where the needs of the Office and of the staff could be frustrated. The introduction of a rationale that would encourage staff mobility was required. Possible initiatives could include assurances by the Office that staff accepting transfer would be returned to original duty stations after preset durations while retaining promotions obtained, as well as offering solutions to prevent financial hardship to officials accepting field postings. Furthermore, field staff could be encouraged to serve at headquarters for a few years, and General Service staff could be given opportunities to gain wider experience through short-term assignments or job exchanges. The fourth area dealt with precarious contracts. The Union objected to a practice that excluded certain individuals from social security coverage, leave, other entitlements and career prospects. It was inadmissible for the Office to employ people through exploiting accounting "tricks", whereby employment under precarious contracts

saved staff costs. All those now employed under precarious conditions should be regularized expeditiously. The fifth element proposed by the Union related to facilitating a smooth transition to better practices. Change required investment. Part of that investment had to be directed towards cleaning up problems inherited from the past quickly so as to build confidence and enhance credibility among the staff in the Administration and the Staff Union as agents of desirable change. Outstanding titularization and classification cases and other unresolved issues therefore had to be resolved. Finally, the staff representative stated that he was pleased with the proposals raised for examination in the Office's work, including family and well-being and childcare, which would be discussed by the Committee at its present meeting. In conclusion, he called on the Governing Body to consider the elements proposed by the Staff Union. By basing change on solidarity, transparency and fairness, staff could best contribute to the objectives of the Office through participation in a win-win process.

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

4. The representative of the Director-General (Mr. Wild, Director of the Human Resources Development Department) introduced the Office ¹ paper on the composition and structure of the staff. The document was long and repetitive, backward-looking, and "resource-hungry" in terms of the staff resources involved in producing it. The statistics, however, were essential from the point of view of governance in terms of examining what the ILO had done and measuring accomplishments against commitments made to the Governing Body as well as looking forward with strategic planning. Informal consultations would be carried out over the coming year and two documents on the composition and structure of the staff would be presented in March 2001, one in the current format, the other in a format thought more useful by the Office.
5. Turning to the report, he noted that significant progress had been made since the appointment of the Director-General in the number of women placed in senior posts, although there was still room for improvement. Two other issues had already been raised – succession and assurances that the various contracts used by the ILO were properly applied. On the question of succession planning, he noted that over the coming five years, 150 Professional and Director posts would fall vacant through retirements. Over the next ten years, this figure would rise to 316 posts, representing 75 per cent of those at management levels. Even if the Office were to promote all Professional staff, there would not be enough officials to fill the vacancies. The emphasis, therefore, was on reviewing grade levels and on the recruitment of people from outside and the development of the best officials within the Office. If people were to be recruited at relatively senior levels, they should have ILO experience. One means of filling strategic gaps was to bring people currently on Expert, ST and External Collaborator contracts into the Office where suitable. The problem, however, was that nine out of ten of those people were from ineligible countries. The Office had to take a more flexible approach and the Director-General, the Staff Union and the HR Department were committed to resolving the situation.
6. Mr. Wild outlined the HR Department's plans for the coming year. While flexibility had to be introduced in the filling of strategic vacancies, focus was required in four areas. Relationships had to be developed with constituents in regions where the ILO had the highest recruitment gaps. In this respect, he had just returned from Germany and would be visiting Japan and the United States in April. A Young Professionals Programme was

¹ GB.277/PFA/8.

being developed, aimed exclusively towards young people from underrepresented nationalities. The third area was a more focused approach to prospection by relying on offices in the regions as well as establishing contacts with key universities with high standards in international labour issues and an international reputation for student and teaching populations. The fourth area was to examine the posts occupied by Experts, ST officials and External Collaborators, which were essential feeder tracks into the ILO and where people could gain experience.

7. Mr. Blondel, speaking on behalf of the Worker members, expressed his appreciation for the clarifications made by the Office. The document was useful. He favoured the idea of a new, complementary, forward-looking report for the March 2001 session on the condition that the current document also be maintained. He was disturbed that there were nearly as many WLT as FT contracts. In this respect, the ILO resembled a large multinational with a group of core workers and an equally large group of peripheral workers. He also expressed concern over the number of FT contracts funded from extra-budgetary sources and noted that too many of them were recruited from overrepresented member States. The number of FT contracts reflected an unsatisfactory situation in that such contracts undermined the independence of officials. Officials should experience no pressure from trade unions, employers' organizations or governments. Too many officials remained on FT contracts and more of them should be placed on established WLT posts. With regard to gender, the number of women in senior posts had been increased but this improvement remained insufficient. The means should be established for women to fill higher grades not only today but in the future. The numbers of headquarters and field staff were almost identical to those in statistics provided previously. His group supported a mobility policy and the providing of more resources to field offices.
8. Mr. Marshall, speaking on behalf of the Employer members, noted the resource-hungry nature of the document and pointed out that it was complex and difficult. Pie-charts would make the report easier to read. The use of ST contracts on a long-term basis must be addressed, and if they were to be dealt with in the manner suggested, some flexibility on the part of governments would be required. Indications of a long-term prognosis would give governments some assurance that the question of nationality was not being put to one side.
9. The representative of the Government of the Russian Federation found the volume of statistics not sufficient. For example, the UN and WHO provided data on the distribution of staff, both by grade and nationality, i.e., showing the number of nationals at each grade. He requested that this information be included in the next version of the ILO document on this subject. As for table 8, he questioned the increase in the number of WLT contracts issued during 1999 (166 compared to 141 in 1998). Had this been a deliberate policy or had standard criteria been followed? If this was a campaign, it should be stopped until the discussion in the Governing Body of the rational balance between different types of appointment.
10. The representative of the Government of the United Kingdom welcomed the suggestion that the document be reformatted. Over the years additional charts had been requested, some of which were no longer necessarily useful. He expressed his Government's support for flexibility in the filling of key strategic posts. He also observed that the figures for officials from the United Kingdom did not add up.
11. The representative of the Government of Slovakia noted that although the countries of Central and Eastern Europe represented nearly one-sixth of the total number of member States, only 4 per cent of ILO staff came from those countries. If economic development was to take place in these countries, more officials from this region should be appointed with the expertise to assist in development.

12. The representative of the Government of the Sudan noted that there were no ILO officials from his country. He asked what steps were being taken to address the problem of nationalities with no representation.
13. The representative of the Government of Algeria supported the idea of a more flexible approach to recruitment. He also requested that forthcoming documents show the distribution of staff by grade and nationality.
14. In reply to the comments, Mr. Wild stated that the report would in 2001 incorporate new information and omit other data to produce a more useful report than the present one. By way of clarification, all those referred to in the report were on WLT or FT contracts and were considered to be ILO officials. The problematic contracts concerned 1,000 people on Expert, ST and External Collaborator contracts who were not included in the statistics provided. On the question of priority access, he noted that certain vacancies had already been opened exclusively to persons on Expert, ST and External Collaborator contracts and that the situation would be examined more closely over the next 12 months. As for providing a longer-term prognosis, Mr. Wild indicated that this was exactly what he wished to do. Addressing requests for statistics by grade and nationality, he explained that such information was already provided to individual governments. The Office would have to study whether this information could be included in the report. Regarding the increase in the number of WLT contracts issued during the preceding year, he gave assurances that they followed standard procedures. The increase was associated with retirement planning. As for discrepancies in figures, he apologized to the representative of the Government of the United Kingdom and explained that the figures had been increased from columns for officials from Israel and the United Republic of Tanzania. In response to the request for increased representation from Central and Eastern Europe, he explained that desirable ranges had been arrived at based on one official per member State; incremental numbers were based on contribution levels. He reassured member States with no nationals on the staff that the Office would be involving itself more closely with different sources in those countries to find suitable candidates. If members wished to provide the Office with details of outstanding candidates, applications were always welcome.

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

15. The Committee took note of an Office paper² which reported on the outcome of the United Nations General Assembly's consideration of the annual report for 1999 prepared by the International Civil Service Commission.

IV. ILO human resources strategy (Tenth item on the agenda)

16. The Committee had before it a paper³ describing progress since November 1999 in implementing the strategy and action planned in three areas: reorganization of the

² GB.277/PFA/9.

³ GB.277/PFA/10.

personnel function; changes in key people management procedures; and other people management initiatives.

17. Mr. Blondel, speaking on behalf of the Worker members, stated that the Worker members had noted with interest not only the changes made in the strategy itself, but also the change of name of the old Personnel Department to the Human Resources Development Department; the Workers attached great importance to the concept of human resources development. The negotiations between the Staff Union and management were also much appreciated for various reasons, but primarily because it would now be clear to other organizations in and around the UN system that in the ILO there was established staff-management dialogue. He likened this situation to the self-application of ILO Convention No. 87, and the proposed collective agreement was proof of the success of these negotiations. As regards the establishment of the Joint Negotiating Committee, it would take time to gauge what the impact of this Committee would be in terms of negotiations surrounding the working conditions of the staff. As international civil servants, basic conditions were set in the context of the common system. Negotiations through the Joint Negotiating Committee should thus affect only those issues which were not driven by the common system, otherwise the very definition of international civil servant would have to be reviewed. However, it would be important to specify the field of competence that the Governing Body wished to accord to the Joint Negotiating Committee. Mr. Blondel took note with pleasure the plans for training and the recruitment of young professionals. However, at the forefront must remain the independence of ILO officials, who must not be subjected to inappropriate pressure, either directly or indirectly; this included avoiding situations of precarious employment. It was hoped that the plans for training, recruitment and succession planning would also resolve the problems of vacant Professional posts in the field. The Workers' group supported the point for decision.
18. Mr. Marshall, speaking on behalf of the Employer members, indicated that his group supported fully the strategy outlined in the document and the action being taken to advance it as well as the associated point for decision in paragraph 26. He welcomed the positive attitude of partnership being developed between ILO management, the Staff Union and the staff, but noted that the trust, motivation and commitment necessary to implement effectively the new human resources strategy would take time to develop as changes were required in organizational culture. He considered that the detailed workplan set out in Appendix 3 to the document would go some way towards reassuring staff that action was being taken in a systematic manner with Staff Union involvement. The Employers' group was comfortable that the strategy incorporated an approach relying on collective bargaining. The approach proposed was rational and neither undermined management responsibilities nor the UN common system. In relation to paragraph 23 of the paper, he endorsed the revisions to the Young Professionals Programme, but considered that "best person for the job" should be the operating principle in selection and, all things being equal, a targeted approach should then be followed favouring gender, age and nationality. As for paragraph 24 – exchanges between the ILO and its constituents – he supported the initiative, which had commenced with certain proposed interchanges with governments, but encouraged the Office to explore the possibility of exchanges with the private sector, trade unions and employers' organizations.
19. The representative of the Government of the Russian Federation had serious problems with the substance of the paper as well as the procedure underlying its preparation. In terms of its substance, none of the issues raised by his Government at the last session of the Governing Body had been taken into account in the paper. More specifically, the proposals outlined in paragraphs 12 and 13, which dealt with recruitment and selection, would not guarantee recruitment of the best qualified candidates and would leave unchanged the current geographical composition of posts in the Office. Again, in paragraphs 14 to 17, concerning development appraisal and performance management, the proposed personal

development plans would not address performance issues, which were a necessary element in assessing the Office's progress in giving effect to a strategic budgeting objective-oriented approach. Furthermore, other proposals in the paper might not be compatible with the standards of the UN common system. For example, paragraph 10 referred to broad-banding of jobs, and paragraph 1(a) of article 2 of the proposed collective agreement raised a number of issues concerning the application in the ILO of common system terms and conditions of employment. He reiterated the request he had made in November 1999 that the views of the International Civil Service Commission should be sought on the proposals outlined in the strategy to ensure that they complied with common system standards. He was also concerned that the proposed collective agreement may undermine the role of the Governing Body in giving effect to matters concerning ILO staff. He expressed surprise that the paper did not include reference to his delegation's proposals for fairer and more competitive selection processes and balanced use of short- and long-term appointments. While he supported the proposals in paragraph 24 to conduct a programme of exchanges of staff, he was concerned that only selected members of the Governing Body were currently involved in discussions to this end. As to the procedure for preparation of the paper, his Government had previously said it would be premature to have consultations with the Staff Union before the Governing Body itself had reached a consensus on the new strategy. While he did not object to the discussions that had now taken place with the Staff Union, it was unfortunate that a similar effort had not been made to achieve dialogue with and to reflect the views of governments. Accordingly, for both substantive and procedural reasons, he was unable to take note of the proposed HR Strategy and was opposed to the point for decision. Nonetheless, in order to reach a consensus, he formally proposed an amendment to add to the point for decision the words: "subject to confirmation by the International Civil Service Commission of its conformity with the UN common system".

20. The representative of the Government of the United Kingdom, also speaking on behalf of the governments of Denmark, France and Switzerland, attached considerable importance to human resource management in UN agencies. The human resources of the ILO were its greatest asset and the Director-General's strategies would put the Office at the forefront of human resource management in the UN system. They appreciated the Office's efforts to respect the common system and concentrate scarce resources on areas where they could add value. Balance was necessary in the contractual arrangements into which the ILO entered and in this context, they supported the training and development initiatives outlined in the document. The proposed approach to development appraisal was revolutionary in the UN context. The choice of methodology was an internal matter and there was no wish on their part to micro-manage. An evaluation of the system (preferably, from outside the Office), however, perhaps after a year, could be useful. Assurances were requested with respect to two areas: job classification and collective bargaining. The United Kingdom Government was concerned that the new arrangements for job classification might lead to grade drift. Confirmation that the classification arrangements would be in line with common system standards and the introduction of reporting requirements as a control would be appreciated. Finally, as it would only apply to HR arrangements outside the sphere of the common system, the collective bargaining approach could be accepted, with the proviso that the Office take a conservative view of its application.
21. The representative of the Government of the Netherlands welcomed the document as an elaboration of ideas presented in November 1999 and complimented the Office on the speedy and comprehensive manner in which it had developed its human resource strategy. HR management should be part of overall reform in the UN and the policy proposed would make the ILO a front-runner, though the changes proposed should not jeopardize the common system. She noted that the Young Professionals Programme for persons from under-represented countries looked sound. The ILO would be well advised to ensure that these people committed themselves to the Organization and be part of the backbone of the

secretariat in future. Fresh blood was also needed and the proposed exchange programme was therefore welcome. In this regard, consideration should be given to exchanges with other international organizations. In addition, senior management support for training would be a source of strength in improving the functioning of the Organization. With respect to career development, she expressed appreciation for the proposed appraisal programme. The Office should keep short-term-contract staff informed of their career prospects. Finally, her Government would appreciate regular reports on progress in implementation of the strategy.

22. The representative of the Government of Portugal joined the United Kingdom and others in commending the Office on the strategy document presented. He noted with much satisfaction that more than a renaming of the department had occurred – a proactive and dynamic approach had been developed. The document was a first step in the management of the Office's human resources, which had been required for a long time. He was particularly satisfied with the proposed recruitment steps and planning for the development of ILO personnel. Coaching for managers and the Young Professionals Programme were without doubt excellent initiatives, but in-house training “for life” was also required to make the ILO a learning organization. He supported the point for decision.
23. The representative of the Government of Germany expressed regret that this important document had appeared relatively late. This had not allowed the Ministry for Internal Affairs to assess the contents; he had been asked to request a postponement of a decision until November, something which, in view of the position already taken by other groups and some government representatives, he could not now act on. The approach taken to collective bargaining was welcome, if negotiations did not take the form of reaching an authoritative decision, because it was possible, under the proposed agreement, for the right of decision of the Governing Body to be reduced simply to that of taking note of the agreements reached. In this regard, point 1(a) and (b) of article 2 of the agreement required clarification. Could the Office of the Legal Adviser comment on the ambit of the expression “so far as the Office has the authority to do so ...” and could the secretariat clarify the meaning of “established mechanisms” through which the parties would endeavour to change common system terms and conditions? Were these points enough to preserve the right of the Governing Body to take decisions and its ability to act in accordance with the principles of the common system? What matters would be covered by the agreement? Would salaries be included? He understood the agreement to state that the parties desired to change or remove rules of the common system. Was this a revolution against the common system? His second point concerned the proposed procedure for recruitment. As expressed by the representative of the Government of the Russian Federation, paragraphs 12 and 13 would make external recruitment a rarity. Greater flexibility should be provided. Furthermore, the procedure outlined could take a long time to carry out. The representative asked whether vacancies should not be published before posts became vacant. The third concern of the Government was that overplanning was as bad as poor planning. Paragraph 14 gave the impression that each staff member would have a custom-built plan which would apply throughout their professional career. The efforts of each individual were necessary, but the needs of the Organization were equally important. His Government trusted the Office and was ready to support the endorsement of the described approach, with the reservation that proposals not in accordance with the common system would first be put forward by the Office for discussion by the Committee.
24. The representative of the Government of Japan expressed appreciation with the efforts by the Office in formulating and implementing the human resources strategy. Her Government supported the Office's proposals because its impression was that the policy in the past of developing individual staff, through training, transfer and promotion, had been weak. The new strategy should overcome these shortcomings and Japan was very much interested in the establishment of the proposed development appraisal and job

classification systems. Her Government also supported the Office's young professional and exchange initiatives. These would give underrepresented countries such as Japan opportunities to further contribute to the work of the Office.

- 25.** The representative of the Government of China thanked the ILO for the document. As requested by the Governing Body in November 1999, efforts had been made in personnel and administrative reform and more attention had been paid to human resource development. Constituents had a strong interest in the development of human resources, as it had a direct bearing on the quality of the ILO's work. He noted the remarks made by the Russian Government, which he supported. In the future, particular attention should be paid to the cultural diversity of the Office's staff. Staff of international organizations were different from the staff of private enterprises. Officials had to respect universal principles as well as take into consideration the applicability and the acceptability of those principles in different cultural contexts. There was cultural diversity not only in terms of economic development but in geographical location, history, philosophy and other areas. Only by reflecting this diversity through, in particular, its managerial staff could the ILO become a vigorous and vital international organization. The exchange system between staff at headquarters and the field had to be maintained and improved to enable staff to understand specific conditions and needs in different cultures and regions. Exchanges had proved useful in enhancing staff capacities, broadening views and establishing good cooperative relations with constituents.
- 26.** The representative of the Government of Italy expressed support for the views expressed by the representatives of the United Kingdom and other countries such as Portugal with respect to the document. Italy considered that the document presented considerable efforts by the Office in reforming human resource management and, in particular, he supported the approach proposed in paragraphs 10 to 19.
- 27.** The representative of the Government of India welcomed the document and supported the many positive elements in the human resource strategy elaborated by the Office. However, his Government's past submissions had not received due consideration. The Asia and Pacific Government members had made a statement in 1999 to the effect that consideration should be given to providing adequate representation to various member States and geographical regions. The document made no mention of the steps envisaged to achieve balanced representation. It had also been pointed out in 1999 that transfers of staff should be effected through the establishment of a policy for staff mobility to improve the Office's efficiency and visibility and enhance the quality of its services. Those governments had stressed that the talent and expertise available locally should be used in regional and area offices. Many delegations had expressed support for achieving balanced representation of member countries. The Committee should invite the Governing Body to request the Office to update the HR strategy with the above considerations in mind and resubmit a document at a later session. Consideration should also be given to the suggestions made by the representative of the Government of the Russian Federation.
- 28.** The representative of the Government of Algeria, on behalf of the African Government group, commended the Office on the quality of the document and the elaboration of its human resource strategy. Development of such a strategy was indispensable given the evolution of the world of work and its new demands. He supported the strategy and called for the ILO to extend its programmes throughout the world. Particular attention was required with respect to regional balance and national representation in regional structures, notably in Africa.
- 29.** The representative of the Government of Canada associated herself fully with the statements by the representatives of the governments of the United Kingdom, the Netherlands and Portugal. She voiced support for the innovative directions outlined in the

document, but cautioned that the developments must be fully consistent with the common system. She supported the point for decision.

30. The representative of the Government of Lithuania welcomed the strategy proposed to improve the HR development policy and its procedures. She noted, however, that a large number of nationalities were unrepresented in non-linguistic posts. She therefore especially welcomed the initiative in paragraph 23 regarding the Office's commitment to recruit and train young professionals from underrepresented countries.
31. The representative of the Government of the United States expressed concern that the document had not been made available in time to allow government personnel experts to fully consider it. Clarification was requested on what was meant by the reference to "broad banding" in paragraph 18. How was this consistent with the UN common system? The United States was not aware that the International Civil Service Commission had approved this concept; the Office should therefore obtain its comments before the Committee or the Governing Body considered supporting such developments. Clarification was also requested with respect to paragraph 19, as it was noted that the application of new procedures was in place as of 1 January 2000 while the system was not scheduled to be operational until 2001.
32. The representative of the Director-General (Mr. Wild, Director of the Human Resources Development Department) responded to the many issues and questions raised. First, as regards the issue of the timing of publication of the document, it had not been considered desirable to put further proposals before the Governing Body until a process of internal consultation, particularly with the Staff Union, had taken place. Once the new Staff Union Committee had been constituted, intense negotiations had taken place during January, followed by further discussions during February on the details and timing of the work programme to give effect to the strategy. The present paper had been prepared immediately thereafter. Therefore, it was the considerable amount of work which had been accomplished during the past three months that had affected the timing of publication of the document.
33. Turning to the questions raised by the representative of the Government of the Russian Federation, in response to the claim that no account had been taken of comments made by that Government in November last year, he indicated that he had reviewed the present paper and felt that all their concerns had been addressed. As regards contracts, Appendix III of the document included a schedule for reviewing contract policy, rules and administration. These issues were also being discussed within the UN common system. From the ILO's point of view, the most difficult issue was the long-term use of short-term contracts, as well as the appropriate balance between long-term and short-term contracts within the Organization. He indicated that the outcomes of the review would be presented to the Committee for discussion.
34. As regards rotation of staff, particularly rotation for limited periods with no further possibility of employment, he indicated that the ILO management did not believe that this situation was compatible with a civil service career organization.
35. On the question of recruitment and a pool of officials, it had apparently been perceived that the Office was not taking account of external candidates. However, once the assessment centres were in place, consistent benchmarking would be introduced at key levels both for internal and external applicants. At these key levels (entry "P" level, senior support staff levels, high "P" level – probably P4), all serving officials and external candidates would undergo a benchmarked assessment test to establish the appropriate level for them. In addition, the application of consistent standards would obviate another concern – that of grade drift.

36. Mr. Wild stated that the present performance appraisal system, with its retrospective “marking system”, was ineffective. It would be replaced by an annual discussion with every individual to establish their expectations and what needed to be done and by whom to achieve those objectives. An imminent series of management coaching sessions would ensure that these annual development discussions become a positive and proactive tool in ILO strategic planning and programming.
37. Mr. Wild reaffirmed the ILO management’s intention not to breach the common system either in the grading or collective bargaining proposals. Discussions had already been held within the common system as regards the grading proposals, and the collective agreement itself specifically excluded those matters falling within the jurisdiction of the common system. He then provided a series of examples of such matters. Should changes be proposed within the common system which restricted development in the Organization, management and the Staff Union would address the issue through the appropriate mechanisms, i.e. the CCAQ, ICSC and staff union bodies within the common system. Prior blessing from the ICSC would, however, mean that the urgency of the need for change in the ILO and implementation of its new HR strategy could not be met.
38. The restructuring of the Office had meant that staff had moved to new functions but at existing grades, pending implementation of the measures to redress that situation, which it was estimated would take one year. Management had an obligation to devote maximum effort to ensuring that the transitional period was not prolonged indefinitely. If the present document were submitted to ICSC, that body would not be able to give its approval simply because the detailed proposals had not been finalized. Adherence or otherwise to the common system could only be established once the implementation details were in place.
39. As regards other specific questions, Mr. Wild felt that there was no problem in balancing gender and talent. As regards staff exchanges, two pilot projects were under way with the governments of France and Japan. Once their value had been demonstrated, management would be more than willing to make similar arrangements with other governments, organizations, institutions or bodies.
40. The ILO’s proposals concerning performance assessment had already received interest from other parts of the UN system, and the management would be quite willing to share its plans and experience. ILO management would be open to external evaluation of the new development appraisal arrangements.
41. Returning to grade drift controls, Mr. Wild indicated that statistics would be provided shortly, reflecting both historic movements and future predictions to demonstrate how the organization was working.
42. Performance development plans were foreseen for three types of official: long-term, probationary and short-term. Short-term contracts would also include external collaborators, with a view to ascertaining whether it would be appropriate to integrate them into the Office on a long-term basis.
43. In reply to the representative of the Government of Germany, Mr. Wild recalled that the collective agreement specifically excluded negotiation on common system issues such as salaries. In the HR field, negotiations would focus, for example, on procedures for handling harassment at work and other matters which affected the staff at large.
44. As regards the guaranteed rights of the Governing Body, this issue had been discussed specifically with the Legal Adviser when the draft collective agreement was being developed. There were two types of issue which must and would come before the

Governing Body – those having a major impact on the Organization and those having large financial implications.

45. In response to questions about external recruitment, Mr. Wild felt that more and more external recruitments would have to be processed over the next ten years because of the extremely large number of officials retiring in that period. As regards the length of the recruitment process itself, this should be significantly reduced once the pool of both internal and external candidates had been established.
46. Distinguishing features between the ILO and other organizations included its tripartite nature and its geographic diversity. Mobility was also a key issue being addressed during the current review of the field structure. Use of the expertise of local staff was being developed through an examination of the UN's national professional category of staff. The outcome of this review was scheduled to come before the Governing Body in November.
47. In reply to a question by the representative of the Government of the United States, he stated that broad banding could be introduced in ways which might or might not be within the common system. Management's intention was to approach both this issue and job classification within the confines of the common system. The new grade structure would be in place in January 2001, and any promotions resulting from the new structure would have to be applied retroactively.
48. The Chairperson proposed that the Committee adopt the point for decision in paragraph 26 of the paper, taking into account all the views that had been expressed. He noted that the proposal by the representative of the Government of the Russian Federation to amend the decision paragraph had not been seconded. The point for decision was then adopted.
49. *The Programme, Financial and Administrative Committee invites the Governing Body to note the progress made in implementing the human resources strategy and to endorse the approach described in paragraphs 10 to 19 of document GB.277/PFA/10.*
50. The representative of the Government of the Russian Federation confirmed that his Government was unable to join the consensus on this decision, and expressed his regret that the ILO did not have the HR Strategy approved on a consensus basis.

V. Work and well-being: Work and family responsibilities in the ILO (Eleventh item on the agenda)

51. The Committee had before it an Office paper⁴ proposing issues to be examined in developing an ILO work, family and well-being policy and presenting a specific proposal concerning access by ILO staff to childcare facilities.
52. Mr. Blondel, speaking on behalf of the Worker members, pointed out that the provision of assistance or facilities for childcare in the ILO concerned both officials and delegates. It was presumed that the proposal presented in the paper had been discussed and agreed with the Staff Union Committee. Even though it appeared that the proposal would settle the problem of childcare in respect of only 20 children, he was prepared to support the scheme

⁴ GB.277/PFA/11.

if the Staff Union Committee had concurred. There remained, however, the problem of ensuring childcare facilities for delegates to ILO meetings; and further consideration should be given to that aspect.

- 53.** Mr. Marshall, speaking on behalf of the Employer members, expressed understanding of the specific problem of providing for childcare in Geneva. The proposal set out in the paper was agreed to, as long as there was no conflict with the common system. A number of points should, however, be made in relation to the proposal. According to the document before the Committee, there appeared over the next few years to be an additional 30 places in the crèche which the Governing Body could be asked to fund for the use of Office staff. This raised equity and financial considerations. The paper also noted that, should the Office not be satisfied with the facility for any reason whatsoever, it could withdraw from the arrangement after five years. Such a minimum withdrawal period would cause many to hesitate to enter into such an arrangement. Finally, he cautioned against the Office participating in the management board of the facility, as that would make objective criticism more difficult.
- 54.** The representative of the Government of the United States expressed strong support for a childcare facility that was self-funded and indicated that, if such a scheme was instituted, her Government might give consideration to contributing to the start-up costs. However, the current proposal recommended the funding of a crèche beyond start-up costs and would commit the Organization to subsidizing the facility's operating costs for a period of at least five years. Funding of the facility as proposed would be counter to the ongoing reform efforts to ensure the use of the budget for the delivery of mandated programmes by the ILO. Agreement to the Office proposal would also set an uncomfortable precedent for other common system organizations in addressing their similar childcare concerns. Her Government could not therefore join any consensus to support the recommendation in paragraph 22 of the document, but encouraged the Office to put forward a proposal for a sustainable, self-funded crèche to the next Governing Body session.
- 55.** The representative of the Government of the United Kingdom enthusiastically endorsed the comments made in paragraphs 1 to 4 of the document and expressed the hope that the measures of flexibility outlined would be available to all staff to ensure a healthy work-life balance, irrespective of whether or not they had family responsibilities. As regards a childcare facility, his Government would support any proposal that was in line with the common system and which was self-financing. He awaited such a proposal.
- 56.** The representative of the Government of Japan supported the point for decision and asked that an annual report be submitted to the Governing Body on the use and cost of the proposed childcare facility. She also supported the measures proposed to create a family-friendly environment in the Office.
- 57.** The representative of the Government of Namibia expressed support for a child-friendly environment for ILO staff. Considering the situation in which children lived in other parts of the world, he expressed the view that it would be appropriate that any facility that was established be self-financing.
- 58.** The representative of the Government of the Russian Federation indicated that there were many questions and doubts concerning the ideas outlined in paragraphs 1 to 4 of the paper and in the appendix. Before consideration was given to these matters in November, he asked that specific proposals be made well in advance. As for the proposed childcare facility, it was for the Governing Body a relatively minor issue (inter alia, in comparison with the lack of consensus on the HR Strategy) and at the same time a matter of staff concern for several years. He sought assurances that the proposal fell within the common system, but otherwise considered that the Committee might well adopt the draft decision.

59. The representative of the Government of Canada supported the Office's intention (as outlined in paragraph 2 of the paper) to aim at providing a "safe, healthy, non-threatening family-friendly environment that takes into account the unique features of a multicultural workplace and recognizes the special needs of individual staff (such as those with disabilities)". She supported the approach taken in the paper to locate childcare facilities in the broader context of work, family and well-being and looked forward to further development of the issues identified in the appendix for presentation to the Governing Body in November 2000. She confirmed her Government's previously stated position to support in principle access to day-care facilities for staff, provided that a crèche, once established, was self-financing. The present proposal would not satisfy this requirement and she asked that the Office continue efforts to develop such a proposal. She also asked that the needs of delegates during meetings and conferences not be lost in this process, and that the Office should develop a modest proposal to ensure access to child day-care arrangements.
60. The representative of the Government of the Netherlands echoed the views expressed by the delegate of the Government of the United Kingdom.
61. The Chairperson placed the point for decision before the Committee, taking into account the statements and reservations made by speakers and the requests for further information, which would be supplied in a future report by the Office. He took it that the point for decision was adopted.
62. The representative of the Government of the United States asked for an explanation of this decision, saying that there was no consensus as a number of delegations had only supported a crèche on the basis that it would be self-financing.
63. The Chairperson indicated that the decision had been taken on the basis that a majority of members, including the Employer and Worker members and a number of Governments, had supported the point for decision.
64. The representative of the Government of the United States took exception to proceeding on this basis, as there was no consensus to do so.
65. The representative of the Government of the United Kingdom shared the opinion of the previous speaker and asked for a more detailed response from the Office to the serious concerns raised about the crèche proposal.
66. The representative of the Director-General thanked members for their comments on the first four paragraphs of the paper and invited any member to provide the Office with suggestions to facilitate preparation of the planned work, family and well-being policy. As for the crèche proposal, he referred to the considerable work undertaken by the Office on this issue during the past few years. In view of the circumstances prevailing in the Geneva market-place (which was dominated by the heavily subsidized childcare arrangements made by the City of Geneva), it would not be possible for the Office to develop a self-funding proposal that was based on an acceptable level of contributions from parents, who would already be paying very substantial fees each year under the present proposal. He indicated that other crèche facilities existed within the UN system in New York and Vienna, which were subsidized to some extent, mostly on an in-kind basis (for example, use of premises without payment of rent, provision of facilities and meeting of maintenance costs). The present proposal required an ongoing cash subsidy by the Office to retain childcare places, but involved no in-kind support to the proposed crèche facility.
67. Mr. Blondel reiterated that a solution had now been found to a contentious issue which had been the subject of staff concerns for several years. This was not to say that the particular

proposal was one which he supported, particularly as it did not address the issue of access by delegates to childcare facilities. That issue still needed to be satisfactorily resolved. Nevertheless, he understood that the present proposal was supported by the staff and the Workers agreed that a decision should be taken now. A solution also needed to be found regarding access to childcare facilities for delegates to the Conference and to sectoral meetings.

68. Mr. Marshall acknowledged government concerns. He recalled that the budget made financial provision for childcare facilities subject to the Governing Body's deciding on a proposal. Although the budget made provision for childcare facilities during the current biennium, it was possible for the Committee to recommend to the Governing Body in the future that the level of subsidy should be reduced, particularly if the number of childcare places for which a subsidy was sought increased excessively. In the meantime, however, the Employer members could support the point for decision.
69. The representative of the Government of the United States indicated that she understood that a budget provision had been made pending resolution of the issue. Should the Committee support the point for decision, she wished it to be recorded that the United States did not join the consensus on this issue.
70. The Chairperson summarized the situation: the Employer and Worker members supported the point for decision. A number of delegations had requested additional information, made comments and expressed reservations. The Office representative had then responded to issues raised by members. The Chairperson then resubmitted paragraph 22 to the Committee for adoption, taking into account the views and reservations expressed during the discussion. The point for decision was adopted.
71. *The Committee recommends to the Governing Body that, should the Office decide to participate in the crèche proposed to be established and operated by the Association Crèche Scoubidou, the funding would be provided from the provision in the Programme and Budget for 2000-01 for this purpose, and that an additional Sw.frs.70,000 would be financed in the first instance from savings in Part I of the budget, on the understanding that, should this subsequently prove impossible, the Director-General would propose alternative methods of financing at a later stage in the biennium.*

VI. Pensions questions (Twelfth item on the agenda)

Decisions of the United Nations General Assembly on the report of the Standing Committee of the United Nations Joint Staff Pension Board

72. The Committee took note of an Office paper⁵ which reported on the action taken by the United Nations General Assembly following the meeting of the Standing Committee of the Pension Board in July 1999. This involved, principally, the approval of the proposed

⁵ GB.277/PFA/12.

budget of US\$62.3 million for the administration of the Pension Fund during the 2000-01 biennium.

VII. Matters relating to the Administrative Tribunal of the ILO

(Thirteenth item on the agenda)

73. The Chairperson stated that a note for consultation on this subject had been examined earlier in the week by the Officers of the Governing Body. Unfortunately, however, the document reporting on those consultations was not yet available. The question would hence be discussed when the Committee met the following week to adopt its reports.

Geneva, 27 March 2000.

Points for decision: Paragraph 49;
Paragraph 71.