



EIGHTH ITEM ON THE AGENDA

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

Second report: Personnel questions

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1. The Programme, Financial and Administrative Committee met from 10 to 11 November and was chaired by Mr. Séguin (Government, France). Mr. Botha (spokesperson, Employers' group) was the Reporter.

I. Statement by the staff representative (Fourteenth item on the agenda)

2. The statement by the staff representative is appended to the present report.

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

3. Further to the interventions made by Mr. Botha, on behalf of the Employers' group, Mr. Blondel, on behalf of the Workers' group, and the representative of the Government of the United Kingdom, speaking on behalf of the IMEC group, as well as a series of consultations, it was decided to withdraw the document containing the proposed amendments.¹

III. Exceptions to the Staff Regulations (Sixteenth item on the agenda)

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

IV. ILO Human Resources Strategy: Summary of developments (Seventeenth item on the agenda)

5. The Chairperson introduced the paper on Human Resources Strategy,² noting that the point for decision was in paragraph 24.
6. Mr. Blondel, speaking on behalf of the Workers' group, welcomed the efforts made in human resources management and the progress achieved with regard to collective bargaining. Nevertheless, he expressed concern that job classification was being revisited in the document. In future, classification would be based more on people than on posts, and the Workers could not but express their reservations when faced with a plan that would place officials with modest qualifications in positions of considerable responsibility. Such a step could not be contemplated in the case of the Freedom of Association Branch, for example, which had to maintain an autonomous structure with an official of a certain grade in charge.
7. Concerning recruitment, which was taking on a degree of urgency since, according to the Director-General, 50 per cent of officials above grade P.4 would leave the Organization in the next five years, it should not be based on academic achievement alone. In addition to a university degree, work experience should be a criterion in the recruitment process. In

¹ GB.291/PFA/15.

² GB.291/PFA/17.

finding new staff, special attention should be given to recruiting Africans, since many African officials were due to retire. The speaker also emphasized the need for equality between men and women, recalling the resolution adopted at the last session of the International Labour Conference.

- 8.** Lastly, on the subject of decent work, the speaker asked whether it was compatible with plans to downgrade posts at the Office. He also wondered whether there was a tendency to offer more short-term contracts, as seemed to be evidenced by the very large number of contracts handled by the Office in the preceding year.
- 9.** Mr. Botha, speaking on behalf of the Employers' group, observed that neither the Human Resources Strategy paper nor the statement made by the representative of the Staff Union had raised the issues that had been referred to in a recent Staff Union document. The Employers' group had requested a revised Human Resources Strategy for some time. Some elements of the original strategy had been completed, whereas others had been taken out. He was very pleased to note that a revision of the overall Human Resources Strategy would be submitted to the Committee at its March 2005 session, which would include a detailed response to each of the audit recommendations made. The Employers' group noted the progress in collective bargaining and the changes that had taken place; however, it was surprised that a team of sexual harassment investigators was required.
- 10.** On job classification and grading, Mr. Botha assumed that any downgrading would be based upon proper evaluation and classification of those positions. He requested more information on the New Master Standard for classifying Professional and higher grades and noted the Staff Union statement that the consultation process had not yet taken place on this issue.
- 11.** The speaker noted that the use of effective assessment centres was now being reviewed. He also commented on the Young Professionals Career Entrance Programme which operated in 2001-02, and which was being stopped because of financial implications. Seventeen of the 20 staff members who went through that Programme had now been integrated into permanent positions. Any review of the Young Professionals Programme should ascertain whether it should have been stopped in the light of such high integration. The speaker noted the gender equality changes and commended the Office for the extent of movement and for the faster progress that had been taking place, but pointed out that there were still enormous disparities in this area. More had probably been achieved at lower levels and less at higher levels, but the Employers' group was aware of the changes that were taking place and assumed that merit was still an important aspect.
- 12.** The Employers' group recognized the work carried out on staff mobility and the speaker had, in the past, questioned whether in fact enough people were moving from the centre to the offices, as the figures suggested that the intention to move people very often was not reflected in actual movement. It was hoped that the new mobility policy would encourage people to get a better idea of how the ILO worked across all of its regions.
- 13.** The Employers' group recognized the sensitivity of the issue of domestic partners, but it did not seem to have moved as quickly as the Employers had thought it would. As far as communication was concerned, the speaker noted the very large number of hits per day on the Intranet site and wondered what implications that had in the Office. Firstly, what had elicited it and, secondly, what results did it have? The Employers' group was very pleased that HRD was undertaking a study to examine the cost and benefits of implementing the original Human Resources Strategy, and urged that in setting out the new Strategy, costs and benefits be documented.

14. The speaker noted the proposal for an overall review of the Human Resources Strategy to be submitted to the Committee at its March 2005 session, and requested more information on what would be presented. He wished to see greater emphasis on performance indicators and measurable objectives. For example, considerable effort was being made on issues like sexual harassment and staff communication, both of which should be judged by measurable impact on employee morale and satisfaction. From a governance perspective, the Governing Body and the PFA should know objectives and time frames for initiatives, such as the security standards implementation and the other initiatives. For example, what results were expected and achieved by the new Intranet site: more productive employees or freed-up resources owing to staff not being hounded for information? The Employers' group looked forward to seeing greater emphasis on these types of measurements in the report in March 2005.
15. The representative of the Government of South Africa, speaking on behalf of the Africa group, commended the Office for the summary of developments related to the implementation of the Human Resources Strategy. Pertinent issues for Africa in the Strategy were the number of Africans that were due to retire, the number of vacant posts in Africa, the under-represented and non-represented countries and the general lack of representation of Africans. These issues needed a pragmatic, strategic and inclusive approach. The Africa group was concerned about suggestions of the suppression or downgrading of some posts or the retirement of incumbents. The Africa group sought more clarity regarding the consequences of the suppression and/or downgrading of some of these posts. The African region would be most affected, in view of the fact that most of the senior-ranking Africans were retiring and given the vacant posts in Africa. The Africa group noted the progress made on recruitment and selection of staff. However, there were limitations for the developing world in terms of access to technology. Locally accessible media should not be totally replaced by the electronic job application system as this would exclude candidates from most parts of the developing world. The Africa group noted the comment with respect to the recruitment in under- and non-represented countries, and believed that there were competent candidates from these countries and more needed to be done in attracting candidates from them. In this regard, ministries of labour should be an entry point of advertisement, and the Office should take proactive measures which sought to sensitize the under- and non-represented countries. Furthermore, the Office should explore the possibility of advertising young professional positions in universities of the under- and non-represented countries and the developing world.
16. In March 2005, the Africa group would appreciate the Office's statistics of young professionals, including their countries of origin. The group noted with appreciation the comment regarding the promotion of employment of persons with disabilities. The speaker commended the Office for taking a lead by including this vulnerable group of people. The Africa group also noted the positive progress on gender equity, encouraging the Office to do more in fast-tracking women into higher positions, and noted progress in implementing security measures for staff. This exercise should be strengthened and enhanced as far as possible. The Africa group repeated its call that the implementation of the Human Resources Strategy should not be to the detriment of Africans and result in their further marginalization within ILO structures.
17. The representative of the Government of the United Kingdom, speaking on behalf of the IMEC group, thanked the Director of the Human Resources Development Department and his team for this latest summary of developments in the Human Resources Strategy. She noted the Office's proposal to revise the overall Human Resources Strategy for discussion next March, and IMEC expected the following fundamental elements to feature in the revised version: short and simple recruitment and promotion procedures based on merit; an effective performance management system linked to career development; managing underperformance and, when necessary, termination of employment; permanent contracts

for core staff only; mobility as a real condition of employment; gender and geographical diversity issues adequately addressed; improved consultation with the Governing Body on changes to the senior management structures; and the continued reduction in grade averages, including downgrading posts where appropriate following the retirement of incumbents. IMEC expected to see these principles fully reflected in the specific objectives, baselines and indicators of the Programme and Budget for 2006-07. It was hoped that this would lead to not just another Human Resources Strategy but an improved and funded programme for implementation in 2006-07. With 70 per cent of the ILO's budget being spent on human resources, this Strategy was crucial to the achievement of the ILO's strategic objectives.

- 18.** IMEC welcomed the further explanation made by the Director-General on the Executive Director posts, and sought greater transparency on such appointments in future. On the detailed issues in the human resources update, IMEC welcomed the progress on the External Auditor's recommendations and looked forward to a full update on progress on each audit recommendation at the next Governing Body meeting.
- 19.** On prospection, recruitment and selection of staff, IMEC welcomed the reduction in vacancy delays to an average of five months and encouraged further reductions. On gender equity, IMEC noted the figure of 26 per cent for female staff at senior levels at the end of 2003 and strongly encouraged greater efforts to reach the next target of 33 per cent by the end of 2005. IMEC welcomed the Human Resources Development Department's efforts to develop a framework for geographical mobility with the Staff Union, and asked when it would be presented to the Governing Body. Finally, on the field security review, IMEC noted that 29 external offices, or 70 per cent, were now compliant with United Nations minimum operating security standards, and enquired when 100 per cent compliance would be achieved.
- 20.** The representative of the Government of the Russian Federation thanked the International Labour Office for this update on the implementation of the Human Resources Strategy and was keen to receive the analysis of cost benefits with regard to human resources to be issued at the March 2005 session of the Governing Body. The representative noted the changes taking place in the Office as a result of the introduction of the IRIS system. Given the very high cost of introducing and running this system, it would seem that the ILO could only make savings by reducing the number of staff, in those cases where posts would be automated. In the private sector, with the introduction of such a system posts would be abolished, but this was not possible in the ILO. The Russian Government would like to see in the new Human Resources Strategy a separate section dealing with staff changes resulting from the introduction of the IRIS system, to include for instance the increase in productivity of officials, the number of functions which had to be reviewed because of the emergence of this new system, and the way in which such posts could be perhaps redistributed within the house.
- 21.** The representative of the Government of Spain endorsed the comments made by the IMEC group and expressed his concern over what had been said by the Staff Union representative. On United Nations common system standards, Spain would like the ILO to be a model within the United Nations family. The common system should set minimum standards and, that being so, if ILO standards as regards staff were better than those of the United Nations, then other organizations of the United Nations family should match those of the ILO. There was also concern particularly in relation to retirement and the question of job classification and grading and the changes that were being introduced. Due care and consideration should be given to the views expressed by the Staff Union, and this should be done on the basis of an agreement on both sides. Lastly, he requested that a working party composed of governments and the Office be set up in order to establish objective criteria for assigning a certain number of senior posts to each country. In addition to each

State's contributions, such criteria could include the number of ratified Conventions or other criteria.

22. As regards contracts and restructuring, there needed to be a multicultural redistribution when classification of posts took place. Governments entered into normal bilateral relations on a daily basis with the ILO, and Spain would like the veil of secrecy to be removed, particularly as regards staff matters. There needed to be a dialogue and debate with governments to identify the principles or the objective criteria on which each State, each government, each region could be represented in the ILO. One such criterion should be economic participation, in relation to the support given by the countries to the ILO. Other criteria could be the number of ratifications of Conventions by each country, and the number of Conventions which were implemented. Spain would like a working group to look at the whole question of the restructuring of the staff of the ILO.
23. The representative of the Government of Japan, on behalf of the Asia and Pacific group, strongly supported the proposal that the Office prepare a detailed review of the Human Resources Strategy for the March session of the Governing Body, and requested the Office to develop a new Human Resources Strategy linked to the Office's Strategic Policy Framework for the period 2006-09. His group considered the highest priority areas to be included as follows: the development of effective and transparent recruitment and promotion processes, including a clear strategy for ensuring gender and geographical representation in the Office, with clear targets and a time frame for the latter; reducing the current over-grading of positions and developing a concrete plan with clear targets and a time frame; encouraging mobility and flexibility to support decentralization and keep abreast of changing needs; developing a clear and credible framework for performance management; considering outsourcing or contracting out back-office functions where appropriate; and identification and adoption of the best practices of human resource management.
24. In addition to the above, the speaker also emphasized the need for: developing and retaining a high calibre of staff based on a strong management culture; achieving a significant reduction in recruitment time; a fair and transparent policy on contract employment; greater flexibility of working conditions to allow a better match between family and work commitments; adoption of effective approaches to the management of change, including a more effective internal communication process; reassessment of the suitability of the existing organizational structure in accordance with the Strategic Policy Framework; succession planning and mentoring of talented junior staff; implementation of streamlined, effective and cost-efficient procedures for dealing with disciplinary cases and grievances; highly effective management of workplace diversity and harassment; ensuring that the ILO met all United Nations security and health and safety standards; and encouraging the employment and retention of employees with disabilities.
25. The Strategic Policy Framework document had identified several areas where the Office aimed to enhance its strategic and management capacities, and it was difficult to imagine how this would be achieved in the absence of a clear plan of action accompanied by a clear target and time frame, as well as appropriate resources. The new Human Resources Strategy should include clear objectives in each of these areas, and performance indicators which demonstrated achievements over time. It should also have dedicated resources. The Asia and Pacific group were interested in the proposal for 2 per cent of the Office staff expenditure in 2006-07 to be invested in training and development. However, this should be seen as part of a fully integrated strategy which was itself closely integrated into the programme and budget. His group would therefore formulate their final view on this proposal when they had seen the full Programme and Budget for 2006-07, including the detailed figures. The abovementioned clear strategy would allow the ILO to set the

standards of human resources management for all other United Nations agencies and for member State governments.

- 26.** The representative of the Government of the Republic of Korea thanked the Office for the report. His Government was pleased to see the efforts of the Office to reduce its over-graded structure and to build a rational and balanced organizational structure, including implementation of the New Master Standard for classifying Professional and higher grades. He looked forward to hearing more about this exercise, given that around 50 per cent of P5 and higher officials were expected to retire by the year 2009. An update on the status of the management of short-term contracts was also requested for the March 2005 session of the Governing Body. Finally, the Government of the Republic of Korea took note of the part of the report under the section on “Work-life agenda: Domestic partners”. The Office had indicated that there had been a new bulletin on “Family status for purposes of United Nations entitlements”. The speaker asked the Office to clarify what the new bulletin was about by attaching it to the next report, and what it meant to the ILO in terms of cost and financial implications.
- 27.** With respect to recruitment and selection of staff, his Government was eager to see a real and substantial reduction in the current recruitment process, and inquired about the actual numerical target to reduce the numbers of member States which remained under- and non-represented. His Government strongly believed that there was still clear room for improvement when it came to mobility between headquarters and the field, and requested further information on the mobility policy at the next Governing Body session in March 2005, including clear indicators and targets. Finally, the speaker noted the section on domestic partners and requested the Office to clarify the new bulletin issued by the United Nations in terms of the cost and financial implications.
- 28.** The Chairperson invited Mr. Ng, Director of the Human Resources Development Department (HRD), to reply on behalf of the Director-General. Mr. Ng thanked all the speakers for their very helpful comments. On the revised Human Resources Strategy, the Office had noted the very detailed comments, particularly those of the IMEC group and the Asia and Pacific group. By the end of 2004 the Office would have fully implemented all of the External Auditor’s recommendations and completed the cost-benefit analysis of the various components of the Human Resources Strategy. The basic criteria were: equity; efficiency; and enhancing the management capacity within the Office for the implementation of its work programme. Updates submitted in previous sessions had tended to follow the format of the 1999 Human Resources Strategy. The cost-benefit analysis outcome had not yet been finalized, and the purpose of that was to make sure that everyone understood the costs and benefits of implementing each component of the strategy, and to set priorities according to available resources and staffing capacity. The speaker explained that the issue of domestic partnership was sensitive, but that the Office was working with the United Nations on this important matter.
- 29.** On grading and classification within the Office, the speaker acknowledged that the ILO’s grading average needed to be reduced. There were currently over 50 per cent of Professional staff in grades P.5 and above. There was an opportunity to reduce the grade average in the next few years owing to retirements, but this would be a gradual process requiring succession planning at departmental level. The Office needed to recruit younger professional staff after carrying out proper work organization analysis in each department to ensure that the work could be done by the most effective use of available staff resources. It was important to have very competent people from different age groups and that institutional memory always be maintained in the Organization.
- 30.** The New Master Standard was an improvement. This had not only been examined in the ICSC, but had also been discussed extensively at the Human Resource Network where all

the directors of United Nations human resources departments were present. The Master Standard was much more clearly linked to performance management and competency development.

31. The Director-General had decided to allocate 2 per cent of staff costs for staff development needs, and this would be reflected in the Human Resources Strategy. On national diversity, there were currently seven countries that were under-represented, and 59 were unrepresented. HRD would work with departments to develop succession plans to identify possible vacancies and link these vacancies to its prospection programme. Colleagues in the field had been encouraged to recommend candidates who potentially had the skills and competencies to work with the ILO.
32. The mobility policy was an integral element of HRD's staffing review with technical departments on succession planning. The policy was based on very broad-based consultation and its implementation had to take into account the work-life issues of staff.
33. On field security, the Office was making every effort to achieve 100 per cent compliance by the end of this biennium. This would require not only the provision of equipment but also very systematic and intensive training of ILO staff and coordination with the United Nations Security Coordinator in the field to help monitor its implementation.
34. The speaker summarized the latest developments on work-related grievances. The Ombudsperson had become a mediator. Six sexual harassment investigators had been trained. They had been selected with agreement between the Staff Union and the administration, taking into account the need for a diverse culture in the ILO, as well as gender and linguistic aspects.
35. In terms of the large number of contracts issued, these included daily contracts, short-term contracts, special short-term contracts and external collaborators' contracts. Assessment centres were now used more effectively, mainly to assess external candidates.
36. The speaker also confirmed that although the Young Professionals Programme as it had been set up had been discontinued, the Office intended to attract young professionals to the ILO, as a greater number of junior positions would be available in the process of adjusting the grading structure. On the implications of IRIS on human resources of the Office, this matter would be covered in the later sessions on IRIS. Finally, in response to a request for more detailed information on staff, this would be provided at the March 2005 session of the Governing Body.
37. The representative of the Government of Japan expressed his support for the statements made on behalf of the Asia and Pacific group and the IMEC group on the ILO Human Resources Strategy. The Japanese Government strongly supported the following three points: the grading structure was crucially important to revitalize the Organization through the recruitment of young professionals; improving geographical distribution was also important. Lastly, Japan appreciated efforts to improve staff mobility and requested concrete plans with numerical targets, with a clear time frame and regular progress reports on these three points.
38. ***The Committee recommends that the Governing Body:***
 - (a) ***note progress made in implementing the Human Resources Strategy; and***
 - (b) ***request a further detailed report on the overall implementation of the Strategy for its March 2005 meeting, including a proposal on its review.***

V. Report of the International Civil Service Commission (Eighteenth item on the agenda)

39. The Chairperson introduced the report of the International Civil Service Commission.³
40. In response to a question raised by the Employers' group, the representative of the Director-General, Mr. Johnson, informed the Committee that the financial implications of the decisions amounted to US\$85,000. As indicated in the paper, this was a relatively small amount that was already built within the budget for 2004-05.
41. *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 1.88 per cent in the base/floor salary scale; and*
 - (ii) consequential increases in the mobility and hardship allowance and separation payments, for staff in the Professional and higher categories, with effect from 1 January 2005; 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.*

VI. Matters relating to the Administrative Tribunal of the ILO (Nineteenth item on the agenda)

42. The Chairperson gave the floor to the Legal Adviser to inform the Committee on the most recent developments with regard to the Administrative Tribunal of the ILO.
43. The Legal Adviser (Mr. Loïc Picard) recalled that, during the 288th Session of the Governing Body, the Committee had reported that it had encountered difficulties with certain organizations that had accepted the jurisdiction of the ILO Administrative Tribunal, with regard to acceptance of the principle of recognizing the right of staff representative organizations to take direct action in response to decisions taken by administrations.
44. It was a technical matter, but one which was particularly symbolic for the ILO, since it concerned the right of representative organizations to bring an action.
45. In this regard, a certain amount of consensus appeared to have emerged in favour of staff representative organizations having the right to take direct action against decisions affecting their rights, which were vested in these organizations themselves. However, a number of international organizations still had important reservations concerning the right to take direct action against general decisions. Hence the Office was currently examining

³ GB.291/PFA/18.

the procedure of a *amicus curiae*, used in common law systems and two international administrative tribunals (those of the OECD and the IMF).

46. This alternative solution had been communicated to the Tribunal and would be examined at its current session, in order for the Office to prepare a document for the 292nd Session of the Governing Body (March 2005).

47. The Workers' group did not wish to comment on this matter before March, when they would receive the text of the communication.

(a) Recognition of the Tribunal's jurisdiction by the Advisory Centre on WTO Law

(b) Recognition of the Tribunal's jurisdiction by the African, Caribbean and Pacific Group of States (ACP Group)

48. The Committee had before it two papers on recognition of the Tribunal's jurisdiction by the Advisory Centre on WTO Law⁴ and by the African, Caribbean and Pacific Group of States (ACP Group).⁵

49. Mr. Blondel, speaking on behalf of the Workers' group, welcomed the rapprochement between the WTO and the ILO on administrative matters, viewing it as an encouraging sign for future relations between the two organizations. However, his group was aware that, according to available information, the Advisory Centre on WTO Law was not required to apply any national law in its relations with its officials and enjoyed immunity from legal process in the host country. This was an important matter requiring reflection.

50. *The Committee recommends that the Governing Body approve the recognition of the Tribunal's jurisdiction by the Advisory Centre on WTO Law and by the African, Caribbean and Pacific Group of States (ACP Group), with effect from the date of such approval.*

VII. Other personnel questions
(Twentieth item on the agenda)

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

Geneva, 16 November 2004.

Points for decision: Paragraph 38;
Paragraph 41;
Paragraph 50.

⁴ GB.291/PFA/19/1.

⁵ GB.291/PFA/19/2.

Appendix

Statement by the representative of the Staff Union

History is no stranger to coincidences. The day after the person who has the honour of addressing you on behalf of all the staff of the International Labour Office was born, the ninth meeting of the 111th Session of your Governing Body was already discussing matters concerning what at the time had yet to be termed the “United Nations common system of salaries, allowances and other conditions of service”.

The report of that meeting contains certain truths which still deserve our attention today.

One member of the ILO Governing Body of the day considered that in such a matter, great importance should be attached to the opinions of staff members, who were the people mainly concerned, and expressed surprise that certain members of the Governing Body who so energetically defended the principle of ILO autonomy were prepared to give up that autonomy as far as the staff of the Office were concerned.

Another member of the Governing Body, who belonged to the Employers’ group, stated that his principal objection was that the staff of the Office would be subject to whatever regulations the United Nations deemed it appropriate to issue, and that the Governing Body would have to comply with the decisions of the United Nations. He also said that he considered it a fundamental principle that an employer should retain the freedom to lay down the terms of employment and retirement of his employees.

These statements are still relevant 54 years on. The staff of the ILO are concerned about the recent initiative on the part of the International Civil Service Commission (ICSC). On the pretext of modernization, the ICSC has for several months been involved in an unprecedented drive to call into question every single essential element of employment in the international civil service.

In effect, the ICSC, on behalf of the decision-makers in the United Nations General Assembly, controls all the conditions of employment and service within what has come to be known as the “common system”. This common system is becoming more and more invasive, and the ICSC is using it in many organizations, including the ILO, to attempt to push through so-called “modern” practices based on deregulation, flexibilization and the dismantling of the international civil service within the foreseeable future. This, too, is “globalization”.

Although your Committee is regularly informed of ad hoc measures taken within the common system regarding salaries, allowances and conditions of employment or service, we are not sure that these occasional submissions give you a true picture of the extent to which, de facto if not always de jure, the Office has, perhaps unknowingly, abdicated its decision-making powers in key areas determining the conditions of employment and service of its staff.

You must realize that, contrary to practice within the ILO, where labour relations are governed by constructive dialogue between representatives of management and staff in accordance with the Staff Regulations, the workings of the common system are based on unilateral decisions made by a body whose members are appointed directly by the United Nations General Assembly, and whose sole obligation with regard to consultation with staff representatives and, indeed, with representatives of the executive heads of the whole United Nations system, is to take note of the “facts and opinions” of which one side or the other may wish to inform it.

The scope of competence which the ICSC would like to claim could include – and I quote from its Statute – “The broad principles for the determination of the conditions of service of the staff [and] the methods by which [these] principles should be applied; the scale of salaries and post adjustments; allowances and benefits of staff [and] the conditions of entitlement thereto; staff assessment; the classification of duty stations; job classification standards for all categories of staff; standards of recruitment; the development of recruitment sources, including the establishment of central rosters of qualified candidates, particularly at junior entrance levels; the organization of competitive examinations or alternative selection procedures; career development, staff training programmes, including inter-organization programmes, and evaluation of staff.”

If we are not careful, virtually all of our conditions of employment and service at the ILO could thus slip out of the control of not only the Director-General and the principles of collective bargaining that he holds dear, but also the Governing Body with its tripartite structure.

Of course, all this is nothing new, given that it is 30 years since the ILO decided – how could it have done otherwise? – to recognize the decision taken by the United Nations General Assembly to replace the body of independent experts which had since 1947 advised the various heads of secretariat on harmonizing conditions of employment and service with a body with wide decision-making powers, but with absolutely no obligation to carry out real consultations with those upon whom its decisions would be imposed.

Overall, tensions between us and the ICSC have until now been mainly confined, as far as the staff of the ILO are concerned, to certain areas where either alternative mechanisms could be used as a form of counterbalance, such as the pensions system, or the decision-making process was sufficiently decentralized that the agencies could assume their responsibilities, such as the issue of salaries.

What is new, and justifies the increasing concern of staff which I echo here, is the encircling manoeuvre which the ICSC has been performing since the start of the new millennium, with an in-depth review of the pay and benefits system, conceived – and I quote the Commission’s report for the year 2001 – “as a management tool to enable organizations to manage their resources in a strategic manner and reinforce their capacity for carrying out an overall management review”.

What is also new is the general – I was going to say “worldwide”, or even “global” – context of sometimes extreme deregulation and liberalization which forms the background to the In-depth Review. We in the ILO Staff Union believe that the way in which the ICSC is approaching this large-scale exercise reflects fundamental aims which go a long way beyond concerns related simply to defining conditions of work and employment – in short, that the difficulties and conflicts we are faced with are not essentially administrative or bureaucratic in nature.

Since 2001, the pattern of events has confirmed the worst fears of the ILO Staff Union Committee, which we have felt since we heard what issues were to be considered – how salaries are calculated, limiting the duration of contracts, institutionalizing the difference between contracts “with” and “without” the right to social security, performance-related pay, changing the form of job descriptions, restrictions on mobility incentives, rethinking the pensions system, etc.

It has rapidly become clear that, under the pretext of a “review”, which, in fact, was already under way, there has been a large-scale attempt to undermine most, if not all, of the principles which allowed a true international civil service to be established, without which the United Nations Organization would be no more.

What the ICSC has in mind is, in fact, to challenge, at one and the same time, the independence of international civil servants and their protection against arbitrary treatment, their job security and right to plan their careers, the prevalence of the rule of law, the uniqueness and continuity of the service they provide, the principles of equal treatment, a salary scale based on grades, promotion on the basis of experience and skills, access to guaranteed social security, the right to appeal, etc.

The documents prepared for the 58th and 59th sessions of the ICSC are blatantly clear about the Commission’s deliberate intention to pursue an unwavering policy that one could describe as “the privatization of the international civil service”. It justifies this by saying that the differences between the private and public sectors are no longer as marked as they were in the past and that market concepts are becoming more and more widespread in national governments and international organizations. It claims that, in fact, for reform to succeed, a global vision is needed that will reconcile the economic needs of the organizations with the expectations invested by member States in their governing bodies.

Several studies by the ICSC now appear to be nearing conclusion – at least at a conceptual level. Approaches are currently being tested in certain programmes and organizations, and it is not impossible that some of the unacceptable or even absurd proposals noted above will, in the name of the “common system”, not be inflicted on the ILO against the will of the Director-General and the Governing Body. The ILO Staff Union therefore decided last June to inform the ICSC on its position with regard to certain key aspects of the global review, and considered it imperative to share that information not only with the Director-General and his representatives, but also, through you, with the Governing Body of the ILO.

We also felt duty bound to inform the staff of the ILO and representatives of other organizations of our analysis of the situation and our concerns. In conjunction with them, we are developing initiatives to relax this stranglehold somewhat in areas such as local salaries, length of contracts tolerated and pension levels for General Service staff and national civil servants.

We are also in the process of launching other initiatives concerning performance-related pay, standards of classification and job flexibility, as well as the lack of any real consultation with interested parties – let alone collective bargaining – within the common system.

We will continue to reiterate that the staff of the ILO – and with it, we hope, all international civil servants – will not stand by passively and watch while a fundamental Article of the Charter of the United Nations is being called into question: “the paramount consideration in the employment of the staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of efficiency, competence, and integrity”.

The Director-General and the Human Resources Development Department have heard our concerns in this area. In this respect, I am pleased that we have met regularly – that is to say, before and after each session of the ICSC or other common system body – to share our thoughts on how the situation is developing and how to confront – together, where we can – the threats we may face. This is also mentioned in paragraph 4 of document GB.291/PFA/17, which you have received.

Unfortunately, however, the tendencies that underlie the destructive approach of the ICSC are also affecting areas that should remain within the competence of this Organization and under the control of this Governing Body.

We believe that it is not inevitable to go back on what we proudly call decent work, and this would appear to be borne out by certain information before you provided by management regarding the Human Resources Strategy.

Still, there’s many a slip ’twixt cup and lip. There has certainly been some progress – albeit partial – in areas such as:

- better protection and security for staff in the field and involvement of Staff Union representatives in the discussion of measures planned in this area;
- redefining of management and administration responsibilities within the Senior Management Team;
- the application of the collective agreement on the prevention and settlement of disputes, with time limits being met;
- employment of people with disabilities, even if the security constraints imposed on the headquarters building at this time of severe financial difficulty are not making access any easier;
- the development of a new mobility policy that should benefit all categories of staff, including those recruited locally, and clearly establish the rights and responsibilities not only of officials but also of the Office;
- the elaboration of codes of conduct for what we call restructuring and management refers to as organizational change – rules of conduct, of which the first is direct consultation of staff and staff representatives, a rule that we hope will be strictly applied during the absolutely necessary review of procedures applied in meetings (meetings such as the recent meeting of the Preparatory Technical Maritime Conference, where some colleagues had to work up to 32 hours consecutively – that is, without any break or rest, which is as incredible as it is intolerable – just to make up for a lack of resources combined with obsolete methods of organizing work);
- negotiations conducted in good faith concerning recruitment and selection – which is a positive thing even if there are still significant differences of opinion on certain points, particularly with regard to transparency of mechanisms and equality of opportunities among officials;
- the beginnings of real dialogue on the introduction of the IRIS project – a project on which information has been provided to you – dialogue that has made it possible to settle some of our concerns, even though we still have some doubts about the consequences of escalating costs, the way in which staff will be trained to handle this new tool, the way in which priority seems to be given to employing consultants from outside rather than updating the knowledge of ILO

staff, the wisdom, or otherwise, of subcontracting maintenance work and relocating some sensitive equipment owing to decisions seemingly made with the influence of outside forces, in none-too-transparent conditions, and which could be detrimental to employment, data confidentiality and information security.

Yet neither this progress nor the good work of the Joint Negotiating Committee can hide the continuing, genuine difficulties of developing a human resources and social dialogue strategy that would be truly appropriate for our Organization rather than grafted on from some other context.

We are sorry to report that document GB.291/PFA/17 provides some other examples of what one might call abdication of responsibility. Beginning in paragraph 5, the document shows a tendency to substitute a kind of market logic for the requirements of the international civil service, with the mention of “downgrading or suppression of some posts following the retirement of incumbents”, as if the grade depended not on the job description but on the particular incumbent. I will not dwell on this further, since I have already, at your last meeting, drawn your attention to a situation that we see as incongruous at best.

In paragraph 6, management seems to be hiding behind “experts from the ICSC” – there it is again! – when it is in fact, referring to a private firm, to “work towards implementing the New Master Standard for Professional and higher grades”, and mentions consultations said to be under way with the Staff Union, among others, to finalize the specific details relevant to the ILO. I have to tell you that those consultations have not taken place; they are only now in the planning stage.

With regard to training and development, paragraph 13 seems to set little store by the collective agreement concluded in August 2001 on personal development plans (PDPs), preferring instead the so-called “principles of the new United Nations Organizational Learning Framework”. The contents of the Framework fall, as we all know, far below the ambitions you expressed for the Office in this respect – even if the document does go on to do a little better in paragraphs 15 to 17, where it reports the Joint Training Council has finally been organized, three years after it was originally established.

In paragraph 17 of the document, concerning what are somewhat euphemistically called these days “domestic partnerships sanctioned by law”, you are told that the Office is currently in the process of analysing the implications of an internal bulletin from the United Nations – as if you had not already adopted a very clear position on this matter at the 285th Session of the Governing Body in November 2002.

We therefore feel that the management’s approach to human resources management is all too often subject to external influences, far beyond what could be justified by the situation – including the financial situation – of this Organization or the need for a rational harmonization of working conditions within the common system.

In this regard, we consider it important that this Committee, together with the Governing Body, show the will of the ILO to make its own decisions – within the prerogatives of the Director-General as regards staff management and the principles of collective bargaining. It is a matter of honour for the ILO that these principles be recognized under its own roof.

We are sitting today in the Organization that has carried out authoritative studies on working conditions and the effects of labour relations on the way enterprises work. It has been amply demonstrated that job insecurity and the flexibilization of labour contracts ultimately undermine efficiency. It therefore seems to me that we all have an objective interest in working together – staff, Director-General and Governing Body alike – to preserve a decent framework for an efficient and motivated international civil service, and it is my deepest hope that we will find ways to continue to work to that end.

It is with this hope that I thank you for your kind attention.