

SIXTH REGULAR SESSION FINANCE AND ADMINSTRATION COMMITTEE

Third Session

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CROP DECISIONS ON HARMONISED STAFF CONDITIONS

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Introduction

1. The Commission's terms and conditions of service for staff are based on the range of benefits extended to the staff of organisations that make up the Council of Regional Organisations in the Pacific (CROP)¹. The Commission itself is not a member of CROP. In 2009 the triennial review of CROP remuneration for professional staff fell due. The review was undertaken jointly by Strategic Pay, a New Zealand firm, and PricewaterhouseCoopers' Fiji Partnership. The review was cofunded by the CROP agencies and project managed by the Forum Secretariat in close consultation with the other CROP agencies. This paper provides advice on the report of the triennial review, the 2009 annual market survey of salary levels and the related recommendations by the Heads of CROP made in 2009, as advised to the Commission Secretariat.

Triennial Review and Heads of CROP decisions

Review and findings

2. CROP terms and conditions of service are subject to a comprehensive review every three years with emphasis on basic salaries and their alignment with a suitable comparator. The triennial review conducted in 2009 reaffirmed the current range and level of CROP remuneration factors as well as the continued use of the current comparator salary benchmark and the denomination of salaries in Special Drawing Rights. The review also found that the prescribed limits on the shipment of personal effects on recruitment and repatriation set out in the respective Staff Regulations² was impractical as inevitably the actual practice must default up to the use of a 20' container because the transfer of smaller lots is not viable in CROP agencies' (and the Commission's) locations. This change, if approved, will only formalise forced current practise and will not add any additional cost to agencies' budgets.

¹ Pacific Islands Forum Secretariat, Secretariat of the Pacific Community, Pacific Islands Forum Fisheries Agency (FFA), South Pacific Applied Geosciences Commission, South Pacific Board for Education Assessment, and the Secretariat of the Pacific Regional Environment Programme.

² WCPFC Staff Regulation 16 (c)

Annual salary review

3. The mechanism for pay adjustment for CROP agencies is based on a survey of three agreed comparator markets³ by a specialist remuneration consultancy firm. In 2009 the survey was conducted by Strategic Pay. The average of the three comparator markets is used for alignment purposes. The 2009 review showed that CROP agencies' professional staff salary levels lie above the comparator benchmark by between 8% and 22%, depending on the salary grade. However as WCPFC5 accepted the Secretariat's reservations about the 2008 salary survey and its implied increases, the Commission's professional salary levels remain close to the comparator level⁴ but are now generally well below those of the majority of CROP Agencies that adopted increases in 2009. Accordingly, and noting the level of the proposed 2010 budget, no salary increases for Commission professional staff is sought for 2010.

CROP Heads Decisions

- 4. In response to the 2009 salary survey findings the CROP Heads agreed that as ".....the CROP pay line sits...above the benchmark...... that an increase to the professional salary scale is not required for 2010." As a consequence the current imbalance caused by CROP agencies' salaries being higher than both the comparator salary levels and those of the Commission will remain for 2009 and 2010. It appears that harmonisation of base salaries, arguably the fundamental factor in regard to the CROP Harmonisation of Terms and Conditions principles, will take at least a further 12 months to be uniformly re-established.
- 5. The CROP Heads also endorsed the finding that freight expenses on recruitment and repatriation be changed to a maximum of a 20 foot container and undertook to recommend this to their governing bodies.

Recommendations

- 6. The Committee is invited to:
 - (i) Note the results of the CROP Triennial Remuneration Review and the 2009 annual salary survey; and
 - (ii) Recommend to the Commission that its Staff Regulations be changed to make the maximum freight expenses entitlement for professional staff on recruitment and repatriation a 20 foot container;

or

(iii) For the Committee provide alternative direction.

³ the Australian and New Zealand public sector markets and the Fiji All Organisations' market.

⁴ at the higher ranges the Commission salaries are below the comparator (1%) and at the lower ranges slightly above those of the comparator (3%).