



EIGHTH REGULAR SESSION
FINANCE AND ADMINISTRATION COMMITTEE
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Education Allowance

WCPFC8-2011-FAC5/13 (Rev 1)

26 March 2012

Introduction

1. Under the Staff Regulation 23 (i) the Education Allowance for the Secretariat staff is set at USD7,500 for tuition and USD7,300 for boarding fees. The amount for this allowance was established in WCPFC4 based on the following formula:

USD\$14,800 per annum per child (being 75% of the median tuition fees in Australia & New Zealand of USD\$7,500 plus the median for boarding fees as USD\$7,300).

2. A study on the cost of education was recently completed by Employment Conditions Abroad¹ (ECA) indicate the cost of education against the above formula has risen sharply. The Secretariat believes that this allowance has fallen behind the actual costs of providing education for dependents as it has not been adjusted on a regular basis.

Background

3. Unlike the CROP agencies' headquarters offices in Fiji, New Caledonia and Samoa, international schools are not available in Pohnpei Federated States of Micronesia (FSM).. Therefore, staff do not have the option of having their children stay on location for an internationally accepted level of education. An adequate Education Allowance is needed in order to recruit and retain professional staff in Pohnpei. In a study conducted by ECA, the company found that the Education Allowance for Australia averages USD32,380 and the allowance for New Zealand averages USD19,750. If the Commission were to pay 75% based on these amounts, the allowance covered by the Commission should be USD26,060. Before setting the allowance at this new mark, a 76% increase, further clarification of the study is needed in areas such as in-country rates versus international rates and schools used in the study.

Proposal

4. The Secretariat proposes to work with ECA to establish an index to update the education allowance and present the information at FAC6. Pending the establishment of a new education allowance index, it is recommended that the allowance be raised to USD9,400

¹ ECA provides the COLDA study for the Secretariat.

for tuition and USD11,100 for boarding. These amounts are based on actual costs of providing education to the Secretariat's dependent children outside of FSM.

5. The estimated costs for implementing this change are:

2012- USD\$51,300

2013- USD\$51,300

2014- USD\$51,300

Recommendations

6. The Committee is invited

(i) consider this proposal and make the necessary recommendation to the Commission.