

TARIFFS AND TRADE

ADMINISTRATIVE AND FINANCIAL QUESTIONS

Staffing Policy and Grading

Note by the Secretariat

1. In its report of 7 October 1988 to the Council (L/6408), the Committee on Budget, Finance and Administration indicated a number of issues which it would be taking up in 1989. Among these were:

- " - the staffing policy of the GATT for future years, including a strategic view, which would cover issues relating to regradings, consolidations, new posts, temporary assistance and other relevant matters;
- an alternative method of examining regrading proposals through exploring the possibility of the Director-General being given authority to establish the grading of posts within an overall salary structure."

Staffing policy

2. The Secretariat understands that, with respect to staffing policy, the Committee had in mind an examination of the manner in which an assessment could be made of the staffing needs of the organization over a period longer than one budget exercise. Some concern was expressed that each year the Committee was faced with proposals for the creation of new posts and the consolidation into the regular budget of temporary posts, without being able to evaluate the justification for these proposals in terms of the needs of the organization over a longer period.

3. The Secretariat understands and shares the desire to be able to forecast manpower needs. These are a function of the evolution of the programme of activities of the organization. Several references have been made, both in the Committee and elsewhere, to the fact that the GATT will emerge from the Uruguay Round reinforced, with a full follow-up programme of work. There is therefore an expectation that the regular staff of the GATT will have not only to be maintained but also to be increased in order to be able to fulfil the requirements of the work programme.

4. The difficulty for the Secretariat resides precisely in the fact that at this point in the Uruguay Round it is impossible to predict what the post-Uruguay Round GATT will look like with enough precision to make a meaningful forecast of manpower needs. Some things are clear, however. The first is that, following a successful Uruguay Round, the workload of the Secretariat will be greater even if it is distributed differently; it is inconceivable that "the most ambitious trade negotiations round ever" will be generating a level of activity identical to that prevailing before 1987.

5. Second, there will be a need to retain in service the staff recruited specifically for the Uruguay Round (to date, 15 Professional and 21 General Service staff), not only because there will be a heavier workload but also because these staff have precisely the expertise needed for some of the new domains in which GATT will be functioning.

6. Third, irrespective of the longer-term need to retain in service those staff, their contracts will have to be extended beyond their present expiry dates, which fall for the most part in the middle of 1990. These staff members, who will certainly be needed through the end of the Round, should be retained until the immediate follow-up to the Round is concluded and the need for their further employment beyond that has been determined. Unless the Committee objects, the Secretariat will extend the contracts of all personnel recruited for the Uruguay Round through 31 July 1991. The budgetary impact of this measure, and of any further extensions in 1991, will be shown in the 1991 budget proposals. At present the cost of the extension for seven months to 31 July 1991 is estimated at Sw F 3,000,000.

7. Fourth, an exact estimate of manpower needs will only be possible toward the end of the round in 1990, and even then it will be only that, an estimate; a clearer picture will emerge only once the post-Uruguay Round period is properly underway, i.e. well into 1991.

8. For all these reasons, the Secretariat believes that this is not the appropriate time to be taking the kind of strategic overview that the Committee had in mind when it formulated its request last year. Any projections of manpower needs have to be related very carefully to programme considerations, and these will not become clear until after the Round. The Secretariat therefore suggests that the Committee put off its overview examination until such a time as it can be carried out effectively.

Grading

9. The Committee expressed interest in the idea that the Director-General be given the authority to grade posts, within certain limits and subject to monitoring by the Committee. This is what happens in most organizations that apply job classification, in

recognition of the fact that the details of grading are a management responsibility. But the present arrangement precisely requires that the Committee enter into such details each year when it examines regrading proposals in the budget exercise.

10. The basic requirements of such an approach are clear: a grading review of all affected posts; the establishment of an overall budget allocation sufficient to cover the cost of the total posts and work-years needed irrespective of the grades that are attributed thereto; an organizational structure that remains stable over a certain period.

11. It is principally this last requirement that has given the Secretariat pause at this time. Many of the considerations referred to in the first part of this paper are relevant with regard to the grading issue. A grading survey now would establish the grading pattern of the Secretariat as it is now, and in relation to the present structure of the organization. The Uruguay Round may, however, require such changes in that structure that it would then be necessary to redo the whole exercise. This is clearly undesirable.

12. The Secretariat therefore believes that the wiser course of action is to leave matters as they stand for the moment. This means that the Committee will have to continue to consider regrading proposals individually in the budget exercise based on justifications provided by the Secretariat, in relation to present functions. Although the Secretariat considers that this is not the best way of dealing with this question, it does seem to be preferable to engaging in a costly and time-consuming undertaking that may have to be redone one or two years later.

13. There are two other practical reasons for not going ahead now. The first relates to the grading standards used. As the Committee knows, the standard used with respect to General Service posts is the standard developed and applied by the International Labour Office (ILO). It is a sophisticated standard, and its proper use depends on devoting considerable time to the grading of each post. Any grading survey carried out now would use this standard. However, the organizations based in Geneva (UN, ILO, WHO, WMO, ITU, WIPO, GATT), that at present apply six different standards, are engaged on the development of a common grading standard for General Service posts to be used by all of them. (The standard used in respect of Professional and higher category posts is not affected.) This project is being undertaken at the behest of the International Civil Service Commission (ICSC) as part of its programme of work in the job classification field, and preparatory to the conduct of a General Service salary survey in Geneva. The project is to be completed by May 1990, but it is possible that that deadline will have to be pushed back. The standard that emerges from this project may or may not be the present ILO standard. If it is not, the grading survey will have to be redone, with respect to General Service posts, using the new standard.

14. The second reason has to do with the costs of a large-scale grading survey of the kind that would be necessary. Some 300 posts would have to be reviewed. At present, the Secretariat devotes only a small part of the time of one Professional staff member to this work; that is adequate to review the 30-35 regrading requests put forward each year. It would not be adequate for a large-scale survey if it is to be carried out in a reasonable period, say six months. It would therefore be necessary to attribute additional resources temporarily, for example by engaging consultants. But perhaps more important as a cost consideration is the time factor. A properly conducted grading survey requires the full participation of the staff members occupying the posts to be graded. The period between now and the end of the Uruguay Round is neither the best time to be distracting the staff from their primary functions, nor is it an appropriate time to be creating the inevitable contentious situations which will arise in respect of any posts found to be overgraded. Quite apart from the effect on morale that this will have, the machinery needed to deal with them (e.g. appeals board) will also take staff away from their primary functions.

15. For all these reasons the Secretariat has concluded that now is not the right time to pursue the revised approach to grading, desirable as that may be in principle. It is preferable to wait until the post-Uruguay Round structure is in place.