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STATEMENT BY THE REPRESENTATIVE OF THE PAHO/WHO STAFF ASSOCIATION

This document, the presentation of the Staff Association to the 103rd Meeting of the Executive Committee, is submitted in accordance with the established procedures for staff participation in the Executive Committee in connection with personnel matters.

This document presents the following issues: 1) Staff Remuneration; 2) National Contracts; 3) Health Insurance; 4) Women's Rights; 5) Amendments to the Staff Rules; 6) A New Building for PAHO; 7) Relations with WHO; and 8) Ombud. man, for consideration and discussion by the Executive Committee.

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STATEMENT BY THE REPRESENTATIVE OF THE  
PAHO/WHO STAFF ASSOCIATION

I. Introduction

The Association would like to thank the Executive Committee of the Pan American Health Organization again for the opportunity to present staff concerns.

This past year has been characterized by the ability of the Organization to face the financial crisis and to continue to expand its capability to develop programs and attract external financing additional to the quotas and assessments paid by Member Countries. Such activities have permitted the Organization to maintain an enviable position within the United Nations system and the Inter-American system with relatively little effect on the stability of the general staff and workforce in PAHO. Major staff reductions have been avoided or averted and a level of program delivery has been maintained. Nevertheless, the existing economic conditions in certain of the Member Countries have placed new types of financial crises and burdens upon members of staff in PAHO and, particularly, certain locally recruited staff.

The problems related to the actions of the International Civil Service Commission reached a crisis in the view of staff representatives, thereby causing the withdrawal of participation of the Federation of International Civil Service Associations (FICSA) from the activities of that Commission. This action was provoked to a large extent by the unrealistic methodology utilized to maintain the post adjustment freeze and to make discriminatory concessions for staff in a major duty station at the expense of staff in Washington and other world duty stations. Furthermore, the failure of the ICSC to seriously address the matter of staff compensation was an additional factor in this decision. In spite of FICSA's official withdrawal from participation with ICSC, it has participated indirectly in the discussions of the United Nations Fifth Committee.

II. Staff Remuneration

A major item of concern has been the remuneration provided to staff and, in particular, declining purchasing power due to inflation in certain countries. Specific concern also exists in the case of professional base salaries and post adjustment where the former has not increased in over 12 years, and the latter has been artificially frozen for several years. This is particularly important in 1989 as the International Civil Service Commission is scheduled to provide information to the United Nations General Assembly on the whole matter of professional remuneration.

Staff concern is matched by concern among the agencies and, especially, the technical assistance agencies, regarding the ability to

recruit and retain high level and competent staff. Unless some major efforts are undertaken to ensure that an improved professional remuneration package can be developed, it is apparent that the capability to deliver the same level of technical cooperation will be diminished. The Association believes that this study of the professional remuneration package provides an excellent opportunity to clarify the basis for remuneration of professional staff, taking into consideration specific needs of specialized agencies.

The whole development of modern technology and its appropriate utilization in programs will require specific types of personnel in the future who may become increasingly difficult to hire. It is also considered that an adequate remuneration system that can be progressively adjusted in accordance with the changes in the market place and living conditions would seem essential for the bulk of UN agency staff in the future. Such a package should consider factors and approaches which are common practice in the private sector, such as the provision for day care centers, extensive ability for retraining or continuing education, greater flexibility in the ability to switch work areas, and a more defined career ladder which can provide staff with a greater degree of sense of promotion to satisfy aspirations.

It is within this context that the Association hopes that the input from the Administration of the World Health Organization system will address these issues, and provide constructive proposals to resolve problems and better meet specific needs of this Organization.

It is hoped that these proposals and suggestions can be presented to the UN General Assembly in a coordinated fashion with the International Civil Service Commission. However, if the current situation relative to the methodology of operation of the International Civil Service Commission is not remedied, it will be necessary for the staff associations, acting through the Federation of International Civil Servants Associations (FICSA) to present their own proposal in this regard. It is the hope of the Association that the Member Governments of PAHO will understand the proposals that will be put forward by the Association for consideration as a true and honest effort to address the major issues associated with the remuneration package for professional personnel.

In the case of local staff, one of the major concerns in this Region has been the problems associated with the areas of devaluation and high inflation. During the course of the year the Association has had considerable discussion with the Director and the PAHO Administration on this topic, and in particular, on the situation in certain countries where major inflation has been evident over the past few months. In this situation, the Association has collaborated with the Administration and interim measures have been initiated which for the time being would appear to be ameliorating the situation. However, it is necessary to recognize that "advances" and "bonuses" need to be incorporated as soon as possible into the overall remuneration of staff for pension purposes.

Once again, the attention of the representatives of Member Countries is drawn to the fact that their collaboration is requested in insuring that staff representatives have access to appropriate information relative to economic data, such that the adjustments can be made in a timely manner, and that the countries participate and assist PAHO to adjust staff conditions of employment to the local economic situation. Reluctance to take such actions regrettably results in low staff morale.

Another issue relates to the matter of the pension program for general service staff and the need to maintain the purchasing power of such pensions despite inflation and currency devaluation. A proposed review of the pension program will take place in 1989, and the Association must obtain information to facilitate the work of representatives of PAHO in the WHO Pension Committee. Without economic information, the Pension Committee cannot develop adequate solutions for those living in countries facing economic crisis.

### III. National Contracts

The introduction of the program of national contracts in accordance with Resolution XIX of the XXII Pan American Sanitary Conference gave rise to a new class of personnel within the PAHO structure. It was stated that the introduction of this class of personnel would help those who could not correctly be defined as PAHO staff. In addition, the arguments for the introduction of this category of personnel gave the perspective of the ability of the Organization to expand its capability to attract staff and provide services at the local level, while not involving long-term responsibilities and additional costs. It was agreed by the Executive Committee and the Pan American Sanitary Conference that this program would be evaluated at the end of a three-year period, namely in 1989.

The Association has had several discussions with the Administration on the development and implementation of this program and has included this subject in presentations to the Executive Committee of the Pan American Health Organization. It might be recalled that the Staff Association has expressed, on several occasions, severe reservations about the National Contract program in view of its potential impact on existing PAHO staff, the implementation of normal rules and regulations, the ability of personnel to receive equal remuneration for equal work and, very specifically, in relation to the potential cost and involvement of the Organization in activities and litigations which in the view of the Association would not prove beneficial for the Organization. These views have been expressed over the course of the last three Executive Committee meetings and, in addition, were presented to the International Federation of Civil Servants' Associations at the meeting in Paris in January 1989.

Whereas the discussions with the Administration have included the question of participation in the evaluation of the program, in actual fact, there has been little joint activity in this area. At the time of preparation of this document, the Administration has provided the Association with figures as to the number of locally contracted staff, by office area, and has informed staff of the current policies which relate to the fact that this program, at the present time, is being emphasized solely for the recruitment of general service staff in the field and, in particular, in the centers. It should be clear that no joint questionnaire or evaluation instrument has been developed between the Staff and the Administration on this matter. The Association, therefore, has relied on information from staff representatives, as well as information provided by the Administration in response to requests, in making the observations with regard to the current status of these national contracts. In this context, it is understood that the use of national contracts has been restricted to less than one third of the total staff locally hired.

A review of the implementation of the national contract mechanism has borne out many of the points illustrated by the Association in previous interventions. The national contract cannot be truly a standard contract since the legal requirements differ by each country. Furthermore, it is apparent that, owing to local labor laws and practices, there are certain countries in which this mechanism cannot be effectively applied and, in fact, if applied, would put the Organization in a situation of increased and extensive obligations. The Association is not opposed to PAHO expanding its capability to involve persons in assisting the Organization, but has felt that standardized practices are recommendable, and that such standardized practices already exist within the UN system.

The issue of recruitment, selection, and promotion are matters which appear in the national contract system to fall outside the normal procedures of PAHO. Whereas in one or two instances it has been noted that some attempt at selection procedures has been made, it would appear from the reports of staff representatives that, in the majority of the cases, selection procedures are not in accordance with the normal procedures of the Organization. Furthermore, there is evidence that salary increases have been provided to national contract staff using approaches that are not applied to locally recruited PAHO staff. National contract staff have also been placed in supervisory relationships with PAHO general service staff. All these aspects tend to promote disharmony at the local office level.

With respect to the aspect of remuneration, whereas it was indicated that such personnel could be hired at wages which would provide savings to the Organization, it is apparent that the ability of the Organization to hire qualified personnel under these terms is limited.

The existence of staff members working on similar functions, yet with different rates of pay and criteria for remuneration, has created and will continue to create morale problems within the Organization. There appears to be disenchantment with remuneration provided under these local contracts, which may not be as high as those recognized for other local workers, and that national contract personnel may not be provided with similar or adequate health insurance. There is also an apparent inability in certain countries to form a staff association or belong to a local union.

It is evident that national contract staff apparently in certain instances have aspirations to become members of PAHO and to be identified with the Organization. In this regard, it has become evident that under the current conditions of employment, there is little opportunity for such staff to achieve promotions on a regular basis over a period of time, nor is there opportunity to become regular staff members.

A matter of particular concern under this arrangement, which has repeatedly being brought to the attention of the Executive Committee of the Association, involves the determination of disputes in national courts and the decision of PAHO to waive immunity for national courts in such circumstances. The Association is extremely concerned at this provision and its potential impact on staff and the Organization in the future. There is a concern that once immunity is waived in one instance that it might be waived in other instances or requested by national authorities in certain cases, and that dangerous precedents affecting security of staff may be established. With the increasing evidence that national contract personnel may, in certain instances, be dissatisfied with their contracts, the possibility of actions which would involve national courts also becomes a possibility.

In conclusion, the Association understands the need of PAHO for additional assistance, but considers that the mechanism that has been under trial for the last three years needs further review, definition, and supervision. It would seem appropriate at this time to pay particular attention to equality of staff in the working relationship; to the matter of supervision of regular staff by contract staff; to the provision of regular and systematic adjustments of salary to meet local conditions which are consonant with those pertaining to PAHO locally recruited staff; to institute procedures for the selection and recruitment of personnel which can be in consonance with the spirit and the actions normally taken in the selection of regular contract staff; to ensure that in the event of any reduction in force that the national contract personnel are terminated prior to terminations of PAHO regular contract staff; and, finally, to take measures to ensure that staff and the Organization are protected in the future, preferably by developing a mechanism in which the immunity of the Organization would not be waived in the case of such national contract.

Regrettably, during the course of this year we have had one instance of the failure to carry out the spirit of the resolution passed

in 1986 with respect to the substitution of a PAHO regular staff position by contract personnel.

#### IV. Health Insurance

The matter of health insurance has continued to be a major concern for staff during the past year. A meeting was held of all WHO Regions in November 1988 with active participation on the part of the Administration and Association of PAHO. During the course of the year, considerable emphasis was placed on more in-depth studies of the situation pertaining to the health insurance program as it is operating in the area of the Americas, and in the particular situation relevant to the provision of health insurance coverage for staff in the Washington area and for the retirees.

The continuing high cost for medical care services in the United States, and in the Washington headquarters area, has been the subject of considerable concern and continued study. Nevertheless, the meeting in November 1988 resulted in a significant reduction of debt attributed to the Region of the Americas within the World Health Organization insurance fund program, thereby alleviating the cost to the Organization and in terms of health insurance contributions.

The staff is concerned about the need for a good health insurance, with reasonable premiums. There is no doubt that part of the problem associated with the health insurance fund income has been related to the reduction in the number of permanent staff contributors and the increase in the number of consultant and retired personnel who do not contribute to the health insurance fund, or contribute to a lesser degree than regular contract staff. Another factor relates to the composition of the program of PAHO within the WHO system in comparison with other offices, such as WHO Headquarters/Geneva, where the staff profile permits a greater contribution to the health insurance fund income. In this regard, the Association considers that staff stationed in Washington should not be prejudiced against with respect to access to health insurance or the premiums which need to be paid. Once again, the Association would like to draw the attention of the Executive Committee to the situation that exists, and to encourage it to authorize the Director to set aside monies to make up any reasonable deficits that might be occasioned between the income generated and expenditures. For its part the Association, acting in conjunction with the Health Surveillance Committee for this Region, would promote responsibility on the part of staff members to contain costs. At the same time, efforts will continue to seek appropriate alternative approaches to improve the ability of the program to provide and maintain health, and prevent disease, for staff and their dependents.

#### V. Women's Rights

During the course of the year active discussions have been held with the respect to the situation of women within the Organization. The



particular Subcommittee of the Association has held various meetings with the Director and, specifically, concentrated on the appointment of women to decision-making positions and the education of staff in relation to the needs of women. In this regard, it would appear that major progress has been made with the decision of the Director to require candidates for posts under selection to include qualified women, and to withhold the selection of personnel for posts if a suitable number of women candidates were not included with the applicants.

The Association, meanwhile, has explored the possibility of creating representatives of the Women's Subcommittee of the Association in the local organizations of the Association, and has continued to discuss the needs for improved involvement of women with the other member associations of the United Nations system.

#### VI. Amendments to the Staff Rules

The Association has reviewed the proposed amendments to the Staff Rules, concurs with the presentation to the Executive Committee as illustrated, and is in agreement with the content. At this time also, it should be noted that, whereas there is agreement with these amendments to the Staff Rules which basically provide additional compensation for staff members, the Association is extremely concerned that these measures only partially address the financial issue. It is necessary to review the total compensation package in a manner which, in the future, will permit greater flexibility and ability to improve the overall remuneration package for staff as an ongoing procedure, rather than a fragmented approach.

#### VII. A New Building for PAHO

Recently, it was announced by the Director that studies and discussions were taking place relative to the acquisition of new or additional space by the Organization in view of current needs. Reference has been made to the current status of the existing PAHO Headquarters building in Washington, D.C., and various alternatives have been discussed as to the future of the building, the possibility of alternative sites for the location of the PAHO Headquarters building, or the provision of additional space.

There is little doubt that the current physical facilities of the PAHO Headquarters are extremely limited and becoming even more limited with the increase in programs and the budget. Nevertheless, it would seem worthwhile to recall the extensive discussion which took place prior to the establishment of the PAHO Headquarters building in its present site, and the factors related to the acquisition of the land and the construction of the building. The Association considers that future considerations for a PAHO building in its present, or other site, should be subjected to an extensive discussion and review by the member countries of PAHO, together with a clear definition of the role of such a building. Any future construction, with its cost implications, should

consider the future use of technology and the degree and extent to which staff members need to be located in the PAHO Headquarters building in Washington, D.C. Likewise, the role of the building in relation to other international agencies, institutions and diplomatic representation should be predominant in considering the site and the role of the PAHO Headquarters.

The PAHO building has become a landmark established in its current site for over 20 years. Similarly, the Organization acquired the Governor Shepherd building, an excellent acquisition which consolidated its position in this particular area of Washington. The Association considers that special consideration needs to be given to the maintainance of PAHO in this site, for which such extensive discussion took place prior to the construction to this special PAHO building.

The Association is concerned in connection with two major aspects related to the need for additional space. The first relates to the fact that the Organization acquired the Governor Shepherd building and held this building in its entirety until this past year. Under the terms for the construction of the new building, the Organization ended up by leasing a major portion of the space to other entities, and now a space, which was previously entirely PAHO's, has been reduced to the extent that PAHO is now a minor occupant. There is considerable space in this building which, regrettably, is not made available to PAHO staff at this time. Likewise, prior to the construction of that building the staff were led to believe that their requests for facilities such as a day care center or exercise area might be possible. These facilities never materialized. The new facilities in the building have been a constant source of concern to some staff who consider that they do not provide good working conditions. The Association does not wish to see any future construction of PAHO facilities that does not take these items into consideration and, likewise, does not believe that it is in the interest of the Member Governments to see a repetition of what has occurred at the Governor Shepherd site.

The second concern relates to the real need for extensive numbers of PAHO staff in Washington, in view of the extensive travel that is occasioned by many professionals and a future which will include technology which will permit a communication of information, including visual contact without the necessity for staff to be located in an expensive and high-rent area in which certain families have found difficulty to adjust. It is considered that if additional space is to be acquired, that a review be made of other alternative sites, in addition to Washington, within the United States in which additional PAHO facilities might be established in an environment that would permit reduced cost of living for staff and greater facility to travel to the countries, as well as reduced land and building costs.

#### VIII. Relations with WHO

Further to the matters raised during the presentation of the Staff Association in 1988, additional discussions were held with the new

Director General/WHO during the meeting of WHO Staff Associations in January 1989, in connection with the need for the harmonization of posts. There is need to maintain an integrated relationship for the establishment of posts between the World Health Organization and the Pan American Health Organization, and to facilitate administrative consistency with regard to similar remuneration for persons performing similar tasks. It would appear that PAHO staff do not have equivalent grades in respect to equivalent functions performed in some other offices of the World Health Organization, a factor that has recently been highlighted in connection with the contributions to the health insurance fund. There also appears to be a tendency in PAHO to downgrade posts or to downgrade entry level of persons in certain posts. Whereas this may have been an attempt to effect savings in view of the economic situation, it would seem appropriate, at this time, to undertake a review of the comparability of posts between PAHO and WHO and to restore the comparability where it is evident that discrepancies exist.

IX. Ombudsman

It is recalled that the Region of the Americas still does not have access to an Ombudsman, although this matter has been brought to the attention of the Administration of PAHO for over 10 years, and in spite of the fact that the Ombudsman concept is operating in other Regions of WHO.

It is evident that internal personnel problems continue and that, in reviews conducted with other international organizations in the Washington area, the types of problems being addressed by the Ombudsman in these institutions are similar to the problems which exist in PAHO. These issues mainly relate to conditions of employment, and it would appear that access to an Ombudsman has reduced the number of cases being appealed. The Association suggests that there is a need to harmonize the procedures related to use of an Ombudsman with those of other offices of the World Health Organization and that implementation of the Ombudsman concept in the Region of the Americas would be beneficial to both staff and Administration.