Ask the FICSA Expert Professional Salaries

Andrea Palazzi

Chair, FICSA PSA Standing Committee

Tanya Quinn-Maguire

FICSA President

Professional Salaries



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Professional Salary Structure: Noblemaire Principle



and higher categories, remuneration is set in accordance with the **Noblemaire Principle**, which states that the international civil service should be able to recruit staff from the national civil services of all its Member States, including the highest paid.

For the UN common system staff in the professional

Noblemaire Principle

The basis used for the determination of conditions of service of staff in the Professional and higher categories. Under the application of the principle, salaries of the Professional category are determined by reference to those applicable in the civil service of the country with the highest pay levels (comparator).

Professional Salary Structure: Base (floor) Salary



The concept of the base/floor salary scale was introduced, with effect from 1 July 1990, by the General Assembly in its resolution 44/198.

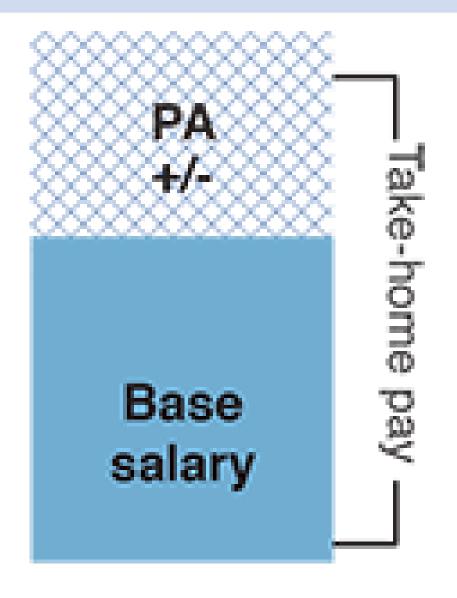
Base/floor salary scale

The Commission conducts a study every 5 years (2021) to identify the Member State which has the highest pay levels for their national civil service, and also lends itself to comparison with the United Nations given its size and structure. The federal civil service of the United States of America has to date served as the comparator, i.e. Member State with the highest paid national civil service.

This process ensures that minimum United Nations salaries are updated to take account of changes in the pay level of the **comparator civil service**, i.e., in accordance with **the Noblemaire Principle**.

Professional Salary Structure: Take home pay





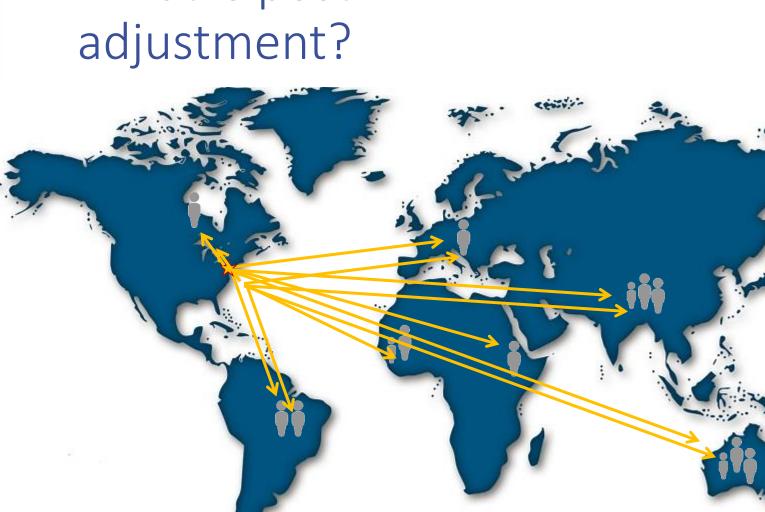
The salary of staff in the Professional and higher categories is made up of two main elements: a base or floor (minimum) salary and a post adjustment, both expressed in United States dollars.

<u>UN Common System of Salaries,</u> <u>Allowances and Benefits</u> (ICSC, 1 Feb 2022)

Base salary – applied to all PA – duty-station specific







First established in 1957, the post adjustment system helps to ensure that that no matter where United Nations common system staff work (at "P" level and above), their take-home pay has a purchasing power equivalent to that at the base of the system, New York (Cost of living)



 Differences in living costs are measured through periodic place-to-place surveys conducted at all duty stations.

What is post adjustment?

Duty stations with higher costs of living than New York have higher post adjustment indices, and consequently, higher net remuneration levels, while those which are less expensive than New York have lower post adjustment indices and lower net remuneration levels than New York.



PAI & PAM

Post adjustment indices (PAI) for duty stations, are determined by periodic place-to-place surveys conducted once every four or five years. The PAI takes into consideration the costs of rental/housing, medical insurance, pension contribution, out-of-area expenditure, and other in-area costs incurred at the duty station.

Updated PAI provide the basis for establishing the **post** adjustment multipliers (PAM) which directly determine net remuneration levels (base/floor salary plus post adjustment).



Updating the PAI over time

- Between surveys, Purchasing Power is approximated by a mechanism for updating, on a monthly basis, the PAI components with indicators reflecting the macro-economic circumstances of the respective duty stations.
- Inflation, as measured by the local CPIs published by the respective national or international statistical offices, and to account for changes in exchange rates and other indices related to the evolution of housing costs, medical insurance premiums, pension contributions, and out-of-area expenditures.



Types of duty stations

For purposes of post adjustment, the Commission has classified duty stations into two groups, for which the methodology varies slighty: group I and group II, taking into consideration criteria, related to the general stability of local economic conditions.

Geographical Region*	Group I	Group II	Total
Europe/North America	43	24	67
Latin America/Caribbean	1	40	41
Africa	0	55	55
Asia and Pacific	4	36	40
West Asia	0	12	12
Total number of duty stations	48	167	215

^{*} Geographical breakdown reflects the five UN regional Commissions



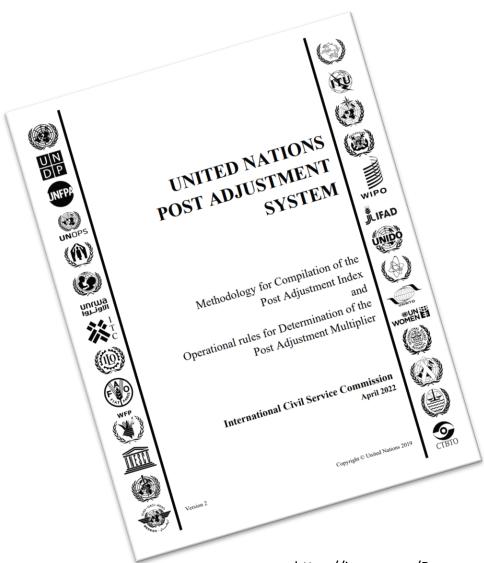
Key
differences
between
group I
and group II
duty stations

	Group I	Group II
Frequency of surveys	Once every 4 to 5 years	Once every 2 to 3 years
Source of price data	ICSC price surveys*	ICSC price surveys
Source of rent data	External data: ISRP market rent surveys	Staff reported data from COL surveys
Housing index structure	Seven sub-components: each having a separate weight and index	A more simplified structure based on one component calculated as the sum of all housing related costs
Treatment of expenditures on durable goods	Expenditures on durable goods (furniture, household appliances, video and audio equipment, etc.) are treated as In-area expenditures	Expenditures on durable goods are de facto considered as Out-of-area expenditures
Currency of salary	Salary is paid in local currency	Salary is paid in US dollars
Operational objective of salary setting	Operational objective: stabilize take-home pay in local currency	Operational objective: stabilize take- home pay in US dollars

^{*} For the 2016 round of surveys, the Commission approved the use of ECP price data for covered Headquarters duty stations (London, Madrid, Paris, Rome, and Vienna) in lieu of ICSC price surveys.



Reference



https://icsc.un.org/Resources/COLD/Booklets/PABooklet.pdf?r=0585164







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