SECTION 2.1.30

GRADE EQUIVALENCIES

1975 2nd session (August): Having selected the national civil service to be used as the comparator in establishing the level of UN remuneration, it became necessary to define the grades in the two services which would be taken as equivalent, i.e., the points at which the ladders of remuneration of the two services would be juxtaposed [A/31/30, para. 132]. ICSC approved a methodology for such a study. Occupational groups typical of the international civil service on the basis of which comparison should be made were selected (agricultural management specialists, economists, engineers (agricultural, aviation, telecommunications, sanitary), medical specialists, accountants, nuclear scientists, statisticians and translators). The organizations in the common system were asked to provide data on descriptions of typical jobs found at each grade level and samples of specific job descriptions; statements of the educational and experience requirements for each grade; frequency distributions by age and by length of service; details of age, technical qualifications and grade of all staff appointed to the occupational group in 1974. Those data were to be compared, under the supervision of ICSC, with similar data to be obtained from the US Civil Service Commission, with a view to identifying a series of matching points, different for the several occupational groups but in aggregate permitting the drawing of a general profile of relationship between the two services [A/31/30, para. 135].

ICSC recognized that the study submitted to it was a first step in the direction of the "proper job evaluation" called for by the 1971-1972 Special Committee, taking into account also career characteristics. The study had limitations owing to the way in which it had been carried out, the time available and, the difficulties of making precise comparisons between two systems differing markedly in the nature of their functions, their structures and their grading patterns. The task was further complicated by the inadequacy of job evaluation systems in some of the organizations and the lack of uniformity between them. Nevertheless, ICSC agreed to use for the review of the UN salary system the equivalencies found as a result of the study, i.e.: UN grade P-3 = US grade GS-12/GS-13; UN grade P-4 = US grade GS-14; UN grade P-5 = US grade GS-15, it being understood: (a) that a comprehensive job evaluation would be carried out, as soon as possible, between the UN common system and the US federal civil service, with the participation of external experts, in order to obtain as complete as possible a comparison between the two systems; (b) that the matching points established could not be considered permanent or immutable and would have to be verified periodically [A/31/30, para. 146].
1976  In resolution 31/141 B the GA noted the intention of ICSC to pursue studies with a view to arriving at a methodology permitting comparison of "total compensation" between the comparator civil service and the UN salary system and requested ICSC to carry out this comparison at all levels and to report its findings to the GA no later than its 33rd session.

1977  6th session (August/September):  ICSC took a number of decisions about the way in which the comprehensive job evaluation to be made for the comparison should be carried out. In particular, it decided:  (a) that a point-factor system of job classification should be used; (b) that the widest possible range of occupational groups should be covered by the study; (c) that every attempt would be made to compare jobs at all levels from P-1 to D-2, ICSC reserving until it had seen the results the decision as to the grades at which valid equivalents could be established; (d) that while the representatives of the organizations and of the staff would be consulted on the design of the study, the collection and comparison of data would be carried out by a group of two or three independent consultants working under the supervision of the Chairman and with the assistance of ICSC's secretariat [A/33/30, paras. 60 and 61].

1978  8th session (July):  ICSC considered the report of the consultants.  ICSC concluded that the study had been carried out in an objective and thorough manner. It had been based on a job evaluation approach supported by a sound and acceptable methodology. The methodology used in the study represented great progress over previous efforts.  ICSC, therefore, gave approval to the consultants' recommendations as regards the equivalents for grades P-1 to D-1.  With respect to the appropriate equivalent for the D-2 grade, ICSC expressed reservations.  In its opinion, the technical reasons leading the consultants to doubt the raw results and recommend a modified equivalent for the D-2 grade were sufficient grounds for concluding that no equivalent for this level could be established with certainty at this time.  With some refinements, the same methodology could be used to establish an appropriate equivalency for the D-2 grade.  ICSC concluded, therefore, that a further study aimed at establishing the equivalency for grade D-2 should be undertaken in the future [A/33/30, paras. 88 and 89].

ICSC accordingly recommended that the GA approve the use of the following grade equivalencies for the purpose of salary comparison between the common system and the US federal civil service:  P-1 = GS-9 with a weight of 100; P-2 = (GS-11 with a weight of 62) and (GS-12 with a weight of 38); P-3 = (GS-12 with a weight of 45) and (GS-12 with a weight of 55); P-4 = (GS-13 with a weight of 33) and (GS-14 with a weight of 67); P-5 = GS-15 with a weight of 100; and D-1 = GS-16 with a weight of 100 [A/33/30, para. 92].
1978 The GA in resolution 33/119: (a) approved the use, for the purpose of making salary comparisons, of the table of grading equivalencies recommended by ICSC to continue its study of grade equivalencies between the common system and the comparator national civil service, in order to determine the proper equivalent grades in the comparator system for the UN grades of Director (D-2) and Assistant Secretary-General (ASG) and to report its findings to the GA; (b) requested ICSC to study the feasibility of identifying posts of equivalent functions and responsibilities for the post of Under-Secretary-General (USG) and to report to the GA at its 34th session.

1979 9th session (February/March): As regards ASG, USG and equivalent levels, ICSC reported to the GA the reasons which had led it to decide that these levels not be included in the study [A/34/30, paras. 106 and 107]. It noted that recent changes in the remuneration system of the comparator civil service would further complicate the task and that other practical difficulties could be expected to arise. ICSC then noted with satisfaction a statement to the effect that maximum assistance would be given by the US authorities in carrying out the survey. Since the GA had requested ICSC to make a study of the D-2 and ASG grades and considering that the difficulties involved in a study of the USG grade were not markedly different from those of the ASG, it was decided that the study should be attempted at all three levels [A/34/30, para. 111].

ICSC recognized that although the grading of jobs at the higher levels within both services was based less upon job content than at the lower levels, job content nevertheless remained the most measurable of the elements affecting grading. Given the difference in the nature of jobs between the US federal civil service and the common system, the point-factor evaluation method remained the most effective approach. ICSC decided therefore that this evaluation method would be applied to all three grades: it would be adjusted, however, to take into account the effects of the establishment of the Senior Executive Service (SES) on the remuneration of some of the US federal civil service jobs to be compared [A/34/30, para. 113].

ICSC noted that the consultants' report (A/34/30, annex VI) on the three highest levels had been prepared according to the methodology which it had previously approved. It also recalled the difficulties involved in carrying out grade equivalency studies at these higher levels which it had pointed out in its previous annual report [A/33/30, paras. 60-92]. ICSC concurred with the consultants' views that the equivalencies for the ASG and USG grades could be taken only as approximations. As to whether the results of the study should be included in the periodic margin calculation, ICSC observed that because of the small number of staff members in these grades they would carry only a smaller weighting in the overall comparison, so that the effect of their inclusion or exclusion would in any event be negligible. Noting, however, that the D-2 grade had been included in the previous equivalency study but had not been recommended for use in calculating
1979 the margin because of doubts about the precision of the equivalency and that a more precise equivalency had resulted from the present study, ICSC considered that the equivalency at the D-2 grade should be included together with those at grades P-1 to D-1 in future calculations of the margin. ICSC accordingly recommended that the GA: (a) approve the grading equivalency D-2 = (GS-17 with a weight of 67) and (GS-18/E-V with a weight of 33) to be used together with the previously established equivalencies at grades P-1 to D-1 in comparing US and UN remuneration; (b) note, subject to the reservations stated above, the approximate equivalencies obtained for the ASG and USG levels [A/34/30, paras. 118 and 119].

In resolution 34/165, the GA approved the grading equivalencies recommended by ICSC to be used in comparing US federal civil service and UN remuneration.

1983 18th session (July/August): ICSC received a progress report on the study of the equivalency between the higher grade levels in the UN system and those in the SES of the US federal civil service. It considered that the sample of SES positions identified in consultations between the US Government officials and the ICSC secretariat would represent the total SES population with a statistical degree of confidence of 85 per cent and that the methods used to identify that sample were objective and systematic. It therefore endorsed the sample [A/38/30, para. 22].

ICSC concluded that, in as much as the establishment of grade equivalencies with jobs in the US federal civil service for UN jobs at the ASG and USG levels was not possible, salaries for those levels should be determined by extrapolation of salaries at grades P-1 to D-2 [A/39/30, para. 106].

1986 24th session (July): With a view to establishing grade equivalencies between UN officials and US federal civil service employees in New York, ICSC considered a report submitted by the secretariat, noting that as at 31 March 1985 there were some 32,330 US federal civil service employees in New York. That figure, however, included positions that were not relevant for the purpose of establishing UN/US grade equivalencies. With the exclusion of irrelevant US federal civil service jobs, it was noted that the jobs relevant for comparison purposes would total 5,695, excluding SES positions. SES positions, currently compared with P-5, D-1 and D-2 levels in the common system were filled by 3,673 incumbents in Washington, D.C. and 63 in New York [A/41/30, para. 58].

As regards US federal civil service jobs in New York and Washington, D.C. by relevant grades, ICSC noted that, proportionately, the US employed more staff at the lower grade levels in New York and more staff at the higher grade levels in Washington, D.C., the only exception being level GS-15, which had proportionately more staff in New York.
It concluded that establishing grade equivalencies between the common system and US federal civil service employees in New York would create technical and administrative difficulties. It, therefore decided that grade equivalencies should be established between common system and US federal civil service jobs in Washington, D.C. \[A/41/30, \text{para. 60}\].

ICSC agreed, for the time being: (a) to use 436 positions for analysis purposes and exclude positions outside Washington, D.C. and positions that were not specifically sampled; (b) to exclude anomalous gradings by eliminating positions in US grades representing less than 5 per cent of the positions and single gradings equivalent to a particular common system grade; (c) to exclude the jobs of representation, coordination and liaison specialists and interpreters and translators, but to request its secretariat to study further the equivalencies of translator jobs and to report thereon to ICSC at its 25th session; (d) to include positions in the SES, but to request the secretariat of ICSC to study further refinements for pay comparison with the D-1 and D-2 levels and to report thereon to ICSC at its 25th session; (e) to exclude ASG/USG-level positions for the time being, but to request its secretariat to study other methods of comparing positions at those levels, and to report thereon to ICSC at its 25th session; (f) to include GS-7 positions; (g) to exclude all Foreign Service positions; (h) to include specialty jobs; (i) to note the results of the validity check by the US Office of Personnel Management and to request the secretariat of ICSC to continue consultations with OPM in order to reach a higher rate of agreement, and to report thereon to ICSC at its 25th session; (j) to use positions in Washington, D.C., but to collect data on additional positions outside that city if jobs were not sufficiently represented; (k) to apply the square root weighting technique in order to reduce dominance of highly populated jobs, and to request its secretariat to study the issue further and to report thereon to ICSC at its 25th session; (l) to use average salaries and to request its secretariat to study the effect of different lengths of career in the two services on those averages and to report thereon to ICSC at its 25th session; (m) to exclude bonuses and performance awards that were not part of base pay as defined by the US federal civil service, and to include additional pay for physicians; (n) to exclude merit pay performance awards that were not included in base salaries as defined by the US federal civil service \[A/41/30, \text{para. 104}\].
1987 25th session (March): ICSC considered a number of issues related to the current grade equivalency study for which it had requested further information. It decided: (a) to use average SES salaries in remuneration comparisons; (b) to keep under study the equivalency of ASG/USG levels; (c) to exclude translator positions from remuneration comparisons; (d) to note the more satisfactory rate of agreement of the validity check; (e) to conclude the review of the effect of career lengths on average salaries, noting the lack of data on which to base an appropriate evaluation; (f) to use the square root weighting technique in the calculation of US federal civil service salaries representing the common system grade averages [A/42/30, para. 132].

The GA, in resolution 42/221, decided to maintain the methodology described in annex I to the report of ICSC submitted to the GA at its 40th (1985) session (A/40/30) for the calculation of the net remuneration margin. The GA’s decision implied that the grade equivalencies from P-1 to D-2 approved by the GA in resolution 34/165 (1979) continued to be applied for the time being.

1991 33rd session (March): ICSC took note of a progress report (ICSC/33/R.6) on the grade equivalency study between the UN system and the US federal civil service, which was being undertaken as an update of the grade equivalencies established in 1986. It noted that positions that might correspond to the ASG and USG levels had not been included in the current grade equivalency exercise. While realizing that this might not be an appropriate exercise for the inclusion of these provisions, it recalled the terms of GA resolution 45/241 on the subject of the remuneration of staff at the ASG/USG levels. Bearing that in mind, it was of the view that a study involving these positions using an appropriately modified methodology should be undertaken as part of the comprehensive review of conditions of employment of the ASG/USG or equivalent level positions (see also section 2.1.120) [ICSC/33/R.16, paras. 49-50 and 53-54].

1991 34th session (August): ICSC reviewed the results of the 1990/1991 grade equivalency study (ICSC/34/R.5 and ICSC/34/CRP.4 and CRP.6) which had been conducted using a methodology identical to that utilized in 1985/1986. Job data had been requested on 531 positions from 45 US Government agencies based on the relative proportions of UN staff assigned to the 27 most populous occupational groups. Of the 476 positions that had been received from 43 agencies, the secretariat had included 409 positions for analysis purposes and had excluded 67 jobs. ICSC noted that the results of the validity check carried out by US/OPM produced a confirmation rate of 92 per cent, compared with a rate of 78.8 per cent in the 1985/1986 exercise.
Recalling its earlier decision to include in the grade equivalency study 5 special pay systems in addition to the US General Schedule, ICSC noted that there had been a further, continuing, departure from the General Schedule. It considered two options suggested by its secretariat for including special pay systems in net remuneration margin comparisons. It was of the view that the comparator's introduction of new or revised pay systems warranted further review, which could only be carried out on the basis of additional information and statistics to be collected by its secretariat [A/46/30, vol. I, paras. 145-149].

ICSC decided: (a) to approve the results of the 1990/1991 grade equivalency study; (b) to use the results for net remuneration comparisons between the US federal civil service and the UN common system; (c) to note that the net remuneration margin would consequently decrease in the order of 1.8 percentage points; (d) to note the introduction of a number of new or revised US pay systems; (e) to request its secretariat to review further data on these systems with a view to reflecting them in grade equivalencies, as appropriate, and to report thereon to its 35th session [A/46/30, vol. I, para. 150].

In resolution 46/191, the GA requested ICSC to analyse the potential consequences of FEPCA on the pay levels of the current comparator, providing in the analysis full details of all the special pay systems introduced by the comparator civil service, and to report thereon to the GA at its 49th (1994) session.

1992 35th session (March): ICSC reviewed a note by its secretariat (ICSC/35/R.4) containing information on new or revised pay systems that had been established since the 1985-1986 grade equivalency study by the following 11 US government agencies: (a) Federal Deposit Insurance Corporation (FDIC); (b) Federal Reserve Board (FRB); (c) National Institute of Standards and Technology (NIST); (d) Government Printing Office (GPO); (e) Farm Credit Administration (FCA); (f) Office of Thrift Supervision (OTS); (g) Office of the Comptroller of the Currency (OCC); (h) National Credit Union Administration (NCUA); (i) Resolution Trust Corporation (RTC); (j) General Accounting Office (GAO); (k) Federal Housing Finance Board (FHFB). The secretariat had conducted a supplemental grade equivalency study with these agencies, as well as a validity check of the classification results of the study [ICSC/35/R.17, paras. 28 and 29].
1992  ICSC was informed by its secretariat that, as a result of the 1985-1986 grade equivalency study, relevant salary data on 8 of the proposed pay systems (FDIC, NIST, FCA, OCC, NCUA, RTC, GAO and FHFB) had been included in the net remuneration margin calculations until 1990. By the time of the 1990-1991 grade equivalency study, most of these pay systems had separated from the regular General Schedule pay system. Only FRB and GPO had not previously been included in net remuneration margin calculations since the emphasis in the 1985-1986 grade equivalency study was to include the major US pay systems not previously included. Seven of the agencies had changed their pay systems under the 1989 Financial Institution Reform, Recovery and Enforcement Act [ICSC/35/R.17, para. 31].

ICSC took note of the information contained in the document and decided that it would revert to the issue at its 36th session on the basis of additional information to be provided by its secretariat [ICSC/35/R.17, para. 37].

36th session (August): Recalling that 9 of the 11 agencies concerned had been included in remuneration comparisons as a result of the 1985/1986 grade equivalency study, ICSC noted that the question of whether they should continue to be included had arisen as a result of significant changes in job classification systems and salary-setting processes introduced in the meantime in these systems [A/47/30, para. 147].

Following discussion, ICSC decided that it was not imperative to include the proposed pay systems in the net remuneration comparison process at the present time [A/47/30, para. 153] (see also section 2.1.40).

1993  38th session (July): ICSC reviewed a schedule for the completion of a series of studies relating to the application of the Noblemaire principle which included grade equivalencies (see also section 2.1.10).

1994  39th session and 40th session ((February/March and June/July): ICSC reviewed FEPCA-related developments and decided to report inter alia to the GA that: (a) a number of FEPCA provisions were relevant for net remuneration margin comparisons and, where appropriate, had been incorporated into margin comparisons; (b) FEPCA had established a number of new pay systems that ICSC intended to review at the time of the next US/UN grade equivalency study in 1995; (c) a number of FEPCA provisions were being gradually implemented within the US federal civil service and ICSC intended to monitor the application of those provisions for possible relevance to the UN common system [A/49/30, para. 79] (for further details, see section 2.1.40).
1995 **41st session (May):** ICSC had before it documentation prepared by the secretariat (ICSC/41/R.5 Add.2 and appendix) providing details of the 1995 grade equivalency exercise with the US federal civil service, together with an analysis of a number of specific issues that had arisen in prior ICSC considerations of grade equivalencies and remuneration comparisons. A document by CCISUA (ICSC/41/R.5/Add.5) also examined several of those issues (NOTE: Material relating to remuneration comparisons is reported in detail in sections 2.1.20 and 2.1.40).

ICSC was informed that the study included grade equivalencies for 529 posts in: (a) the 6 US pay systems currently included in net remuneration margin calculations; (b) all relevant occupations in the pay systems of 11 US government agencies which had established pay levels departing from the regular US pay system, i.e., the General Schedule; and (c) two additional pay systems (senior level [SL] and scientific and technical [ST]) which had been established under the Federal Employees' Pay Comparability Act (1990) (FEPCA) since the previous such exercise and which met the ICSC criteria for inclusion in margin calculations as reported to the GA in 1994. A validation exercise was being organized with classification specialists of the US federal civil service, and the result would be reported to the ICSC at its 42nd session [ICSC/41/R.19, paras. 132-133].

**Additional comparator pay systems to be reflected in grade equivalencies and resulting margin comparisons:** ICSC recalled that at its 39th session, it had decided to reflect fully in margin comparisons all relevant pay systems of 11 US agencies. Two of those agencies, the Office of the Comptroller of the Currency (OCC) and the Office of Thrift Supervision (OTS), had not yet been able to provide the requested data. For the time being, the 1992 grade equivalency results had been used in respect of those 2 agencies. ICSC noted the secretariat’s intention to provide it with updated grade equivalencies at the 42nd session if the data from those 2 agencies were forthcoming. ICSC had also decided at that session to review 10 other pay systems that it saw as of possible relevance. On the basis of an analysis of the data collected on those pay systems, the secretariat was recommending inclusion of two pay systems: senior-level (SL) and scientific and technical (ST) positions. ICSC endorsed the secretariat’s recommendation for the inclusion of the two pay systems and noted the grade equivalencies arrived at in their respect [ICSC/41/R.19, paras. 141, 142 and 143].
1995 Evaluation procedures for SES levels: ICSC observed that the current grade equivalency results corroborated earlier findings that there was a progression in salaries at SES pay levels vis-à-vis comparable UN grades. Furthermore, the inclusion of a single amount derived from a weighted average of all SES levels distorted remuneration ratios, particularly at the D-1 level, where the ratio was less than at the D-2 level. That was an aberration with regard to normal remuneration ratio progression. ICSC concluded that although the SES salary progression was slight, it would be technically more precise to reflect it in margin comparisons through the use of the actual salary of each SES pay level rather than through the current averaging process [ICSC/41/R.19, para. 144].

Inclusion/exclusion of the GS-7 level: It was recalled that, prior to the 1985-1986 grade equivalency study, equivalencies at the P-1 level had been related exclusively to the US GS-9 level. At the time of that study, a few GS-7 level positions had been found equivalent to the P-1 level; ICSC had therefore decided, following discussion, to include the GS-7 level in the comparison process "for the time being". Accordingly, the GS-7 level had been included in remuneration comparisons since 1990, when the results of the 1985-1986 study were implemented. For the current grade equivalency exercise, 11 GS-7 positions had been determined to be equivalent to the P-1 level and 3 to be equivalent to the GS level. ICSC noted the secretariat’s findings that all 11 of the jobs found to be equivalent to the P-1 level were trainee/developmental posts for which no counterpart existed in the common system. It further noted that the comparator’s pay-setting process at the GS-7 level continued to be heavily influenced by categories representing clerical and technical positions which in the common system were found in the GS category. ICSC observed that the duties and responsibilities of the GS-7 jobs analysed by the secretariat did not conform to the ICSC definition of P-level work (see section 8.1.10).

ICSC therefore decided that there was no technical basis for the continued inclusion of the GS-7 level in grade equivalencies and resulting margin comparisons. It should therefore be excluded from the grade equivalencies [ICSC/41/R.19, paras. 145-147] (see also section 2.1.40).

Assistant-Secretary-General/Under-Secretary-General levels: ICSC reviewed information on the prior consideration of the matter which highlighted the difficulty of establishing direct equivalencies between the common system and the comparator civil service at the ASG/USG levels. ICSC noted that in the secretariat’s view, it would be no less difficult to establish such specific grade equivalencies at the present time. The inclusion or exclusion of approximate working equivalents at those levels would have no impact on the level of the margin and would become significant only if salaries at the senior levels were to be examined separately from those at other levels [ICSC/41/R.19, para. 160].
ICSC decided: (a) to include SES salaries in remuneration comparisons on the basis of pay levels determined by the established grade equivalencies; (b) to exclude comparator GS-7 positions from future remuneration comparisons; (c) to include the SL and ST pay systems of the comparator in remuneration comparisons; (d) to include bonuses and performance awards granted to US and UN common system staff, except for those granted to eligible SES staff as meritorious and distinguished awards and comparable awards on the UN side; (e) to endorse, for remuneration comparison purposes, the grade equivalencies with the comparator [ICSC/41/R.19, annex VI] subject to any adjustment arising from the validation exercise and from updated information from US Government agencies that had not yet been able to provide complete information; (f) to note the exclusion of the ASG/USG levels from the current grade equivalency study; (g) to request the secretariat to provide the following to ICSC at its 42nd session: (i) updated grade equivalencies with regard to 2 of the 11 US Government agencies that had not yet been able to provide complete information; (ii) details and results of the validation exercise [ICSC/41/R.19, para. 162].

ICSC had before it the results of the grade equivalency study with the German federal civil service (ICSC/41/R.5/Add.1 and ICSC/41/CRP.6). This had been conducted in accordance with the established methodology and process, building also on the experience of the earlier (1981) equivalency study with the German civil service. In the 1994-95 study, the number of occupational groups had been augmented, to increase the representation of common system jobs. A sample of representative jobs in occupations common to both services had been identified, and a team of job classification experts had conducted individual job interviews with post incumbents. The jobs had then been graded according to the ICSC Master Standard. Equivalencies had been arrived at by matching the grades thus obtained against the actual German civil service grades. The results of the current grade equivalency substantially confirmed the 1981 exercise. The final stage of the grade equivalency exercise - a formal job validation - had not yet been completed, but it was envisaged that this would be finalized before the 42nd session. The sample of 103 jobs used in the survey had included occupational groups covering 75 per cent of common system jobs. Most of the jobs were performed by staff in the Beamte group, although some jobs in the Angestellte group had been included and accounted for 15 per cent of the sample. The distinguishing features of the two groups were described in the documentation [ICSC/41/R.19, paras. 120-123].
ICSC noted that it had not proved possible to organize a full validation exercise, although an initial meeting had been held with a representative of the German Foreign Office. As in the 1981 grade equivalency exercise, the German Government maintained its own set of grade equivalencies with the UN common system. ICSC noted the secretariat’s assessment that the considerations advanced to date in support of the grade equivalencies of the German Government appeared unrelated to duties and responsibilities as measured by the Master Standard. It agreed with the secretariat’s suggestion that the offer of the German Government to discuss the matter further be accepted. In the meantime, and on the basis of the explanations provided, ICSC was satisfied that the grade equivalencies established by the secretariat had been arrived at in a technically rigorous manner using the methodology approved by ICSC. It therefore agreed that remuneration comparisons should proceed on the basis of those equivalencies, subject to any refinements that might be required as a result of a validation exercise carried out through the application of the Master Standard. ICSC noted in that connection that the German Government maintained a series of equivalencies for its own purposes. ICSC was aware of these but noted that the basis for those equivalencies was not specified. As the equivalencies determined by ICSC were based upon an analysis of comparable duties and responsibilities under the Master Standard, it saw no reason to modify the results of its own studies. ICSC decided: (a) to proceed with further remuneration comparisons on the basis of the grade equivalencies, subject to refinements which might be required as a consequence of the exercise to validate the grade equivalencies which had been determined on the basis of the Master Standard; and (b) to note that the further remuneration comparisons would be based on a total compensation approach in accordance with the established methodology for phase II studies [ICSC/41/R.19, paras. 120-123, 129 and 131, and annex V].

ICSC also had before it the results of grade equivalencies and remuneration comparisons conducted with the World Bank and OECD, which it had agreed to retain for reference purposes in the context of its review of the Noblemaire principle and its application (see also sections 2.1.10 and 2.1.20).

ICSC recalled that the information collected by the secretariat on the World Bank and OECD was to have been in the nature of reference data. It noted in that regard that, while the grade equivalencies had been conducted according to the standard process used in the other studies, the resulting remuneration comparisons had been arrived at on the basis of a limited (cash compensation) approach, owing to the reference nature of the study. Noting that consultations were continuing on the World Bank grade equivalencies, which were thus not final, ICSC decided to limit itself at the current session to a consideration of the OECD results. ICSC took note of the information before it and concluded that the OECD grade equivalency exercise, which had a validation rate of 95 per cent, had been carried out in a professionally rigorous manner [ICSC/41/R.19, paras. 172-173].
ICSC decided to note with appreciation the established grade equivalencies for OECD [ICSC/41/R.19, para. 178] [The remuneration-related impact of this decision is recorded in section 2.1.20].

ICSC noted that further information with regard to the World Bank equivalencies had yet to be established [ICSC/41/R.19, para. 179].

1995 **42nd session (July/August):** ICSC concluded its review of the **grade equivalency study with the US federal civil service.** Updated granted equivalencies in respect of 2 special pay systems (OCC and OTS: see above) were reviewed (ICSC/42/R.9). ICSC noted that the 1995 grade equivalency study covered 526 posts. Having reviewed the results of the validation exercise conducted with classification specialists of the US federal civil service, ICSC decided to report to the GA that it had conducted a new grade equivalency study with the comparator and, in that context, had decided: (a) to include the SL and ST pay systems of the comparator; (b) to exclude the comparator’s GS-7 positions from future remuneration comparisons; (c) to exclude the ASG/USG levels from the current grade equivalency studies; (d) to note the results of the validation exercise, which showed an agreement rate of 92 per cent; and (e) to endorse, for remuneration comparison purposes, the results of the 1995 grade equivalency with the comparator civil service [A/50/30, para. 119 (a)].

ICSC was also presented with the results of the comparison with the **Swiss federal civil service** (ICSC/42/R.6, Parts I and II). The grade equivalency study included a sample of 105 jobs in the Swiss civil service which had been graded against the ICSC Master Standard in accordance with the standard method and process. The validation exercise by Swiss classification specialists had resulted in a confirmation rate of over 90 per cent [A/50/30, para. 130].

ICSC confirmed the results of the grade equivalency study and noted that the validation exercise carried out with Swiss classifiers had resulted in a highly satisfactory confirmation rate [A/50/30, para. 139].

ICSC reviewed remuneration comparisons with the **German civil service,** which it had agreed at its 41st session might proceed, subject to refinements that might be required as a consequence of the exercise to validate the grade equivalencies on the basis of the ICSC Master Standard. Further attempts in this regard during the intersessional period had resulted in a member of the ICSC secretariat travelling to Bonn, *inter alia* to follow up efforts to encourage the German Government’s participation in a validation exercise. At its 42nd session, ICSC was informed that despite multiple attempts on the part of the secretariat, it had not been possible to secure the agreement of the German Government to proceed with a validation exercise [A/50/30, para. 144].
1995 During the course of the 42nd session, ICSC was apprised, by means of two formal letters and other less formal contacts, that the German authorities contested the results of the grade equivalencies which they considered as being one grade too high. Their reasons were two-fold: the limited scope of the sample selected for the exercise and the questionable applicability of the Master Standard to German federal civil service posts [A/50/30, para. 156].

ICSC was concerned that it had not been possible, despite the efforts made, to carry out a validation exercise with the classification specialists of the German civil service. It noted that validation exercises had been very successfully carried out with the current comparator and, in the context of the current studies, with the Swiss federal civil service, the World Bank and OECD. These exercises had resulted in confirmation rates of 90 per cent and more. Some discussions took place on the import of the concerns raised by the German authorities at this time. For some, the information now presented raised serious new concerns; others considered that in essence the information added nothing to what had already been known at the 41st session, when ICSC had approved the grade equivalency results in principle and had agreed to proceed with the exercise. It was noted that the validation exercise was not part of the formal methodology for identifying the highest paid national civil service, but rather a practice that had developed over the years with the current comparator. There could therefore be no question of the entire process being held hostage to the validation. It was nonetheless incumbent upon ICSC to examine whether the concerns underlying the competent German authorities' reluctance to engage in a validation exercise were relevant in terms of the parameters of the study [A/50/30, paras. 157-158].

ICSC proceeded to analyse in detail the two main issues raised by the German authorities. The first revolved around the fact that all the jobs included in the grade equivalency study were located in the federal ministries; in the German authorities' view, executing agencies should also have been covered. ICSC was informed that the established process called for a comparison between jobs at the headquarters/base of the two systems. The initial selection of jobs for the grade equivalency exercise had been made jointly by the ICSC secretariat and officials of the German Government. There were no executing agencies in Bonn, the headquarters of the German federal civil service; hence, those agencies had not been included. In this connection, the planned relocation of the German federal civil service to Berlin was discussed. It was recalled that that matter had been tabled at the time of the initiation of phase I of the study, but had not been pursued. It was also noted that the executing agencies were composed predominantly of Angestellte staff. ICSC recalled that the sample selected for the present study included Angestellte jobs in the ministries. The results showed no discernible difference between grading patterns in the Beamte and Angestellte groups, except that there were practically no Angestellte positions at grades equivalent to P-5 and above. The grading pattern between Angestellte and
1995 *Beamte* determined by application of the ICSC Master Standard was, moreover, supported by the grade equivalencies established between the two groups by the German authorities. A view was nonetheless expressed that, because the executing agencies had not been included in the study, it was not possible to ascertain whether the same correlation in grading patterns existed between staff in the ministries and those in the executing agencies. The secretariat responded at several points that German officials had informed the secretariat that there was no difference in duties and responsibilities between *Beamte* and *Angestellte*. One member was also not convinced of the statistical validity of the sample selected. The secretariat pointed out that the sampling techniques employed had measured the remuneration of 95 per cent of German civil servants within plus/minus 2 per cent. In statistical terms, that was tantamount to a 95 per cent confidence in the results. The sample for the German study was proportionately larger than that used for the US grade equivalency studies. ICSC had accepted the sampling techniques used in all other such studies [*A/50/30, paras. 159-160*].

Regarding the issue of the applicability of the ICSC Master Standard to the German civil service, which did not follow a fully rank-in-post approach, ICSC was informed that the approach used in all grade equivalency studies, prior and ongoing, had been to measure the nature of the work performed, not the qualities of post incumbents. In the case of the German civil service, that had been done through a rigorous process of on-site interviews and corroboration of the results by two classifiers, with the full cooperation of all the ministries concerned. What had emerged was that even though the German civil service had a rank-in-person component, it was possible to measure the relative worth of jobs on the basis of job content. The secretariat noted that experience with the Senior Executive Service of the current comparator (which followed a rank-in-person approach) and with the Swiss civil service (which had a hierarchical career structure similar to the German civil service) supported the applicability of the Master Standard to situations that were not strictly rank-in-post. That explanation notwithstanding, a few members of ICSC remained concerned about the German authorities’ view that the grade equivalencies resulting from the study were one grade too high. In that connection, it was observed that the German authorities had not provided any supporting material for this statement and no information had been provided as to the classification criteria used for such comparisons. ICSC was also provided with the results of an alternate German/US comparison, using grade equivalencies established by OECD (on the basis of which annual remuneration data was provided by Germany to OECD) and ICSC-approved OECD equivalencies. This showed German civil service total compensation to be 113.7 per cent that of the US federal civil service. That finding indicated that the grade equivalencies arrived at in the current ICSC study were, if anything, conservative [*A/50/30, para. 161 and annex VIII*].
Some members suggested inviting a representative or representatives of the German authorities to review the specifics of their concerns. It was concluded that that would not be feasible for a number of reasons. It was also queried whether such an exchange would add much to a discussion of which the parameters were well understood [A/50/30, para. 162] [For further details of remuneration comparisons and reports to the GA, see section 2.1.20].

Concerning reference data on international organizations, ICSC took note of information presented by the secretariat which supplemented and updated that provided at the 41st session in respect of the World Bank (see section 2.1.20 for details). ICSC endorsed the grade equivalency exercise with regard to the World Bank, which had resulted in a validation rate of 100 per cent [A/50/30, para. 189].

By resolution 50/208, the GA requested ICSC and the national civil service authorities concerned to resolve the outstanding difficulties in comparing differently designed civil services and grading systems, within the approved methodology, in order to complete the study on the highest paid national civil service, and to report thereon to the GA.

2000 51st session (April): ICSC took note of the progress report presented by its secretariat on study concerning the grade equivalency between the United Nations and the comparator United States federal civil service. ICSC requested its secretariat to review the methodology for future grade equivalency studies with a view to simplifying the process and reducing administrative costs, without jeopardizing the quality of the results. ICSC also invited organizations to reflect on CCOG codes, inter alia, in emerging occupations such as occupations covering humanitarian affairs and issues of governance [ICSC/51/R.13, paras. 36-38].

2000 52nd session (July/August): ICSC concluded its review of the grade equivalency study with the US federal civil service. ICSC noted that for the 2000 grade equivalency study some 600 posts were selected. Having reviewed the results of the validation exercise conducted with classification specialists of the US federal civil service, ICSC reported to the GA that the new grade equivalency with the comparator. It (a) noted the results of the validation exercise, which showed an agreement rate of 92 per cent; (b) endorsed for remuneration comparison purposes, the results of the 2000 grade equivalency exercise with the comparator civil service; and (c) requested its secretariat to review the current methodology and repeated the request made at the 51st session to explore more efficient means to streamline the process and reduce administrative costs without jeopardizing the quality of the results in future grade equivalency studies [A/55/30, para. 149]
2000  In resolution 55/223, the GA noted the results of the updated grade equivalency study undertaken by ICSC with the United States federal civil service and the decisions of the Commission in respect of that study.

2005  **60th session (March):** The Commission was presented with an interim report of the status of the exercise [ICSC/60/R.10]. This exercise had not proceeded as planned. The Commission was requested to note that the delay was due to the fact that United States federal civil service, which in the past had provided the secretariat with access to the data files containing detailed information on relevant positions, had been unable to provide information on changes to the pay systems in its database since the situation was a dynamic one and precise information was not yet prepared [ICSC/60/R.13, para. 85]. The Commission was informed of difficulties experienced by the secretariat in obtaining relevant data for the SES positions as a result of ongoing changes in the structure of the United States federal civil service. The Commission therefore decided that upon receipt of more detailed information, it would continue discussion of the item at its sixty-first session, in July 2005.

**61st session (July):** The Commission was provided with an update of progress with the grade equivalency study relating to the revised structure of the comparator’s Senior Executive Service. The report indicated that discussions had been held with the United States Office of Personnel Management during which it had been noted that the application of performance pay was contingent on certification of the department’s performance management system. It had been further noted that there was no uniform application of the broad-banded salary structure, as agencies used different criteria ranging from performance, to responsibility, to work criticality for movement through the band. [A/60/30, para. 199].

In the progress report, the Commission was informed that a random sample of 44 SES positions in 10 departments of the United States federal civil service had been reviewed, resulting in 75 per cent of the positions reviewed falling in the grade range of D1 to D-2 in the United Nations system. The secretariat also provided a timetable for completion of the review of the remaining positions in the United States federal civil service.

The Commission decided to take note of the progress made and of further work to be done in connection with the grade equivalency exercise and looked forward to a report from its secretariat at its spring session in 2006. [A/60/30, para. 212].

2006  **62nd session (March):** The Commission was informed that it had not been possible to complete the second half of the SES study, in which the comparison of salary levels between the two systems for the calculation of the margin would have been undertaken. This was due to the inaccessibility of relevant salary information for individual positions reviewed as well as to incompatible data reporting of SES salaries
for the study requirements. It was noted that the reporting of salaries in a broad-banded/pay-for-performance system did not fit the data format of the Central Personnel Data File, which had been designed to store individual salary data by reference to identified grade levels. Considering the difficulties being experienced in obtaining salary information on a small number of positions in the SES category even from the agencies where they were located, the secretariat noted that the problem could escalate in the later study when data on pay systems for a larger population that had moved away from the General Schedule was to be collected [ICSC/62/R.14, para. 109].

The Commission, taking into account the changes taking place in the United States federal civil service, considered that work on the SES grade equivalency study should continue. Accordingly, the Commission decided: (a) to take note of the status of the grade equivalency exercise; (b) to approve the list of occupations proposed in the annex and to delegate authority to the Chairman to include further occupations deemed appropriate on the basis of additional information, if provided by the organizations; (c) to request its secretariat to continue the job evaluation study for positions in the General Schedule and other associated pay systems by reference to the current methodology; (d) to request its secretariat to provide a proposal for revising the methodology to be applied to a broad banded pay-for-performance system such as SES; (e) to request the secretariat to report to the Commission on the above matters at its 2007 spring session [ICSC/62/R.14, para. 124-125].

63rd session (July): At its sixty-third session, the Commission considered a report on the study being conducted between the senior level positions in the United Nations common system and similar positions in the comparator under phase I of the current grade equivalency exercise. The results of the current study, when compared with the results of previous studies, appeared to be somewhat at variance with each other, and the secretariat proposed that the study be broadened to provide for the greater reliability of overall results.

The Commission decided therefore to request its secretariat to: (a) enlarge the sample for further study of the Executive Service positions; (b) continue the study of the Senior Executive Service positions, in conjunction with the study of the General Schedule and other relevant pay systems; (c) provide the Commission with a status report at its sixty-fourth session, in March 2007; (d) report to the Commission on the final results at its sixty-fifth session in July 2007; (e) explore the feasibility of comparing standards in lieu of auditing jobs [ICSC/63/R.17, para. 102].

2007 64th session (March): In keeping with the Commission’s decision that an enlarged sample of Senior Executive Service positions should be studied further, the secretariat made several attempts to obtain additional job information, first from the United States Office of Personnel Management and subsequently from individual agencies of the United States
Federal Civil service that had provided information in the 2006 SES study. Those attempts proved to be fruitless, as no meaningful response was received from the agencies.

The Commission decided to request its secretariat to: (a) explore, in coordination with the HR Network, alternative approaches to the current job-by-job comparison; (b) contact agencies in the United States Government to request data and statistics necessary to test those alternative approaches and to seek their commitment to provide the data on an ongoing basis; (c) present a progress report to the Commission at its sixty-fifth session [ICSC/64/R.11, para. 35].