

STAFF ASSOCIATION

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FIVE-YEARLY SALARY REVIEW TRACE MEETING OF 5 MARCH 1990

The TRACE committee has been dealing with the five-yearly salary review since June 1989¹. It met on 5 March to examine and discuss:

- the latest data used for the review (CERN/TRACE/3/Add.), which we presented in the last issue;
- the Management's proposals for the adjustment of salaries (CERN/TRACE/12 dated 27 February 1990).

As evidence of his concern to defend the employment conditions of the Laboratory's staff, the Director-General attended part of the TRACE meeting.

The Management's proposals and the matters discussed at the TRACE meeting and to be discussed at subsequent meetings are summarized below.

In the Introduction to its document the Management stated:

As already indicated in document CERN/1768 approved by Council in December 1989, "the continuation of CERN's record of excellence in both the scientific and technical fields ultimately depends on the ability of the Organization to attract, retain and motivate staff of high quality. This objective must be achieved while reducing staff and costs, which in turn requires increased productivity and efficiency in the use of human resources."

The success of such a policy depends primarily on the motivation of the staff. The personnel of CERN has justified expectations as to the improvement of their remuneration. They must be credited for the exceptional achievement of completing LEP, and the future of CERN rests on their performance. Remuneration is one aspect only of motivation but it is an important one.

In view of the Council requirement of stable financial resources, increases in remuneration bringing CERN closer to the reference international organizations must be linked to the idea of "higher salary for higher productivity."

The efficiency of the Laboratory has already been increased as a result of the in-depth reorganization. The Management has the objective to accelerate "this process by facilitating departures" within the provisions of existing Staff Rules and Regulations, free the necessary financial means to adjust remunerations as a result of the survey, encourage individual efficiency by rewarding performance, and recruit staff in the strategic fields of activity.

The five-yearly salary review which has been conducted is, in the eyes of the Management, an appropriate opportunity to further simultaneously the objectives mentioned above."

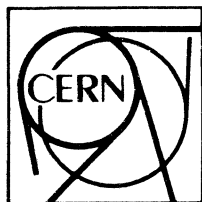
The Staff Association can only applaud such intentions, subject to the remarks made below.

The Management's proposal is based on the **increased difference between CERN salaries and those of the Coordinated Organizations: while this difference stood at 8.8% on average at the end of 1984, it is now 18.4% (end of 1989) and thus increased by a further 8.8% between 1984 and 1989.**²

The Management considers that "at least this gap should be gradually made up." This could be achieved in the following way:

¹ see Staff Association articles in issues Nos 36/89 (4.9.89), 42/89 (16.10.89), 5/90 (29.1.90) and 10/90 (5.3.90) of the Weekly Bulletin.

² $118.4/108.8 = 1.088$



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4.4% would be granted in three increases of the basic salaries, decided by Council within the procedure of the yearly salary adjustment, in addition to the adjustment required to compensate for changes in the Geneva consumer price index and the movement of real net salaries of the Swiss reference organizations:

+ 2% in 1991, + 1% in 1992, + 1.4% in 1993

4.4% would be granted by the Management depending on the increase in productivity resulting from a faster reduction of the complement than expected in the 1988 plan. This reduction would enable the Management to reach the objective of 2950¹⁾ either by 1992²⁾ or 1994 and to use the provisions available to increase salaries. The following two time scales can be envisaged depending on the rates of early departures and recruitment achieved.

To summarize, the Management is proposing only that the increased difference between CERN and CO salaries be made up. Half of this increase would be granted in three annual adjustments starting in 1991, in addition to the calculated annual index. The other half would derive from a rapid reduction in staff numbers through early departures, the implementation and terms of which are still unknown.

As stated in the last issue, the Staff Association considers:

- . that the aim of the review should be to make up **the absolute difference between CERN salaries and those of the European reference organizations (OC and EC);**
- . and, if these increases have to be made in annual steps,
 - that they begin on 1 January 1990 as planned,
 - that each step be of a reasonable level,
 - that they should be clear and well defined and not dependent on hypothetical savings linked to a reduction in staff numbers, and
 - that the final step should be implemented by 1 January 1994 at the latest.

The CERN Council has planned and requested a CERN salary review and must now provide the Laboratory with the financial resources to implement its results.

At the TRACE meeting of 5 March, the Member-State Delegations, who had received the Management's proposals only a few days previously, made no definite pronouncements for or against the Management's proposal (or that of the Staff Association). However, **there was general agreement on the principle of increasing CERN salaries**, subject to reservations or conditions in the case of a number of Delegations. It was also agreed not to combine the five-yearly salary review with discussion of early departures.

The Management has to draw up a new document for the next TRACE meeting on 28 March and a further meeting is planned for 11 May. The Staff Association will not relax its efforts since, while the principle of salary adjustment has been conceded, there will now have to be intense discussions on the amount and detailed arrangements of the increase.

¹⁾ 1991: 0%, 1992: 1%, 1993: 1.4%, 1994: 2% or

²⁾ 1991: 0%, 1992: 0%, 1993: 1%, 1994: 1%, 1995: 1%, 1996: 1.4%