

THIRTEENTH INTERIM REPORT OF THE SALARIES REVIEW COMMISSION

The offices of Ambassador and High Commissioner having been included in the Schedule to the Constitution of the Republic of Trinidad and Tobago (Prescribed Offices), Act No. 4 of 1980, the salaries and other conditions of services applicable to Heads of Trinidad and Tobago's missions fall to be reviewed by the Salaries Review Commission in accordance with Section 141 (1) of the Constitution. Accordingly, the President of the Republic has granted approval for a review by the Commission of the terms and conditions of service, including the Foreign Service Allowance, applicable to such Heads of Missions.

2. In considering the request of the President, the Commission did not think it appropriate at this time to review all of the terms and conditions of service of Heads of Missions in isolation of other positions which fall under the purview of the Commission since a separate review could result in the creation of anomalies. Such a comprehensive review would necessitate extensive investigation and discussion.

3. We have, however, noted that revised rates of Foreign Service Allowance have recently been approved for career foreign service personnel to take effect from March 1, 1988. We have, therefore, decided to submit this Interim Report which deals with one major allowance, the Foreign Service Allowance, in recognition of the financial hardship being experienced by several of these diplomatic representatives arising from a decline in the exchange rate applicable in the respective host country as a result of the weakening of the Trinidad and Tobago dollar vis-à-vis the domestic currency in use. In addition, we are aware that increases in the cost of living have been recorded in several countries where Heads of Missions are posted.

4. In common with other foreign service personnel, Heads of Missions are entitled to receive a Foreign Service Allowance. The considerations which govern the determination of this allowance for foreign services officers and non-diplomatic staff are set out a Regulations (14) (1) and (2) of the Civil Service (External Affairs) Regulations, Chapter 23:01 as follows:

-

14 (1) An officer posted at a Mission shall be paid a Foreign Service Allowance at the rate approved in respect of single or married officers.

(2) In determining the allowance payable under sub-regulation (1), regard shall be had where relevant to the following factors: -

(a) the difference between the living cost in Trinidad and Tobago and those in the host country;

(b) the need to ensure a standard of living commensurate with the officer's status as a diplomatic representative of Trinidad and Tobago;

(c) the performance of certain diplomatic duties by spouses;

(d).....

(e) the need to incur non-accountable entertainment expenses.

We consider that similar factors should also be taken into account in determining appropriate rates of Foreign Service Allowance for Heads of Missions.

5. In the case of career foreign service officers and non-representational staff, the formula for deriving the quantum of the Foreign Service Allowance is based on a “notional” salary as would permit the officer to live at the standard required to discharge his duties effectively in the country of his posting. In computing such “notional” salary at the pivotal point of Foreign Service Officer III (single), the appropriate point of reference used was the salary paid to a home-based official of the United States Department of State stationed in Washington D.C. and graded in GS-14 at the third incremental point of the Federal Civil Service Classification Scheme. The Foreign Service Allowance represents the difference between the “notional” salary and the basic salary provided to the officer. The established formula is set out at Appendix I.

6. Appropriate rates of Foreign Service Allowance for foreign service personnel serving at Missions other than Washington D.C. are set on the basis of the United Nations Index of Retail Prices while rates for other levels of foreign service personnel are fixed in accordance with standardized differentials with that derived for the Foreign Service Officer III (single). Furthermore, a standard differential of 20% is also allowed for married personnel over that provided for the single officer of corresponding grade.

7. The existing rates of Foreign Service Allowance provided to Heads of Missions have been in effect since May 1, 1986. The basic approach used in the determination of those rates was the application of an appropriate differential over the highest rates payable to a career foreign service officer, that of a married foreign service officer V, in each Mission.

8. In discussing that revision, we had noted that while in the case of career foreign service officers, married officers enjoy a higher level of Foreign Service Allowance than their single counterparts, no such differentiation in the allowance existed in the case of Heads of Missions. We considered, however, that the letter practice was well founded, bearing in mind the need for the Head of Mission to receive an allowance that would permit him to effectively discharge his duties and responsibilities and to ensure that he can maintain a standard of living commensurate with his status as the chief diplomatic representative of his country at the mission to which he is posted. We, therefore, supported the maintenance of a uniform rate of Foreign Service Allowance for a Head of Mission, whether single or married.

9. In consideration of those factors, we had recommended that the revised rates of Foreign Service Allowance for Heads of Missions be set at the level of twenty percent (20%) above the corresponding allowance provided to a married Foreign Service Officer V.

10. In order to acquaint ourselves more fully with the representational duties of the Head of Mission, we have held discussions with the Permanent Secretary in the Ministry of External Affairs and International Trade.

11. Based on our deliberations, we have formed the view that the rate of Foreign Service Allowance payable to a married Foreign Service Officer V computed according to the agreed formula should again be used as the basis for the determination of the allowance for Heads of Missions.

12. In the light of the current financial constraints, we have examined the feasibility of recommending a lower differential. However, a reduction of the existing 20% differential, even to level of say, 15%, would yield rates of Foreign Service Allowance that are substantially lower than those in existence in the case of certain Missions. We are of the view that such a disruption in remuneration for Heads of Missions is not desirable, given the representational status of such personnel.

13. We therefore, recommend that the quantum of the Foreign Service Allowance provided to a Head of Mission should continue to be set at a level equivalent to 20% above that of the respective married Foreign Service Officer V. We have noted that even the maintenance of the 20% differential, owing to the devaluation of the Trinidad and Tobago dollar, would still result in a reduction of the quantum of the Foreign Service Allowance to Heads of Missions stationed in Bridgetown, Caracas, Georgetown, Lagos and New Delhi. Previously, it had been agreed that in such circumstances, the Head of Mission should continue to receive the existing quantum of the allowance as personal to him. However, in keeping with the decision taken in the revision of the Foreign Service Allowance for career foreign service officers who are similarly circumstanced, this practice should be discontinued and the revised rates which are derived from the application of the established formula and the use of the United Nations Index of Retail Prices should apply. The recommended revised rates are set out in the attached Appendix II.

14. The Commission also recommends that as in the case of career foreign service personnel, the revised rates should take effect from March 1, 1988. Moreover, in keeping with the decision taken regarding the conversion of the Foreign Service Allowance for the career officers, the Commission recommends that the revised Foreign Service Allowance for Heads of Missions expressed in Trinidad and Tobago dollars, should be converted into the appropriate foreign currency applicable to each Mission, using the rate of exchange in use as at February 29, 1988, and that the quantum so determined should continue in effect and unchanged until the next review is undertaken.

APPENDIX 1

**Computation of the Foreign Service Allowance to take effect from March 1, 1988 using
as a base the 1987 salary provided to Public Officers in the US Federal Government
Service at the level of GS-14-3rd Point (including COLA)**

WASHINGTON D.C.

Salary of GS-14 – 3RD point US\$ 48,813

Adjustments not pertinent to the Foreign Service Officer III.

Less:

(a) BLS estimated expenditure of Housing – 10,251 (21%)

(b) BLS estimate of US personal Income – 13,668 (28%)

Taxes

(c) BLS estimate of Social Security – 2,450
contribution (maximum contribution
required – 7% of \$35,000)

Total Deductions

US\$ 26,369.00

Sub- Total

US\$ 22,444.00

Assumed salary for Counsellors – US (conversion
rate of \$1.00 US = \$3.6315 TT) is US\$ 22,444.00

TT \$81,505.00

Additions (applicable to the Foreign Service Officer III)

(a) Officer's contribution to Housing – 5,762
cost (10% of salary at the median
of the scale)

(b) Personnel Income Tax liability (35% – \$20,168
of gross salary at the median of
the scale)

(c) Officer's contribution to NIS – 335

Total additions

TT\$ 26,265.00

Annual Notional Salary

TT\$ 107,770.00

Monthly Notional Salary

\$8,981.00

Median Basis Salary of Foreign Service

Officer II 1985 including COLA

\$5,082.00

Estimated Foreign Service Allowance Justified

\$3,899.00

US\$ 1,077.00

NOTE: The corresponding allowance for the single Foreign Service Officer V at Washington D.C. is TT\$5,069 or US \$1,400 and that for the married Foreign Service Officer V is 20% higher or TT\$6,083, the US dollar equivalent being US\$1,681.

RECOMMENDED REVISED RATES OF FOREIGN SERVICE ALLOWANCE TO BE
APPLICABLE TO HEADS OF MISSION WITH EFFECT FROM MARCH 1, 1988

LOCATION OF MISSION	APPROVED FOREIGN SERVICE ALLOWANCE PAYABLE TO MARRIED FOREIGN SERVICE OFFICER V w.e.f. 1.3.88	EXISTING FOREIGN SERVICE ALLOWANCE PAYABLE TO HEADS OF MISSIONS \$	RECOMMENDED FOREIGN SERVICE ALLOWANCE FOR HEADS OF MISSION w.e.f. 1.3.88 (using rates of exchange as at 29.2.88)
Brasilia	TT \$4680 US \$1294	4794	TT5616 US1552
Brussels	TT \$8158 BF 79,614	7040	TT\$9790 BF\$95,540
Bridgetown	TT\$5882 B\$3264	7639	TT\$7058 B\$3916
Caracas	TT\$2875 US\$795	3596	TT\$3450 US\$954
Geneva	TT\$8756 SF3362	7853	TT\$10,507 SF4034
Georgetown	TT\$4411 G\$12,237	6814	TT\$5293 G\$14,684
Kingston	TT\$4411 J\$6743	5167	TT\$5293 J\$8091
Lagos	TT\$4010 £625	7262	TT\$4812 L750
London	TT\$6283 £980	6662	TT\$7540 L1176
New Delhi	TT\$4145 £646	5843	TT\$4974 L776
P.R.U.N ConGen.N.Y.	TT\$6685 US\$1848	7488	TT \$8022 US\$2217
Ottawa	TT\$5281 Can. \$1844	5615	TT\$6337 Can. \$2213
Washington	TT\$6083 US\$1681	6889	TT\$7300 US\$2018

Dated this 10th day of June,1988.

.....
Leonard Williams(Chairman)

.....
Rowell Debysingh

.....
Clive Forgenie

.....
Kenneth Lalla

.....
Michael Namsoo