NINTH REPORT

OF THE

SALARIES REVIEW COMMISSION

SEPTEMBER, 1986

NINTH 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 service 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.

- In common with other personnel in the Foreign Service, the Heads of Mission are entitled to receive a Foreign Service Allowance. This allowance is intended to take account of differences between living costs in Trinidad and Tobago and those in the host country in which the particular mission is located. The allowance is also determined by the need to ensure that the Head of Mission maintains a standard of living commensurate with his status as the chief diplomatic representative of his country at that mission and to facilitate the effective discharge of his overall duties and responsibilities.
- 3. By way of comparison, the considerations which govern the determination of the Foreign Service Allowance for foreign service officers and non-diplomatic staff are set out at Regulation 14(2) of the Civil Service (External Affairs) Regulations, Chap. 23:01, as follows:-
 - (2) In determining the allowance payable under subregulation (1), regard shall be had where relevant to the following factors:-
 - (a) the difference between the living costs 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) in the case of the non-diplomatic staff the need to perform certain representational functions;

- (e) the need to incur non-accountable entertainment expenses.
- 4. Between 1978 and 1985 there was no change in the Foreign Service Allowance payable to Heads of Mission. However, in August 1985, a new structure of Foreign Service Allowance came into effect for foreign service officers and non-diplomatic personnel posted at overseas missions, marking the culmination of a review exercise aimed at effecting needed rationalization and establishing a more satisfactory basis for the systematic adjustment of the allowance over time. The implementation of the revised rates of Foreign Service Allowance for personnel below the rank of Head of Mission was also accompanied by a general movement towards applying prevailing market rates of exchange to replace various exceptional arrangements.
- 5. The new structure of Foreign Service Allowance for foreign service officers and non-diplomatic personnel retained the established concept of a 'notional salary' adequate for the effective performance of the officer's duties and responsibilities. A major point of departure was the determination of the Foreign Service Allowance for the pivotal grade, Foreign Service Officer III, based in Washington, D.C., with reference to the salary payable to a comparable official of the U.S. Department of State. Standardized differentials were established among the various ranks of foreign service officers and between married and single officers. Thereafter, the Foreign Service Allowance for officers stationed at missions other than Washington, D.C. was set on the basis of the U.N. Retail Price Index used by the U.N. Secretariat to determine differentials in salary and allowances for its own officials serving throughout the world.
- 6. Following the revised structure implemented for foreign service officers and non-diplomatic personnel with effect from August 1985, no adjustment was made to the Foreign Service Allowance applicable to Heads of Mission. However, with the devaluation of the TT dollar in December 1985 there was an immediate adverse effect on the value of the allowances received by diplomatic personnel stationed abroad, since conversion was subject to market rates of exchange. Bearing in mind the provisions at Regulation 14, sub-regulation (2)(a) and (b), referred to at paragraph 3 above, it became necessary for steps to be taken to provide a measure of relief to the personnel involved.

- 7. The existing rates of Foreign Service Allowance were increased by fifty percent (50%) to compensate for the adverse effects of devaluation. This adjustment was applied to Heads of Mission as well and resulted in the current rates of Foreign Service Allowance set out at Appendix I. A review of the Foreign Service Allowances payable to foreign service personnel was also commissioned.
- As a result of the review exercise it was concluded that the fifty percent (50%) increase in the Foreign Service Allowance was not adequate to deal with the full effects of devaluation on the emoluments of the officers serving abroad, as envisaged in the Civil Service (External Affairs) Regulations, since that adjustment was restricted to the effect of devaluation on the Foreign Service Allowance only. It did not take account of the effects of devaluation on the foreign currency value of the officer's net salary and other allowances. As a result, it was judged that hardship was being experienced by such officers despite the adjustment previously approved.
- Service Allowance payable to foreign service personnel posted abroad was approved. The essential features of the approach outlined at paragraph 5 above were maintained with modifications which reflected the changed financial and economic circumstances and further thinking on appropriate relativities among the different grades of foreign service officer. The new arrangements which came into effect on May 1, 1986, were applicable only to Foreign Service Officers I through V, and to non-representational staff. The resulting revised rates of Foreign Service Allowance are reproduced at Appendix II.
- 10. As a result of these developments, we were requested to review the Foreign Service Allowance payable to Heads of Mission in the Foreign Service of Trinidad and Tobago.
- 11. After considering the basic approach used in computing the Foreign Service Allowance payable to personnel at the level of Foreign Service Officers V and lower, we are satisfied that the Foreign Service Allowance for Heads of Mission can be satisfactorily determined by fixing an appropriate differential between Head of Mission and Foreign Service Officer V.

- 12. We have noted that, like other foreign service personnel, Heads of Mission are provided with Outfit Allowance for self, spouse and a maximum of three (3) children, and that in the case of persons stationed in temperate climates, a warm Clothing Allowance is provided for the official and family members. Heads of Mission are also provided with rent-free furnished accommodation. Where expenditure on entertainment is concerned, each Head of Mission is allocated an Official Receptions Vote against which such expenditure can be charged.
- 13. We also noted that the Foreign Service Allowance is payable at a higher level to married officers than to single officers in the case of foreign service officers and non-diplomatic staff. At the same time, it was also observed that no such differentiation is made in the Foreign Service Allowance at the level of Head of Mission. We consider that the established practice is well-founded, bearing in mind the unique functions and responsibilities of an Ambassador or High Commissioner. Therefore, we support the maintenance of a uniform rate of Foreign Service Allowance for a Head of Mission whether married or single.
- 14. Taking all of these considerations into account, we recommend that revised rates of Foreign Service Allowance should be set for Heads of Mission at a level twenty percent (20%) above the corresponding Foreign Service Allowance for a married foreign service officer at the level of Grade V. We recommend further that the new rates should take effect from May 1, 1986, that is to say, the date from which the latest comprehensive changes were approved for other foreign service personnel. We are aware that our recommendation in one case, that of the Caracas mission, would mean a somewhat lower rate of Foreign Service Allowance than now applies. It is recommended that, in that case, the present incumbent should be allowed to retain the existing rate as personal to him until it is overtaken by general adjustments. The resulting rates of Foreign Service Allowance recommended for Heads of Mission are detailed at Appendix III.

Dated this 19th day of September, 1986.

Leonard Williams (Chairman)

Louis Rostant

Clive Forgenie

Kenneth Lalla

APPENDIX I

FOREIGN SERVICE ALLOWANCES (FSA) PAYABLE TO MARRIED FOREIGN SERVICE OFFICERS AS WELL AS HEADS OF MISSION WITH EFFECT FROM JANUARY 1, 1986 AS A RESULT OF A FIFTY PERCENT INCREASE

<u> </u>								
<u>.</u> .	Location of Mission	Head of Mission (Married or Single)	Foreign Service Officer V	Foreign Service Officer IV	Foreign Service Officer III	Foreign Service Officer II	Foreign Service Officer I	
		Ď	\$	S	\$	÷	\$	
	Brasilia	4385	2792	2361	2148	1503	1181	
	Brussels	4364	3324	2814	2558	1791	1407	
	Bridgetown	3594	4392	3717	3378	2366	1057	
	Caracas	4166	3078	2604	2367	1658	1302	
	Geneva	4298	3735	3161	28 73	2010	1581	
	Georgetown	2601	3 5 7 2	3023	2747	1923	1511	
	Kingston	3549	3201	2709	2463	1725	1353	
	Lagos	5724	6114	5174	4704	3293	2586	
	London	3959	3078	2604	2367	16 58	1302	
	New Delhi	3177	3284	2778	2526	1767	1389	
	PRUN Consul General N.Y.	4719	4086	3458	3143	2199	1728	
	Ottawa	39 81	32 8 4	2778	2526	1767	1389	
	Washington D.C.	4428	380 0 ·	3215	29 24	2046	1608	
					1		1	

APPENDIX II

FOREIGN SERVICE ALLOWANCES (FSA) PAYABLE TO MARRIED FOREIGN SERVICE OFFICERS I TO V WITH EFFECT FROM MAY 1, 1986

Location of Mission	Head of Mission (No Increase)	Foreign Service Officer V	Foreign Service Officer IV	Foreign Service Officer III	Foreign Service Officer II	Foreign Service Officer I
	\$	S	\$	\$	\$	•
Brasilia	4385	3995	3380	30 73	2151	1844
Brussels	4364	586 7	4964	4513	31 59	2708
Bridgetown	3594	6 366	5387	4 8 97	3428	2939
laracas	4166	2997	2536	2305	1614	1384
Gen eva	4298	6544	55 37	5034	3524	3020
Georgetown	2601	5678	4805	4365	3058	2621
Kingston	3549	4306	3643	3312	2318	1987
Lagos	5 724	6052	5121	4655	3259	2792
London	3959	5552	4698	4271	2990	2562
New Delhi	3177	4869	4120	3745	2622	2248
RUN Con. Gen. N.Y.	4719	6240	5280	4800	3360	2880
Ottawa	3981	4679	3959	3599	2519	2159
Washington D.C.	4428	5 741	4858	4416	3091	2650

APPENDIX III

REVISED FOREIGN SERVICE ALLOWANCE PROPOSED FOR HEADS OF MISSION WITH EFFECT FROM MAY 1, 1986 (REPRESENTING A TWENTY PURCENT DIFFERENTIAL IN THE FOREIGN SERVICE ALLOWANCE PAID TO MARRIED FOREIGN SERVICE OFFICERS V)

LOCATION OF	HEAD OF (Single or	Married Foreign Service Officer V		
MISSION	Existing with effect from January 1, 1986	Proposed with effect from May 1, 1986	with effect from May 1, 1986	
		\$	\$	
Brasilia	4385	4 794	3995	
Brussels	4364	7040	58 67	
Bradgetown	3594	7639	6366	
Caracas	4166	3596	2 9 97	
Gen eva	4298	7853	6544	
Georgetown	2601	6814	5678	
Kingston	3549	5167	4306	
Lagos	5 724	7262	6052	
London	3959	6662	55 52	
New Delh1	3177	5843	4869	
PRUN Con. Gen. N.Y.	4719	7488	6240	
Ottawa	3981	5615	4679	
Washington	4428	6 8 89	5741	