
10TH MEETING OF THE FINANCE AND ADMINISTRATION COMMITTEE

Manta, Ecuador 9, 10 & 14 February 2023

FAC 10 – Doc 14

Staff Association Report

SPRFMO Staff Association

1. Background

1. The SPRFMO Staff Association convened a meeting in May 2022. The meeting was attended by all eligible members of the Staff Association.
2. The topics addressed in this report were discussed at the Staff Association meeting and further developed throughout the year.
3. These and other matters were presented to the Executive Secretary and solutions have been offered and sought wherever possible.
4. The list of topics presented in this report and brought to the attention of the FAC are the ones considered to be pressing and requiring immediate attention, due to great impact they are having on the staff members, in their capacity as SPRFMO employees.

FAC10 is invited to:

- ***Review and note*** the SPRFMO Staff Association report.
- ***Make any recommendations*** to the Commission, the Secretariat, or the Staff Association which could assist in resolving the issues currently at hand.

2. Staff matters

a. Visa-related Issues

Official Visa related issues: visa expiry deadline

5. As reported to by the Executive Secretary to FAC9, international staff members are granted an official visa when starting work for SPRFMO in New Zealand. The Secretariat was advised that official visas will not be renewed after a 10-year limit. This limit only applies to non-New Zealand nationals.
6. Currently there are two Secretariat staff members who are reaching the 10-year mark as employees of SPRFMO; one of them is a New Zealand national, so the limit only applies to one staff member.
7. The only solution currently offered to staff members is to switch to a Work Visa; however, staff members are not necessarily eligible or meet the criteria to be granted work visas in New Zealand via the current available pathways (SPRFMO would need to become an accredited employer).
8. The Terms and Conditions of Appointment of international staff specify that the professional positions are “full-time”, and the term of the appointment is intended to be “permanent”. The staff are concerned about this issue and how it is affecting the Secretariat, as well as the inequalities and psychological stress it presents to the Secretariat staff affected.

9. The Staff Association believes this is an unresolved SPRFMO-Host issue. Several attempts have been made by Executive Secretaries (current and past) to work alongside the host in solving this issue, albeit without success.
10. The staff agree that, ideally, they should not be required to find individual solutions via Immigration NZ.
11. The staff note the legal and prescriptive nature of [the Guidelines](#) that fundament and mandate this restriction and realise that they apply more broadly than SPRFMO. Notwithstanding, SPRFMO is operating as an international organisation with its own internal rules and requirements that best enable it to carry out its mandate. When it comes to staffing, parts of the SPRFMO international employee appointment process appear to conflict with the advice from MFAT on employee tenures.
12. There is also concern that the MFAT Guidelines are not being properly applied in the context of SPRFMO professional staff. The specific section of the MFAT Guidelines (section 3.9) that mentions a time limit for postings in New Zealand is in reference to an expectation of the New Zealand government regarding “Service Staff and Private Domestic Staff”. Section 3.8 of The MFAT Guidelines defines Service Staff as “Embassy drivers, cooks and other domestic staff directly employed by the sending State on a rotational posting”, and Private Domestic Staff as “domestic staff employed, personally, by an individual member of the mission or post”.
13. The staff agree that SPRFMO does not employ service staff nor private domestic staff that fall within the context of the definition, so technically this time limitation does not apply to any of the internationally recruited, professional category, SPRFMO employees.

Official Visa related issues: Entitlement of Partner/Spouse/Dependents of SPRFMO Staff Members to Work

14. Currently there is no opportunity for family members of SPRFMO staff to work in NZ while holding official eVisas. If the family members want to pursue employment, then they can apply for a work visa directly to Immigration NZ (noting that the issue of a work visa would automatically negate their official eVisa). The staff discussed this issue and what measures have been taken to tackle the impacts of this restriction upon affected SPRFMO staff members and their families.
15. The extent of this restriction has not always been made clear to internationally recruited staff and some have felt misled in this regard. Indications that viable pathways to employment exist have been purported during the recruitment/onboarding process.
16. No staff family member (including spouses, partners, and adult children) has ever been able to secure employment while in New Zealand.
17. So far, SPRFMO has not been proactive in clearly providing this information to potential candidates during the employment advertising process.
18. The staff agreed this is an issue that only disadvantages internationally recruited staff and is a significant and negative consequence to accepting employment with SPRFMO. It could negatively impact the attractiveness of SPRFMO for internationally recruited staff and the longer-term retention of those staff.
19. The staff agreed that family members of SPRFMO staff not being able to work while in New Zealand:
 - is an unreasonable and unrealistic expectation;
 - affects only internationally recruited staff members who are not residents or citizens of NZ;
 - puts heavy financial and psychological pressure on the affected family unit;
 - inhibits family members from developing a career, which would allow for personal and professional growth; and
 - introduces significant inequality within the Secretariat.
20. The staff acknowledge this issue started to be brought up with the host country as early as 2016, but a solution has not yet been identified six years later.

b. Housing Issues

21. International SPRFMO staff are not permitted to buy homes in New Zealand. Only residents and citizens of New Zealand are entitled to purchase homes/land.
22. Housing has become an issue that increasingly affects international staff as housing availability, costs, and standards are highly unstable –the national median weekly rent increased 7.5% since last year (as of October 2022, based on figures from Trade Me¹).
23. Currently, a disproportionate amount of international SPRFMO staff’s net salary goes to pay for rent in New Zealand (up to 50% in some cases).
24. Rental agreements commonly are only for fixed terms of 12 months, and it is not uncommon to have to move after that period or accept a price increase. The pressure of having to potentially move every 12 months is a heavy burden as finding suitable accommodation in a short period of time is challenging, and the costs of moving is expensive and borne by the employee.
25. Often, affordable, available rental properties do not meet NZ Healthy Housing standards. More updated or modern accommodations are much more expensive, with rental prices skyrocketing in recent years as demand grows and vacancies shrink. The more desirable, and healthy, rentals are often unaffordable for international SPRFMO staff (who are single income families).
26. This issue is increasingly bringing uncertainty, instability, and pressure unto international staff lives, as it leaves them at the mercy of the market which has been highly volatile, with rapid increases in costs.
27. The staff have observed that other RFMOs and organisations have housing allowances and/or rental subsidies in place (with maximum caps and/or cost sharing percentages identified) and that the UN has provisions identified for this type of arrangement.
28. It was agreed that, following UN system, a similar type of housing allowance at SPRFMO would help alleviate the financial impact of the NZ rental market.
29. Notwithstanding the foregoing, there may be other ideas to tackle this issue such as establishing a salary to rent threshold or, in the longer term, consideration to acquiring SPRFMO owned accommodations that meet NZ Healthy Home Standards for employees to rent.

c. General Services Staff Concerns

Salary Scale

30. The Staff Association discussed the fact that salary scales have never been available for General Services (GS) staff and agreed that there is a need to have them established, thus bringing more transparency for the staff in the General Services category as to what their salary, benefits, and entitlements are.
31. The Staff Association also agreed that by setting up a GS salary scale, the Secretariat would be aligned with the UN system. The current annual salary adjustment rate applied on salary calculation for General Service staff Category is LCI (labour cost index) for the public sector, which is at 3% for the financial year ended on 30th June 2022. By applying this rate on the salary adjustment level for the upcoming Financial Year (FY 2022-23, 1 July 2022 – 30th June 2023), the adjustment is always one year delayed, not adequately factoring in the current inflation rate. The inflation (7.2% as at in June 2022) and mortgage shock significantly hit local families.

¹ <https://www.newshub.co.nz/home/money/2022/10/trade-me-rent-data-tenants-continue-to-feel-the-pinch-as-rent-surges-past-inflation.html>; <https://www.mpamag.com/nz/mortgage-industry/market-updates/trade-me-rents-rose-by-8-in-a-year/320692>; <https://www.stuff.co.nz/business/property/130457662/rent-increases-are-stabilising-but-at-a-high-level#:~:text=Rents%20across%20the%20entire%20rental,figure%20was%20up%201.5%25%20annually.>

Social Security (Health/life and disability insurance)

32. By Staff Regulations (revised 2020), staff in the General Service Category are neither entitled to life and health insurance. The staff in this category pay for insurance at their own expense. Other RFMOs cover medical and life insurance, for both the staff in the General Service and Professional Category. The staff agreed that having a health insurance is necessary and important to stay healthy to maintain health goals. Life and health insurances should be included in the employment package as a standard offer, regardless of whether the staff is in General Service or Professional Category.
33. A recent discussion resulted from the Internal Office Policies (Effective from 1 January 2023) has been updated as:
“Medical: See Staff Regulation 8.2a. International expatriate staff members can participate in the WCPFC group health insurance with CIGNA to which SPRFMO has been added., SPRFMO will pay two thirds of the cost of this insurance for internationally expatriate staff.” & “Life and Trauma: See Staff Regulation 8.2b. SPRFMO will pay two thirds of the cost of life and disability insurance, subject to the maximum percentage applying from time to time in the United Nations Secretariat.”
Thus, by way of revised internal office policies, Life Insurance has been offered to the Staff in the General Service Category, but Medical/Health Insurance is still not included.

Tax rate applied to General Services staff salaries

34. Staff Regulations Regulation 6 Taxes and Levies provides that:
- 6.4” *Subject to paragraph 6.5, the Commission shall levy from each employee's salary (and such other emoluments of staff members as are computed on the basis of salary), an amount for Staff Assessment. Staff Assessment rates² shall be those in force in the United Nations at the time of the relevant levy.”*
 - 6.5 *“The Executive Secretary shall make arrangements to ensure that any employee who is subject to national taxes on income is reimbursed tax paid on his or her salary. Such arrangements shall be made only on the basis that the direct costs of reimbursement are paid by the employee's home country. The Staff Assessment will not be levied in respect of employees who are subject to national taxes on income that cannot be reimbursed by the Executive Secretary.”*
35. The Organisation’s salary tax system applied currently is levying the highest tax rate on a staff (in the General Service Category) with the lowest income; furthermore, the tax rates applied is not in line with the SPRFMO’s Staff Regulations as per the above
36. The existing tax rates also contradicts with the globally prevailing principle of taxation. One of the principles of taxation is the belief that taxes should be based on the individual's ability to pay, known as the ability-to-pay principle. A progressive tax system applies higher tax rates to higher levels of income. This design leads to higher-income individuals paying a larger share of income taxes than lower-income individuals.
37. Over six months’ discussions between the affected staff member and the Executive Secretary, there hasn’t been an agreement reached. This inconsistent tax rates applied within the Secretariat has caused severe pay inequality among staff’s salaries. This gap is now due to close rather than to wait.
38. At the time of this Secretariat’s paper is published on 8 January 2023, this tax issue is still outstanding. An external mediator from the New Zealand Ministry of Business and Employment has been contacted to assist with the mediation in mid-January 2023. Should there be an agreement from the mediation process, the Staff Association will inform the FAC on a timely manner, by way of a revised version of this paper.

² According to the [UN salary](#) “Staff assessment is a form of internal tax administered by the organizations in order to provide the required amount of funds for the payment of taxes on United Nations salaries”, and the provisions of income taxes for Professional staff apply equally to General Service staff.