## Fact-finding since March, Considerations

- Some additional comparison has been made, especially with the “Services Industriels de Genève” (SIG; comparator 5-Yearly Review).
- Data presented in March paper are confirmed.
- To recruit Local Staff, CERN has to be competitive on both the French and Swiss Markets. In terms of economy and employment, Geneva is dominant in the region.
- “More cost-effective salary levels” as requested by Council can be set, but will unavoidably affect CERN’s competitiveness.
- With the current proposal, we shift from “going rates” in Geneva towards a position between “going rates” and Swiss minima.
- An additional savings level of 6% is achievable.
Essentials of the Revised Proposal

• Three changes in the salaries for Local Staff:
  – 3 additional steps downwards in the salary bands b and c of Career Paths A and B (“3 x 2%”).
  – limiting recognition of relevant experience and seniority
  – no entry into 2nd part of c bands and EAZ
  Full review in next 5-Yearly Review.

• Cost of Local Staff has been reduced by 6%, in addition to the 10% savings in the initial proposal (non-applicability of benefits).

• Normal contract policy will apply (no special LD contracts).

• For the rest, no changes compared to initial proposal.
Comparison of potential salary trajectories with 10 years experience at recruitment in CP B

March proposal

new proposal

Salary range:
- 5000
- 6000
- 7000
- 8000
- 9000

Normal Adv. Zone
Exceptional Adv. Zone
## Comparison between March - May proposals of Local Staff salaries

<table>
<thead>
<tr>
<th></th>
<th>March proposal</th>
<th>May proposal</th>
<th>Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>number of cases in sample</td>
<td>average salary</td>
<td>closest salary position</td>
</tr>
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<td>administrative support</td>
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<td>Ba.4</td>
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<td>mechanics</td>
<td>13</td>
<td>5185</td>
<td>Ab.6</td>
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<tr>
<td>technicians</td>
<td>33</td>
<td>5406</td>
<td>Ba.6</td>
</tr>
</tbody>
</table>
Local Staff estimate 2003-2010

- Local Staff in HR Plan
- CP A&B depart. replaced as LS
- International Staff
- Accounts

FTEs

Year

1995 1997 1999 2001 2003 2005 2007 2009
Conclusions (I)

• The introduction of Local Staff was a major item within the “Action Plan” (September 2002), and the Human Resources Plan (December 2002). It is a key element in solving longstanding problems with manpower contracts, which are becoming more and more acute.

• The present proposal responds to the request made by the Committee of Council in March 2003, to examine more cost effective salary levels for Local Staff.

• The cost of Local Staff is 16% lower than the cost of current international staff in Career Paths A and B: 10% because of non-applicability of benefits and 6% due to lower salary levels.
Conclusions (II)

• The introduction of Local Staff will be done on the basis of a cost-neutral approach (in “P + M” terms) from the outset, with gains and efficiency savings per capita thereafter.

• The proposal does not pre-empt the next 5-Yearly Review. On the one hand the proposal respects the “reference point”, on the other hand limits career progression pending the next 5-Yearly Review (“no acquired rights”).

• Management urges the Finance Committee to make a positive recommendation to Council, in view of an introduction of Local Staff by 1 July 2003.