

Wednesday 6 May 2015

Dear Mr. Secretary-General,

I am writing to you on behalf of the staff unions of the United Nations.

In this capacity, allow me to refer to the letter of the Chairman of the International Civil Service Commission in which he requested the views of the organizations on the implementation date of General Assembly decision 69/259 to raise the mandatory age of separation to 65 years for staff recruited before 1 January 2014, with no prejudice to their acquired right to retire at 60 or 62.

Since this is a matter affecting conditions of service, where consultation with staff is required under Chapter 8 of the Staff Regulations and Rules, the staff unions request that you take staff views into consideration when communicating with ICSC on this matter.

As you may recall in July 2013, ICSC recommended a revision to the mandatory age of separation. The recommendation stated that it “had to be recognized that longevity had increased significantly and many staff members continued to be very productive and had the skills to work well beyond the age of 60 or 62” (A/68/30). ICSC went on to recommend to the General Assembly that it raise the mandatory age of separation to 65 for current staff members effective 1 January 2016. In a meeting with staff unions in October 2013, you stated your support for this recommendation and we very much welcome this.

In December 2013, having considered the recommendations of ICSC, the General Assembly decided that staff joining as of 1 January 2014 retire at 65 but that for existing staff it would “defer its decision on the recommendation of the Commission to raise the mandatory age of separation to 65 years *without prejudice to its proposed time frame*,” (emphasis added). It also requested that the Commission undertake further analysis, in consultation with all relevant stakeholders (Resolution 68/253).

In July 2014 and having undertaken further analysis, ICSC reiterated its earlier recommendation that current staff be able to retire at 65 as of 1 January 2016, a recommendation you once again endorsed at a subsequent meeting with staff in Geneva.

In December 2014, the General Assembly decided that all existing staff be able to choose to retire at 65 if they wished, but asked ICSC to consult with organizations on an implementation date for this change.

The staff unions of the UN believe that there are no reasons to depart from the implementation date of 1 January 2016 that was originally proposed by ICSC.

As you may be aware, this measure will not only reduce after-service healthcare liabilities by \$31million, it will also reduce the pension fund’s actuarial deficit by almost a fifth – not to be dismissed when for the first time, the number of beneficiaries is increasing while participants are decreasing.

Furthermore, in response to concerns raised at the General Assembly, ICSC's analysis shows that this change will affect neither gender diversity, nor geographic diversity, nor rejuvenation, nor organizational performance. Other tools such as selection policy and performance management exist to address these, and the use, or rather non-use of these tools may need to be examined.

In addition, the fact that new staff entering the organization are working until 65, proves that the organization considers it a productive age. This is further recognized by the fact, reported by the Joint Inspection Unit, that 71 percent of common system staff who retire at 60 or 62 get rehired because their skills are still needed. Such rehiring, as well as extensions beyond retirement, provide unwelcome opportunities for managerial discretion. A clear and realistic retirement age for all staff would provide a cleaner solution.

Mr. Secretary-General, as you may be aware, retirement after many years of service as an international civil servant, which often means working outside one's home country, requires careful and advanced planning and significant choices to be made on pension, fiscal, housing, children's schooling and other arrangements. The decision to extend the age of retirement to 65 without a firm decision on its implementation, leaves staff who could be in a position to retire in the coming years, as well as those who will reach 60 or 62 years of age within the coming two to four years, in uncertainty. This has unsettling consequences for staff, their dependents and for organizational human resources planning.

In view of the benefits stated above and the monetary savings to our pension and health insurance schemes, we urge you to reiterate to ICSC your previous recommendation to implement retirement at 65 for all staff as of 1 January 2016.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'I. Richards', written in a cursive style.

Ian Richards
On behalf of the staff unions of the United Nations