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ADMINISTRATIVE TRIBUNAL

Judgement No. 689

Case No. 761: METCALFE

Against: The Secretary General of  
the International Civil  
Aviation Organization

THE ADMINISTRATIVE TRIBUNAL OF THE UNITED NATIONS,  
Composed of Mr. Jerome Ackerman, President; Mr. Luis de  
Posadas Montero, Vice-President; Mr. Mikuin Leliel Balanda;

Whereas, on 26 July 1993, Barry Gordon Metcalfe, a former  
staff member of the International Civil Aviation Organization,  
hereinafter referred to as ICAO, filed an application that did not  
fulfil all the formal requirements of article 7 of the Rules of the  
Tribunal;

Whereas, on 11 September 1993, the Applicant, after making  
the necessary corrections, again filed an application requesting the  
Tribunal:

"...

(d) [To order payment of] the difference between the amount  
paid and his entitlement at level A.5 under the Mobility &  
Hardship Allowance from 1 July 1990 until 14 February 1992,  
almost 20.5 months.

(e) ... that interest be paid on the sum due from 1 July  
1990 until the date the allowance is finally paid as it  
should have been a lump-sum payment.

[f] Also, [that] an award be determined to compensate for

the effect on the Applicant's health and state of mind caused by protracted argument and ill feeling during the period in question."

Whereas the Respondent filed his answer on 13 December 1993;  
Whereas, at the request of the President of the Tribunal, on 10 and 24 May 1995, the Respondent submitted additional documents;

Whereas the facts in the case are as follows:

The Applicant entered the service of the United Nations Conference for Trade and Development (UNCTAD) in 1975, as a Port Operations Expert. He served at UNCTAD through 31 October 1979, and again from 1 May 1980 through 30 September 1987, when he resigned. On 1 November 1987, the Applicant entered the service of the International Labour Organization (ILO). With effect from 27 July 1989, he was transferred to the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), as an Economic Affairs Officer on a two year fixed-term appointment at the P-4, step X level. By way of interagency transfer, the Applicant entered the service of ICAO on 13 May 1990, as a Training Expert in ICAO's Inter-Regional TRAINAIR Project in Amman (Jordan), on an appointment for 18 months. His appointment was extended for three months, through 12 February 1992, when the Applicant separated from ICAO.

With effect from 1 January 1988, the International Civil Service Commission (ICSC) enhanced the amount and structure of the assignment allowance by a mobility and hardship allowance, for staff who met the requirement of five years continuous service in the UN common system. Correspondence ensued among officials of UNCTAD, ILO, and ESCAP regarding efforts to bridge the thirty-one day break in the Applicant's service prior to his joining ILO on 1 November 1987, in order that he could benefit from the new regulations. On 27 July 1990, the Applicant was advised that these efforts had been

unsuccessful and he was denied a mobility and hardship allowance. On 5 September 1990, the Applicant requested the UN Secretary General to review this decision. Not having received a reply to his request, on 12 December 1990, he lodged an appeal with the Joint Appeals Board (JAB).

The JAB adopted its report on 17 June 1991. Its conclusion and recommendation read as follows:

"Conclusion and Recommendation

32. The Panel unanimously

1. Finds that the Appellant had no real intention to resign from the common system and that he had apparently acted on the advice of his future employer;
2. Finds that the Administration made commendable efforts to find a solution to the problem created by the Appellant's resignation from UNCTAD;
3. Finds that provisions of staff rule 104.3 offer a suitable way to rectify the situation in the best interest of the Administration as a good employer and of the Appellant as a staff member with a long period of service in the common system.

33. Consequently, the Panel unanimously recommends that the Appellant be offered to be reinstated as provided in staff rule 104.3."

On 3 July 1991, the Officer-in-Charge, Department of Administration and Management, transmitted a copy of the JAB report to the Applicant and informed him as follows:

"The Secretary General has re-examined your case in the light of the Board's report. He cannot, however, accept the Board's recommendation. Under staff rule 104.3, a former United Nations staff member, who is re-employed by the Organization within twelve months of his/her separation may

be reinstated, in which case his or her service will be considered as having been continuous and all separation payments will have to be returned. You were not, however, re-employed by the United Nations on 1 November 1987 but employed by the International Labour Organization (ILO). Accordingly, the above-mentioned provision concerning reinstatement could not be applied in your case. Considering, however, the exceptional circumstances of your case, the Secretary General has decided to exercise his authority under staff rule 112.2(b) to grant you, as an exception to staff rule 103.22(h), in force at the time, the difference between the basic rate and the mobility rate of the assignment allowance for the period from 27 July 1989 to 15 May 1990 during which you served with the United Nations."

In the meanwhile, by letter dated 4 April 1990, the Applicant was advised of ICAO's intention to offer him an appointment. He received a copy of the ICAO Field Service Staff Rules (FSSR) and Personnel Instructions and information as to the entitlements he would receive. On 1 May 1990, the Applicant was offered an appointment with ICAO, which he accepted on 17 May 1990, with effect from 13 May 1990.

The offer of appointment stated "Service under this letter of appointment shall be deemed continuous on service under the contract with the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP). You shall retain all rights and benefits accrued in respect of your United Nations service from 1 November 1987 through 12 May 1990." It also stated "You will not be entitled to receive from the International Civil Aviation Organization any payments, subsidies, expenses or emoluments other than those specified ... in this letter or those applicable in the ICAO Field Service Staff Rules."

After a period of five weeks in Montreal for a briefing and workshop at ICAO Headquarters, the Applicant was granted leave from 19 June 1990 and assigned a mission in the United Kingdom to be undertaken en-route to Jordan. Following this mission, the

Applicant arrived in Jordan, his duty station, on 2 July 1990. He was paid an installation grant and an assignment grant, in accordance with the ICAO FSSR in force at the time of his appointment.

With effect from 1 July 1990, new provisions for the payment of assignment grant and mobility and hardship allowances were established for the UN Common System, and incorporated in rules 3.7 and 3.8 of the ICAO FSSR. On 1 August 1990, the UN Administration issued administrative instruction ST/AI/363, providing that, for the purpose of establishing eligibility for the mobility and hardship allowance, "the requirement of five years consecutive service may be considered as met if the staff member has accumulated five years of service within a period of six consecutive years."

The Applicant requested but was denied the benefit of the new provisions of the FSSR as well as ST/AI/363. In a letter dated 31 December 1990, the Applicant requested the Secretary General of ICAO to review the administrative decisions that had been taken regarding his entitlement to the assignment grant and to a mobility and hardship allowance. In a reply dated 6 March 1991, the Secretary General of ICAO confirmed that these decisions were taken in conformity with the ICAO FSSR in force at the time of his recruitment.

On 19 March 1991, the Applicant lodged an appeal with the Advisory Joint Appeals Board (AJAB), with respect to three claims: (a) that he should have been paid an assignment grant in accordance with Section 3.7 of the ICAO FSSR which came into effect on 1 July 1990; (b) that he should have been eligible for the mobility and hardship allowance which came into effect on 1 July 1990; and (c) that his salary increment date should not have changed when he joined ICAO.

The AJAB adopted its report on 8 April 1993. Its conclusions read, in part, as follows:

**"Conclusions**

39. ... the Board concludes that the Appellant should have been paid the assignment grant according to paragraph 3.7 of the FSSR which came into effect on 1 July 1990. It therefore recommends that he be paid the difference between the assignment grant calculated according to [paragraph] 3.7 as revised on 1 July 1990 and the installation grant actually paid to him.

40. Concerning the payment of the mobility and hardship allowance, the Board concludes that the Appellant did not have the requisite 5 years of continuous service on joining ICAO necessary to qualify for the payment of this allowance and that on this point his appeal fails.

41. In the matter of the Appellant's salary increment date the Board concludes that his transfer to ICAO constituted a promotion, and although the rules in force at the time are not specific on the point, the Secretary General acted in accordance with established practice in amending his increment date to the date of his joining ICAO. ...

42. Concerning the conclusion given in paragraph 39 above, the Board concurs with the assertion of the Appellant that the wording of the revised paragraph 3.7 of the FSSR is contradictory in sub-paragraph c) when it states that the lump sum is payable in twelve monthly instalments. In the Board's view a lump sum is a one-time payment and cannot be so called if paid in instalments. It is recommended that [paragraph] 3.7 c) be amended to remove this ambiguity.

43. Despite its conclusion in paragraph 40 above, the Board has sympathy with the Appellant's claim concerning the payment of the mobility and hardship allowance. It is most regrettable that staff members working side-by-side with staff members of other organizations in the UN common system in a field duty station are subject to different interpretations of essentially the same rules which result in their receiving significantly different allowances. The Board therefore recommends that these interpretations be aligned."

On 1 June 1993, the Secretary of the AJAB transmitted a copy of the AJAB report to the Applicant, together with a copy of the Secretary General's decision, dated 21 May 1993, accepting the conclusions of the Board and noting "The matter addressed in paragraph 43 will be studied further."

On 11 September 1993, the Applicant filed with the Tribunal the application referred to earlier.

Whereas the Applicant's principal contentions are:

1. When ICAO approached the Applicant, it failed to inform him that it did not follow the UN Common System for terms and conditions of service.

2. The UN Common System was established to ensure minimum standards and conditions which could be applied to all staff regardless of the agency they work for.

3. The Applicant was entitled to payment of the mobility and hardship allowance under rule 3.8 of the ICAO FSSR and ST/AI/363.

Whereas the Respondent's principal contentions are:

1. Although the UN Common System seeks to attain a certain harmonization in the internal Rules and Regulations of each Agency, each Agency has its own internal law that reflects the rights and obligations of its staff.

2. The Applicant was aware of all relevant ICAO Regulations before he accepted the offer of employment with ICAO. Rule 3.8 of the ICAO FSSR sets forth a five year continuous service requirement for the mobility and hardship allowance.

3. ICAO has fully complied with its FSSR and with the Applicant's terms and conditions of employment.

The Tribunal, having deliberated from 5 to 21 July 1995, now pronounces the following judgement:

I. The Applicant appeals from a decision of the Secretary General of ICAO dated 21 May 1993, accepting the conclusions of the AJAB that the Applicant did not have the requisite continuous service on joining ICAO to qualify for the payment of a mobility and hardship allowance. He claims an entitlement to the mobility and hardship allowance since its inception on 1 July 1990 until 14 February 1992, together with interest. He also claims compensation for the effect on his health and state of mind caused by protracted argument and ill feeling.

II. The Applicant served with ICAO in its Technical Cooperation Programme from 13 May 1990 to 12 February 1992. He had been advised of ICAO's intention to offer him an appointment by a letter dated 4 April 1990, to which was attached a copy of the ICAO Field Service Staff Rules (FSSR) and Personnel Instructions. On 1 May 1990, the appointment was offered subject to the conditions of service set out in ICAO FSSR, as amended from time to time. Paragraph 4 of the offer stated:

"Service under this letter of appointment shall be deemed continuous on service under the contract with the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP). You shall retain all rights and benefits accrued in respect of your United Nations service from 1 November 1987 through 12 May 1990."

The Applicant accepted and signed the offer of appointment on 17 May 1990.

III. Under the ICAO FSSR amended with effect from 1 July 1990, the



Applicant was paid certain allowances pursuant to rule 3.8. Rule 3.8 provides that in order to receive payment of the mobility element of the allowance, a staff member must have five or more consecutive years of service in the UN common system in a second or subsequent duty station. Accordingly, the Applicant did not receive the mobility element of the mobility and hardship allowance because his uninterrupted service with the UN was shown by ICAO's records as being only from 1 October 1987 through 12 May 1990.

IV. From 1980 until 1987, the Applicant's UN service was continuous in four duty stations. In that period, he was on the staff of UNCTAD. In 1987, he was approached by the ILO to be Chief Technical Advisor of a project in Trinidad and Tobago. He resigned from UNCTAD with effect from 30 September 1987 and joined the ILO on 1 November 1987. The total break in his service was approximately one month. He remained in the ILO's service for over a year and one-half, separating in July 1989. At that time, he rejoined the UN and served with ESCAP until May 1990.

V. The Applicant's break in service in 1987 caused ICAO to conclude that he was not entitled to the mobility element of the allowance. Rule 3.8 of the FSSR, on which ICAO relied, clearly supports the Administration's position. It states in paragraph (b) that it is

"... applicable, after five or more consecutive years of service in the United Nations common system in a second or subsequent duty station ... Staff members ... without five

years of such service shall be entitled to the percentage reflected in the column for '1st assignment' regardless of the number of assignments they have had."

VI. The Applicant argues that ICAO should be required to follow the same practice as the UN, as reflected in ST/AI/363. That administrative instruction, which is dated 1 August 1990 and issued with effect from 1 July 1990, provides in paragraph 29:

"... For the purpose of establishing eligibility for the mobility element of the allowance, the requirement of five years consecutive service as a staff member (...) may be considered as met if the staff member has accumulated five years of service within a period of six consecutive years."

The Applicant's contention is that the principle of uniformity of treatment of staff members within the common system justifies reversal of the Respondent's decision and the payment to him of the mobility element of the allowance pursuant to the leeway permitted under ST/AI/363 with respect to the five-year requirement. Although the Applicant's position is one with which the Tribunal sympathizes, it cannot be sustained. The reason is that the Respondent's decision accepting the AJAB's conclusion simply does not constitute non-observance of the Applicant's contract of employment.

VII. As noted above, the Applicant expressly agreed not only to be bound by ICAO Staff Rules as amended from time to time, but also to be bound by the terms of the offer of a post made to him by ICAO dated 1 May 1990. According to that offer, he would retain the rights and benefits accrued in respect of his UN service only from 1 November 1987 through 12 May 1990. Plainly these could not include UN rights or benefits, such as the mobility and hardship allowance, which came into effect only on 1 July 1990. Nor was he to be credited by ICAO with UN service prior to 1 November 1987.

The Tribunal is unable to find any legal requirement compelling ICAO to adopt, with effect from 1 July 1990, exactly the same approach as the UN did in ST/AI/363 with respect to defining the five-year continuous service requirement associated with the mobility element.

While uniformity among the members of the common system is desirable and frequently exists, there are variations in interpretation and practice that are permissible. The internal law of one organization is not necessarily applicable to others.

VIII. The Respondent points out that the language of rule 3.8 of the ICAO FSSR is in accord with the model text circulated by the Secretariat of the Consultative Committee on Administrative Questions (CCAQ) as an annex to the CCAQ Sessional Report, incorporating the decisions of the UN General Assembly which adopted the International Civil Service Commission's (ICSC) recommendations concerning the mobility and hardship allowance. Nothing in that annex included language providing that the five-year consecutive service requirement could be met if a staff member had accumulated five years of service within a period of six consecutive years. That suggestion appeared in paragraph A16 of an Administrative Committee on Coordination document ACC/1990/4/ADD.1 dated 29 March 1990, entitled Addendum, ARRANGEMENTS FOR THE INTRODUCTION OF REVISED PROVISIONS RELATING TO MOBILITY AND HARDSHIP EFFECTIVE 1 JULY 1990. Appended to that paragraph is a footnote indicating that UNESCO reserved its position on this "definition." The Respondent informed the Tribunal that this Addendum merely reflected the recommendations of the Field Working Group of the CCAQ, and this does not appear to be disputed. It would thus appear that the Addendum was not binding on all organizations but could be adopted at their individual option.

IX. The Tribunal notes that a somewhat comparable issue was presented to the Secretary General of the UN with regard to an administrative decision denying the Applicant an assignment allowance at the mobility rate with respect to his ESCAP service beginning in 1989. Because of the Applicant's 1987 break in UN service, it was found that he did not meet the requirement for payment of an assignment allowance at the mobility rate. However, in the exceptional circumstances of the case, the Secretary General decided to exercise his discretion under UN staff rule 112.2(b) to grant the Applicant, as an exceptional matter, the difference between the basic rate and the mobility rate of the assignment allowance for the 1989-90 period of his ESCAP service.

X. The Tribunal recommends that the Respondent consider the possibility of a similar measure (perhaps with an adjustment to reflect the repatriation grant previously paid to the Applicant) in view of the Applicant's long, continuous service in the common system, with only one extremely short break which apparently was no greater than accrued annual leave. The obstacle blocking the Applicant's entitlement to the mobility element under a literal reading of rule 3.8 of the ICAO FSSR is rather technical in nature and it seems questionable whether, in keeping with the purpose of the mobility and hardship allowance, it was intended that staff members such as the Applicant were to be disqualified.

XI. For the foregoing reasons, the Tribunal rejects the application.

(Signatures)

Jerome ACKERMAN

President

Luis de POSADAS MONTERO  
Vice-President

Mikuin Leliel BALANDA  
Member

Geneva, 21 July 1995

R. Maria VICIEN-MILBURN  
Executive Secretary