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Two United Nations Plaza, 10th Floor, New York, NY 10017
Fax: (212) 963-0139, Tel: (212) 963-8464

Office of the Chairman

Bureau du Président

**STATEMENT BY THE CHAIRMAN, MR. KINGSTON P. RHODES
ON THE RESULTS OF 2010 BASELINE COST-OF-LIVING SURVEYS
AT HEADQUARTERS DUTY STATIONS AND WASHINGTON, DC**

Background

The results of the 2010 baseline cost-of-living surveys conducted at headquarters duty stations and Washington, D.C., were approved by the Commission, at its 72nd session, for implementation with effect from 1 April 2011. The Commission's approval of the results was based on the recommendations of the Advisory Committee on Post Adjustment Questions (ACPAQ), which, at its 33rd session, carefully reviewed of methodological and operational issues underlying the results for each designated duty station.

As you know, these surveys are conducted every five years with the objective of providing the benchmark data required for comparisons of cost of living between New York and other duty stations around the world. They are designed to establish purchasing power parity of the salaries of United Nations professional staff members serving at the designated duty stations with those of their counterparts in New York. ACPAQ confirmed that the conduct of the 2010 surveys was based on a faithful application of the methodology approved by the Commission for the current round of surveys.

It is important to note that all aspects of the survey process were executed in a completely transparent way, on the basis of a strong collaboration between the Cost-of-Living Division (COLD) of the ICSC secretariat and the local survey committees (LSCs) comprising representatives of organizations and staff federations based at each of the designated duty stations. Indeed, the LSCs were responsible for the development of the list of outlets used for price data collection. They coordinated the recruitment of local price survey consultants that assisted the ICSC pricing teams. They recruited observers to accompany the ICSC pricing teams during price data collection, as well as the independent experts who visited the ICSC secretariat to review the analysis for each duty station. They were also fully involved with all aspects of the administration of the survey.

On behalf of the Commission, and its secretariat, I would like to thank all staff for participating in the baseline surveys, and the local survey committees of all designated duty stations for their excellent cooperation with the ICSC secretariat, which resulted in unprecedented levels of staff participation. Indeed, thanks to your hard work and excellent cooperation, the ICSC secretariat received this year nearly ten times the number of completed and survey questionnaires, compared to 2005, thereby ensuring a level of

precision for the estimates by far in excess of the requirements recommended by ACPAQ. A major outcome of the baseline surveys is the fact that we have a set of common expenditure weights derived exclusively from household expenditures reported by staff, and therefore can be considered as truly reflective of their expenditure patterns. We can therefore conclude, with some confidence, especially given the transparency of the survey process and the collaboration among all key stakeholders, that the results of these surveys reflect the reality of the cost-of-living situation experienced by United Nations common system staff serving in the designated duty stations.

Survey results

As already mentioned, the baseline cost-of-living surveys provide a quinquennial opportunity to re-set price and cost relativities that guarantee purchasing power parity of salaries of UN professional staff serving at the designated duty stations with their counterparts in New York. The surveys are complemented by two types of adjustments:

- (1) monthly adjustments to ensure that salaries paid out in local currency are stable from month to month, regardless of exchange-rate fluctuations; and
- (2) monthly updating of the post adjustment index (PAI), taking into account exchange-rate fluctuations, local inflation as measured by the relevant consumer price indices (for the in-area excluding housing component), and movements in the other major components such as housing, medical insurance, pension contribution, and the out-of-area index.

The results of the surveys for all designated duty stations are presented in the attached annexes, along with more detailed explanations of the underlying factors that produced them. For each designated duty station, the post adjustment index at the survey date is shown in Table 1, along with the updated index as of April 2011. Table 2 presents the evolution, between the survey date and April 2011, of the post adjustment multiplier, as determined by application of the monthly exchange-rate adjustments. The pay index based on this multiplier is the benchmark against which the updated post adjustment index is compared, and the final multiplier applied to a duty station is the one resulting from the higher of the two indices.

The results show that the PAIs based on the surveys, updated to 1 April 2011, are very close to the pay indices based on exchange-rate adjustments, for all duty stations, except London. The increases in the pay index based on the survey (relative to that based on exchange-rate adjustment) are 1.3 per cent for Paris, 1.4 per cent for Rome, 1.6 per cent for Montreal, 2.8 per cent for Washington, D.C., and 6.8 per cent for London. For Geneva, Vienna, and Madrid, the updated PAI did not exceed the pay index based on exchange-rate adjustments, and so the applicable multiplier for these duty stations is the one based on exchange-rate adjustments, and so no increases in the pay index can therefore be attributed to the surveys conducted in these duty stations.

Interpretation of the results

The closeness of the updated PAI and the pay index based on exchange-rate adjustments should be viewed not in terms of negative or low survey results, but rather, a demonstration of

the validity of the PAI updating mechanisms. The survey results certainly have not had any negative impact on staff salaries, as no United Nations common system professional staff member will experience a reduction in salaries as a result of participating in this survey. As a matter of fact, the survey results actually confirm that the staff salaries have evolved fairly since the last cost-of-living surveys, and that the established updating mechanisms for updating the PAI are adequate for the maintenance of approximate purchasing power parity of salaries at the designated duty stations with those in New York.

It is also important to note that the survey affects only the in-area (excluding housing) component of the PAI, and that the results are considerably influenced by macro-economic factors, such as inflation and exchange-rate fluctuations, that are beyond the control of the survey process. Thus survey results considered low cannot be attributed solely to the survey. As a matter of fact, the price surveys registered significantly higher cost of living related to in-area (excluding housing) expenditures, relative to New York, for all designated duty stations, except Washington, D.C., which is only slightly less than New York (see Table 1 of the annex of each designated duty station).

Conclusion

I conclude by again thanking all staff members for taking some time out of their busy work schedules to participate in the 2010 baseline cost-of-living surveys. I assure them that this was time well spent, as it produced good-quality benchmark data to be used for setting post adjustment not only for their duty stations, but for all other duty stations covered by the United Nations common system. Indeed the surveys offer the only opportunity for staff to register the increases in cost of living experienced by them at their respective duty stations, so that these can be taken into account, among the many other factors that are beyond their control (rent, medical insurance, pension contribution, and out-of-area indices).

I look forward to the continued cooperation and participation of all eligible staff in future surveys. In this connection, I would like to inform all stakeholders that the planning for the next round of surveys starts with the 34th session of ACPAQ next year, and to stress that the participation of representatives of organizations and staff federations in ACPAQ sessions is perhaps the most effective way of contributing to the enhancements to the post adjustment methodology required to ensure that it remain faithful to the goal for which it was designed.

Annex I

Detailed explanations of survey results for Geneva

The post adjustment classification (PAC) implemented for Geneva as of 1 April 2011 results from the comparison of two separate inputs: the results of the cost-of-living survey conducted in Geneva in September 2010, updated to April 2011, and the evolution of the multiplier applicable to Geneva, calculated on the basis of the operational rule designed to keep stable over time the net-take home pay (NTP) in Swiss Francs, regardless of exchange rate fluctuations of the Swiss Franc relative to the US Dollar.

The cost-of-living survey conducted in September 2010 in Geneva produced a new Post Adjustment Index (PAI) based on a new set of price indices and weights. Table 1 provides a summary of the PAI and its major components as of September 2010, calculated on the basis of the cost-of-living survey. The table also provides the values of these indices for April 2011, derived from updating those of September 2010 for changes to local inflation (as measured by the CPIs published by Swiss Federal Statistical Office), exchange rates, and movements in housing, medical insurance, pension contribution, and out-of-area indices.

Table 1. The Post Adjustment Index for Geneva, at survey and implementation dates

PAI component	Weight (US\$)	Index	
		September 2010	April 2011
Total In-Area (excluding Housing)	4,701.73	131.33	147.96
Housing	3,190.69	108.29	121.35
Pension Contribution	1,010.39	100.00	100.00
Medical Insurance	530.18	63.02	69.18
Out-of-Area	2,770.53	98.27	102.41
Total cost-of-living index		112.24	123.27
<i>Rebasing factor</i>		<i>162.94</i>	<i>160.74</i>
Post Adjustment Index (PAI)		182.88	198.14

Table 1 shows that in April 2011, the Total In-Area (excluding Housing) component of the PAI is 147.96. This means that all expenditures for food, beverages and tobacco, clothing, furniture, equipment and maintenance of the house, health, transport, communication, recreation and culture, education, restaurants and hotels and other miscellaneous expenditures are 47.96per cent higher in Geneva in April 2011 than in New York in June 2010. Similarly, expenditures for Housing are 21.35per cent higher than in New York. On the other hand, expenditures for Medical Insurance are 30.82per cent lower than in New York. The contribution to the United Nations Joint Pension Fund of staff members is, as expected, exactly the same for Geneva and

New York. A value of 102.41 for the Out-of-Area Index, which indicates the evolution of out-of-area expenditures incurred outside the country of the duty station and is common to all duty stations, means that in April 2011 such expenditures were 2.41per cent higher than in June 2010. The overall result of the aggregation of the five major components of the PAI produced an index equal to 123.27, meaning that the cost-of-living in Geneva in April 2011 is 23.27per cent higher than that of New York in June 2010.

During the same period, independent of the results of the cost-of-living survey conducted in September 2010, the multiplier for Geneva also evolved in accordance with the operational rule designed to keep the NTP stable over time until a new PAC is implemented. Operationally, the NTP may fluctuate within a plus or minus 0.5per cent band with respect to its reference level in local currency, the Swiss Franc for Geneva. Table 2 presents the results of the evolution of the multiplier for Geneva from September 2010 to April 2011, based exclusively on adjustments for changes in the exchange rate of the Swiss Franc relative to the US Dollar, to ensure the stability of the NTP paid out in Swiss Francs.

Table 2. Net take-home pay, from survey date to implementation date

Values for P4, step VI, with dependant status in Geneva - Value of multiplier for April 2011 calculated as if the cost-of-living survey had not taken place

Year	Month	Multiplier	Exchange Rate	Net salary		Pension contribution	Net take-home pay		Fluctuation %
				US\$	CHF	US\$	US\$	CHF	
2010	September	85.0	1.026	12,204	12,521	1,010	11,193	11,484	
	October	93.7	0.976	12,777	12,471	1,010	11,767	11,485	0.00
	November	92.2	0.984	12,678	12,476	1,010	11,668	11,481	-0.03
	December	95.1	0.968	12,870	12,458	1,010	11,859	11,480	-0.01
2011	January	95.7	0.951	13,087	12,445	1,010	12,076	11,485	0.04
	February	97.4	0.942	13,200	12,435	1,010	12,190	11,483	-0.01
	March	99.8	0.930	13,361	12,426	1,010	12,350	11,486	0.03
	April	101.4	0.922	13,468	12,417	1,010	12,457	11,486	0.00

In April 2011, the comparison was made between the multiplier to be derived from the cost-of-living survey, which was 98.1 (the rounded value of 198.14 – 100) and that based exclusively on changes to the exchange rate of the Swiss Franc relative to the US Dollar, which was 101.4. Since the latter was higher, in accordance with the established methodology for the updating of the PAC for Group I duty stations, the new multiplier for Geneva was set at 101.4. This means that the 2010 cost-of-living survey did not trigger any change in the PAC for Geneva.

This result was due primarily to the sustained weakening of the US Dollar relative to the Swiss Franc during the past months. Since the multiplier corresponds to percentage points of the net base salary expressed in US Dollars, a higher amount of US Dollars was needed to ensure a stable level of net take-home pay in Swiss Franc terms. The effect of changes to the exchange rate of the Swiss Franc relative to the US Dollar on the multiplier in Geneva was higher than that of the combined effect of local inflation and movements of the other PAI components.

Annex II

Detailed explanations of survey results for London

The post adjustment classification (PAC) implemented for London as of 1 April 2011 results from the comparison of two separate inputs: the results of the cost-of-living survey conducted in London in September 2010, updated to April 2011, and the evolution of the multiplier applicable to London, calculated on the basis of the operational rule designed to keep stable over time the net-take home pay (NTP) in British Pounds, regardless of exchange rate fluctuations of the British Pound relative to the US Dollar.

The cost-of-living survey conducted in September 2010 in London produced a new Post Adjustment Index (PAI) based on a new set of price indices and weights. Table 1 provides a summary of the PAI and its major components as of September 2010, calculated on the basis of the cost-of-living survey. The table also provides the values of these indices for April 2011, derived from updating those of September 2010 for changes to local inflation (as measured by the HICPs published by Eurostat), exchange rates, and movements in housing, medical insurance, pension contribution, and out-of-area indices.

Table 1. The Post Adjustment Index for London, at survey and implementation dates

PAI component	Weight (US\$)	Index	
		September 2010	April 2011
Total In-Area (excluding Housing)	3,306.97	112.82	118.74
Housing	3,435.46	106.48	111.52
Pension Contribution	1,010.39	100.00	100.00
Medical Insurance	286.99	34.11	35.87
Out-of-Area	2,422.23	98.27	102.41
Total cost-of-living index		103.97	108.51
<i>Rebasing factor</i>		<i>162.94</i>	<i>160.74</i>
Post Adjustment Index (PAI)		169.41	174.41

Table 1 shows that in April 2011, the Total In-Area (excluding Housing) component of the PAI is 118.74. This means that all expenditures for food, beverages and tobacco, clothing, furniture, equipment and maintenance of the house, health, transport, communication, recreation and culture, education, restaurants and hotels and other miscellaneous expenditures are 18.74 per cent higher in London in April 2011 than in New York in June 2010. Similarly, expenditures for Housing are 11.52 per cent higher than in New York. On the other hand, expenditures for Medical Insurance are 64.13 per cent lower than in New York. The contribution to the United Nations Joint Pension Fund of staff members is, as expected, exactly the same for London and

New York. A value of 102.41 for the Out-of-Area Index, which indicates the evolution of out-of-area expenditures incurred outside the country of the duty station and is common to all duty stations, means that in April 2011 such expenditures were 2.41per cent higher than in June 2010. The overall result of the aggregation of the five major components of the PAI produced an index equal to 108.51, meaning that the cost-of-living in London in April 2011 is 8.51per cent higher than that of New York in June 2010.

During the same period, independent of the results of the cost-of-living survey conducted in September 2010, the multiplier for London also evolved in accordance with the operational rule designed to keep the NTP stable over time until a new PAC is implemented. Operationally, the NTP may fluctuate within a plus or minus 0.5per cent band with respect to its reference level in local currency, the British Pound for London. Table 2 presents the results of the evolution of the multiplier for London from September 2010 to April 2011. Until and including February 2011, such evolution of the multiplier was based exclusively on adjustments for changes in the exchange rate of the British Pound relative to the US Dollar, to ensure the stability of the NTP paid out in British Pounds. In March 2011, a full PAC review took place, resetting the reference level of the NTP in local currency.

Table 2. Net take-home pay, from survey date to implementation date

Values for P4, step VI, with dependant status in London - Value of multiplier for April 2011 calculated as if the cost-of-living survey had not taken place

Year	Month	Multiplier	Exchange Rate	Net salary		Pension contribution	Net take-home pay		Fluctuation %
				US\$	GBP		US\$	US\$	
2010	September	58.6	0.644	10,462	6,738	1,010	9,452	6,087	
	October	61.1	0.633	10,627	6,727	1,010	9,617	6,087	0.01
	November	62.2	0.628	10,700	6,719	1,010	9,689	6,085	-0.04
	December	61.5	0.631	10,653	6,722	1,010	9,643	6,085	0.00
2011	January	55.6	0.648	10,405	6,743	1,010	9,395	6,088	0.05
	February	59.4	0.631	10,659	6,726	1,010	9,649	6,088	0.01
	March	63.5	0.623	10,933	6,811	1,010	9,923	6,182	1.54
	April	63.3	0.624	10,920	6,814	1,010	9,910	6,184	0.03

In April 2011, the comparison was made between the multiplier to be derived from the cost-of-living survey, which was 74.4 (the rounded value of 174.41 – 100) and that based exclusively on changes to the exchange rate of the British Pound relative to the US Dollar, which was 63.3. Since the former was higher, in accordance with the established methodology for the updating of the PAC for Group I duty stations, the new multiplier for London was set at 74.4. This represents an increase in the PAC for London of about 6.8 per cent. This result was due to the combined effect of the weakening of the US Dollar relative to the British Pound during the past months and the evolution of local inflation and movements of the other PAI components, which happened to produce an effect on the multiplier higher than that attributable to changes in the exchange rate only.

Annex III

Detailed explanations of survey results for Madrid

The Post Adjustment Classification (PAC) implemented for Madrid as of 1 April 2011 results from the comparison of two separate inputs: the results of the cost-of-living survey conducted in Madrid in September 2010, updated to April 2011, and the evolution of the multiplier applicable to Madrid, calculated on the basis of the operational rule designed to keep stable over time the net-take home pay (NTP) in Euros, regardless of the exchange rate fluctuations of the Euro relative to the US Dollar.

The cost-of-living survey conducted in September 2010 in Madrid produced a new Post Adjustment Index (PAI) based on a new set of price indices and weights. Table 1 provides a summary of the PAI and its major components as of September 2010, calculated on the basis of the cost-of-living survey. The table also provides the values of these indices for April 2011, derived from updating those of September 2010 for changes to local inflation (as measured by the HICPs published by Eurostat), exchange rates, and movements in housing, medical insurance, pension contribution, and out-of-area indices.

Table 1. The Post Adjustment Index for Madrid, at survey and implementation dates

PAI component	Weight (US\$)	Index	
		September 2010	April 2011
Total In-Area (excluding Housing)	4,681.58	94.42	105.55
Housing	1,262.88	62.64	70.02
Pension Contribution	1,010.39	100.00	100.00
Medical Insurance	367.27	43.66	48.01
Out-of-Area	2,242.81	98.27	102.41
Total cost-of-living index		89.77	97.33
<i>Rebasing factor</i>		<i>162.94</i>	<i>160.74</i>
Post Adjustment Index (PAI)		146.27	156.44

Table 1 shows that in April 2011, the Total In-Area (excluding Housing) component of the PAI is 105.55. This means that all expenditures for food, beverages and tobacco, clothing, furniture, equipment and maintenance of the house, health, transport, communication, recreation and culture, education, restaurants and hotels and other miscellaneous expenditures are 5.55 per cent higher in Madrid in April 2011 than in New York in June 2010. On the other hand, expenditures for Housing and Medical Insurance are, respectively, 29.98 per cent and 51.99 per cent lower than in New York. The contribution to the United Nations Joint Pension Fund of staff members is, as expected, exactly the same for Madrid and New York. A value of 102.41 for the Out-of-Area Index, which indicates the evolution of out-of-area expenditures incurred outside

the country of the duty station, and common to all duty stations, means that in April 2011 such expenditures were 2.41per cent higher than in June 2010. The overall result of the aggregation of the five major components of the PAI produced an index equal to 97.33, meaning that the cost-of-living in Madrid in April 2011 is 2.67per cent lower than that of New York in June 2010.

During the same period, independent of the results of the cost-of-living survey conducted in September 2010, the multiplier for Madrid also evolved in accordance with the operational rule designed to keep the NTP stable over time until a new PAC is implemented. Operationally, the NTP may fluctuate within a plus or minus 0.5per cent band with respect to its reference level in local currency, the Euro for Madrid. Table 2 presents the results of the evolution of the multiplier for Madrid from September 2010 to April 2011, based exclusively on adjustments for changes in the exchange rate of the Euro relative to the US Dollar, to ensure the stability of the NTP paid out in Euros.

Table 2. Net take-home pay, from survey date to implementation date

Values for P4, step VI, with dependant status in Madrid - Value of multiplier for April 2011 calculated as if the cost-of-living survey had not taken place

Year	Month	Multiplier	Exchange Rate	Net salary		Pension contribution	Net take-home pay		Fluctuation %
				US\$	Euro	US\$	US\$	Euro	
2010	September	45.0	0.787	9,565	7,528	1,010	8,555	6,732	
	October	54.2	0.735	10,172	7,476	1,010	9,161	6,734	0.02
	November	57.1	0.720	10,363	7,461	1,010	9,353	6,734	0.00
	December	52.0	0.747	10,027	7,490	1,010	9,016	6,735	0.02
2011	January	47.5	0.761	9,863	7,506	1,010	8,853	6,737	0.03
	February	52.3	0.734	10,184	7,475	1,010	9,174	6,734	-0.05
	March	53.4	0.728	10,258	7,468	1,010	9,248	6,732	-0.02
	April	57.0	0.710	10,499	7,454	1,010	9,488	6,737	0.07

In April 2011, the comparison was made between the multiplier to be derived from the cost-of-living survey, which was 56.4 (the rounded value of 156.44 – 100) and that based exclusively on changes to the exchange rate of the Euro relative to the US Dollar, which was 57.0. Since the latter was higher, in accordance with the established methodology for the updating of the PAC for Group I duty stations, the new multiplier for Madrid was set at 57.0. This means that the 2010 cost-of-living survey did not trigger any change in the PAC for Madrid.

This result was due primarily to the sustained weakening of the US Dollar relative to the Euro during the past months. Since the multiplier corresponds to percentage points of the net base salary expressed in US Dollars, a higher amount of US Dollars was needed to ensure a stable level of net take-home pay in Euro terms. The effect of changes to the exchange rate of the Euro relative to the US Dollar, on the multiplier for Madrid, was higher than the combined effect of local inflation and the movements of the other PAI components.

Annex IV

Detailed explanations of survey results for Montreal

The post adjustment classification (PAC) implemented for Montreal as of 1 April 2011 results from the comparison of two separate inputs: the results of the cost-of-living survey conducted in Montreal in September 2010, updated to April 2011, and the evolution of the multiplier applicable to Montreal, calculated on the basis of the operational rule designed to keep stable over time the net-take home pay (NTP) in Canadian dollars, regardless of the exchange rate fluctuations of the Canadian Dollar relative to the US Dollar.

The cost-of-living survey conducted in September 2010 in Montreal produced a new Post Adjustment Index (PAI) based on a new set of price indices and weights. Table 1 provides a summary of PAI and its major components as of September 2010, calculated on the basis of the cost-of-living survey. The table also provides the values of these indices for April 2011, derived from updating those of September 2010 for changes to local inflation (as measured by the CPIs published by Statistics Canada), exchange rates, and movements in housing, medical insurance, pension contribution, and out-of-area indices.

Table 1. The Post Adjustment Index for Montreal, at survey and implementation dates

PAI component	Weight (US\$)	Index	
		September 2010	April 2011
Total In-Area (excluding Housing)	4,149.55	112.06	121.18
Housing	2,342.27	72.30	78.84
Pension Contribution	1,010.39	100.00	100.00
Medical Insurance	236.81	28.15	30.37
Out-of-Area	2,347.03	98.27	102.41
Total cost-of-living index		96.44	102.73
<i>Rebasing factor</i>		<i>162.94</i>	<i>160.74</i>
Post Adjustment Index (PAI)		157.14	165.12

Table 1 shows that in April 2011, the Total In-Area (excluding Housing) component of the PAI is 121.18. This means that all expenditures for food, beverages and tobacco, clothing, furniture, equipment and maintenance of the house, health, transport, communication, recreation and culture, education, restaurants and hotels and other miscellaneous expenditures are 21.18 per cent higher in Montreal in April 2011 than in New York in June 2010. On the other hand, expenditures for Housing and Medical Insurance are, respectively, 21.16 per cent and 69.63 per cent lower than in New York. The contribution to the United Nations Joint Pension Fund of staff

members is, as expected, exactly the same for Montreal and New York. A value of 102.41 for the Out-of-Area Index, which indicates the evolution of out-of-area expenditures incurred outside the country of the duty station and is common to all duty stations, means that in April 2011 such expenditures were 2.41per cent higher than in June 2010. The overall result of the aggregation of the five major components of the PAI produced an index equal to 102.73, meaning that the cost-of-living in Montreal in April 2011 is 2.73per cent higher than that of New York in June 2010.

During the same period, independent of the results of the cost-of-living survey conducted in September 2010, the multiplier for Montreal also evolved in accordance with the operational rule designed to keep the NTP stable over time until a new PAC is implemented. Operationally, the NTP may fluctuate within a plus or minus 0.5per cent band with respect to its reference level in local currency, the Canadian Dollar for Montreal. Table 2 presents results of the evolution of the multiplier for Montreal from September 2010 to April 2011, based exclusively on adjustments for changes in the exchange rate of the Canadian Dollar relative to the US Dollar, to ensure the stability of the NTP paid out in Canadian Dollars.

Table 2. Net take-home pay, from survey date to implementation date

Values for P4, step VI, with dependant status in Montreal - Value of multiplier for April 2011 calculated as if the cost-of-living survey had not taken place

Year	Month	Multiplier	Exchange Rate	Net salary		Pension contribution	Net take-home pay		Fluctuation %
				US\$	CAD	US\$	US\$	CAD	
2010	September	52.9	1.053	10,086	10,621	1,010	9,076	9,557	
	October	56.5	1.026	10,324	10,592	1,010	9,313	9,555	-0.01
	November	56.4	1.027	10,317	10,595	1,010	9,307	9,558	0.03
	December	59.5	1.005	10,521	10,574	1,010	9,511	9,559	0.01
2011	January	58.0	1.000	10,566	10,566	1,010	9,555	9,555	-0.04
	February	58.2	0.999	10,579	10,568	1,010	9,569	9,559	0.04
	March	60.8	0.981	10,753	10,549	1,010	9,742	9,557	-0.02
	April	62.3	0.971	10,853	10,538	1,010	9,843	9,557	0.00

In April 2011, the comparison was made between the multiplier to be derived from the cost-of-living survey, which was 65.1 (the rounded value of 165.12 – 100) and that based exclusively on changes to the exchange rate of the Canadian Dollar relative to the US Dollar, which was 62.3. Since the former was higher, in accordance with the established methodology for the updating of the PAC for Group I duty stations, the new multiplier for Montreal was set at 65.1. This represents an increase in the PAC for Montreal of about 1.7 per cent.

This result was due to the combined effect of the sustained weakening of the US Dollar relative to the Canadian Dollar during the past months and the evolution of local inflation as well as movements of the other PAI components, which happened to produce an effect on the multiplier higher than that attributable to changes of the exchange rate only.

Annex V

Detailed explanations of survey results for Paris

The post adjustment classification (PAC) implemented for Paris as of 1 April 2011 results from the comparison of two separate inputs: the results of the cost-of-living survey conducted in Paris in September 2010, updated to April 2011, and the evolution of the multiplier applicable to Paris, calculated on the basis of the operational rule designed to keep stable over time the net-take home pay (NTP) in Euros, regardless of the exchange rate fluctuations of the Euro relative to the US Dollar.

The cost-of-living survey conducted in September 2010 in Paris produced a new Post Adjustment Index (PAI) based on a new set of price indices and weights. Table 1 provides a summary of the PAI and its major components as of September 2010, calculated on the basis of the cost-of-living survey. The table also provides the values of these indices for April 2011, derived from updating those of September 2010 for changes to local inflation (as measured by the HICPs published by Eurostat), exchange rates, and movements in housing, medical insurance, pension contribution, and out-of-area indices.

Table 1. The Post Adjustment Index for Paris, at survey and implementation dates

PAI component	Weight (US\$)	Index	
		September 2010	April 2011
Total In-Area (excluding Housing)	3,755.98	112.55	125.24
Housing	2,534.88	80.10	89.06
Pension Contribution	1,010.39	100.00	100.00
Medical Insurance	532.75	63.33	69.59
Out-of-Area	2,370.78	98.27	102.41
Total cost-of-living index		97.36	105.54
<i>Rebasing factor</i>		<i>162.94</i>	<i>160.74</i>
Post Adjustment Index (PAI)		158.64	169.65

Table 1 shows that in April 2011, the Total In-Area (excluding Housing) component of the PAI is 125.24. This means that all expenditures for food, beverages and tobacco, clothing, furniture, equipment and maintenance of the house, health, transport, communication, recreation and culture, education, restaurants and hotels and other miscellaneous expenditures are 25.24 per cent higher in Paris in April 2011 than in New York in June 2010. On the other hand, expenditures for Housing and Medical Insurance are, respectively, 10.94 per cent and 30.41 per cent lower than in New York. The contribution to the United Nations Joint Pension Fund of staff members is, as expected, exactly the same for Paris and New York. A value of 102.41 for the Out-of-Area Index, which indicates the evolution of out-of-area expenditures incurred outside

the country of the duty station and is common to all duty stations, means that in April 2011 such expenditures were 2.41 per cent higher than in June 2010. The overall result of the aggregation of the five major components of the PAI produced an index equal to 105.54, meaning that the cost-of-living in Paris in April 2011 is 5.54 per cent higher than that of New York in June 2010.

During the same period, independent of the results of the cost-of-living survey conducted in September 2010, the multiplier for Paris also evolved in accordance with the operational rule designed to keep the NTP stable over time until a new PAC is implemented. Operationally, the NTP may fluctuate within a plus or minus 0.5 per cent band with respect to its reference level in local currency, the Euro for Paris. Table 2 presents the results of the evolution of the multiplier for Paris from September 2010 to April 2011, based exclusively on adjustments for changes in the exchange rate of the Euro relative to the US Dollar, to ensure the stability of the NTP paid out in Euros.

Table 2. Net take-home pay, from survey date to implementation date

Values for P4, step VI, with dependant status in Paris - Value of multiplier for April 2011 calculated as if the cost-of-living survey had not taken place

Year	Month	Multiplier	Exchange Rate	Net salary		Pension contribution	Net take-home pay		Fluctuation %
				US\$	Euro		US\$	US\$	
2010	September	54.7	0.787	10,205	8,031	1,010	9,194	7,236	
	October	64.5	0.735	10,851	7,976	1,010	9,841	7,233	-0.04
	November	67.6	0.720	11,056	7,960	1,010	10,045	7,233	-0.01
	December	62.1	0.747	10,693	7,988	1,010	9,683	7,233	0.00
2011	January	57.2	0.761	10,512	8,000	1,010	9,502	7,231	-0.03
	February	62.5	0.734	10,867	7,976	1,010	9,856	7,234	0.05
	March	63.7	0.728	10,947	7,969	1,010	9,936	7,234	-0.01
	April	67.5	0.710	11,201	7,953	1,010	10,190	7,235	0.02

In April 2011, the comparison was made between the multiplier to be derived from the cost-of-living survey, which was 69.6 (the rounded value of 169.65 – 100) and that based exclusively on changes to the exchange rate of the Euro relative to the US Dollar, which was 67.5. Since the former was higher, in accordance with the established methodology for the updating of the PAC for Group I duty stations, the new multiplier for Paris was set at 69.6. This represents an increase in the PAC for Paris of about 1.3 per cent.

This result was due to the combined effect of the sustained weakening of the US Dollar relative to the Euro during the past months and the evolution of local inflation and movements of the other PAI components, which happened to produce an effect on the multiplier higher than that attributable to changes of the exchange rate only.

Annex VI

Detailed explanations of survey results for Rome

The post adjustment classification (PAC) implemented for Rome as of 1 April 2011 results from the comparison of two separate inputs: the results of the cost-of-living survey conducted in Rome in October 2010, updated to April 2011, and the evolution of the multiplier applicable to Rome, calculated on the basis of the operational rule designed to keep stable over time the net-take home pay (NTP) in Euros, regardless of the exchange rate fluctuations of the Euro relative to the US Dollar.

The cost-of-living survey conducted in October 2010 in Rome produced a new Post Adjustment Index (PAI) based on a new set of price indices and weights. Table 1 provides a summary of the PAI and its major components as of October 2010, calculated on the basis of the cost-of-living survey. The table also provides the values of these indices for April 2011, derived from updating those of October 2010 for changes to local inflation (as measured by HICPs published by Eurostat), exchange rates, and movements in housing, medical insurance, pension contribution, and out-of-area indices.

Table 1. The Post Adjustment Index for Rome, at survey and implementation dates

PAI component	Weight (US\$)	Index	
		October 2010	April 2011
Total In-Area (excluding Housing)	3,702.52	115.81	120.41
Housing	2,846.73	85.27	88.55
Pension Contribution	1,010.39	100.00	100.00
Medical Insurance	548.78	65.23	61.92
Out-of-Area	2,439.39	98.31	102.41
Total cost-of-living index		99.37	102.65
<i>Rebasing factor</i>		<i>162.94</i>	<i>160.74</i>
Post Adjustment Index (PAI)		161.92	165.00

Table 1 shows that in April 2011, the Total In-Area (excluding Housing) component of the PAI is 120.41. This means that all expenditures for food, beverages and tobacco, clothing, furniture, equipment and maintenance of the house, health, transport, communication, recreation and culture, education, restaurants and hotels and other miscellaneous expenditures are 20.41 per cent higher in Rome in April 2011 than in New York in June 2010. On the other hand, expenditures for Housing and Medical Insurance are, respectively, 11.45 per cent and 38.08 per cent lower than in New York. The contribution to the United Nations Joint Pension Fund of staff members is, as expected, exactly the same for Rome and New York. A value of 102.41 for the

Out-of-Area Index, which indicates the evolution of out-of-area expenditures incurred outside the country of the duty station and is common to all duty stations, means that in April 2011 such expenditures were 2.41 per cent higher than in June 2010. The overall result of the aggregation of the five major components of the PAI produced an index equal to 102.65, meaning that the cost-of-living in Rome in April 2011 is 2.65 per cent higher than that of New York in June 2010.

During the same period, independent of the results of the cost-of-living survey conducted in October 2010, the multiplier for Rome also evolved in accordance with the operational rule designed to keep the NTP stable over time until a new PAC is implemented. Operationally, the NTP may fluctuate within a plus or minus 0.5 per cent band with respect to its reference level in local currency, the Euro for Rome. Table 2 presents the results of the evolution of the multiplier for Rome from October 2010 to April 2011, based exclusively on adjustments for changes in the exchange rate of the Euro relative to the US Dollar, to ensure the stability of the NTP paid out in Euros.

Table 2. Net take-home pay, from survey date to implementation date

Values for P4, step VI, with dependant status in Rome - Value of multiplier for April 2011 calculated as if the cost-of-living survey had not taken place

Year	Month	Multiplier	Exchange Rate	Net salary		Pension contribution	Net take-home pay		Fluctuation %
				US\$	Euro	US\$	US\$	Euro	
2010	October	59.9	0.735	10,548	7,753	1,010	9,537	7,010	
	November	62.9	0.720	10,746	7,737	1,010	9,735	7,009	-0.01
	December	57.5	0.747	10,389	7,761	1,010	9,379	7,006	-0.05
2011	January	52.8	0.761	10,218	7,776	1,010	9,207	7,007	0.01
	February	57.9	0.734	10,559	7,750	1,010	9,549	7,009	0.02
	March	59.1	0.728	10,639	7,745	1,010	9,629	7,010	0.02
	April	62.7	0.710	10,880	7,725	1,010	9,870	7,007	-0.03

In April 2011, the comparison was made between the multiplier to be derived from the cost-of-living survey, which was 65.0 (the rounded value of 165.00 – 100) and that based exclusively on changes to the exchange rate of the Euro relative to the US Dollar, which was 62.7. Since the former was higher, in accordance with the established methodology for the updating of the PAC for Group I duty stations, the new multiplier for Rome was set at 65.0. This represents an increase in the PAC for Rome of about 1.4 per cent.

This result was due to the combined effect of the sustained weakening of the US Dollar relative to the Euro during the past months and the evolution of local inflation and movements of the other PAI components, which happened to produce an effect on the multiplier higher than that attributable to changes of the exchange rate only.

Annex VII

Detailed explanations of survey results for Vienna

The post adjustment classification (PAC) implemented for Vienna as of 1 April 2011 results from the comparison of two separate inputs: the results of the cost-of-living survey conducted in Vienna in October 2010, updated to April 2011, and the evolution of the multiplier applicable to Vienna, calculated on the basis of the operational rule designed to keep stable over time the net-take home pay (NTP) in Euros, regardless of the exchange rate fluctuations of the Euro relative to the US Dollar.

The cost-of-living survey conducted in October 2010 in Vienna produced a new Post Adjustment Index (PAI) based on a new set of price indices and weights. Table 1 provides a summary of the PAI and its major components as of October 2010, calculated on the basis of the cost-of-living survey. The table also provides the values of these indices for April 2011, derived from updating those of October 2010 for changes to local inflation (as measured by the HICPs published by Eurostat), exchange rates, and movements in housing, medical insurance, pension contribution, and out-of-area indices.

Table 1. The Post Adjustment Index for Vienna, at survey and implementation dates

PAI component	Weight (US\$)	Index	
		October 2010	April 2011
Total In-Area (excluding Housing)	4,053.46	116.08	120.23
Housing	2,466.38	72.33	75.18
Pension Contribution	1,010.39	100.00	100.00
Medical Insurance	704.84	83.78	80.83
Out-of-Area	2,471.05	98.31	102.41
Total cost-of-living index		98.26	101.24
<i>Rebasing factor</i>		<i>162.94</i>	<i>160.74</i>
Post Adjustment Index (PAI)		160.10	162.73

Table 1 shows that in April 2011, the Total In-Area (excluding Housing) component of the PAI is 120.23. This means that all expenditures for food, beverages and tobacco, clothing, furniture, equipment and maintenance of the house, health, transport, communication, recreation and culture, education, restaurants and hotels and other miscellaneous expenditures are 20.23 per cent higher in Vienna in April 2011 than in New York in June 2010. On the other hand, expenditures for Housing and Medical Insurance are, respectively, 24.82 per cent and 19.17 per cent lower than in New York. The contribution to the United Nations Joint Pension Fund of staff members is, as expected, exactly the same for Vienna and New York. A value of 102.41 for the Out-of-Area Index, which indicates the evolution of out-of-area expenditures incurred outside the country of the duty station and is common to all duty stations, means that in April 2011 such

expenditures were 2.41 per cent higher than in June 2010. The overall result of the aggregation of the five major components of the PAI produced an index equal to 101.24, meaning that the cost-of-living in Vienna in April 2011 is 1.24 per cent higher than that of New York in June 2010.

During the same period, independent of the results of the cost-of-living survey conducted in October 2010, the multiplier for Vienna also evolved over time. The evolution of the multiplier is designed to keep the NTP stable over time until a new PAC is implemented. Operationally, the NTP may fluctuate within a plus or minus 0.5 per cent band with respect to its reference level in local currency, the Euro for Vienna. Table 2 presents the results of the evolution of the multiplier for Vienna from October 2010 to April 2011, based exclusively on adjustments for changes in the exchange rate of the Euro relative to the US Dollar, to ensure the stability of the NTP paid out in Euros.

Table 2. Net take-home pay, from survey date to implementation date

Values for P4, step VI, with dependant status in Vienna - Value of multiplier for April 2011 calculated as if the cost-of-living survey had not taken place

Year	Month	Multiplier	Exchange Rate	Net salary		Pension contribution	Net take-home pay		Fluctuation %
				US\$	Euro		US\$	Euro	
2010	October	62.3	0.735	10,706	7,869	1,010	9,696	7,126	
	November	65.3	0.720	10,904	7,851	1,010	9,894	7,123	-0.04
	December	59.9	0.747	10,548	7,879	1,010	9,537	7,124	0.01
2011	January	55.1	0.761	10,372	7,893	1,010	9,361	7,124	-0.01
	February	60.3	0.734	10,719	7,868	1,010	9,709	7,126	0.03
	March	61.5	0.728	10,800	7,862	1,010	9,789	7,127	0.00
	April	65.2	0.710	11,047	7,843	1,010	10,037	7,126	-0.01

In April 2011, the comparison was made between the multiplier to be derived from the cost-of-living survey, which was 62.7 (the rounded value of 162.73 – 100) and that based exclusively on changes to the exchange rate of the Euro relative to the US Dollar, which was 65.2. Since the latter was higher, in accordance with the established methodology for the updating of the PAC for Group I duty stations, the new multiplier for Vienna was set at 65.2. This means that the 2010 cost-of-living survey did not trigger any change in the PAC for Vienna.

This result was due primarily to the sustained weakening of the US Dollar relative to the Euro during the past months. Since the multiplier corresponds to percentage points of the net base salary expressed in US Dollars, a higher amount of US Dollars was needed to ensure a stable level of net take-home pay in Euro terms. The effect of changes to the exchange rate of the Euro relative to the US Dollar, on the multiplier in Vienna, was higher than the combined effect of local inflation and the movements of the other PAI components.

Annex VIII

Detailed explanations of survey results for Washington D.C.

The post adjustment classification (PAC) implemented for Washington D.C. as of 1 April 2011 results from the comparison of two separate inputs: the results of the cost-of-living survey conducted in Washington D.C. in October 2010, updated to April 2011, and the evolution of the multiplier applicable to Washington D.C.

The cost-of-living survey conducted in October 2010 in Washington D.C. produced a new Post Adjustment Index (PAI) based on a new set of price indices and weights. Table 1 provides a summary of the PAI and its major components as of October 2010, calculated on the basis of the cost-of-living survey. The table also provides the values of these indices for April 2011, derived from updating those of October 2010 for changes to local inflation (as measured by CPIs published by the United States Bureau of Labor Statistics), and movements in housing, medical insurance, pension contribution, and out-of-area indices.

Table 1. The Post Adjustment Index for Washington D.C., at survey and implementation dates

PAI component	Weight (US\$)	Index	
		October 2010	April 2011
Total In-Area (excluding Housing)	2,765.31	98.25	98.29
Housing	2,933.69	74.41	74.42
Pension Contribution	1,010.39	100.00	100.00
Medical Insurance	486.07	57.78	59.18
Out-of-Area	2,211.15	98.31	102.41
Total cost-of-living index		88.93	89.98
<i>Rebasing factor</i>		<i>162.94</i>	<i>160.74</i>
Post Adjustment Index (PAI)		144.90	144.63

Table 1 shows that in April 2011, the Total In-Area (excluding Housing) component of the PAI is 98.29. This means that all expenditures for food, beverages and tobacco, clothing, furniture, equipment and maintenance of the house, health, transport, communication, recreation and culture, education, restaurants and hotels and other miscellaneous expenditures are 1.71 per cent lower in Washington D.C. in April 2011 than in New York in June 2010. Similarly, expenditures for Housing and Medical Insurance are, respectively, 25.58 per cent and 40.82 per cent lower than in New York. The contribution to the United Nations Joint Pension Fund of staff members is, as expected, exactly the same for Washington D.C. and New York. A value of 102.41 for the Out-of-Area Index, which indicates the evolution of out-of-area expenditures incurred outside the country of the duty station and is common to all duty stations, means that in

April 2011 such expenditures were 2.41 per cent higher than in June 2010. The overall result of the aggregation of the five major components of the PAI produced an index equal to 89.98, meaning that the cost-of-living in Washington D.C. in April 2011 is 10.02 per cent lower than that of New York in June 2010.

Since in the case of Washington D.C. there are no exchange rate effects, its multiplier remained stable from October to December 2010. The change that occurred to the multiplier in January 2011 was the result of the consolidation process only, entailing a reduction in the post adjustment for all duty stations by an amount commensurate with the increase in base salaries promulgated by the United Nations General Assembly with effect from 1 January. Note that this change in multiplier has no effect in the net take-home pay of staff. Table 2 presents the results of the evolution of the multiplier for Washington D.C. from October 2010 to April 2011.

Table 2. Net take-home pay, from survey date to implementation date

Values for P4, step VI, with dependant status in Washington D.C. - Value of multiplier for April 2011 calculated as if the cost-of-living survey had not taken place

Year	Month	Multiplier	Net salary	Pension contribution	Net take-home pay	Fluctuation
			US\$	US\$	US\$	%
2010	October	42.6	9,407	1,010	8,396	
	November	42.6	9,407	1,010	8,396	0.00
	December	42.6	9,407	1,010	8,396	0.00
2011	January	40.7	9,409	1,010	8,398	0.03
	February	40.7	9,409	1,010	8,398	0.00
	March	40.7	9,409	1,010	8,398	0.00
	April	40.7	9,409	1,010	8,398	0.00

In April 2011, the comparison was made between the multiplier to be derived from the cost-of-living survey, which was 44.6 (the rounded value of 144.63 – 100) and that applicable according to the regular evolution, which was 40.7. Since the former was higher, in accordance with the established methodology for the updating of the PAC for Group I duty stations, the new multiplier for Washington D.C. was set at 44.6. This represents an increase in the PAC for Washington, D.C., of about 2.8 per cent.
