

SUMMARY OF DECISIONS
24th MEETING OF CROP EXECUTIVES
10 -11 June, 2009
FFA, Honiara

1. The CROP Executives of FFA, Southpacific.travel, SPREP, PPA, FSchM, SPC, SOPAC, SPBEA and the deputy Vice Chancellor of USP, gathered in Honiara at the Head Quarters of the Forum Fisheries Agency for their 24th Meeting on 10 – 11 June, 2009. Kindly hosted by FFA, CROP Executives considered a number of issues including priorities for implementation under the Pacific Plan for 2010 including the development of a comprehensive framework for monitoring and reporting progress under the plan. In addition, they discussed the initial review of the CROP Working Group mechanism, preparations for the Forum Leaders Meeting, developments around other high level conferences with international partners including Japan and France as well as CROP remuneration and harmonization assessments.

CROP and Pacific Plan Priorities

2. CROP Executives informed the Council of their various priorities as individual organizations and drew particular emphasis to links with implementing the Pacific Plan.

3. Noting the positive views expressed by members on the approach taken in determining priorities for 2009, Executives focused on existing priority sectors and specific actions within these sectors that require attention during 2010. The Council discussed the need to consolidate the list of priorities for consideration by PPAC bearing in mind past decisions to maintain this list of priorities for the region over a five year period.

4. Recognising the need to provide digestible reports for policy makers, Executives discussed the level of detail required for presentation to PPAC and any substitute information that may need to be provided in different sectors. In this regard, the Council agreed to a single presentation as a collective submission from CROP to PPAC. In line with this agreement, Council developed **Annex A** for onward consideration by PPAC and Leaders.

Performance Framework

5. CROP Executives discussed a performance framework for monitoring their efforts towards implementing the Pacific Plan priorities and agreed to this approach in principle. They discussed the value of such a framework as a reporting and planning tool. They further expressed the need for a practical approach cognizant of the timeframe in which targets could realistically be achieved. Further, the framework should allow for annual updates on outputs with provision for capturing prospective outlook. Executives also emphasised the importance of identifying practical means for measurement and verification of targets.

6. To this end, the Council requested the Secretariat to work with suggestions provided to further develop the framework for further consideration by Executives.

CROP Publication

7. CROP Executives agreed that a CROP publication outlining the link between various CROP Agencies to priority initiatives in the Pacific Plan would be beneficial. To this end, the Council requested the Secretariat to develop a draft publication for consideration by CROP Executives out of session towards producing the publication in time for the Forum Leaders Meeting in August, 2009.

8. In addition, Council acknowledged the presentation made by SPC on an in-house publication they were developing for their governing council, which outlined how the core business of SPC aligns with the Pacific Plan. The Council agreed this was a good approach that other CROP agencies should consider replicating. This would help to foster better understanding amongst respective governing councils as to the value and role of the Pacific Plan in relation to the sectors with which they are most familiar.

Review of CROP Working Group Mechanisms

9. The draft Report of the review of the CROP Working Group mechanism was considered by CROP Executives. Executives provided initial views on the report and its recommendations with a view to submitting written comments to the Secretariat by 30 June, for consolidation and onward forwarding to the consultant.

10. Initial views expressed by Executives indicated that they were generally disappointed with the draft report and recommendations. The report was considerably negative in focus and lacked acknowledgement of the many positive developments brought about by the CROP Working Group mechanism. The draft recommendations were rather impractical demonstrating a lack of strategic direction for the future of the CROP Working Group mechanism. As a result, some suggested modalities support mechanisms that would promote competition with the interests of existing regional organizations and could quite easily evolve into organizations themselves.

11. CROP Executives reiterated the importance of ensuring that these coordination mechanisms remain coordination mechanisms and do not develop a life, and heavy administrative processes, of their own.

12. CROP Executives agreed to provide written comments on the draft review report to the Secretariat by 30 June. Council requested the Secretariat to consolidate these comments and submit them to the consultant for finalisation of the report with a view to consideration of recommendations by CROP Executives at their Council meeting in 2010.

13. The Council agreed that working groups continue to work within their existing TOR's, until such time as the Council takes a decision on the working group review. Council also directed the CROP Sustainable Development Working Group to assist with coordinating the Pacific Preparations for MSI+5, in collaboration with ESCAP and other relevant organizations.

Preparations for the Forum

14. The Secretary General advised CROP Executives on preparations for the Forum and associated meetings. This included a possible restructuring of the Post Forum Dialogue Plenary to maximise this opportunity for the region. CROP Executives indicated their desire for more engagement in this process to assist with facilitating the dialogue where appropriate.

High Level Summits

15. The Secretariat provided an update to the Executives on the outcomes of the PALM5. In general there were positive outcomes contained in the Declaration and Annex's of PALM5 with an indication of about 6.8 billion yen in new funding for environmental activities in the region. The Secretariat informed the Council that they would be working with Japan and relevant CROP agencies, in particular SPREP, to develop a modality and/or programme for implementation of the funds committed by Japan in line with Annex 1, the Pacific Environment Community (PEC). CROP Executives expressed the need to align Japanese assistance more closely to priorities under the Pacific Plan.

CROP harmonisation and remuneration issues

16. The sixⁱ participating CROP agencies involved in the CROP Remuneration scheme considered a number of reports related to job evaluation and jobsizing, and market data reviews. In addition they considered the findings of the Triennial Review which is required by the governing bodies to provide a mechanism for regular review of the participating CROP remuneration principles and practices, to consider international best practice and emerging trends, and to facilitate on-going harmonisation.

17. The decisions on this discussion, relevant to the six participating CROP agencies, are contained in **Annex B**.

Other business

18. CROP Executives welcomed SPREP's offer to host the next CROP Executives Meeting in Samoa in 2010.

ⁱ The participating CROP agencies are FFA, PIFS, SPC, SPBEA, SPREP and SOPAC

Annex A

2010 Pacific Plan Priorities – Building Resilience to Vulnerability

Recommendations for Forum Leaders by CROP Executives

1. As the region's highest standing technical advisory body, the CROP Executives draw to the attention of Forum Leaders, through the PPAC, the vulnerability of Pacific Peoples. This vulnerability has resulted from a range of substantial and unique factors and must be addressed through targeted and proactive policy responses supported by well resourced and innovative initiatives. This action must utilise the capacities of national governments, their regional technical agencies and the international community more generally to ensure the greater effectiveness of development and building the region's resilience.
2. CROP Executives consider the condition of vulnerability continues to be the central obstacle to the achievement of greater prosperity and fundamental security and stability in the Pacific. It is noted that Pacific Island vulnerability has been exacerbated most recently by the continuing global financial and economic crisis which will pose particular challenges for disadvantage groups such as women and youth.
3. CROP Executives continue to advocate effective regional responses to address this vulnerability, and in particular, through the framework of the Pacific Plan which has over recent years provided a valuable vehicle for ensuring concerted whole-of-region action. In responding to this vulnerability, and ensuring the Pacific Plan remains a relevant living document, CROP Executives propose that work continue in a range of priority sectors identified in 2007 and 2008 building on previous efforts to ensure continuity.
4. In order to progress the implementation of the Pacific Plan, CROP Executives respectfully urge Forum Leaders to commit their governments, provide sufficient national resources and work with their regional technical organisations and other development partners to target this vulnerability by pursuing the broad objectives outlined in the succeeding paragraphs.
 - a. *Fostering economic development and promoting opportunities for broad based growth*
5. Economic development is integral to the vision set by Forum Leaders through the Pacific Plan. It provides the basis for trade, investment and the generation of revenue to finance broader socioeconomic programs improving living standards.

6. Forum Members face various challenges both respectively and collectively. The size and geography of each Forum member in many respects dictates its potential to enjoy the benefits of economic drivers such as mineral exploration, agriculture, forestry, fisheries and tourism. This is exacerbated by ongoing capacity constraints, poor infrastructure and questions of energy security and transport - much of which regionalism has the potential to address.

7. Historically, economic growth in Forum Island Countries has been below expectations with growth rates averaging 2 to 3 percent over the last decade.ⁱ This has been even weaker on a per capita basis. This is despite significant levels of development assistance (amongst the highest per capita rate in the world) and remittance inflows. Weak economic performance viewed against growing populations has inevitably resulted in poverty becoming an issue. Something which will only be exacerbated by the current Global Financial and Economic Crisis.

8. While data is difficult to come by, current estimates suggest, on average, countries in the region are experiencing over 10% unemployment.ⁱⁱ This estimate does however significantly vary by age demographic and gender. Levels of unemployment, under-employment and lack of access to opportunity offered in the formal economy are much higher among the region's youth and women. This continued unequal distribution of wealth and opportunities are likely to persist, exacerbated by high population growth and weak broad-based economic growth.

b. Improving livelihoods and the well being of Pacific Peoples

9. Defining 'well being' is difficult. While by many measures it will be subjective, there can be little thought of progressing national or regional initiatives without considering them in the context of how they will improve the general well being of populations. More poignantly, it is difficult to see how Pacific Peoples will be able to pursue opportunities nationally, regionally or internationally without efforts to improve access to such opportunities. In considering such access as a way of facilitating improved livelihoods, a number of areas present themselves in the Pacific context.

ⁱ For further discussion and details, please refer to Asian Development Bank and Commonwealth Secretariat, *Towards a New Pacific Regionalism* (Asian Development Bank: 2005) Appendix 3

ⁱⁱ See UN ESCAP *Economic and Social Survey of Asia and the Pacific 2008* for further details.

10. Food security in the Pacific is facing new challenges as global markets experience dramatic increases in food prices. The FAO index of food prices rose by 9% in 2006, by 24% in 2007 and by 51% in the first months of 2008.ⁱⁱⁱ FICs are particularly vulnerable as they tend to be net staple food importers and are particularly dependent on imported cereals as a source of dietary energy and protein. Another indicator of vulnerability is the increase of the food import bill as a proportion of total export earnings, which provides a measure of capacity to import food. Agricultural production is threatened by climate change and marine resources face over exploitation. Food security has been addressed this year by Ministerial meetings on Agriculture, Trade and Health, which have all endorsed a regional food summit to take place in 2010, an outcome of which will be an action plan with a multi-sectoral approach.

11. The Pacific Education Development Framework, endorsed by Forum Education Ministers in March 2009, highlights ongoing challenges in education. These include access - especially to secondary and technical vocational education and training, equity - especially in regard to remote areas, children with disabilities and girls, and especially of teachers and school principals. Seeking sustainable resources to support quality and expansion of the education sector is an ever-present issue.

12. While countries have shown improvements in the health of their population, the health sector faces multiple challenges. There is an increasing burden of non-communicable diseases (NCD) caused largely by tobacco and alcohol misuse, unhealthy diet and physical inactivity. At the same time, communicable diseases still pose a major threat. Climate change may impact on environmental health issues such as malaria, diarrhoeal disease and respiratory infections. There is a huge unmet need for reproductive health services in the region with particular needs for adolescent health.

13. While acknowledged as one requiring a national response, there is little doubt that the question of land is a regional concern. Ownership and management of land, presents among the most potentially immediate and ongoing causes for conflict in the Pacific. Central to the identity and personal security of people in the Region, land also plays a critical role in economic development. Where economic development of customary land has taken place, it is often accompanied by conflict over the level and distribution of compensation offered in return.

ⁱⁱⁱ See www.fao.org for further details

14. Sexual and gender based violence is a major public health, economic and human rights concern throughout the world and the Pacific. A number of stakeholders, including governments, non-governmental and development organizations continue to carry out extensive work in research, advocacy and programming around sexual and gender based violence. Increased regional momentum around the involvement of men and boys in examining this issue and the linkages to HIV and AIDS is seeing UN agencies, governments and non-governmental organizations working in collaboration to explore opportunities to challenge this problem. However without the political attention it requires, it will continue to act as a barrier to sustainable livelihoods and well being of Pacific people. Effectively combating this violence requires a proper understanding of the phenomenon and the complex interactions between risk and protective factors operating at various levels of society.

15. Work remains on how better to provide constructive paths for youth in our societies. This is particularly important when viewed against the population trends of the Pacific and the ‘youth bulge.’ All countries are grappling with an increased array of issues affecting youth including violence, substance abuse, sexual health issues and alienation. Much more work is required to utilize the untapped potential that youths offer their communities. Growing unchecked urbanisation, youth unemployment and the generally large proportion of young people in Pacific societies will require better coordinated national action supported by regional resources.^{iv}

16. Finally, attention must be turned to the region’s most disadvantaged group - people with disabilities. There is growing recognition that people with disability are among the poorest and most vulnerable in the world. The United Nations estimates that approximately 10% of the world’s population, or approximately 650 million people, have a disability with approximately 80% of this group living in developing countries.^v People with disability face many barriers to full participation in society. This is no exception in the Pacific. Social exclusion is a major contributor to poverty. One way to combat this is to address the importance of allowing those with disabilities access to greater and more equitable opportunities to enhance their quality of life and fully enjoy all inalienable human rights.

^{iv} This urgency is illustrated by current population trends in the Pacific and the ‘youth bulge’. According to SPC population estimates for 2007, 37 per cent of the Pacific Islands population is under 15 years of age (3.4 million), and a further 20 per cent is aged 15-24 (1.84 million). This expanding ‘youth bulge’ is exerting significant pressure throughout member countries. Growing unchecked urbanisation and youth unemployment is in need of serious political attention and resourcing at both national and regional levels.

^v See UN Secretariat Disability Paper E/CN.5/2008/6 available at www.ods.un.org for further details.

c. Addressing the impacts of Climate Change

17. Climate change has been recognised by Forum Leaders repeatedly as one of the most serious threats their nations face. All Forum Members have already experienced and will continue to experience the adverse effects of climate change which are only expected to worsen and at much quicker rate than previously predicted.

18. Climate change adaptation measures that minimize vulnerability and build resilience are needed at all levels and across all sectors. Forum members have already undertaken a range of adaptation measures which have delivered tangible benefits. However, existing adaptation efforts will not be sufficient to cope with increasing vulnerability to future climate change. All Forum members must take strategic and innovative national action to identify and implement effective measures addressing vulnerability and improving resilience to the challenges posed by Climate Change. This is particularly so as the international community moves towards concluding the Copenhagen Agreement.

19. The implications for areas such as agriculture, water resource management, bio-security and broader conservation measures, in particular of forestry resources, demands that efforts to address climate change must reflect a long-term whole-of-government commitment.

d. Achieving stronger development through better governance

20. Work to enhance governance must continue to support the strengthening of accountability and integrity institutions. Independent, impartial, competent and properly funded public agencies are vital for governments across the region to foster and maintain good governance. Audits of public expenditure achieve invaluable benefits and are key to addressing official mismanagement and corruption. Regional approaches addressing scarce human resource limitations to improve integrity and financial scrutiny remain critical as has been demonstrated through work in support of the region's Auditors-General.

21. Work must continue to support the strengthening of statistical services. The quality and collection of data and ability to freely access the information that it produces is an essential component to ensuring sound national planning and policy development. The ability of governments to collect, compile and access statistical data and information assists them in providing better basic service delivery for their populations and an ability to assess performance of these services. The use of such information by Parliamentarians and the building of their ability to advocate and ensure greater contestability of policy will only strengthen national development.

22. Finally, there is the continued need to focus on participation in democratic process and public institutions, particularly for women. The low level of women in decision-making institutions in the region necessitates concrete steps to advance women's representation in political decision-making structures. Building an enabling environment through relevant legislative and policy frameworks provides a solid foundation for taking the necessary actions forward at the national level. As it stands, the region is not maximising the social capital at hand represented by women as half of all members' populations.^{vi}

e. Ensuring improved social, political and legal conditions for stability, safety and security

23. Over the past few years, a number of Pacific Island Countries have been affected by political and social instability and conflict, which has had a direct impact on individuals and communities' safety and security. Reducing the reoccurrence of conflict and instability requires addressing the underlying issues that lead to tensions and ensuring that appropriate response mechanisms are in place.

24. A number of underlying causes of conflict have been identified, including economic and social inequalities, competition over resources such as land, and weak governance mechanisms. The 2009 Forum Regional Security Committee (FRSC) highlighted a number of additional human security challenges, including sexual and gender-based violence, the impact of climate change, and the lack of constructive opportunities for youth. Efforts must continue to ensure that development efforts are approached in a manner which minimises conflict and, where appropriate, actively seek to address the long-term causes of conflict and promote human security.

25. In addition, the Pacific continues to face complex law enforcement challenges. While there is highly developed cooperation with specialist regional law enforcement bodies to address ongoing transnational criminal activity in the Pacific, the region must ensure continued support to law enforcement agencies to address current and future challenges, such as, small arms and light weapons, improving security sector governance to enable better civilian oversight of the sector, combating terrorism in cooperation with other global partners and enhancing the compliance and enforcement mechanisms of our border security agencies.

^{vi} As at November 2008, there was an average of only 4.2% women (not including Australia and New Zealand) in parliament and 95.8% male members. Source: UNDP Pacific Centre & Pacific Islands Forum Secretariat (2008), *Utilising Temporary Special Measures to Promote Gender Balance in Pacific Legislatures: a Guide to Options*

Annex B

DECISIONS ON CROP HARMONISATION AND REMUNERATION 24th MEETING OF CROP EXECUTIVES

1. Strategic Pay and PriceWaterhouseCoopers (the Consultants) were commissioned by the participating CROP agenciesⁱ to conduct the 2009 Triennial Remuneration review. Their draft review report dated 3 June 2009 was tabled for consideration by the CROP Executives along with the recommendations of the CROP Working Group on Harmonisation.
2. The CROP Executives agreed in principle to reviewing the banding model as presented by the Consultants with a view to expanding the number of bands, eliminating the overlap between the current professional staff and support staff scale that existed for some agencies, and developing one salary scale for all staff. They asked the CROP Working Group to undertake further analysis with a view to increasing the 14 bands proposed by the Consultants to a minimum of 15 bands, and determining which of the CROP agreed terms and conditions should apply to which bands. The analysis is to include alignment of positions to the bands and building understanding of the issues associated with implementation.
3. The CROP Executives agreed to abandon the current professional staff and support staff distinctions and recognising some terminology was required agreed the Working Group should continue to debate the issue and report back to them.
4. Regarding treating the CEO roles as a 'separate' band there was some discomfort with the Consultants proposal, and the CROP Executives asked the Working Group to consider this further and provide options for their consideration.
5. The CROP Executives agreed with the Consultants' recommendation to abolish the incremental steps and define the salary scales instead by a mid-point +/-20%. They noted that this would provide flexibility for the agencies to take a different approach to linking performance to remuneration in the future, should they choose to do so but at the same time it would not prevent the agencies from continuing to implement their current practice.

6. The CROP Executives endorsed the Consultants' recommendations to retain the harmonised payline, and noted that the current practice with respect to reviewing the local markets for the support staff was appropriate.

7. With respect to the six year rule, the CROP Executives requested that the consultants recommendation be revised as follows:

Consider maintain a three year term renewable for a further three years, and allowing the incumbent to reapply at the end of the first six years. This rule should not limit employees who have worked in an agency previously from applying for different positions at some future date.

8. They also pointed out that SOPAC, SPC and FFA take the same approach with respect to the six-year rule and the Consultants' report should be changed to reflect this.

9. The CROP Executives agreed with the Working Group that there were opportunities to better communicate remuneration arrangements to potential staff, new staff and to existing staff, and supported the production of a publication that outlined the reward strategy and key policy components. They also supported the development of a remuneration statement for every employee to communicate the full value of their remuneration package.

10. With respect to performance management, the CROP Executives acknowledged that there were opportunities within the agencies to improve the performance management systems and in doing so, they would consider taking on board the recommendations of the consultants where practical and appropriate to do so. They agreed that while a common performance management platform was a worthwhile goal, it would be difficult to achieve in the short term recognising the level of staff consultation required and the need to align performance management systems to strategic business imperatives.

11. The CROP Executives noted that retention was an issue for some agencies and supported the use of pre-assignment visits on a case-by-case basis. They also noted that induction programmes for all new staff was good HR practice, and supported the suggestion of the Working Group for each agency to share their induction programmes with each other. They agreed not to attempt to develop a harmonised induction programme at this stage.

12. The CROP Executives recognised the value of continuing education and personal development noting that some agencies (FFA, PIFS, SPC) are already doing so and that there were budget implications. They agreed that the Working Group should explore a possible harmonised position on the issue.

13. The recommendation to assist spouses obtain employment was recognised to be problematic because of agreements with the host countries and the CROP Executives agreed that, in general, there was limited opportunity to progress the Consultants' recommendation to do so.

14. The recommendations of the Consultants to train managers in effective performance development was recognised as being important, and CROP Executives agreed that this could be undertaken in conjunction with any review of the agencies performance management systems.

15. The CROP Executives agreed that the Working Group should investigate the benefits included in the reference market data and compare this to those provided by the CROP with a view determining whether a comparison with the reference markets was possible in the future.

16. The CROP Executives endorsed the recommendation to remove reference to retirement age from the CROP terms and conditions and would seek approval from their governing bodies to do so.

17. The CROP Executives supported harmonisation of the COLDA mechanism if possible, and asked the Working Group to investigate further and report back. They also agreed that it was sensible for the CROP agencies to use one supplier and to purchase the COLDA indexes on a triennial basis.

18. The Consultants recommended that the SDR be retained as the currency for denominating the professional staff salary scale, and that the existing stabilisation mechanism should continue to be used. The CROP Executives endorsed these recommendations. In addition, they asked the Working Group to investigate the possibility of using the SDR to denominate support staff salaries.

19. The CROP Executives noted the suggestions for capacity building and undertook to consider these where practical and appropriate.

20. They endorsed the recommendation that the freight expenses on recruitment and repatriation be change to a maximum of a 20 foot container and undertook to recommend this to their governing bodies.

21. Finally, the CROP Executives noted that the harmonised positions of the agencies were articulated in the CROP matrices, and asked that the Working Group review these matrices and redraft them in a harmonised fashion, where appropriate to do so, in order to better demonstrate harmonisation.

Suva-Based Support Staff – 2009 Job Sizing Review

22. At their meeting of 18th July 2008, the CROP Executives asked the Working Group to undertake a job evaluation exercise for the support staff of the Suva-based participating CROP agencies to ensure that there is a consistent approach to job sizing.

23. Strategic Pay and PriceWaterhouseCoopers were commissioned to conduct the review. Their report and the Working Groups recommendations were table for consideration by the CROP Executives.

24. The CROP Executives agreed to adopt the SP10 job evaluation methodology for the Suva-based support staff, and noted the market data comparison. They agreed to take steps, as appropriate, to better align the actual agency practice to the policy position of base salary begin paid at 10% above the upper quartile of the Fiji all organizations market.

25. SPC undertook not to grant increases to its staff recruited nationally until the market catches up and will review the mechanism by which its salary scale is adjusted noting that discussions with their host government indicated that their local staff were likely to be taxed in future.

Professional Staff – 2009 Job Sizing Review

26. Strategic Pay and PriceWaterhouseCoopers were commissioned to conduct the Professional Staff 2009 Job Sizing Review. Their report and the Working Groups recommendations were table for consideration by the CROP Executives.

27. The CROP Executives agreed to adopt the SP10 job evaluation methodology and to progress the process of finalizing the job evaluations for professional staff positions.

Suva-Based Support Staff – 2009 Market Data Review

28. The 2009 market data was provided by Strategic Pay in their report “Annual Comparison of Reference Markets 2009 Update” and presented to the CROP Executives for their consideration.

29. The benchmark for the Suva-based support staff is 10% above the upper quartile of the Fiji all organisations market.

30. The CROP Executives noted that the data showed that Grades A, B and C of the support staff salary scale sits above that of the benchmark; that Grades D, E and F are very closely aligned to that of the benchmark; and that Grade H sits behind that of the benchmark by 2.5%. They further noted that SPC’s support staff salary scale sits above that of the benchmark.

31. The CROP Executives agreed that PIFS, SPBEAⁱ and SOPAC recommend to their governing bodies an increase of 2.5% to Grade H of the support staff salary scale effective from 1 January 2010. They further agreed that increases were not necessary for the other grades in the PIFS, SPBEA and SOPAC salary scale and were not necessary for all grades in the SPC scale.

Professional Staff – 2009 Market Data Review

32. The 2009 market data was provided by Strategic Pay in their report “Annual Comparison of Reference Markets 2009 Update” and presented to the CROP Executives for their consideration.

33. The benchmark for the professional staff is the average of the median of the Australian public service sector, median of the New Zealand public service sector, and the upper quartile of the Fiji all organisations market.

34. The data indicated that the CROP payline sits below that of the Australian market; above that of the New Zealand market for Grade I, J and K; and above the benchmark of the average of the three markets.

35. The CROP Executives noted that PIFS, SOPAC and FFA had implemented the 2008 increases approved by their respective governing bodies whilst SPC did not implement the approved increases. SPBEA did not present a case for increases to its governing body in 2008 and SPREP governing body did not approve the recommended increase

36. There was discussion regarding the fact that CROP agencies need to consider the wider implications of the impact of the global economic crises (GEC) in making implementation decisions on increases. SPC in particular stressed the point that members are looking at CROP agencies to take responsible actions in the face of economic difficulties faced by members. They also emphasised that the mechanism should not only be a one-way street, such that CROP agencies only act on it when it is bad for them. SPC also emphasised the point that CROP agencies were aware of the potential impact of the GEC and the possibility that the CROP payline relative to the reference markets would increase during 2009 and possibly increase further during 2010 when the full impact of the GEC on the reference market is seen. SPC's reasons for not passing on the increases was based on affordability but also being conscious of the fact that members who support SPC's budget were themselves also facing great difficulties themselves. The Secretary General of PIFS noted the importance of CROP agencies to remain competitive and be able to attract and retain the types and levels of staff that would deliver on the work programmes to support the region and thus while noting the effect of the GEC on members emphasized that CROP agencies need to ensure they can attract high quality staff.

37. The CROP Executives agreed that there would not be any further increases for 2009. They noted that there is already differential salary between CROP agencies in 2009 with three of the six agencies implementing the increases (FFA, PIFS and SOPAC) and three not implementing (SPBEA, SPC, SPREP) which will continue through to 2010 if neither group adjust their current levels. This has serious implications on harmonisation and will need to be addressed by the agencies given that the reference market data is showing a different picture from that on which increases were recommended to and approved by governing bodies in 2008.