

Before: Judge Ebrahim-Carstens

Registry: New York

Registrar: Morten Albert Michelsen, Officer-in-Charge

LEBOEUF *et al*.

v.

SECRETARY-GENERAL OF THE UNITED NATIONS

JUDGMENT

Counsel for Applicants: François Loriot

Counsel for Respondent: Susan Maddox, ALS/OHRM, UN Secretariat

Introduction

1. The Applicants, General Service level staff members in the Text Processing Unit ("TPU") of the Department for General Assembly and Conference Management ("DGACM"), contest their Department's interpretation and application of the Organisation's rules on compensation for overtime work.

2. The issue in this case is whether time taken off as sick or annual leave or compensatory time off during part of the workday should be counted towards the "scheduled workday" and actual work ("hours of work") requirements when calculating compensatory time off or additional payment for overtime. The Respondent contends that when a staff member takes a half-day off as annual or sick leave or as compensatory time off, and works on that day beyond the scheduled workday, he or she will get compensatory time off after completing the second half of the workday (not covered by the time off), up to eight hours of actual work, and will receive additional payment for any actual work in excess of eight hours. The Applicants contend that this practice of DGACM with respect to the calculation of compensatory time off and additional payments in situations involving a half-day off was introduced in 2005 and that it is unlawful and erroneous. The Respondent, in turn, maintains that no changes to the policy or practice were introduced in 2005 and that the calculation method described above has been consistently applied for the last several decades.

3. The Tribunal issued nine case management Orders in this case, including Order No. 60 (NY/2009) (7 August 2009), Order No. 92 (NY/2009) (24 August 2009), Order No. 114 (NY/2009) (14 September 2009), Order No. 26 (NY/2010) (17 February 2010), Order No. 120 (NY/2010) (19 May 2010), Order No. 139 (NY/2010) (3 June 2010), Order No. 287 (NY/2010) (28 October 2010), Order No. 293 (NY/2010) (4 November 2010), and Order No. 304 (NY/2010) (15 November 2010).

4. Three case management hearings were held in this case—on 6 August and 14 September 2009 and 5 February 2010. Pursuant to Order No. 304, this matter was decided on the papers before the Tribunal. The application, the Respondent's reply, and subsequent submissions constitute the pleadings and the record in this case.

List of Applicants

5. This appeal was filed by 60 Applicants who are identified in the list attached as Annex 2 to the application dated 19 August 2009. On 23 September 2009 the Applicants requested that an additional Applicant—Mr. Cai—be added to the list. Having considered that Mr. Cai's name did not appear in the list of Applicants who filed the request for administrative review on 16 January 2009, the Tribunal issued Order No. 26 (NY/2010), directing the parties to file submissions as to Mr. Cai's standing in this case.

6. The Applicants submitted that Mr. Cai's name was omitted "as a result of a clerical error in the Applicants' initial proceedings" and requested that he be added to the present application under art. 2.4 of the Tribunal's Statute (intervention) or art. 11 of its Rules of Procedure (joining of a party). The Applicants made the assertion that "[a]s a matter of economy in the justice system, this has been the long standing practice at the UN Joint Appeals Board and at the former Administrative Tribunal", but did not provide evidence of this. The Respondent objected to this request, stating that Mr. Cai was not a party to the present proceedings and was not entitled to file an appeal before the Tribunal—and hence to intervene in the present matter—as he had not submitted a request for administrative review or for management evaluation.

7. There is no application for intervention presently before the Tribunal. Further, although art. 11 of the Rules of Procedure states that the Tribunal "may at any time ... join another party if it appears to the Dispute Tribunal that that party has a legitimate interest in the outcome of the proceedings", art. 8.1(c) of the Statute of the Tribunal requires an applicant to first submit the contested administration decision for management evaluation. This requirement cannot be circumvented. Article 2.4 of the

Statute also explains that the Dispute Tribunal "shall be competent to permit an individual *who is entitled to appeal* the same administrative decision under paragraph 1(a) of the present article to intervene in a matter brought by another staff member under the same paragraph" (emphasis added).

8. Requests for administrative review and management evaluation are mandatory first steps in the appeal process (*Jaen* UNDT/2010/165, *Syed* 2010-UNAT-061). The Tribunal cannot allow this requirement to be circumvented by permitting staff members who have not filed a request for administrative review or management evaluation to appear as applicants before the Tribunal. Having considered the parties' submissions, I have determined that Mr. Cai does not have standing to contest this decision as he was not included in the list of staff members who filed the request for administrative review. The list of Applicants is therefore limited to the 60 staff members named in Annex 2 to the application.

Facts

9. On 30 November 2004 a Legal Officer in the Policy Support Unit of the Office of Human Resources Management ("OHRM") sent an email to an Executive Officer, DGACM, providing guidance on the interpretation and application of Appendix B to the Staff Rules. This advice was summarised in an email dated 15 December 2004 from the Executive Officer, DGACM, to the staff of the Department. The email stated:

You will recall that on 16 March 2004, I sent an e-mail on conditions governing compensation for overtime work, in particular the use of compensatory time and payment thereof. ... In response to a number of queries received and concerns raised by staff on the application and interpretation of the provisions of Appendix B of the Staff Rules, I referred the matter to the Administrative Law Unit of OHRM. Their response is summarized below.

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2. If a staff member takes a half-day off as CTO [i.e., compensatory time off], sick leave or annual leave is he/she entitled to payment of overtime for that day?

The staff member would be entitled to payment of overtime for the period in excess of eight hours of work pursuant to paragraph (iv) [of Appendix B]. ... [T]he half-day off would count towards the regular 8-hour (or $8\frac{1}{2}$ hour) work day. Hence any work performed after the half-day of actual work would then be subject to CTO for the first eight hours and then overtime pursuant to paragraph (vi) of Appendix B.

10. At a Joint Advisory Committee meeting on 28 January 2005, DGACM staff representatives objected to this policy. In a note dated 21 March 2005, OHRM informed the Executive Officer, DGACM, that it would consult with all Executive Offices at Headquarters to ascertain the various practices with respect to Appendix B to facilitate uniformity of application.

11. On 11 and 18 April 2005 meetings were held by OHRM with the Executive Offices of several Departments and Offices of the UN Secretariat to review how the provisions on overtime were applied by them. Subsequently to these meetings, in late 2005 and early 2006 the Administration worked on a draft administrative instruction on overtime and compensatory time, but no instruction was issued.

12. On 16 January 2009, the Applicants' Counsel wrote to the Secretary-General and the Under-Secretary-General, DGACM, requesting a review of the "new practices on overtime and compensatory time (OT/CT) at TPUs" on behalf of 60 staff members working in the TPU. The request for review stated:

Ref: Request for Administrative Review and Management Evaluation of New Practices on Overtime and Compensatory Time (OT/CT) at TPUs and for Reimbursement

On behalf of Text-Processing Units (TPUs) staff members whom I represent as legal counsel (listed in attachment), I am requesting an Administrative Review and Management Evaluation of the Administration's new OT/CT practices applied to them and reimbursement of their unpaid OT/CT for the last 12 months.

In January 2005, the Administration decided to unilaterally change the UN policies and interpretation governing computation and payment of weekdays and weekends' overtime, as well as of compensatory time for GS staff members employed at TPUs. On 21 March 2005, following TPUs staff protests, the Administration

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reverted to earlier policies for weekends' computation, but maintained for weekdays a novel, and unfair interpretation for OT/CT, under which the Department disregards the TPUs staff members' statutory time taken on 1/2 sick leave, or 1/2 annual leave or on CT, before allowing them to become eligible for OT.

The 2005 Department's decision on OT/CT computation practices has never been discussed, promulgated and published in accordance with internal UN legislation (ST/SGB/1997/11). The Department's decision violates the letter and spirit of Staff Rules (Appendix B), constitutes discrimination towards TPUs staff, and it deviates from the OT/CT policies elsewhere in the Organization. This decision to change OT/CT policies and practices creates anxiety, frustration and stress at work for TPUs staff, and is compounded by the additional workload imposed on them by a 20% reduction of TPUs personnel in recent months. Your confirmation is requested that the policy will be rectified and of my clients' reimbursement of their unpaid OT/CT.

13. On 25 March 2009 the Chief of the Human Resources Policy Service, OHRM, replied to the Applicants, describing their communication as "request for review of

policy on granting overtime in TPU/DGACM":

I refer to your letter of 16 January 2009 addressed to the Secretary-General and to the Under-Secretary-General for General Assembly and Conference Management in which you contend that, in January 2005, the administration "unilaterally" changed the UN policies and interpretation of the rules concerning payment of overtime for work in excess of eight hours in a scheduled workday. You further contend that such interpretation has not been promulgated in any administrative issuance.

As we understand it, the interpretation you refer to is contained [in] a ruling issued by OHRM on 30 November 2004, which reads:

"With regard to your second question on paragraph (vi) of Appendix B, if a staff member takes half-day off as CTO, sick leave or annual leave, the staff member would be entitled to payment of overtime for the period in excess of eight hours pursuant to paragraph (vi). In your example the half-day off would count towards the regular 8-hour (or 8 and 1/2 hour) workday. Hence, the work performed after the half-day of actual work would then be subject to CTO for the first eight hours and then overtime pursuant to paragraph (vi) of [A]ppendix B."

This interpretation stems from the wording of sections (iv) and (vi) of Appendix B to the Staff Rules on compensation for overtime:

- section (iv) of Appendix B provides, in relevant part, that: "Compensation shall take the form of an equal amount of compensatory time off for overtime in excess of the scheduled workday up to a total of eight hours of work on the same day;"

- section (vi) of Appendix B provides, in relevant part that: "Compensation shall take the form of an additional payment for overtime in excess of a total of eight hours of work of any day of the scheduled work week ..."

Therefore, section (iv) refers to the scheduled workday for the purposes of granting compensatory time off, while section (vi) refers to the hours actually worked for the purposes of overtime payment. In other words, in order for a staff member to be eligible for payment of overtime, he or she must actually work eight hours on a given day.

For example, if a staff member's scheduled workday is from 9 to 5 pm, and she/he is required to work until 11 pm, she/he will be entitled to compensatory time off for the work performed from 5 to 6 (i.e., work in excess of the scheduled workday up to eight hours of work) on that day, and then payment of overtime for the work performed from 6 to 11 pm (additional work performed after having actually worked eight hours).

Similarly, if on a day when a staff member is required to work until 11 pm, she/he takes time off (either annual or sick leave, or CTO) from 9 am to 1 pm and starts working at 1 pm, she/he will be entitled to compensatory time off for the work performed from 5 pm to 9 pm (work in excess of the scheduled workday up to eight hours of work) and then to payment of overtime for the work performed from 9 to 11 pm (additional work performed after having actually worked eight hours).

In summary, for the purposes of granting CTO, the point of reference is the scheduled workday, irrespective of whether a staff member has taken time off during the day. However, the staff member must have actually worked eight hours before becoming eligible for payment of overtime. This is the interpretation which is consistent with sections (iv) and (vi) of Appendix B to the Staff Rules, as clarified by OHRM in November 2004 and applied by DGACM ever since.

With respect to the contention that no administrative issuance explains the content of Appendix B, it is our view that paragraph (vi) of Appendix B clearly states that compensation shall take the form of additional payment only after eight hours have been actually worked. 14. In response to Order No. 120, directing the parties to file further submission on the issues identified by the Tribunal, the Respondent submitted that it wished to adopt the explanations provided in the letter of the Chief of the Human Resources Policy Service, OHRM, dated 25 March 2009.

Parties' submissions

15. The Applicants' submissions may be summarised as follows:

a. The application is receivable. A staff member cannot challenge a policy until such policy is applied through a specific administrative decision. In this case, the new overtime compensation policy became effective each and every time the Respondent computed the Applicants' overtime, on a monthly basis since 2005, when salary payments were processed. Monthly pay slips constitute administrative decisions.

b. The email of DGACM, dated 15 December 2004, established a policy in violation of the Organisation's rules on overtime compensation. This email was issued by an official lacking proper authority. The new policy improperly changed the established practices of the Organisation and has no legal validity.

c. Based on sec. 2 of ST/AI/408 (Introduction of staggered working hours at Headquarters) of 1 August 1995, "'overtime' has always been understood at the UN as work *after [the] daily core period* of 10 a.m. to 4 p.m." (emphasis in original). Therefore, anything outside of these hours should be compensated and additional payment for overtime "usually begins after 5h30pm".

d. The Organisation has variable practices on overtime compensation from one UN department to another and from one UN location to another.

e. The Applicants request the Tribunal to declare "the 2005 new [overtime compensation] policy" null and void. They also request reimbursement of overtime and compensatory time since January 2008 (twelve months prior to the request for administrative review), award of compensation for stress, job insecurity, and hardship suffered, and costs in the amount of USD10,000.

16. The Respondent's submissions may be summarised as follows:

The appeal is not receivable. The contested decision was not a a. "unilateral decision taken by the administration in a precise individual case", as was required by the United Nations Administrative Tribunal, Judgment No. 1157, Andronov (2003), and thus did not satisfy the requirements of an "administrative decision" within the meaning of art. 2.1 of the Statute of the Dispute Tribunal. By letter dated 16 January 2009, Counsel for the Applicants requested a general review of the practices applied to TPU staff members working in DGACM and not a review of the monthly payroll application of such practices to specific individuals. Neither the request for administrative review nor the application made by Applicants' Counsel to the Tribunal relate to one precise individual case. Staff members cannot challenge the Organisation's policies until they have been applied to them. Once a policy is applied, the staff member is required to challenge the specific application of such policy. In the present matter, however, the Applicants have failed to identify the specific contested administrative decision.

b. The Applicants have failed to explain how the contested decision was in non-compliance with their terms of appointment. DGACM did not introduce a new policy in December 2004 but merely provided its staff with clarification on the application of the former Appendix B, in line with the guidance provided by OHRM. Therefore, no new policy was introduced in 2005 and the Applicants' contentions regarding the validity of the "new 2005 policy" are irrelevant and have no merit. c. DGACM's interpretation and application of the Organisation's provisions on overtime—i.e., that compensation will take the form of additional payment only after eight hours have been *actually* worked—were proper and correct. While annual leave, sick leave and compensatory time-off are not considered as actual "hours of work" for the purpose of additional payment, they are counted as part of the "scheduled workday" for the purpose of compensatory time off. The Applicants have failed to articulate how DGACM's practice was contrary to the established rules with respect to overtime compensation in instances when staff members use compensatory time, annual leave, or sick leave.

d. The Applicants' understanding of ST/AI/408 as establishing that overtime begins after the "daily core period" of 10 a.m. to 4 p.m. is erroneous. This administrative instruction, in fact, confirms the definition of "scheduled workday" in Appendix B.

e. The principle of equal treatment has not been violated in the present case and DGACM's application of the Organisation's provisions on overtime is correct. Conditions in relation to overtime may vary among duty stations, within the parameters permitted by the regulations and rules. For example, compensation for overtime for locally-recruited staff is generally determined by reference to the best prevailing conditions at the duty station, which explains why the practices at the United Nations Office at Geneva, United Nations Office in Vienna, and United Nations Office at Nairobi may differ from those in New York.

Receivability and scope of application

17. The Applicants' submissions lacked clarity with respect to the scope of the application and the actual decision contested by them. Based on my careful examination of the records in this case, including the request for administrative review, I find that the scope of the case is limited to the one issue raised in the

Applicants' request for administrative review—namely, whether time taken as sick or annual leave or compensatory time off during part of the workday should be counted as actual work towards the "scheduled workday" and actual work requirements when calculating compensatory time off and additional payment for overtime.

18. As the Applicants allege that there was a decision in breach of their contracts, this application, in principle, falls under art. 2.1 of the Tribunal's Statute, as explained below. If the Applicants' letter dated 16 January 2009 was not treated as a request for administrative review, it should have been, as its language and purpose were clear. The fact that this request was filed on behalf of a group of applicants does not render it invalid. As the Dispute Tribunal stated in *Jaen* UNDT/2010/165:

The reference in *Andronov* to the "individual application" of the decision should not be interpreted to mean that for the appeal to be receivable the decision must apply *only* to the applicant. Instead, to the extent it should be accepted, it is to be interpreted to mean that the decision has to affect the applicant's—and not someone else's—rights.

19. In *Andati-Amwayi* 2010-UNAT-058, the UN Appeals Tribunal stated that what constitutes an administrative decision will depend on the nature of the decision, the legal framework under which the decision was made, and the consequences of the decision. The Appeals Tribunal further stated that administrative decisions of general application that seek to promote the efficient implementation of administrative objectives, policies and goals will not necessarily be open to appeal, although they "might impose some requirements in order for a staff member to exercise his or her rights". In other words, appeals against matters of policy will not generally be receivable under art. 2.1 of the Statute of the Dispute Tribunal, and it will be the role of the Tribunal to determine whether there is a contestable decision affecting the staff member's terms of appointment or contract of employment.

20. The present application is receivable not as an appeal against a general policy, but as an appeal against the *application* of this policy to each of the Applicants individually affecting their legal rights under their contracts of employment. As the Administrative Tribunal of the International Labour Organization ("ILOAT") stated

in Judgment No. 1408, *Frints-Humblet* (1995), "the [ILOAT] has held on many occasions [that] payslips constitute administrative decisions that are subject to appeal". I agree with this reasoning and find the application to be receivable, in principle, because the Applicants appeal against allegedly incorrect calculation of their compensation for overtime work. Each time overtime payment is made or compensatory time is recorded at the end of the month, an administrative decision in respect of the calculations relating to that period is made (see also para. 9 of *Ihekwaba* UNDT/2010/043).

21. However, the present application is receivable only with respect to the calculation and application of compensatory time and overtime payments *following* 19 November 2008, as the Applicants were required to file their request for administrative review within two months of the date of notification of the contested decision in writing. Accordingly, this application is time-barred with respect to any compensation calculations that occurred prior to November 2008 as no timeous request for administrative review was filed.

Consideration

22. The relevant provisions are contained in the former Staff Rules, applicable prior to July 2009. Appendix B to the former Staff Rules provided as follows:

Conditions governing compensation for overtime work

Pursuant to staff rule 103.12, staff members in the General Service category or in the Trades and Crafts category who are required to work overtime at Headquarters shall be given compensatory time off or may receive additional payment in accordance with the following provisions:

(i) Overtime at Headquarters means time worked in excess of the scheduled workday or in excess of the scheduled workweek or time worked on official holidays, provided that such work has been authorized by the proper authority.

(ii) The scheduled workday at Headquarters means the duration of the working hours in effect at the time on any day of the scheduled workweek, less one hour for a meal.

(iv) Compensation shall take the form of an equal amount of compensatory time off for overtime in excess of the scheduled workday up to a total of eight hours of work on the same day. Subject to the exigencies of service, such compensatory time off may be given at any time during the four months following the month in which the overtime takes place.

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. . .

(vi) Compensation shall take the form of an additional payment for overtime in excess of a total of eight hours of work of any day of the scheduled workweek, or when it takes place on the sixth or seventh day of the scheduled workweek.

23. In this case, the Tribunal has to answer one specific, receivable legal issue namely, whether the application of the policy of DGACM, in place as at November 2008, concerning the use of sick or annual leave or compensatory time off during part of the workday, was in compliance with the former Staff Rules. To answer this question, the Tribunal is required to interpret, in particular, secs. (iv) and (vi) of Appendix B to the former Staff Rules.

24. The "scheduled workday" is the duration of the working hours in effect at the time on any day of the scheduled workweek, less one hour for a meal (see, e.g., Appendix B to ST/SGB/2002/1 (former Staff Rules)). The Tribunal accepts as uncontested the Respondent's submission that this definition has been in place at least since 1973 (see ST/SGB/Staff Rules/1/Rev.2). In the United Nations Secretariat, the normal working hours are eight hours per day, except during the regular session of the General Assembly, when they are eight and a half hours per day (see, e.g., ST/IC/2008/46, ST/IC/2009/31, and ST/IC/2010/24 on normal working hours during regular sessions of the General Assembly). Section 2 of ST/AI/408 establishes "core hours"—10 a.m. to 4 p.m.—during which staff members must be present in the office. The remaining two or two and one-half hours of work may be scheduled at any time before or after the core period. Therefore, the scheduled workday consists of the "core" period of six hours and the flexible period of two or two and one-half hours of work. In other words, depending on the individual needs of a staff member

and the requirements of service, an eight-hour scheduled workday may begin as early as 8 a.m., in which case it would end at 4 p.m. and any work outside these hours would be considered overtime, or it could commence as late as 10 a.m., in which case it would end at 6 p.m. and any work outside these hours would be considered overtime.

25. Work in excess of the scheduled workday and up to eight hours of work throughout the entire day will be compensated in the form of an equal amount of compensatory time off (Appendix B, sec. (iv)). Work in excess of eight hours will be compensated in the form of an additional payment (Appendix B, sec. (vi)).

26. Does "work" within the meaning of secs. (iv) and (vi) of Appendix B include time off? There is a plain distinction between *working*—which requires being on duty and performing work functions—and taking time *off* work. Authorised leave or compensatory time off are valid grounds, defined by law, to be absent from work and to not perform one's duties (that is, to be off work), while still being a staff member. See, for example, ST/SGB/2002/1, stating in rule 106.2(a) that sick leave applies when staff members "are unable to perform their duties [i.e., to work] by reason of illness or injury or whose attendance at work is prevented by public health requirements"; ST/AI/2005/2 (Family leave, maternity leave and paternity leave), discussing in secs. 6.1–6.4 and 10.5, *inter alia*, "absence" from work, "return to duty" and "return to work"; and ST/AI/2005/3 (Sick leave), drawing a distinction in sec. 3.4 between working and being on leave.

27. Thus, time spent on annual leave, sick leave, or compensatory time off is not included in the actual work time ("hours of work"), but is counted towards the scheduled workday. For a staff member to be eligible for *a payment* for overtime he or she must have actually worked more than eight hours that day, *not* including time taken off, because sec. (vi) of Appendix B refers to the hours of work, not to the scheduled workday. Thus, if a staff member takes half-day off (for example, 9 a.m. to 1 p.m.) as annual or sick leave or as compensatory time off, and works on that day beyond the scheduled workday (i.e., beyond 5 p.m.), he or she would get

compensatory time off after working beyond the scheduled workday and up to eight hours of *actual* work, but he or she would start receiving payment for any additional overtime work only after having exceeded eight hours of actual work that day.

28. In his submissions dated 26 May and 9 July 2010, Counsel for the Applicants referred the Tribunal to sec. 2 of ST/AI/408, which states that "except for staff on authorized absences or sick leave, all staff must be present during 'a core period' from 10 a.m. to 4 p.m.". The Applicants submitted, in effect, that any time worked outside of this core period should be viewed as "overtime". This submission is plainly without merit. As explained above, this administrative instruction, of course, does not establish that the duration of the core period identified in sec. 2 is identical to the duration of the scheduled workday, as the Applicants appear to contend. Indeed, ST/AI/408 confirms in the same section that the normal workday consists of eight or eight and one-half hours (depending on whether the General Assembly is in session), with a one-hour lunch break. This is consistent with the Staff Rules. ST/AI/408 provides that staff members are normally expected to be present during the core period of the working day (10 a.m. to 4 p.m.) and that the remaining hours of work may be scheduled at any time before or after the core period. The Applicants' submission that any work outside of the core period should "usually" be counted as compensatory time off or paid overtime—and that this has been the "usual" practice in the Organisation "for almost 60 years"—was not only made without any documentary support but is plainly unsubstantiated by the instruments relied upon by the Applicants.

29. Although the Applicants raised a general complaint of unfairness with respect to the application of Appendix B, they failed to articulate to the Tribunal any reasonable alternative interpretation of secs. (iv) and (vi) of Appendix B. Further, although Counsel for the Applicants made numerous references to allegedly unlawful policy amendments, he failed to explain how these amendments and the policies applied by DGACM were in violation of the Staff Rules. I find that the Respondent's submissions—including the explanations contained in OHRM's memorandum dated

25 March 2009—as to how compensatory time off and additional payments should be calculated are in accord with the correct reading of Appendix B. I also find that the explanation provided by the Executive Officer of DGACM in her 15 December 2004 email to the Applicants and the examples provided in OHRM's memorandum dated 25 March 2009 are consistent with Appendix B.

30. Accordingly, the Applicants' application is unsuccessful.

31. No costs will be awarded as neither party manifestly abused the proceedings before the Tribunal.

Conclusion

32. The application is dismissed in its entirety.

(Signed)

Judge Ebrahim-Carstens

Dated this 30th day of November 2010

Entered in the Register on this 30th day of November 2010

(Signed)

Morten Albert Michelsen, Officer-in-Charge, UNDT, New York Registry