

INTERNATIONAL MONETARY FUND

Minutes of Executive Board Meeting 86/87

3:00 p.m., May 21, 1986

J. de Larosière, Chairman  
R. D. Erb, Deputy Managing Director

Executive Directors

Alternate Executive Directors

C. H. Dallara

Mawakani Samba  
M. K. Bush  
P. Péterfalvy, Temporary  
T. Alhaimus  
M. Sugita

H. Fujino  
G. Grosche  
Huang F.

Jaafar A.  
J. Hospedales, Temporary

T. P. Lankester

H. Fugmann  
G. D. Hodgson, Temporary  
A. Abdallah

F. L. Nebbia  
Y. A. Nimatallah  
P. Pérez  
H. Ploix  
J. J. Polak  
C. R. Rye  
G. Salehkhau  
A. K. Sengupta

G. Ortiz  
J. de Beaufort Wijnholds  
A. S. Jayawardena  
L. Tornetta, Temporary

L. Van Houtven, Secretary  
R. S. Franklin, Assistant

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Also Present

Administration Department: H. J. O. Struckmeyer, Deputy Director; C. Ahl, D. A. Anderson, T. Cole, D. S. Cutler, A. D. Goltz, P. D. Swain, L. A. Wolfe. Personal Assistant to the Managing Director: R. M. G. Brown. Advisors to Executive Directors: M. B. Chatah, S. Ganjererndee, K. Murakami, G. Nguyen, A. Ouanes, M. A. Weitz. Assistants to Executive Directors: H. Alaoui-Abdallaoui, A. Bertuch-Samuels, J. de la Herrán, V. Govindarajan, S. King, W. K. Parmena, S. Simonsen, A. J. Tregilgas, H. van der Burg, E. L. Walker, Wang W.

1. STAFF COMPENSATION - 1986 ADJUSTMENT

The Executive Directors, meeting in restricted session, continued from their previous meeting (EBM/86/86, 5/21/86) their consideration of a memorandum from the Managing Director on the 1986 staff compensation review (EBAP/86/90, 4/11/86; and Sup. 1, 4/14/86). They also had before them a paper on the same subject prepared by the Staff Association Committee (EBAP/86/114, 5/19/86).

The Chairman drew the following sense of the meeting, with which the Executive Board agreed:

The Executive Board has confirmed its earlier endorsement of a 2.4 percent average merit increase for staff as incorporated in the 1986/87 Administrative Budget. The Board has also endorsed the figures of a 1.4 percent increase in staff salaries in ranges A1-A8 and a 2.9 percent increase in staff salaries in ranges A9-B5 as they stem from the application of the present system of determining compensation in the Fund and the Bank. However, the majority of the Board has indicated that these increases should be implemented only in light of the review by the Joint Bank/Fund Committee of Executive Directors on Staff Compensation of the methods of determining compensation in the institutions. Directors agreed that if the outcome of the Committee's work as approved by the Executive Board showed that the increases are justified, they will be implemented retroactive to May 1, 1986.

It was also accepted by Directors that if by the end of the year the Joint Committee exercise had not been finalized at the Board level, management, taking into account staff morale, would take the initiative to ask the Board to implement the increases proposed in EBAP/86/90 (5/11/86), in the light of all the relevant considerations.

Adopted May 21, 1986

DECISION TAKEN SINCE PREVIOUS BOARD MEETING

The following decision was adopted by the Executive Board without meeting in the period between EBM/86/86 (5/21/86) and EBM/86/87 (5/21/86).

2. INDONESIA - RELEASE OF INFORMATION

The Executive Board approves the proposal to release the staff report on recent economic developments in Indonesia to the Inter-Governmental Group on Indonesia, as set forth in SM/86/103 (5/16/86).

Adopted May 21, 1986

APPROVED: February 6, 1987

LEO VAN HOUTVEN  
Secretary