

**IMMEDIATE
ATTENTION**

EBAP/10/14

February 17, 2010

To: Members of the Executive Board
From: The Secretary
Subject: **Minimum Annual Leave Usage**

Attached for consideration by the Executive Directors is a paper on minimum annual leave usage.

It is not proposed to bring this matter to the agenda of the Executive Board for discussion unless an Executive Director so requests by **noon on Wednesday, February 24, 2010**. In the absence of such a request, the proposed decision that appears on page 3 will be deemed approved by the Executive Board and it will be so recorded in the minutes of the next meeting thereafter.

Questions may be referred to Mr. Vicini, HRD (ext. 34474).

Att: (1)

Other Distribution:
Department Heads

INTERNATIONAL MONETARY FUND

Minimum Annual Leave Usage

Prepared by the Human Resources Department

Approved by Shirley Siegel

February 16, 2010

In consideration of the continuous work pressures on departments and staff in relation to the effects of the global financial crisis and the downsizing during the last 18 months, it is proposed to extend to FY2010,¹ the waiver to the requirement for staff members to take a minimum of 15 days of annual leave during a financial year.

1. In April 1999, the Executive Board (EBAP/99/44, dated April 16, 1999) approved a change to the annual leave policy that required staff members to use at least a minimum of 15 days of annual leave each financial year.² If the staff member fails to use the minimum number of days, the annual leave is forfeited.
2. Leave usage has been compressed in the last 18 months for staff on crisis assignments (see Table 1), and the situation is not expected to improve substantially in the coming months.

Table 1. Less Than 15 Days of Annual Leave Used
(number of staff)^{1/}

| | FY08 2/ Actual | FY09 | FY10 till 01/06/10 |
|------------------------|-------------------|------|-----------------------|
| Area Departments | 103 | 167 | 312 |
| Functional Departments | 122 | 231 | 392 |
| Support Departments | 66 | 81 | 178 |
| Offices | 10 | 10 | 17 |

1/ Includes staff active at the end of each FY and excludes staff in SBF and FRI.

2/ The FY2008 numbers differ slightly from the figures presented in EBAP/09/40 due to retroactive adjustments.

Source: HRD, HRIS.

¹ The Executive Board approved an initial waiver in FY2009 (EBAP/09/40, March 13, 2009) wherein it was stated that another review would take place in early 2010.

² This requirement does not apply to staff members who have less than one year of service or those who return to duty during the financial year from extended absences.

3. The minimum leave use requirement is a useful measure to promote staff health and well being. At the same time, maintaining this requirement at this time would be unfair to many staff members who are shouldering a major increase in workload and who therefore risk losing part of their annual leave entitlement.

4. The financial impact of this change is viewed as a modest and temporary increase in leave balances for those affected. It is not proposed that the maximum leave carry-over provision of 120 days nor the maximum 60-day payout at the end of service be adjusted at this time. Managers will continue to be encouraged to allow staff to take some minimum time off and accommodate such leave in the work schedules.

5. The proposed temporary waiver would be in effect for FY2010 only. In May 2010, staff will be informed that the requirement to use at least a minimum of 15 days of annual leave each financial year is reinstated with effect from FY2011.

PROPOSED DECISION

It is recommended that the Executive Board approves the following draft decision:

The requirement under the current annual leave policy for staff members to take a minimum of 15 days of annual leave each financial year or forfeit such leave be temporarily waived for FY2010. This modification shall become effective immediately.