

Annex 5.2 - Supporting international mobility: calculating salaries

Base salary refers to a fixed amount of money paid to an Employee in return for work performed and it is determined in accordance with the current salary scale. Base salary does not include benefits or any other potential compensation offered by the IFRC.

The base salary of each employee is considered to have three components:

- a) **Home housing norm** – where “home” is Geneva, as the base salary is defined by using a salary scale built on pricing from the Geneva job market. This also means that the “housing norm” reflects typical housing costs in Geneva, irrespectively of the actual country of assignment.
- b) **Spendable income** – is the portion of salary used to cover typical household expenditure.
- c) **Reserve pay** – is the balance, used for savings and other expenses, not included in the everyday expenses of the spendable income.

Gross salary refers to the amount of money paid to an Employee after any possible adjustments for housing and cost of living differential have been applied. Gross salary is equal to Base salary minus the adjustments for housing and cost of living differential, if any.

For employees based in Geneva, the 3 components above will not be noticeable as pay is delivered as a whole, hence base salary is equal to gross salary. On the other hand, employees located outside Geneva will receive a gross salary that is different from their base salary as it needs to take into account that:

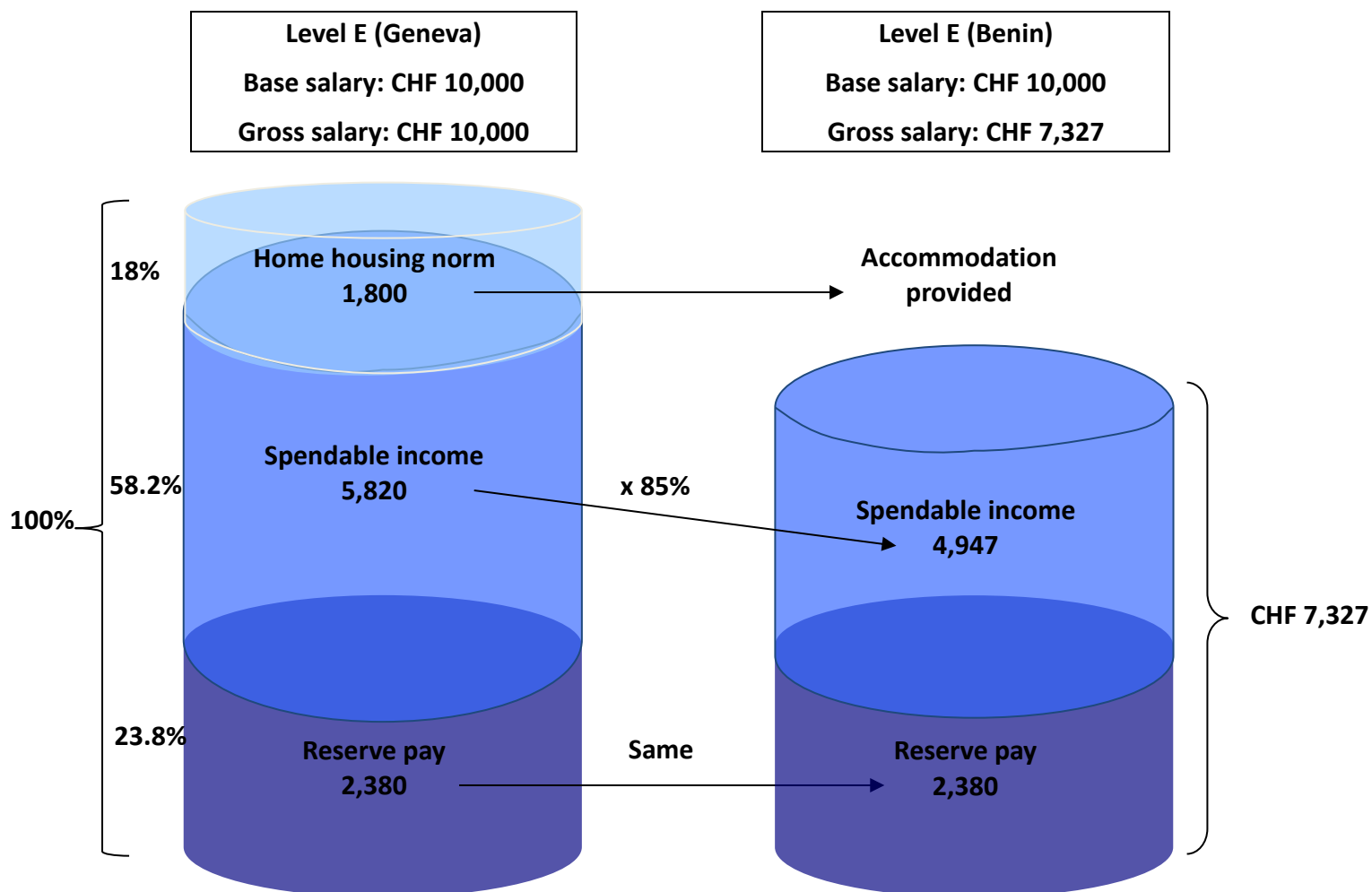
- Their housing is provided and paid for by the organisation (while in Geneva employees pay for it out of their base salary).
- Cost of living in the country of assignment and Geneva may be different, with Geneva being more expensive in most cases.

The underlying principle that drives these pay adjustments is to ensure that employees have the same purchasing power irrespectively of the country of assignment.

Example

An employee moving from Geneva to Benin will be treated equitably by receiving:

- the same reserve pay, with
- spendable income adjusted to reflect the relative cost of living differential between Geneva and Benin, plus
- an accommodation in Benin paid by the IFRC in lieu of the home housing norm



Tables

Table 1 – Percentages of base salary generally used to cover Housing and Cost of Living expenses in Geneva

Monthly Base Salary (in CHF)		Home Housing norm (% of base salary to cover for cost of Housing in Geneva)	Geneva Spendable Income (% of base salary indexed for Spendable Income in Geneva)
From	To		
4,000	4,999	25.5%	63.1%
5,000	5,999	23.0%	60.8%
6,000	6,999	21.1%	59.0%
7,000	7,999	20.0%	58.8%
8,000	8,999	19.2%	58.7%
9,000	9,999	18.4%	58.3%
10,000	10,999	18.0%	58.2%
11,000	11,999	17.6%	58.1%
12,000	12,999	17.2%	58.0%
13,000	13,999	16.7%	57.8%
14,000	14,999	16.4%	57.5%
15,000	15,999	16.1%	57.4%
16,000	16,999	16.0%	57.2%
17,000	17,999	15.8%	57.1%
18,000	18,999	15.7%	57.0%
19,000	19,999	15.5%	57.0%
20,000	20,999	15.5%	56.9%
21,000	21,999	15.4%	56.9%
22,000	22,999	15.3%	56.8%
23,000	23,999	15.1%	56.7%

Table 2 – Cost of Living index of Countries of Assignment compared to Geneva – as per 01-01-2014

Country	Cost of Living index (compared to Geneva)	Cost of Living index (compared to Geneva) capped at 85%*
Afghanistan	80.31	85.00
Albania	68.95	85.00
Algeria	73.91	85.00
Angola	86.19	86.19
Argentina	69.55	85.00
Armenia	74.55	85.00
Australia	85.00	85.00
Austria	88.92	88.92
Azerbaijan	86.36	86.36
Bahamas	80.79	85.00
Bahrain	77.60	85.00
Bangladesh	75.52	85.00
Barbados	84.47	85.00
Belarus	80.02	85.00
Belgium	87.65	87.65
Belize	72.87	85.00
Benin	82.36	85.00
Bhutan	72.38	85.00
Bolivia	73.51	85.00
Bosnia and Herzegovina	70.52	85.00
Botswana	70.37	85.00
Brazil	84.44	85.00
Bulgaria	70.38	85.00
Burkina Faso	81.14	85.00
Burundi	81.69	85.00
Cambodia	71.36	85.00
Cameroon	83.54	85.00
Canada	89.24	89.24
Cape Verde	79.82	85.00
Central African Rep	90.30	90.30
Chad	84.23	85.00
Chile	74.52	85.00
China (Beijing)	83.26	85.00
China (Hong Kong)	80.63	85.00
China (Macau)	78.35	85.00
Colombia	76.45	85.00

Comoros	85.00	85.00
Congo, Brazzaville	89.94	89.94
Cook Island	76.72	85.00
Costa Rica	73.52	85.00
Croatia	75.82	85.00
Cuba	76.58	85.00
Cyprus	74.73	85.00
Czech Republic	76.35	85.00
Dem Rep of the Congo	85.25	85.25
Denmark	91.23	91.23
Djibouti	77.68	85.00
Dominican Republic	74.18	85.00
Ecuador	71.66	85.00
Egypt	71.15	85.00
El Salvador	73.95	85.00
Equatorial Guinea	82.17	85.00
Eritrea	84.50	85.00
Estonia	85.28	85.28
Ethiopia	77.69	85.00
Fiji	72.93	85.00
Finland	87.34	87.34
France	90.23	90.23
Gabon	82.99	85.00
Gambia	74.69	85.00
Georgia	74.83	85.00
Germany	81.95	85.00
Ghana	76.27	85.00
Greece	76.16	85.00
Guatemala	70.85	85.00
Guinea	84.49	85.00
Guinea Bissau	83.30	85.00
Guyana	77.26	85.00
Haiti	83.20	85.00
Honduras	75.16	85.00
Hungary	74.09	85.00
Iceland	77.55	85.00
India	71.94	85.00
Indonesia	74.91	85.00
Iran	82.07	85.00
Iraq	78.90	85.00
Ireland	81.09	85.00

Israel	84.48	85.00
Italy	87.79	87.79
Ivory Coast	82.15	85.00
Jamaica	77.91	85.00
Japan	87.78	87.78
Jordan	77.08	85.00
Kazakhstan	77.23	85.00
Kenya	75.72	85.00
Kiribati	80.71	85.00
Korea, Dem Peoples Rep	85.17	85.17
Korea, Republic of	84.47	85.00
Kosovo	77.04	85.00
Kuwait	75.17	85.00
Kyrgyzstan	75.38	85.00
Lao People's Dem Rep	78.53	85.00
Latvia	81.65	85.00
Lebanon	80.07	85.00
Lesotho	70.99	85.00
Liberia	81.54	85.00
Libyan Arab Jamahiriya	69.62	85.00
Lithuania	77.89	85.00
Luxemburg	91.02	91.02
Madagascar	76.21	85.00
Malawi	79.58	85.00
Malaysia	74.61	85.00
Maldives	77.39	85.00
Mali	81.81	85.00
Malta	83.07	85.00
Marshall Islands	86.67	86.67
Mauritania	74.83	85.00
Mauritius	73.95	85.00
Mexico	80.48	85.00
Micronesia	86.67	86.67
Monaco	92.29	92.29
Mongolia	73.96	85.00
Montenegro	72.75	85.00
Morocco	70.12	85.00
Mozambique	82.14	85.00
Myanmar	74.00	85.00
Namibia	69.81	85.00
Nepal	72.38	85.00

Netherlands	85.01	85.01
New Caledonia	90.96	90.96
New Zealand	93.68	93.68
Nicaragua	68.72	85.00
Niger	79.67	85.00
Nigeria	89.08	89.08
Norway	94.78	94.78
Oman	75.64	85.00
Pakistan	72.29	85.00
Palau	85.77	85.77
Palestinian Territories	84.48	85.00
Panama	71.08	85.00
Papua New Guinea	81.90	85.00
Paraguay	72.29	85.00
Peru	77.99	85.00
Philippines	80.31	85.00
Poland	75.17	85.00
Portugal	83.33	85.00
Qatar	78.66	85.00
Republic of Moldova	72.97	85.00
Romania	70.81	85.00
Russian Federation	97.24	97.24
Rwanda	79.83	85.00
Saint Lucia	75.64	85.00
Samoa	85.09	85.09
Sao Tome and Principe	84.81	85.00
Saudi Arabia	73.62	85.00
Senegal	84.24	85.00
Serbia	77.04	85.00
Seychelles	79.98	85.00
Sierra Leone	85.52	85.52
Singapore	84.25	85.00
Slovakia	78.86	85.00
Slovenia	77.68	85.00
Solomon Islands	83.87	85.00
Somalia	75.69	85.00
South Africa	70.06	85.00
South Sudan	81.32	85.00
Spain	82.44	85.00
Sri Lanka	75.16	85.00
Sudan	81.32	85.00

Suriname	73.46	85.00
Swaziland	73.15	85.00
Sweden	84.80	85.00
Switzerland	100.00	100.00
Syrian Arab Republic	67.51	85.00
Tajikistan	76.38	85.00
TFYR Macedonia	71.65	85.00
Thailand	78.10	85.00
Timor-Leste	79.66	85.00
Togo	83.93	85.00
Tonga	76.72	85.00
Trinidad and Tobago	77.97	85.00
Tunisia	68.18	85.00
Turkey	75.66	85.00
Turkmenistan	77.61	85.00
Tuvalu	83.11	85.00
Uganda	72.13	85.00
Ukraine	73.10	85.00
United Arab Emirates	81.80	85.00
United Kingdom	91.53	91.53
United Rep of Tanzania	80.38	85.00
United States	85.22	85.22
Uruguay	78.41	85.00
Uzbekistan	80.09	85.00
Vanuatu	91.19	91.19
Venezuela	110.38	110.38
Viet Nam	71.25	85.00
Yemen	75.77	85.00
Zambia	75.76	85.00
Zimbabwe	83.69	85.00

** note that it is best practice in European organisations to cap negative adjustments at 85% of home spendable income.*