McNamara's: Personnel Management Committee - Sept. 1980 Vol. 5

OFFICE MEMORANDUM

STRICTLY CONFIDENTIAL

TO: Members of PMC

DATE: September 3, 1980

FROM: Martijn J.W.M. Paijmans

SUBJECT: Personnel Management Committee Meeting - September 10, 1980

1. The following topics are suggested for the Agenda of the September 10 meeting at 2.00 p.m.

Compensation Matters

a) Mid-Year Adjustment

- consideration of draft Board paper] This item has been held over from the meeting earlier planned for September 4 and which has not been held.
- should the matter be referred to Board Committee on Staff Compensation Issues?]

b) Social Security Study (attached).

c) Compensation Study Timetable

Personnel Management Matters

Follow-up on Senior Position Planning FY81
(Please see
(i) attachment;
(ii) Mr. Paijmans' memo of July 25, 1980 distributed to PMC members on July 31;
(iii) paras. 10 through 12 of Minutes of 17th PMC meeting held on August 5.)

2. I am proposing another meeting of the PMC during the week of September 15 which will address one topic only because of the importance of the subject: the representation of developing country nationals in the World Bank Management structure, one of the topics addressed in the Brandt Commission Report and on which a modified paper ("Response No. 12") will be distributed ahead of the meeting. You will recall that the PMC considered, on August 5, an earlier version of that paper.

PMD
September 3, 1980

PMC Paper

Social Security Study

1. This paper seeks the guidance of PMC before we enter into formal consultations with the Staff Association and IMF.

Background

2. The Joint Committee on Staff Compensation Issues recommended:

> *"(i) subject to a study of feasibility, United States employees of the Bank and Fund should be allowed to opt for the reduction of their contribution to the relevant Staff Retirement Plan by the amount of their contribution to the United States Social Security System or to continue to contribute to both;*
>
> *(ii) if and when such an option is permitted the difference between the employee and self-employed contribution rates should no longer be reimbursed;*
>
> *(iii) again, subject to feasibility, the option described in (i) above, should also be available to other staff of the Bank and Fund who contribute to their home countries' Social Security Systems."*
>
> (page 49, paragraph 9.13)

3. Management views on these issues noted: *"a comprehensive study was underway. ---- Pending the outcome of the study, it is premature to decide whether or not the Bank should continue to reimburse the difference between the self-employed and the employee rates of staff contributions to US Social Security."* (R79-79 of April 18, 1979 Section 10).

4. The Executive Directors agreed:

> *"further studies of certain compensation related matters should be completed and presented to the Board as promptly as possible, these to include ---- the possible integration of social security coverage for US and any other citizens with the pension plan."* (XM79-7/1 of June 13, 1979 para.3(f).

5. In order to be in a position to determine what action should be taken on these recommendations, the Bank and Fund commissioned Buck Consultants, Actuaries for the Staff Retirement Plan of the two organizations, to analyze:

> (a) the value of benefits for US staff members and the costs to them of continued participation in US Social Security;

(b) whether the existing arrangements for reimbursing US nationals a portion of their contributions to US Social Security should be changed; and

(c) possible formulae for full or partial integration of a member country's social security system with the Staff Retirement Plans of the Bank and Fund.

6. The Consultants, having considered these issues in consultation with a joint Bank/Fund Working Group, including technical representatives of the two Staff Associations, have now submitted their final report, a copy of which is attached.

Relative Value of US Social Security (p. 6-18 of Report)

7. Any analysis of US Social Security is inordinately complex necessitating many assumptions - the assumptions used by Buck were endorsed by the Joint Working Group after extensive discussion. As explained at page 3 of the report, the benefit/cost analysis is confined to the relative value of future participation in US Social Security since benefits earned by past participation would be payable even if participation were to be discontinued.

8. The analysis indicates (page 16) that benefits to be derived from future participation in US Social Security by US staff are on average only slightly in excess of the value of their future contributions at the "regular" employee rate (benefit/cost ratio for Bank staff of 1.110 or 1.182, depending on valuation approach [1] and, because of demographic differences, slightly lower for Fund staff, 1.103 and 1.161). The benefits are less than the value of future contributions at the "self-employed" rate (benefit/cost ratios for Bank staff of .740 or .788 and.735 or .744 for Fund staff). Preliminary indications from Hay, who are conducting a similar exercise in connection with their analysis of the value of benefits for the compensation survey, show a very similar picture.

Social Security Reimbursement (pages 19-20)

9. Since 1960, US nationals employed by the international organizations within the US have been required to contribute to US Social Security at the self-employed rate which is 50% more than for employees of other US organizations who contribute at the employee rate although the benefits are the same in either case. In other organizations the employee's contribution is matched by the employer but, since the international organizations are immune from taxation, the self-employment device was adopted by the US Government as a means of collecting a portion of the Social Security contribution normally made by employers. Since 1961, most international organizations have reimbursed their US staff for the difference between the self-employed and employee contributions. On grounds both of equal treatment with US nationals employed elsewhere and the benefit/cost analysis, which indicates that the Social Security benefits for US nationals are only slightly higher in value than their contributions at the regular employee rates, the Consultants have concluded that there is ample justification for the Bank and Fund to continue their reimbursement policy.

1/ Marginal value or shared value approaches, as described on page 4 of report.

10. However, the Consultants have recommended that we explore with the US Government the possibility of having this reimbursement excluded from taxable income in the hands of the staff, thereby avoiding the cost of resulting tax allowance payments. The total cost to the Bank of social security reimbursements to US nationals in CY81 is estimated at approximately $1.5 million, of which some $700 thousand will be for tax allowance payments on account of the reimbursement. As the Consultants have pointed out in their report, the US Government does not at present treat reimbursement by employers of medicare contributions as taxable income to retired employees. While this is based on specific provisions of law, similar treatment for reimbursements by international organizations of the difference between regular employee and self-employed social security contribution rates could be justified since the reimbursements do not add any value to the individual's prospective benefits and because they are intended solely to correct an inequity created by US law. Our hand would be strengthened if Congress accepts the Administration request for an appropriation to alleviate the tax burden on US nationals employed by the Asian Development Bank which, as a deliberate act of policy, does not itself make any tax reimbursement/allowance payments to its staff.

Integration of Social Security with Pension Plans (pages 21-31)

11. Particularly since the benefits derived from Social Security are shown on average to be only slightly in excess of staff contributions, we see the need to consider possible integration of Social Security with the pension plan as stemming from problems of cash flow faced by individual staff. This is particularly acute for lower paid staff. The combined contributions to Social Security and the Bank pension plan of those on salaries below $22,000 net amount in CY81 to 18-19% of their salaries - a percentage of which will progressively increase because of already scheduled increases in Social Security contributions. To meet the cash flow problem, we are interested in developing a mechanism whereby staff may elect to reduce their contributions to the Staff Retirement Plan by up to the amount of their contributions to Social Security with a commensurate reduction in their benefits from the Staff Retirement Plans. Such reductions in benefits should be determined so as not to result in any change in the costs of the pension plan. Buck has suggested some possible approaches which require further detailed examination in consultation with the staff. Any such mechanism (which should also be capable of application to non-US staff who might participate in their national social security systems) would best be introduced as part of the package of any other changes which are decided upon as a result of the forthcoming study of the pension plan.

Posture for Consultation

12. We need PMC guidance as to the line to take in consultation with the Staff Association and IMF. At this juncture our view is that:

(a) the organizations should continue reimbursing US nationals the difference between the employee and self-employed contribution rates;

(b) the organizations should explore with the US Government the possibility of making social security reimbursements by the organizations exempt from income tax;

(c) the objective of integration is to alleviate the cash flow problem, particularly for lower paid staff, by allowing them to reduce contributions to the Staff Retirement Plan in return for commensurate reductions in their benefits from the Plans;

(d) the organizations should, in consultation with the respective staff, study in detail possible mechanisms for accomplishing this, if possible in a manner capable also of application to non-US Social Security systems;

(e) any mechanism for integration should not result in any change in the costs of the Plans to the Bank and Fund;

(f) any mechanism for integration should be introduced as part of a package of retirement plan changes that might be decided upon after the forthcoming study;

13. If the outcome of the consultations is along the above lines, we would strongly recommend seeking Board approval before starting the inevitably long drawn-out examination of integration mechanisms so as to lay the reimbursement issue at least to rest.

Compensation Department
LPMichaels/RAClarke:ean
September 2, 1980

JOINT STUDY OF U.S. SOCIAL SECURITY
FOR STAFF MEMBERS OF THE
INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT AND THE
INTERNATIONAL MONETARY FUND

JUNE 30, 1980

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Dear Messrs. Michaels and King:

We are pleased to submit our report on the study of U.S. Social Security commissioned by your two organizations in 1979.

The analysis of the relative value of U.S. Social Security is based on the methodology outlined in our report of June 11, 1979, as subsequently refined in meetings with the Joint Working Group established for that purpose.

The Table of Contents, which immediately follows, outlines the material contained in the report.

Respectfully submitted,

GEORGE B. BUCK CONSULTING ACTUARIES, INC.

(Signed) MICHAEL W. PESKIN

Michael W. Peskin
Associate Actuary

(Signed) RICHARD M. LEBLOND

Richard M. Leblond
Consulting Actuary

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JOINT STUDY OF
U.S. SOCIAL SECURITY FOR STAFF MEMBERS OF THE
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
AND THE INTERNATIONAL MONETARY FUND

SECTION I - INTRODUCTION

Since 1960, U.S. citizens employed within the U.S. by an international organization have been required to participate in the U.S. Social Security system. Because international organizations cannot be taxed for the employer's share of Social Security contributions, their U.S. staff members have been treated as self-employed individuals, who contribute at a higher rate than regular employees. Since 1961, however, most international organizations have been reimbursing these employees for the difference between the self-employed and employee contributions.

When this procedure was first adopted, the maximum annual earnings covered by U.S. Social Security were $4,800 and the contribution rates were 4.5% for self-employed individuals and 3% for employees. This meant that the organizations' maximum annual reimbursement for a U.S. staff member was $72, and that the staff member's maximum net annual contribution to Social Security, after reimbursement, was $144. Since then, however, there has been a dramatic increase in the Social Security wage base and contribution rates. In particular, the 1977 amendments raised the wage base in annual steps to $29,700 in 1981, with automatic increases thereafter based on a national wage index. Furthermore, the contribution rates are scheduled to increase to 9.3% and 6.65% respectively for self-employed individuals and regular employees in 1981, and progressively thereafter to 10.75% and 7.65% respectively by 1990. Therefore, in 1981 the organizations' maximum annual reimbursement for a U.S. staff member will be $787 and the staff member's own maximum net contribution will be $1,975.

This situation has caused concern to at least three groups within the international organizations:

(a) U.S. staff members, who feel that they are contributing too large a percentage of their current pay towards retirement (when taking into account required contributions to the Staff Retirement Plan) and who have begun to question the worth of their Social Security contributions.

(b) Non-U.S. staff members, who see the organizations' reimbursement to U.S. staff members as a form of benefit which should be made available to non-U.S. staff as well.

(c) The organizations themselves, whose administrative budgets have become visibly affected by the expense of reimbursing the excess of the self-employed Social Security contributions over the regular contributions, plus the additional tax reimbursements arising therefrom.

After a series of discussions with their respective Staff Associations, the International Bank for Reconstruction and Development (the Bank) and the International Monetary Fund (the Fund) agreed to establish a Joint Working Group to study the problems caused by the compulsory coverage of their U.S. staff in the U.S. Social Security system and to develop possible solutions.

This report presents the results of a study, commissioned by the Bank and Fund, to:

1) analyze the value of continuing participation in U.S. Social Security in relation to its cost, first in terms of regular employee contribution rates and then on the basis of self-employed rates;

2) analyze possible formulae of integration between the Staff Retirement Plans and the U.S. (or some other) Social Security system; and

3) analyze whether the existing arrangements for reimbursing U.S. nationals a portion of their contributions to U.S. Social Security should be changed.

The methodology used to measure the relative worth of U.S. Social Security was described in an earlier report to the Joint Working Group and further refined in subsequent discussions. Essentially, it consists of calculating a series of ratios, for various categories of staff members and then for the entire group of U.S. staff members, of the value of Social Security benefits expected to be earned in the future while in the service of the Bank/Fund to the value of contributions expected to be made during the same period. Since the benefits being valued exclude the portion of Social Security benefits already earned (which would be payable even if participation were discontinued now), the ratios can be said to measure the relative value of continuing participation in U.S. Social Security.

For this purpose, Medicare benefits and financing have been ignored, leaving only those benefits representing the OASDI system, i.e., old-age, survivors and disability insurance benefits. The spouse's supplement, equal to 50% of an individual's own primary benefit, has been included in full in the case of staff members married to a non-working spouse (or whose employment is not covered under U.S. Social Security). In the case of a married staff member whose spouse is working and earning a benefit (as well as a spouse's supplement) under U.S. Social Security, two approaches have been used to determine the benefits attributable to Bank/Fund future service:

(a) the "marginal value" approach, which recognizes only the portion of the staff member's own Social Security benefit (including the spouse's supplement) which exceeds the benefit to which the spouse would be entitled as a result of his or her own coverage, including the spouse's supplement to such benefit; and

(b) the "shared value" approach, which recognizes in full the staff member's own Social Security benefit (as if he were single) but recognizes the spouse's supplement to his benefit only to the extent that such supplement exceeds the spouse's own Social Security benefit (i.e., the benefit attributable to the spouse's own coverage).

Both the value of future benefits and the value of future contributions are affected by the rate of interest at which future benefits and contributions are discounted to the present. Future benefits are affected to a greater degree because their payment is postponed several years into the future (i.e., to the date when a staff member retires, in the case of old-age benefits), whereas the contributions are being made currently and throughout the staff member's projected period of service at the Bank/Fund.

We recommended the use of a 3% "real" rate of interest, which meant that future benefits and contributions would be discounted at 3 percentage points above the rate of inflation (assumed to be 5% per annum), i.e., at a nominal rate of interest of 8% per annum. The Joint Working Group agreed with our recommendation but requested that the benefit/cost ratios be determined at three additional "real" rates of interest (2%, 4% and 6%), to recognize the fact that, from the staff members' point of view, the rate should be selected at a level such as to induce them to invest in Social Security if they had the choice of whether or not to invest.

In addition, the Joint Working Group requested that, for each category of staff member as well as for the entire group, the "internal rate of return" be computed, i.e., the rate of interest at which the benefit/cost ratio would be exactly one.

Appendix A to this report contains a full description of the assumptions made in the study.

SECTION II - RELATIVE VALUE OF U.S. SOCIAL SECURITY

A. By Category of Staff Members

The benefit/cost ratios on our chosen 3% real rate assumption, as well as the benefit/cost ratios on the basis of the three additional real rates suggested by the Working Group and the internal rates of return are shown in an Annex for the following categories of staff members:

1. Those expected to be single (or unmarried) at retirement.

2. Those expected to be married at retirement to a spouse who will not be entitled to a Social Security old-age pension in his or her own right (this category being labeled in the Annex as "married to non-working spouse").

3. Those expected to be married at retirement to a spouse who will be entitled to a U.S. Social Security old-age pension when he or she reaches age 62 (labeled in the Annex as "married to working spouse").

Two sets of results are presented for category 3, one on the basis of the "marginal" approach and the other on the basis of the "shared" approach, as those were described in the first section.

For each category, the results are given separately by sex and, in each case, for three different current salary levels (below $15,000; between $15,000 and $25,000; and above $25,000). For each salary level, results are shown

for 30 different combinations of current age, period of prior covered employment under U.S. Social Security and period of expected future service at the Bank/Fund. A varying period of prior covered employment is illustrated to recognize the fact that some U.S. staff members worked in non-covered employment (for U.S. Social Security purposes) before joining the Bank/Fund. Examples of non-covered employment include the U.S. Civil Service, certain teaching jobs and most non-U.S. employment.

The benefit/cost ratios are presented in terms of the regular employee contribution rates (i.e., the staff members' net contributions after reimbursement by the organizations of the excess of self-employed contributions over regular employee contributions). The benefit/cost ratios on the basis of self-employed contribution rates can be derived from those shown, being equal to two-thirds of the ratios computed on the basis of regular employee contribution rates (since the self-employed contribution rates to the OASDI portion of Social Security are equal to 1.5 times the regular employee rates).

The internal rates of return are shown on two bases: (1) in terms of the regular employee contribution rates, and (2) in terms of the self-employed rates.

Finally, the percentage of total U.S. staff in each category and for each combination of age and service is shown separately for the Bank and Fund. These percentages were used to compute the aggregate results for the entire group of U.S. staff in each organization, as discussed later in this report.

B. Limitations of the Methodology Used

The analysis of the results presented in the Annex will be directed primarily at the benefit/cost ratios developed on the basis of our recommended 3% real rate of interest. It is important for the readers of this report to realize the impact that certain assumptions have had on the results. Three particular assumptions warrant further discussion:

1. Future changes in Social Security Law - It has been necessary to base our results on the present Law, including of course the scheduled changes in contribution rates. Enough has been written about the financial health of the Social Security System to make one wonder whether further increases in contribution rates will have to be promulgated into Law or benefit rates will have to be decreased. Given the "transfer of wealth" concept which is the basis of Social Security funding, the main factors to affect the future solvency of the System are:

   (a) the rate of growth of the U.S. economy;

   (b) a possible increase in the longevity of persons over age 65;

   (c) a projected decline in the size of the working population when the "baby boom" generation, now ranging in age from 19 to 33, reaches pensionable age;

   (d) future fertility rates, i.e., the number of babies to eventually enter the working population;

   (e) future immigration and emigration rates, which could have an effect first on the size of the working population and then on the size of the retired population; and

(f) the average age at which people will retire or at which Social Security old-age pensions will be made available.

It can be seen that some of these factors will have a beneficial effect on the financial health of the System, while others will have a negative effect. It would be foolish to attempt to predict what the overall effect will be on the benefit/cost ratios developed in this study. If it is a consolation, it should be remembered that most of the Bank/Fund staff members will retire before the "baby boom" generation does!

2. Real rate of interest - Because the benefit/cost ratios were developed in the Annex on the basis of four different real rates of interest, it is possible to measure the impact of that particular assumption. As an example, the benefit/cost ratios (on the basis of the regular contribution rates) for a male staff member who is married to a non-working spouse, currently earns in excess of $25,000, is now age 37, has been covered under U.S. Social Security for 15 years (i.e., since age 22) and is expected to work at the Bank/Fund for another 25 years (i.e., until age 62) are as follows:

Real Rate of Interest	Benefit/Cost Ratio
2%	1.590
4	.997
6	.633
3%	1.257

In this particular case, a decrease of 1% in the real rate assumption increases the benefit/cost ratio by about 26%, while an increase of 1%

decreases the ratio by about 21%. A real rate of just below 4% would produce a ratio of one, which means that, in this example, the staff member's contributions to U.S. Social Security between now and age 62 will produce a rate of return on his investment equal to about 4 percentage points above inflation, assuming of course that the Bank/Fund continues to reimburse him for the excess of the self-employed contributions over the regular contributions. His rate of return would become 2.26 percentage points above inflation if the reimbursement policy were discontinued.

Depending upon the individual's own circumstances, of course, a rate of return in excess of inflation may be considered to be a good investment. The element of risk, however, should be taken into account in his evaluation (i.e., the risk that the U.S. Congress may decide some day to curtail Social Security benefits).

3. Rate of inflation - The results presented in the Annex were determined on the assumption that inflation would be at an annual rate of 5%. Following our presentation of the preliminary results in April, we were asked by the Joint Working Group to estimate the effect of assuming a higher rate of inflation.

Accordingly, we recomputed the benefit/cost ratios based on the 3% real rate of interest to reflect an inflation rate of 7% per year and found that the ratios were reduced by about 5% of their earlier value. As an example, the benefit/cost ratio of 1.257 shown on the previous page would become 1.194.

C. Analysis of Individual Results

As can be seen in the Annex, the results vary dramatically among the various categories of staff members and even within each category. Following is an analysis of the factors which have an influence on an individual staff member's benefit/cost ratio computed on the basis of a 3% real rate of interest. In all examples quoted, the benefit/cost ratios are based on the regular employee contribution rates, i.e., net of reimbursement.

1. Sex - For staff members who are single or married to a non-working spouse, the benefit/cost ratios are higher for females than for males, all other factors being equal. This is primarily because women live longer than men and hence the same pension benefits have a higher value for them.

   The difference is not as pronounced if the two staff members are married to a non-working spouse. In both cases, the benefit/cost ratios are increased by the additional value of the spouse's supplement to the staff member's primary benefit and of the potential widow's or widower's benefit. Since these additional benefits are paid to an individual of the opposite sex to that of the staff member, they have a greater value to a male staff member than to a female staff member, thus reducing the gap between the values of their respective primary benefits.

   In the case of staff members married to a working spouse, the benefit/cost ratios are reduced by at least a portion of the spouse's own Social Security benefits, i.e., those benefits earned as a result of his or her own coverage. Because it is assumed that the spouse of a male staff member

earns significantly less than he does (see Appendix A), the "offset" is not as significant in his case as in the case of a female staff member, whose spouse is assumed to earn as much as or more than she does, unless she earns more than $25,000, in which case her husband is assumed to earn 40% less (in the reverse situation, the wife of a male staff member earning more than $25,000 is assumed to earn 80% less than he does). The overall result is that the benefit/cost ratios for staff members married to a working spouse are higher for males than for females.

In summary, the Social Security benefits expected to be earned for future service at the Bank/Fund have a greater value for male staff members than for female staff members only if the staff member is married to a spouse who is also contributing to U.S. Social Security. In all other cases, the reverse is true.

2. Marital status - In general, the highest benefit/cost ratios are obtained for the category of staff members married to a non-working spouse. The next highest results are for staff members married to a working spouse, although there are several examples of results for single staff members being higher than for staff members married to a working spouse. The latter results occur generally among female staff members under the marginal value approach, whenever the "offset" to their own benefits because of their spouse's coverage is of greater value than the spouse's supplement and prospective widower's benefit on account of their own primary benefits.

3. Age - For given periods of prior covered employment and of future service at the Bank/Fund, the results generally increase with the current age of the staff member. This is a reflection of the fact that the value of a pension, the receipt of which is deferred to some time in the future, increases as that time nears (simply because the pension is being discounted to the present for a lesser number of years). This can be illustrated by looking at the examples of single females earning between $15,000 and $25,000 who have been in covered employment for 5 years and expect to be at the Bank/Fund for another 5 years. The benefit/cost ratios are as follows, depending upon the staff member's current age.

Current Age	Benefit/cost Ratio
27	.379
37	.652
47	1.484
57	6.785

4. Prior covered employment - For a given age and a given period of future service at the Bank/Fund, the relative value of U.S. Social Security benefits expected to be earned during future service at the Bank/Fund decreases as the period of prior covered employment increases. This is because a longer period of prior covered employment diminishes the importance of future covered employment, the Social Security benefit formula being more heavily weighted for lower salaries and hence for the first portion of an individual's years of coverage. In other words, the exclusion of future service at the Bank/Fund from coverage under Social Security is much more significant when the prior period of coverage is short. A long period of prior covered employment produces a benefit which is

not much increased by the additional future coverage. For example, the benefit/cost ratio for a single male staff member earning over $25,000 who expects to be at the Bank/Fund for another 5 years is as follows, depending upon the length of his prior covered employment:

Prior Covered Employment	Benefit/Cost Ratio If Current Age Is:	
	47	57
5	1.297	5.467
15	.794	2.005
25	.228	.898
35	N/A	.449

5. Future service at Bank/Fund - For a given age and a given period of prior covered employment, the relative value of U.S. Social Security benefits tends to increase with the period of future service at the Bank/Fund. This is because the elimination of a short period of future service (which would happen if service at the Bank/Fund were no longer considered covered employment) does not affect the staff member's total Social Security benefits (for all of his coverage) as much as the elimination of most or all of his future years to age 62. It should be remembered, in this context, that one of the assumptions made in this study is that U.S. staff members will be in covered employment after leaving the Bank/Fund before age 62. The effect can be seen by looking at a male staff member earning between $15,000 and $25,000 who is age 27, is married to a non-working spouse and has been in covered employment since age 22. The relative worth of his Social Security benefits for future service at the Bank/Fund can be expressed as follows:

Future Service at Bank/Fund	Benefit/Cost Ratio
5	.604
15	.683
25	1.047
35	1.789

6. Salary level - The results in respect of salaries up to $15,000 are significantly higher than those for the other two salary brackets, but the $15,000 to $25,000 results are only slightly higher than those for salaries over $25,000. This is due to the nature of the Social Security benefit formula, which is heavily weighted in favor of lower-paid individuals. As an example, the benefit/cost ratio for a single male staff member who is now age 27, has been in covered employment since age 22 and expects to be at the Bank/Fund until age 62 (i.e., for another 35 years) is as follows, depending upon the level of his current salary.

Salary Level	Benefit/Cost Ratio
Up to $15,000	1.363
$15,001 - $25,000	1.041
Over $25,000	1.024

D. Results for entire group

The individual results contained in the annex were aggregated for all U.S. staff members at the Bank and Fund by weighting both the value of future benefits and the value of future contributions in each individual category by the percentage of staff in that category. The overall benefit/cost ratios were determined under both the marginal value approach and the shared value approach with respect to staff members married to a working spouse and are summarized below.

		Benefit/Cost Ratio Based on 3% Real Rate of Interest	
		Marginal Approach	Shared Approach
1.	Based on regular employee contributions:		
	Bank	1.110	1.182
	Fund	1.103	1.161
2.	Based on self-employed contributions:		
	Bank	.740	.788
	Fund	.735	.774

The results indicate that, on the basis of our recommended real rate of interest, the Social Security benefits expected to be earned for future service at the Bank/Fund (i.e., from January 1, 1979 to projected date of separation from service) are worth 10% to 18% more than the net employee contributions to Social Security over the same period, but 21% to 26% less than the total (i.e., self-employed) contributions.

The results are slightly lower for the group of U.S. staff members at the Fund, reflecting differences in the distribution of such staff by age, sex, marital status, etc.

E. Results for various categories of staff

The following tables summarize, separately for Bank staff and Fund staff, the benefit/cost ratios for staff members having similar characteristics. Table 1 gives the results by age, sex and marital status, while Table 2 gives the results by age, sex and compensation. In all cases, the benefit/cost ratios are based on a real rate of interest of 3%. In the case of staff members married to a working spouse, the shared value approach has been used.

If so desired, the results could be provided for other groupings of staff characteristics (as to age, sex, compensation, marital status and expected period of future service at the Bank/Fund).

TABLE 1

BENEFIT/COST RATIOS BY AGE, SEX AND MARITAL STATUS

	Males whose marital status is:			Females whose marital status is:		
		Married and spouse is:			Married and spouse is:	
Age	Single	Not Working	Working	Single	Not Working	Working
			1 - BANK STAFF			
27	.808	1.409	.942	.840	1.368	.862
37	.859	1.453	1.011	.968	1.563	.978
47	1.047	1.740	1.260	1.211	1.942	1.225
57	1.252	2.023	1.405	1.323	2.091	1.361
All	.934	1.570	1.099	.971	1.531	.965
			2 - FUND STAFF			
27	.870	1.517	1.013	.834	1.357	.855
37	.840	1.420	.993	.957	1.533	.960
47	.981	1.631	1.206	1.057	1.695	1.073
57	.952	1.541	1.112	.970	1.534	1.012
All	.885	1.501	1.049	.927	1.491	.942

TABLE 2

BENEFIT/COST RATIOS BY AGE, SEX AND COMPENSATION

	Males whose compensation is:			Females whose compensation is:		
Age	Below $15,001	$15,001 - $25,000	Over $25,000	Below $15,001	$15,001 - $25,000	Over $25,000
			1 - BANK STAFF			
27	1.577	1.104	1.084	1.258	.819	.818
37	1.501	1.217	1.189	1.317	1.068	.984
47	1.889	1.557	1.447	1.554	1.382	1.192
57	N/A	.963	1.717	.469	1.837	1.271
All	1.572	1.192	1.302	1.285	1.011	1.002
			2 - FUND STAFF			
27	1.570	1.097	1.085	1.304	.843	.834
37	1.567	1.116	1.169	1.394	1.133	1.028
47	N/A	1.682	1.363	1.585	1.467	1.131
57	N/A	1.533	1.273	N/A	1.440	1.057
All	1.570	1.144	1.210	1.327	1.037	1.023

SECTION III - THE REIMBURSEMENT POLICY

One of the goals of this study is to analyze whether the existing arrangements for reimbursing U.S. nationals a portion of their contributions to U.S. Social Security should be changed. The portion being reimbursed has, until now, been equal to the difference between the self-employed contributions (which the U.S. staff members are required to make) and the "regular employee" contributions (which the U.S. staff members would be allowed to make if the international organizations could be "taxed" for the employer's share of Social Security contributions).

It is important to note that the only reason why U.S. nationals employed by international organizations in the U.S. are treated as self-employed individuals is that the international organizations themselves are exempt from taxation and, as such, cannot be taxed for the employer's share of Social Security contributions. This is a clear indication that the contributions to Social Security represent taxes.

Following the same line of reasoning, it could be argued that the employees' share of Social Security contributions (even on a "regular employee" basis) also represents a tax. The question could then be asked: why not reimburse those contributions as well? The answer lies in the nature of these taxes. Social Security contributions (or taxes) made by an individual give him "quarters of coverage" and the wages on which they were based are recorded and will be used eventually to calculate his Social Security benefit. Thus, the Social Security contributions can be said to provide a <u>direct</u> benefit to the individual. By contrast, most other forms of income tax only provide <u>indirect</u> benefits (i.e., benefits which affect the community as a whole and not specific individuals).

The portion of Social Security taxes reimbursed by the organizations could also be said to provide a direct benefit to the individual. Our analysis of the benefit/cost ratios has indicated that, on the whole, self-employed contributions to U.S. Social Security do not return benefits commensurate to their value, at least with respect to future participation. Furthermore, it would be difficult to treat U.S. nationals more harshly in this regard than their compatriots who work for non-international organizations, contribute at regular employee rates and receive similar Social Security benefits (for similar pay).

We therefore believe that there is ample justification for the international organizations to continue their reimbursement policy. Our analysis has shown that the reimbursement does not provide substantial benefits that should be extended to non-U.S. staff members. It therefore can continue to be treated as a tax reimbursement, in the same manner as any other tax reimbursement to staff members.

What should be investigated, in our opinion, is whether or not the reimbursed Social Security contributions should be treated as "income" to those individuals receiving them and, as such, be subject to further income taxes (and further reimbursements). An argument could be made that the reimbursement of the excess of the self-employed contributions over the regular contributions does not add any value to the staff member's prospective benefits from Social Security and therefore should not be treated as current income. We understand that a similar line of reasoning has been successful with respect to Medicare contributions made on behalf of individuals who remain in service after age 65.

The organizations might want to pursue this matter with the U.S. Government.

SECTION IV - INTEGRATION WITH STAFF RETIREMENT PLAN

Another goal of the joint study is to analyze possible formulae of integration between the Staff Retirement Plan of each organization and any Social Security system to which some of their staff members are required to contribute. To our knowledge, the U.S. Social Security system (which compulsorily covers, as self-employed individuals, U.S. citizens employed by the Bank and Fund) is now the only compulsory system that would be involved, but the concepts to be developed in this section should be capable of being extended to the Social Security programs of other countries.

A. The concept of integration

The U.S. Social Security system (as most such systems) favors the lower-paid individuals in that it provides benefits which represent higher "income replacement ratios" for them than for those earning higher salaries. This is illustrated in the summary of benefits contained in Appendix B to this report. As an example, the 1980 formula to determine an individual's basic benefit (or Primary Insurance Amount) becoming payable in that year is:

90% of the first $194 of his average indexed monthly earnings (AIME), plus

32% of his AIME between $194 and $1,171, plus

15% of his AIME in excess of $1,171.

Thus, higher-paid individuals can be said to be "discriminated against" by the Social Security system. Another manner in which this is accomplished is by limiting the size of the earnings to be included in the formula (this is partially offset, however, by limiting the contributions as well).

When an employer decides to supplement the Social Security benefits by a private plan, he is allowed to recognize, in his plan formula, the fact that his lower-paid employees do not require the same extent of supplementing as do his higher-paid ones. In other words, he is allowed to discriminate to an extent in favor of his higher-paid employees so as to effect a unified program which will benefit all his employees equally, or as nearly so as possible, when taking into account both the Social Security system and the private plan. This is the essence of integration.

When the private plan is of the unit-benefit type (i.e., when it provides a unit of benefit for each year of pensionable service), there are two basic methods to integrate it with Social Security:

(a) the step-rate method, which provides a lower rate of benefit on compensation covered by Social Security and a higher rate on compensation above that level; and

(b) the offset method, under which an employee's benefit otherwise computed under the plan formula is reduced (i.e., offset) by a stated percentage of his old-age insurance benefit from Social Security.

Regardless of which method is used, there are certain integration requirements that must be met if the private plan is to remain "qualified" for tax purposes. These requirements are intended to prevent discrimination against the lower-paid employees. In making its determination with respect to discrimination, the Internal Revenue Service considers whether the total benefits to each employee under the plan and under the Social Security Act constitute an "integrated and correlated" retirement system.

Without going into details as to the specific integration requirements promulgated by the IRS, it is interesting to note their main features:

1. The requirements deal with the employer-provided portion of the benefits from the plan and, as such, the integration to be effected is with the employer-provided portion of the Social Security benefits.

2. Integration is made with the primary benefits only (i.e., treating everyone as single), although account is taken of the other Social Security benefits, on an average basis for all recipients or future recipients of Social Security benefits, in determining the value of the benefits provided by the employer contributions to the system.

3. The basic assumption underlying the integration rules is that the maximum Social Security benefit that may be attributed to employer contributions is an amount equal to 37-1/2% of the earnings on which they are computed (i.e., the portion of compensation subject to Social Security "taxes", as such amount varies from year to year).

4. The above assumption is converted into specific rules depending upon the type of plan, the definition of pensionable remuneration and the period over which it is averaged for benefit purposes, the extent of other benefits being provided (in case of death or disability), the youngest age at which unreduced retirement benefits are provided, whether or not the employees contribute to the plan, and the integration method selected.

5. If the plan is of the defined contribution type, integration can be provided by permitting the employer to contribute at a greater percentage on compensation not covered by Social Security. The difference in the employer contribution rates to the plan (as between the rate on covered compensation and the rate on excess compensation) cannot exceed 7%. For example, the employer could contribute 3% on compensation covered by Social Security and 10% on compensation in excess of that level. Thus, the employer would be providing larger benefits to employees earning in excess of the Social Security taxable wage base.

In summary, integration with Social Security is effected primarily for the purpose of coordinating benefits, allowing an employer to recognize that lower-paid employees receive larger benefits from Social Security (as a percentage of their overall compensation) and, as such, could receive proportionately lower benefits from the employer plan than higher-paid employees.

B. The Bank/Fund situation

It should be noted at this stage that the issues which have been raised by both the staff members and the organizations in connection with the U.S.

Social Security all center around the contributions that must be made to the system and their relative value.

From the U.S. staff members' viewpoint, the main issue is that their total contributions towards retirement benefits are too high, forcing them to put aside currently too large a percentage of their take-home pay.

Thus, the integration problem to resolve is not the one normally faced by employers (and strictly regulated by the IRS), i.e., to devise a formula which will provide lower benefits from their plans on the portion of compensation covered by Social Security, in such a way as to have approximate equivalence of benefits on the total compensation when taking into account the benefits from both sources. In Bank/Fund terms, this could be expressed as providing lower benefits (from the Staff Retirement Plan) to U.S. staff members in such a way that their total benefits from the SRP and from U.S. Social Security would be approximately equal to the SRP benefits to non-U.S. staff members.

The analysis of the relative worth of U.S. Social Security benefits presented earlier shows that a benefit integration approach would be inequitable for most staff members in that the value of the reduction in SRP benefits would rarely equal the value of the reduction in contributions to the SRP, if the latter were equal to the contributions actually made to U.S. Social Security.

The integration problem that should be addressed in the Bank/Fund situation is the following: what reduction could be made to the SRP benefits in return for a reduction in U.S. staff members' contributions to the SRP.

Before considering that question, we should first determine a formula to reduce the contributions to the SRP. Two approaches appear to be open:

a) an exact formula, which would provide for reducing the contributions to the SRP by the exact amount of contributions to U.S. Social Security (on either the self-employed basis or the "regular employee" basis); or

b) an approximate formula, which would convert the contributions to U.S. Social Security into a percentage of gross remuneration (as defined in the SRP) up to a given level (which may be made to vary from year to year).

While an exact formula may be more equitable, it would be difficult to administer (there could be situations, for example, where the contributions to Social Security exceed the required contributions to the SRP), and difficult to convert into a formula to reduce benefits. The approximate formula, on the other hand, could be tailored in such a way as to meet the overall objectives and allow an equitable treatment of all staff members.

The 1981 regular employee contributions to U.S. Social Security will be at the rate of 6.65% of gross compensation (for U.S. income tax purposes) up to $29,700. That rate is scheduled to increase progressively to 7.65% by 1990. Similarly, the $29,700 ceiling is scheduled to increase every year in line with the movement of a national wage index.

An approximate formula (which would ignore the organizations' reimbursement of the excess of the self-employed contributions over the regular contributions) could thus be to eliminate, for U.S. staff members, the requirement to contribute to the SRP on a portion of their gross remuneration (as defined in the SRP). While the rates of gross remuneration produced by the grossing-up formula in the SRP are not necessarily equal to the rates of gross remuneration for U.S. income tax purposes, we believe that it would be proper to eliminate SRP contributions on that portion of SRP gross remuneration not exceeding the dollar amount on which the maximum U.S. Social Security contributions are based (e.g., $29,700 in 1981).

The next question to address is whether the elimination of SRP contributions on gross remuneration up to a certain level should be made voluntary or compulsory on the part of U.S. staff members. While no final conclusion had been reached, most members of the Joint Working Group believed that staff members should be given full flexibility to integrate or not, and to change their mind from time to time. They recognized, however, that the extent of that flexibility would have to depend on the complexity of the integration formula eventually adopted.

If certain staff members are allowed not to contribute to the SRP on a portion of their gross remuneration, how should this be reflected in their eventual benefit entitlement from the SRP? Two approaches are possible:

(1) reducing the eventual benefits from the SRP by the actuarial equivalent of the contributions which would otherwise have been made; or

(2) devising an approximate formula which would be reflected directly in the benefit accrual rate (currently 2% of highest average remuneration with respect to service after May 1, 1974).

The first method may be the most appealing because of its apparent built-in equity. It does, however, have a few drawbacks:

a) it would be difficult to administer, requiring the use of a hypothetical account for each affected participant in which could be recorded the contributions that he did not make to the SRP on his gross remuneration;

b) it would be difficult to apply in the case of a benefit which requires the recognition of service not yet rendered (e.g., disability benefits and pre-retirement surviving spouses' benefits);

c) the equity would be more apparent than real, the concept of actuarial equivalent being one which provides equity on the average, but never exactly with respect to a given individual; and

d) the adjustment would have to vary from time to time as the table of actuarial factors is adjusted to reflect changes in mortality and/or in economic conditions.

The second method could be tailored after the integration rules which are used by U.S. employers when integrating their plans with Social Security. The basic integration rules are designed for non-contributory pension plans

which provide retirement benefits only (i.e., without death or disability benefits). Adjustments to the basic rules are stipulated when, for example, employees are required to contribute at a higher rate on the portion of their compensation not covered by Social Security.

The adjustment formula for employee contributions depends upon the manner in which the plan benefits are computed: it is greater if the benefits are based on career average remuneration than if they are based on average remuneration in the last few years before retirement. Taking into account the overall benefits provided by the SRP, we believe that the elimination of participants' contributions on "covered" gross remuneration (defined to mean the gross remuneration up to the taxable wage base for U.S. Social Security purposes) could be reflected in the normal retirement benefit formula by reducing the benefit otherwise provided under Section 4.1 of the SRP by either:

a) 0.7% of the participant's cumulative covered gross remuneration (i.e., the sum of his covered gross remuneration, as defined above, from the date that the SRP was first integrated to his normal retirement date), or

b) 0.5% of the participant's highest average covered gross remuneration (defined as the average of his annual covered gross remuneration, as defined above, in the same three years used for computing his highest average gross remuneration) multiplied by the total number of years of his eligible service during which he made no contributions to the SRP on the covered portion of his gross remuneration (subject to a maximum of 35 such years).

The first of these two formulae would require the Plan Administrator to keep a record, for each U.S. staff member, of his covered gross remuneration from the date that the SRP would be integrated (e.g., from January 1, 1981). The effect would be to apply a reduction of 0.7% of "career average" covered gross remuneration for each year of service during which the SRP was integrated, as opposed to an annual reduction of 0.5% of "highest average" covered gross remuneration.

Both formulae would be roughly equivalent, but the second one would be easier to administer. It will be noted that, for a U.S. staff member whose gross remuneration is (and remains) lower than the Social Security taxable wage base, the net effect of the second formula would be to reduce the SRP benefit accrual rate from 2% to 1.5% for each year of eligible service in which the SRP is integrated.

Finally, the "covered gross remuneration", on which contributions will be eliminated and benefits will be reduced, could be made a fixed amount or a variable amount. For example, it would be possible to define "covered gross remuneration" as the portion of a participant's gross remuneration up to a fixed level (such as $30,000 or $35,000). That level could be increased from time to time by amendment to the SRP to reflect the actual levels of remuneration on which Social Security contributions are predicated.

A fixed level of integration might be possible if the integration formula is based on the "career average" concept. If the integration formula is the one described as 0.5% of highest average covered gross remuneration, we would

advise against the fixed level approach as it could prove inequitable for certain staff members. For example, the fixed level could be set at $30,000 initially and remain at that level for, say, 10 years at which point it would be increased to, say, $40,000. A participant retiring 3 years later would have a reduction in his SRP benefit based on 13 years of integration at the $40,000 level even though he could have made contributions to the SRP on $10,000 of that amount for as many as 10 years.

A more equitable approach in that case would be to use a variable level of integration. "Covered gross remuneration" could be defined for a given year as the participant's gross remuneration (as defined in the SRP) up to the Social Security taxable wage base for that year.

It is too early at this stage to draw any final conclusions as to an integration approach. We believe that the matter should be studied further, possibly as part of the overall benefit study which the two organizations are now considering.

SECTION V - SUMMARY OF RECOMMENDATIONS

Our analysis of the value of U.S. Social Security benefits in relation to Social Security contributions indicates that such contributions represent a "good investment" if the organizations continue their policy of reimbursing the excess of the self-employed contributions over the "regular employee" contributions. For the group of U.S. staff members as a whole, the Social Security benefits expected to be earned for future service at the Bank/Fund were shown to be worth 10% to 18% more than the employee contributions (net of reimbursement) to Social Security over the same period.

If the reimbursement policy were discontinued, however, these same benefits would be worth 21% to 26% less than the contributions that would have to be made. In the light of these results, it would seem appropriate for the two organizations to continue their reimbursement policy. We have suggested in Section III that the organizations investigate with the U.S. Government the possibility of having these reimbursements not treated as "income" to the individuals and thus not be subject to income tax (and additional reimbursements thereof).

Section IV gives preliminary information on the question of how the Staff Retirement Plan could be integrated with U.S. Social Security (or other similar systems to which staff members may be required to contribute). No conclusion could be reached at this time.

APPENDIX A

SUMMARY OF ASSUMPTIONS

1. To derive individual results

SEPARATIONS BEFORE RETIREMENT: The benefit/cost ratios and internal rates of return are determined for specific numbers of years of future service with the Bank/Fund (5, 15, 25 or 35 years but not beyond age 62) or, if earlier, until death or disability. Representative values of the assumed annual rates of death and disability are as follows.

	Rates of Death		Rates of Disability	
Age	Men	Women	Men	Women
25	.0008	.0004	.0002	.0003
30	.0008	.0004	.0003	.0004
35	.0010	.0005	.0003	.0005
40	.0014	.0007	.0004	.0006
45	.0024	.0012	.0007	.0008
50	.0041	.0020	.0011	.0013
55	.0067	.0030	.0017	.0025
60	.0086	.0043	.0026	.0038

RETIREMENT: All old-age retirements are assumed to take place at age 62.

DEATHS AFTER RETIREMENT: In accordance with the mortality rates used in latest actuarial valuation of each organization's Staff Retirement Plan.

CHILDREN: Staff members projected to be married at retirement are assumed to have two children each, one 25 years younger and the other 28 years younger than the staff member.

SPOUSE'S SALARY: The ratio of the spouse's salary to that of the staff member is assumed to be as follows.

Salary Level	Sex of Staff Member	
	Male	Female
$15,000 or less	65%	150%
$15,001 - $25,000	45	100
Over $25,000	20	60

INFLATION: Future inflation is projected to be at the rate of 5% per year.

SALARY INCREASES: Present salaries are projected to increase at an annual rate equal to the assumed inflation rate plus a "real" component varying by age. Representative values of the assumed real rates of salary increases are as follows. It should be noted that this assumption has no effect on staff members whose gross remuneration is already in excess of the Social Security taxable wage base.

Assumed Real Rates of Salary Increases

Age	Rate	Age	Rate
25	5.0%	45	3.0%
30	4.5	50	2.5
35	4.0	55	2.0
40	3.5	60	1.5

NATIONAL WAGES: For purposes of projecting future increases in Social Security covered earnings and in the flat dollar amounts used in the Social Security benefit formula, the average national wages are assumed to increase at a real rate of 1.75% a year (over and above the assumed inflation rate).

INTEREST RATE: Future Social Security benefits and contributions are discounted at an interest rate equal to the assumed inflation rate plus a real component. The recommended real rate of interest is 3% per annum, but calculations have been made at three additional real rates: 2%, 4% and 6% per annum.

II. To derive aggregate results

SEX, AGE AND SALARY: The individual results by sex, age and salary are aggregated in the proportions of the actual distribution of staff with respect to each such factor (using, for that purpose, the age category nearest to each staff member's age).

MARITAL STATUS AT RETIREMENT: The proportions of staff assumed to have a given marital status at retirement are as follows:

	Percentage of Staff in each Category					
	Men - All Ages		Women - Age 27		Women - Others	
Marital Status	Bank	Fund	Bank	Fund	Bank	Fund
Single	10%	10%	40%	40%	50%	40%
Married to non-working spouse	45	45	18	24	15	24
Married to working spouse	45	45	42	36	35	36
Totals	100%	100%	100%	100%	100%	100%

PRIOR COVERED SERVICE: 70% of all U.S. staff members are assumed to have been covered by U.S. Social Security since age 22. The remaining 30% are assumed to have been covered only since joining the service of the Bank or Fund.

FUTURE SERVICE AT BANK/FUND: The distribution of staff by assumed years of future service (5, 15, 25 or 35 years, but not beyond age 62) has been derived from the withdrawal and early retirement assumptions used in the latest valuation of each organization's Staff Retirement Plan.

APPENDIX B

SUMMARY OF U.S. SOCIAL SECURITY BENEFITS

I. General Description

The Old-Age, Survivors, and Disability Insurance System (OASDI) provides the following types of benefits:

a) A pension on age retirement on or after age 62.

b) A pension on disability before age 65.

c) A pension to the spouse of a retired or disabled participant from age 62 of the spouse.

d) A pension to the widow (or widower) from age 60 (unless widow has a child under age 18 in which case pension paid regardless of her age until child reaches age 18 or widow remarries).

e) A pension to children under age 18 (22 if at school) of a retired, disabled or deceased participant.

f) Other minor benefits such as a pension to dependent parents.

The benefits are based on what is called the "Primary Insurance Amount" (PIA) which in turn is calculated from the average indexed monthly earnings (AIME).

II. Calculation of average indexed monthly earnings (AIME)

Each year's covered earnings of an individual are increased in the proportion that the national average wage at his age 60 (or 2 years before the year of his death or disablement, if earlier) bears to the national average wage in the year of the earnings.

The 5 lowest of these annual indexed earnings are disregarded and the average of the remaining ones is calculated and converted to a monthly basis. The result is AIME.

III. Calculation of Primary Insurance Amount (PIA)

The PIA is calculated from AIME by reference to a three point formula.

For 1980 this formula is as follows:

90% of the first $194 of AIME, plus

32% of AIME between $194 and $1,171, plus

15% of AIME in excess of $1,171.

In each subsequent year the PIA formula dollar amounts ($194 and $1,171 in 1980) will be adjusted by the change in national average wages, with a two-year lag. (For instance, the 1981 PIA formula dollar amounts will equal the 1980 amounts increased by the growth in national average wages from 1978 to 1979.) If retirement occurs after age 62 the PIA as calculated above is increased by the change in the Consumer Price Index from age 62 to actual retirement age.

IV. Amount of Benefits

a) Age retirement pension is equal to PIA reduced by 5/9% for each month under age 65 (e.g., 80% of PIA at age 62).

b) Disability pension is equal to PIA.

c) Spouse's pension is equal to 50% of PIA reduced by 25/36% for each month under age 65 (37-1/2% of PIA at age 62).

d) Widow's (widower's) pension is equal to PIA reduced by 19/40% for each month under age 65 (unless widow is under age 60 and has child under 18 in which case pension is equal to 75% of PIA).

e) Children's pension is equal to 75% of PIA.

V. Calculation of Maximum Family Benefit (MFB)

The maximum benefit payable to a family is calculated from PIA by reference to a 4 point formula.

For 1980 this formula is as follows:

150% of PIA up to $248, plus

272% of PIA between $248 and $358, plus

134% of PIA between $358 and $467, plus

175% of PIA in excess of $467.

In each subsequent year the MFB formula dollar amounts ($248, $358 and $467 in 1980) will be adjusted by the change in national average wage, with a two-year lag in exactly the same manner as for PIA.

ANNEX A

TABLES OF RESULTS

FOR

SINGLE STAFF MEMBERS

SEX = MALE MARITAL STATUS = SINGLE SALARY = UP TO $15,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	1.361	.623	.297	.916	2.842	.0086	.0446	1.714
27	0	15	1.368	.688	.356	.966	2.955	.0030	.0155	1.700
27	0	25	1.358	.749	.418	1.006	3.062	.0015	.0077	1.633
27	0	35	1.756	1.048	.622	1.358	4.173	.0085	.0439	2.637
27	5	5	.889	.440	.225	.623	1.623	.0266	.1734	0.182
27	5	15	.973	.494	.259	.690	1.911	.0093	.0604	0.481
27	5	25	1.140	.632	.356	.847	2.469	.0046	.0300	0.949
27	5	35	1.762	1.053	.627	1.363	4.191	.0262	.1708	2.651
37	0	5	1.545	.847	.478	1.140	3.470	.0017		2.105
37	0	15	1.464	.881	.542	1.133	3.515	.0008		1.899
37	0	25	2.097	1.373	.906	1.695	5.493	.0047		3.591
37	5	5	1.550	.853	.485	1.145	3.488	.0006	.0034	2.117
37	5	15	1.469	.888	.549	1.139	3.541	.0003	.0017	1.912
37	5	25	2.372	1.556	1.029	1.919	6.156	.0016	.0098	4.170
37	15	5	.029	.016	.009	.022	-29.041	.0052	.0080	-37.274
37	15	15	.976	.586	.359	.754	1.899	.0026	.0040	0.092
37	15	25	1.154	.756	.499	.933	2.694	.0147	.0228	0.658
47	0	5	1.616	1.065	.719	1.308	4.300			2.365
47	0	15	2.817	2.033	1.491	2.388	8.768			5.958
47	5	5	1.626	1.077	.731	1.319	4.359	.0004		2.400
47	5	15	3.351	2.422	1.779	2.843	9.958	.0020		7.394
47	15	5	1.563	1.030	.695	1.264	4.140			2.203
47	15	15	1.521	1.099	.807	1.290	4.586			2.087
47	25	5					0.000	.0008		0.000
47	25	15	1.007	.727	.533	.854	2.043	.0048		-0.602
57	0	5					0.000			0.000
57	5	5	8.977	7.150	5.808	7.991	24.530			20.368
57	15	5	2.250	1.793	1.457	2.003	10.012			5.698
57	25	5	.892	.711	.577	.795	1.001			-2.685
57	35	5					0.000			0.000
		TOTALS						.1285	.5960	

SEX = MALE MARITAL STATUS = SINGLE SALARY = $15,001 TO $25,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	.724	.334	.161	.489	1.001	.0058	.0030	-0.457
27	0	15	.726	.367	.192	.514	0.907	.0020	.0010	-0.693
27	0	25	.986	.541	.301	.729	1.949	.0010	.0005	0.371
27	0	35	1.346	.798	.470	1.037	3.165	.0057	.0029	1.549
27	5	5	.464	.231	.119	.326	-0.828	.0743	.1258	-2.742
27	5	15	.504	.258	.138	.359	-0.548	.0259	.0438	-2.438
27	5	25	.776	.429	.241	.576	1.036	.0128	.0218	-0.710
27	5	35	1.350	.802	.474	1.041	3.180	.0732	.1239	1.560
37	0	5	1.356	.743	.419	.999	3.044	.0017		1.633
37	0	15	1.396	.840	.516	1.080	3.332	.0008		1.698
37	0	25	1.793	1.174	.774	1.449	4.742	.0047		2.860
37	5	5	.759	.422	.243	.563	0.947	.0061	.0052	-0.812
37	5	15	1.185	.717	.444	.919	2.696	.0030	.0025	0.976
37	5	25	1.919	1.259	.832	1.552	5.078	.0173	.0146	3.184
37	15	5	.165	.090	.051	.121	-7.402	.0274	.0407	-10.816
37	15	15	.651	.391	.240	.504	0.095	.0135	.0201	-2.008
37	15	25	.962	.630	.415	.777	1.808	.0778	.1155	-0.344
47	0	5	1.596	1.051	.709	1.291	4.236	.0011		2.304
47	0	15	2.293	1.655	1.214	1.944	7.633	.0061		4.608
47	5	5	1.609	1.063	.721	1.304	4.294	.0025	.0022	2.346
47	5	15	2.788	2.015	1.480	2.365	8.734	.0143	.0127	5.905
47	15	5	1.441	.950	.641	1.166	3.757	.0004		1.800
47	15	15	1.481	1.070	.786	1.256	4.419	.0020		1.920
47	25	5	.188	.124	.084	.153	-9.296	.0104	.0052	-13.517
47	25	15	.937	.677	.496	.795	1.590	.0594	.0296	-1.118
57	0	5					0.000	.0024		0.000
57	5	5	7.029	5.597	4.547	6.255	22.046	.0024	.0074	17.770
57	15	5	2.250	1.792	1.457	2.003	10.036	.0096	.0074	5.696
57	25	5	.964	.768	.624	.858	1.682	.0048	.0074	-1.926
57	35	5	.378	.301	.245	.336	-7.171	.0690	.0521	-11.957
		TOTALS						.5374	.6453	

SEX = MALE MARITAL STATUS = SINGLE SALARY = OVER $25,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	.720	.331	.159	.486	0.986	.0115	.0208	-0.470
27	0	15	.723	.364	.189	.511	0.896	.0040	.0072	-0.701
27	0	25	.975	.532	.294	.719	1.909	.0020	.0036	0.335
27	0	35	1.328	.782	.457	1.020	3.101	.0114	.0205	1.497
27	5	5	.479	.238	.122	.336	-0.689	.1038	.1773	-2.574
27	5	15	.515	.263	.139	.366	-0.458	.0361	.0618	-2.333
27	5	25	.773	.425	.237	.572	1.028	.0179	.0307	-0.711
27	5	35	1.333	.786	.461	1.024	3.117	.1022	.1747	1.512
37	0	5	.890	.491	.279	.658	1.571	.0128	.0052	-0.070
37	0	15	1.250	.751	.461	.966	2.898	.0063	.0025	1.224
37	0	25	1.657	1.084	.714	1.339	4.371	.0363	.0146	2.483
37	5	5	.747	.415	.238	.554	0.883	.0851	.0774	-0.888
37	5	15	1.064	.643	.397	.825	2.257	.0420	.0382	0.483
37	5	25	1.768	1.158	.764	1.429	4.679	.2413	.2196	2.794
37	15	5	.243	.133	.075	.179	-4.762	.2636	.2558	-7.627
37	15	15	.597	.359	.220	.461	-0.334	.1301	.1262	-2.522
37	15	25	.926	.606	.399	.748	1.618	.7475	.7253	-0.558
47	0	5	1.591	1.048	.708	1.287	4.223	.0072		2.289
47	0	15	2.144	1.550	1.139	1.819	7.019	.0410		4.203
47	5	5	1.600	1.058	.718	1.297	4.271	.0344	.0222	2.319
47	5	15	2.546	1.844	1.357	2.162	8.118	.1967	.1268	5.313
47	15	5	.981	.648	.439	.794	1.905	.0143	.0189	-0.236
47	15	15	1.335	.967	.712	1.134	3.792	.0820	.1078	1.259
47	25	5	.281	.185	.125	.228	-5.805	.1413	.1180	-9.302
47	25	15	.901	.652	.479	.764	1.339	.8073	.6740	-1.406
57	0	5					0.000	.0144		0.000
57	5	5	6.139	4.895	3.582	5.467	20.776	.1396	.0670	16.442
57	15	5	2.251	1.796	1.462	2.005	10.082	.1035	.0521	5.730
57	25	5	1.008	.804	.654	.898	2.070	.0361	.0745	-1.531
57	35	5	.505	.402	.328	.449	-4.117	.7416	.7250	-8.340
		TOTALS						4.2133	3.9477	

SEX = FEMALE MARITAL STATUS = SINGLE SALARY = UP TO $15,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	1.592	.722	.343	1.066	3.227	.4825	.3641	2.168
27	0	15	1.587	.789	.405	1.114	3.358	.1019	.0769	2.176
27	0	25	1.572	.856	.474	1.157	3.512	.0355	.0268	2.166
27	0	35	1.996	1.176	.692	1.533	4.584	.1698	.1281	3.109
27	5	5	1.035	.507	.259	.721	2.106	1.6751	1.1530	0.767
27	5	15	1.135	.571	.299	.801	2.396	.3537	.2434	1.062
27	5	25	1.320	.724	.405	.975	2.958	.1234	.0849	1.531
27	5	35	2.005	1.184	.699	1.541	4.612	.5894	.4057	3.130
37	0	5	1.786	.966	.540	1.307	3.893	.0797	.0197	2.597
37	0	15	1.692	1.005	.612	1.300	4.019	.0279	.0069	2.481
37	0	25	2.366	1.528	.998	1.899	5.989	.1331	.0330	4.083
37	5	5	1.792	.973	.549	1.314	3.914	.0438	.0197	2.611
37	5	15	1.692	1.010	.619	1.302	4.037	.0154	.0069	2.485
37	5	25	2.678	1.734	1.135	2.152	6.745	.0732	.0330	4.654
37	15	5	.034	.018	.010	.025	-24.480	.2882	.0920	-31.613
37	15	15	1.114	.659	.400	.854	2.429	.1010	.0323	0.744
37	15	25	1.302	.840	.549	1.044	3.219	.4815	.1538	1.314
47	0	5	1.867	1.212	.809	1.499	4.897	.0271	.0103	3.024
47	0	15	3.137	2.230	1.616	2.638	9.244	.1294	.0493	6.542
47	5	5	1.873	1.224	.823	1.508	4.963	.0104		3.054
47	5	15	3.745	2.667	1.937	3.152	10.434	.0498		8.790
47	15	5	1.773	1.150	.768	1.422	4.647			2.784
47	15	15	1.698	1.209	.878	1.429	5.146			2.735
47	25	5					0.000	.0875	.0241	0.000
47	25	15	1.122	.798	.579	.944	2.680	.4181	.1150	0.214
57	0	5					0.000	.0602		0.000
57	5	5	9.823	7.695	6.171	8.667	26.492	.0120		18.374
57	15	5	2.470	1.937	1.554	2.181	10.478			6.367
57	25	5	.978	.766	.614	.863	1.820			-1.538
57	35	5					0.000	.1685		0.000
		TOTALS						5.7381	3.0789	

SEX = FEMALE MARITAL STATUS = SINGLE SALARY = $15,001 TO $25,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	.852	.390	.187	.573	1.524	.1295	.0728	0.174
27	0	15	.847	.424	.220	.597	1.456	.0273	.0154	-0.029
27	0	25	1.143	.620	.342	.840	2.463	.0095	.0054	0.991
27	0	35	1.530	.896	.524	1.171	3.607	.0456	.0256	2.079
27	5	5	.542	.268	.138	.379	-0.161	2.2243	1.5656	-1.930
27	5	15	.592	.301	.160	.420	0.129	.4696	.3305	-1.619
27	5	25	.901	.493	.276	.665	1.620	.1638	.1153	0.000
27	5	35	1.537	.902	.529	1.178	3.629	.7827	.5509	2.097
37	0	5	1.568	.847	.474	1.147	3.483	.0199	.0592	2.154
37	0	15	1.609	.955	.581	1.235	3.829	.0070	.2074	2.282
37	0	25	2.022	1.306	.853	1.623	5.212	.0333	.0989	3.379
37	5	5	.884	.486	.278	.652	1.549	.2550	.2071	-0.082
37	5	15	1.366	.816	.500	1.052	3.230	.0894	.0726	1.611
37	5	25	2.167	1.403	.919	1.741	5.567	.4261	.3460	3.699
37	15	5	.190	.102	.057	.139	-6.197	.7877	.7199	-9.328
37	15	15	.745	.441	.268	.571	0.757	.2760	.2523	-1.187
37	15	25	1.084	.700	.457	.870	2.381	1.3159	1.2028	0.374
47	0	5	1.833	1.189	.792	1.471	4.803	.0062	.0052	2.939
47	0	15	2.554	1.815	1.315	2.147	7.836	.0299	.0246	5.143
47	5	5	1.845	1.203	.807	1.484	4.872	.0750	.0258	2.979
47	5	15	3.116	2.219	1.611	2.622	9.238	.3584	.1232	6.521
47	15	5	1.635	1.061	.709	1.312	4.272	.0187	.0052	2.408
47	15	15	1.654	1.177	.855	1.392	4.979	.0896	.0246	2.579
47	25	5	.214	.139	.093	.172	-7.794	.2402	.0842	-11.648
47	25	15	1.044	.743	.539	.878	2.256	1.1482	.4025	-0.256
57	0	5					0.000		.0298	0.000
57	5	5	7.690	6.024	4.831	6.785	21.972	.2648	.0894	17.870
57	15	5	2.471	1.936	1.554	2.180	10.570	.1926	.0596	6.371
57	25	5	1.056	.828	.664	.932	2.443	.0120	.0596	-0.898
57	35	5	.414	.325	.261	.366	-5.800	1.0955	.5562	-10.214
		TOTALS						10.5937	7.3376	

SEX = FEMALE MARITAL STATUS = SINGLE SALARY = OVER $25,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	.846	.386	.185	.568	1.504	.0883	.0364	0.155
27	0	15	.843	.420	.217	.592	1.443	.0186	.0077	-0.037
27	0	25	1.130	.609	.334	.828	2.421	.0065	.0027	0.955
27	0	35	1.511	.878	.510	1.152	3.540	.0311	.0128	2.029
27	5	5	.560	.275	.142	.391	-0.012	.6963	.6311	-1.737
27	5	15	.605	.306	.162	.428	0.226	.1470	.1332	-1.496
27	5	25	.898	.488	.271	.660	1.612	.0513	.0465	0.003
27	5	35	1.518	.885	.515	1.159	3.566	.2450	.2221	2.047
37	0	5	1.035	.564	.318	.760	2.121	.0558	.0197	0.596
37	0	15	1.442	.855	.520	1.107	3.417	.0196	.0069	1.840
37	0	25	1.870	1.206	.787	1.500	4.841	.0932	.0330	3.022
37	5	5	.868	.476	.272	.640	1.483	.1275	.1578	-0.153
37	5	15	1.226	.732	.448	.944	2.812	.0447	.0553	1.149
37	5	25	1.997	1.291	.844	1.603	5.161	.2130	.2636	3.326
37	15	5	.280	.151	.084	.205	-3.772	.6269	.6443	-6.406
37	15	15	.683	.405	.246	.524	0.359	.2197	.2258	-1.660
37	15	25	1.044	.674	.439	.837	2.204	1.0474	1.0765	0.173
47	0	5	1.825	1.185	.790	1.465	4.789	.0083		2.921
47	0	15	2.386	1.700	1.234	2.009	7.835	.0398		4.748
47	5	5	1.833	1.195	.802	1.475	4.840	.0271	.0258	2.948
47	5	15	2.845	2.029	1.477	2.396	8.688	.1294	.1232	5.892
47	15	5	1.116	.726	.487	.897	2.520	.0271	.0567	0.526
47	15	15	1.491	1.064	.774	1.256	4.370	.1294	.2710	1.964
47	25	5	.319	.207	.138	.256	-4.646	.1597	.2783	-7.862
47	25	15	1.003	.715	.520	.845	2.018	.7633	1.3306	-0.528
57	0	5					0.000	.0120		0.000
57	5	5	6.715	5.268	4.231	5.928	20.674	.1926	.1490	16.554
57	15	5	2.471	1.940	1.559	2.182	10.598	.1806	.2682	6.406
57	25	5	1.105	.867	.697	.976	2.813	.0963	.2682	-0.510
57	35	5	.553	.434	.349	.489	-3.007	1.6051	2.5922	-6.936
		TOTALS						7.1026	8.9386	

ANNEX B

TABLES OF RESULTS

FOR

STAFF MEMBERS MARRIED TO NON-WORKING SPOUSE

SEX = MALE MARITAL STATUS = MARRIED TO NON-WORKING SPOUSE SALARY = UP TO $15,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	2.532	1.132	.538	1.680	4.281	.0389	.2006	3.348
27	0	15	2.493	1.206	.607	1.725	4.479	.0136	.0699	3.435
27	0	25	2.483	1.312	.709	1.800	4.808	.0067	.0347	3.602
27	0	35	3.062	1.754	1.006	2.317	6.026	.0383	.1976	4.533
27	5	5	1.634	.791	.406	1.129	3.389	.1196	.7802	2.257
27	5	15	1.811	.898	.471	1.267	3.711	.0417	.2718	2.573
27	5	25	2.089	1.118	.616	1.523	4.339	.0207	.1349	3.093
27	5	35	3.086	1.776	1.027	2.340	6.120	.1178	.7684	4.582
37	0	5	2.800	1.461	.790	2.014	5.129	.0075		3.923
37	0	15	2.690	1.545	.911	2.031	5.587	.0037		4.103
37	0	25	3.611	2.265	1.439	2.855	7.708	.0213		5.794
37	5	5	2.807	1.478	.811	2.027	5.195	.0025	.0155	3.956
37	5	15	2.668	1.540	.915	2.020	5.599	.0012	.0076	4.092
37	5	25	4.108	2.582	1.645	3.251	8.362	.0071	.0439	6.511
37	15	5	.052	.027	.015	.037	-17.789	.0234	.0361	-23.396
37	15	15	1.703	.979	.577	1.286	3.926	.0115	.0178	2.480
37	15	25	1.982	1.244	.790	1.567	4.920	.0662	.1025	3.214
47	0	5	3.029	1.906	1.235	2.393	7.144			5.042
47	0	15	4.743	3.285	2.325	3.936	11.276			8.776
47	5	5	2.952	1.890	1.230	2.368	6.134	.0016		5.014
47	5	15	5.725	3.967	2.809	4.752	12.414	.0092		9.886
47	15	5	2.714	1.712	1.113	2.147	6.689			4.571
47	15	15	2.590	1.795	1.271	2.150	8.397			4.997
47	25	5					0.000	.0038		0.000
47	25	15	1.699	1.177	.833	1.411	4.901	.0215		2.686
57	0	5					0.000			0.000
57	5	5	14.718	11.265	8.842	12.835	26.000			22.000
57	15	5	3.748	2.868	2.250	3.267	13.520			9.762
57	25	5	1.472	1.127	.884	1.284	4.941			1.860
57	35	5					0.000			0.000
		TOTALS						.5778	2.6815	

SEX = MALE MARITAL STATUS = MARRIED TO NON-WORKING SPOUSE SALARY = $15,001 TO $25,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	1.379	.625	.303	.921	2.865	.0259	.0134	1.757
27	0	15	1.360	.662	.337	.943	2.899	.0090	.0047	1.693
27	0	25	1.812	.954	.513	1.311	3.861	.0045	.0023	2.623
27	0	35	2.347	1.336	.761	1.770	4.979	.0255	.0132	3.608
27	5	5	.868	.427	.224	.604	1.550	.3343	.5662	0.119
27	5	15	.969	.489	.263	.683	1.899	.1165	.1972	0.489
27	5	25	1.438	.768	.424	1.047	3.190	.0578	.0979	1.853
27	5	35	2.367	1.353	.778	1.789	5.037	.3293	.5577	3.647
37	0	5	2.460	1.284	.694	1.769	4.732	.0075		3.545
37	0	15	2.537	1.457	.859	1.916	5.352	.0037		3.899
37	0	25	3.087	1.937	1.230	2.441	7.385	.0213		5.081
37	5	5	1.427	.759	.422	1.035	3.158	.0275	.0232	1.828
37	5	15	2.156	1.245	.740	1.633	4.779	.0136	.0115	3.342
37	5	25	3.325	2.090	1.331	2.631	7.418	.0781	.0659	5.426
37	15	5	.293	.153	.084	.211	-3.259	.1235	.1833	-5.723
37	15	15	1.144	.658	.389	.865	2.508	.0609	.0904	0.911
37	15	25	1.649	1.035	.658	1.304	4.144	.3501	.5196	2.421
47	0	5	2.922	1.839	1.192	2.309	7.377	.0048		4.882
47	0	15	3.860	2.674	1.892	3.203	9.942	.0277		8.177
47	5	5	2.916	1.840	1.197	2.307	7.479	.0113	.0100	4.891
47	5	15	4.761	3.299	2.336	3.951	11.184	.0645	.0571	8.766
47	15	5	2.507	1.582	1.028	1.984	6.158	.0016		4.228
47	15	15	2.523	1.748	1.238	2.094	7.884	.0092		4.846
47	25	5	.327	.207	.134	.259	-4.216	.0468	.0233	-7.287
47	25	15	1.581	1.095	.775	1.312	4.497	.2674	.1331	2.291
57	0	5					0.000	.0108		0.000
57	5	5	11.524	8.820	6.523	10.046	24.000	.0108	.0335	20.000
57	15	5	3.748	2.867	2.250	3.267	13.520	.0433	.0335	9.762
57	25	5	1.592	1.218	.956	1.388	5.595	.0217	.0335	2.441
57	35	5	.627	.479	.376	.546	-1.546	.3106	.2346	-5.004
		TOTALS						2.4195	2.9051	

SEX = MALE MARITAL STATUS = MARRIED TO NON-WORKING SPOUSE SALARY = OVER $25,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	1.362	.615	.297	.908	2.830	.0519	.0936	1.722
27	0	15	1.350	.654	.331	.935	2.874	.0181	.0326	1.671
27	0	25	1.790	.936	.501	1.291	3.807	.0090	.0162	2.578
27	0	35	2.317	1.309	.741	1.741	4.896	.0511	.0922	3.544
27	5	5	.895	.437	.228	.621	1.652	.4669	.7980	0.250
27	5	15	.986	.494	.264	.693	1.955	.1627	.2780	0.566
27	5	25	1.431	.760	.417	1.039	3.166	.0807	.1380	1.837
27	5	35	2.337	1.327	.758	1.761	4.956	.4599	.7860	3.586
37	0	5	1.661	.869	.471	1.196	3.588	.0576	.0232	2.337
37	0	15	2.280	1.308	.770	1.721	4.944	.0284	.0115	3.524
37	0	25	2.856	1.789	1.135	2.257	6.724	.1632	.0659	4.737
37	5	5	1.387	.737	.409	1.005	3.067	.3829	.3484	1.729
37	5	15	1.938	1.118	.664	1.467	4.393	.1890	.1720	2.957
37	5	25	3.063	1.922	1.223	2.422	7.362	1.0858	.9880	5.050
37	15	5	.432	.227	.123	.311	-1.342	1.1863	1.1511	-3.438
37	15	15	1.053	.605	.357	.795	2.197	.5855	.5681	0.558
37	15	25	1.590	.997	.633	1.257	3.987	3.3638	3.2640	2.260
47	0	5	2.900	1.827	1.186	2.293	7.314	.0323		4.855
47	0	15	3.607	2.504	1.776	2.997	9.612	.1844		7.327
47	5	5	2.884	1.822	1.186	2.283	7.314	.1550	.0999	4.849
47	5	15	4.345	3.017	2.141	3.610	10.828	.8851	.5705	8.254
47	15	5	1.727	1.092	.711	1.368	4.380	.0646	.0849	2.629
47	15	15	2.275	1.580	1.122	1.891	6.843	.3688	.4849	4.286
47	25	5	.488	.308	.200	.386	-1.638	.6361	.5311	-4.184
47	25	15	1.521	1.056	.749	1.264	4.299	3.6328	3.0332	2.078
57	0	5					0.000	.0650		0.000
57	5	5	10.065	7.714	6.063	8.781	23.000	.6284	.3017	19.000
57	15	5	3.748	2.871	2.256	3.269	13.580	.4659	.2346	9.802
57	25	5	1.667	1.277	1.004	1.454	6.037	.1625	.3352	2.785
57	35	5	.837	.642	.504	.730	0.656	3.3371	3.2626	-2.590
		TOTALS						18.9608	17.7654	

SEX = FEMALE MARITAL STATUS = MARRIED TO NON-WORKING SPOUSE SALARY = UP TO $15,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	8%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	2.602	1.186	.567	1.747	4.396	.2171	.2185	3.443
27	0	15	2.592	1.293	.666	1.824	4.692	.0458	.0461	3.598
27	0	25	2.587	1.416	.787	1.910	5.110	.0160	.0161	3.818
27	0	35	3.216	1.908	1.128	2.478	6.583	.0764	.0769	4.879
27	5	5	1.688	.833	.428	1.180	3.512	.7538	.6918	2.362
27	5	15	1.857	.939	.494	1.314	3.826	.1591	.1461	2.664
27	5	25	2.162	1.191	.669	1.601	4.559	.0555	.0509	3.255
27	5	35	3.232	1.922	1.141	2.493	6.656	.2652	.2434	4.913
37	0	5	2.925	1.586	.887	2.145	5.507	.0239	.0118	4.174
37	0	15	2.807	1.676	1.023	2.162	6.115	.0084	.0041	4.418
37	0	25	3.799	2.472	1.622	3.061	8.396	.0399	.0198	6.436
37	5	5	2.920	1.591	.897	2.146	5.542	.0131	.0118	4.185
37	5	15	2.774	1.663	1.020	2.141	6.101	.0046	.0041	4.392
37	5	25	4.309	2.808	1.846	3.474	9.076	.0220	.0198	7.358
37	15	5	.054	.029	.017	.040	-17.764	.0865	.0552	-23.375
37	15	15	1.799	1.071	.652	1.384	4.256	.0303	.0194	2.723
37	15	25	2.087	1.358	.891	1.681	5.417	.1445	.0923	3.548
47	0	5	3.150	2.061	1.382	2.539	7.772	.0081	.0062	5.547
47	0	15	4.990	3.576	2.608	4.214	12.444	.0388	.0296	9.728
47	5	5	3.105	2.038	1.373	2.506	7.788	.0031		5.506
47	5	15	5.997	4.304	3.143	5.068	13.716	.0149		11.032
47	15	5	2.859	1.868	1.253	2.302	9.298			5.044
47	15	15	2.715	1.948	1.423	2.294	8.420			5.638
47	25	5					0.000	.0262	.0144	0.000
47	25	15	1.787	1.281	.934	1.509	5.538	.1254	.0690	3.056
57	0	5					0.000	.0181		0.000
57	5	5	15.397	12.162	9.817	13.644	29.000	.0036		25.000
57	15	5	3.907	3.088	2.494	3.463	15.594			10.592
57	25	5	1.538	1.215	.981	1.363	5.804			2.209
57	35	5					0.000	.0506		0.000
		TOTALS						2.2509	1.8473	

SEX = FEMALE MARITAL STATUS = MARRIED TO NON-WORKING SPOUSE SALARY = $15,001 TO $25,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	8%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	1.400	.644	.311	.943	2.919	.0583	.0437	1.798
27	0	15	1.396	.700	.363	.984	3.009	.0123	.0092	1.768
27	0	25	1.885	1.027	.569	1.389	4.083	.0043	.0032	2.786
27	0	35	2.465	1.453	.853	1.894	5.361	.0205	.0154	3.885
27	5	5	.887	.442	.230	.623	1.613	1.0009	.9394	0.166
27	5	15	.976	.499	.267	.694	1.921	.2113	.1983	0.486
27	5	25	1.482	.815	.457	1.096	3.343	.0737	.0692	1.956
27	5	35	2.479	1.465	.864	1.906	5.404	.3522	.3305	3.914
37	0	5	2.569	1.393	.779	1.884	5.052	.0060	.0355	3.769
37	0	15	2.654	1.584	.966	2.045	5.834	.0021	.0124	4.205
37	0	25	3.248	2.113	1.387	2.617	7.646	.0100	.0593	5.598
37	5	5	1.456	.801	.457	1.075	3.283	.0765	.1243	1.893
37	5	15	2.241	1.343	.825	1.730	5.145	.0268	.0435	3.580
37	5	25	3.487	2.272	1.494	2.811	7.968	.1278	.2076	5.979
37	15	5	.308	.167	.093	.226	-3.268	.2363	.4320	-5.809
37	15	15	1.206	.719	.438	.928	2.747	.0828	.1514	1.078
37	15	25	1.737	1.130	.741	1.399	4.556	.3948	.7217	2.699
47	0	5	3.053	1.996	1.338	2.460	9.610	.0019	.0031	5.378
47	0	15	4.061	2.910	2.122	3.430	11.092	.0090	.0148	8.354
47	5	5	3.038	1.992	1.340	2.451	7.638	.0225	.0155	5.380
47	5	15	4.988	3.579	2.614	4.215	12.492	.1075	.0739	9.756
47	15	5	2.639	1.725	1.157	2.126	7.025	.0056	.0031	4.658
47	15	15	2.644	1.897	1.386	2.234	8.250	.0269	.0148	5.463
47	25	5	.345	.225	.151	.278	-4.134	.0721	.0505	-7.259
47	25	15	1.662	1.191	.869	1.404	5.071	.3445	.2415	2.620
57	0	5					0.000		.0179	0.000
57	5	5	12.054	9.521	7.686	10.682	27.000	.0795	.0536	23.000
57	15	5	3.907	3.087	2.494	3.463	15.594	.0578	.0358	10.592
57	25	5	1.663	1.314	1.061	1.474	6.644	.0036	.0358	2.867
57	35	5	.654	.516	.417	.580	-1.594	.3287	.3337	-5.375
		TOTALS						3.7562	4.2906	

SEX = FEMALE MARITAL STATUS = MARRIED TO NON-WORKING SPOUSE SALARY = OVER $25,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	8%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	1.387	.637	.307	.935	2.894	.0397	.0218	1.770
27	0	15	1.388	.693	.358	.977	2.987	.0084	.0046	1.750
27	0	25	1.863	1.009	.555	1.368	4.028	.0029	.0016	2.741
27	0	35	2.434	1.425	.830	1.863	5.267	.0140	.0077	3.817
27	5	5	.916	.454	.235	.642	1.720	.3133	.3787	0.299
27	5	15	.995	.506	.269	.706	1.984	.0662	.0799	0.568
27	5	25	1.475	.806	.450	1.088	3.315	.0231	.0279	1.940
27	5	35	2.448	1.437	.841	1.876	5.309	.1103	.1332	3.846
37	0	5	1.715	.935	.525	1.261	3.788	.0167	.0118	2.466
37	0	15	2.383	1.421	.866	1.835	5.357	.0059	.0041	3.797
37	0	25	3.005	1.952	1.279	2.419	7.775	.0280	.0198	5.208
37	5	5	1.424	.782	.445	1.050	3.207	.0383	.0947	1.812
37	5	15	2.014	1.206	.739	1.553	4.715	.0134	.0332	3.170
37	5	25	3.213	2.090	1.372	2.588	7.604	.0639	.1582	5.544
37	15	5	.454	.246	.138	.333	-1.225	.1881	.3866	-3.343
37	15	15	1.108	.660	.402	.852	2.413	.0659	.1355	0.703
37	15	25	1.674	1.088	.713	1.348	4.382	.3142	.6459	2.524
47	0	5	3.033	1.984	1.331	2.445	7.596	.0025		5.349
47	0	15	3.794	2.725	1.992	3.208	10.730	.0119		7.930
47	5	5	3.009	1.974	1.329	2.428	7.598	.0081	.0155	5.336
47	5	15	4.552	3.273	2.395	3.851	11.942	.0388	.0739	9.248
47	15	5	1.811	1.186	.798	1.461	4.811	.0081	.0340	2.901
47	15	15	2.384	1.714	1.255	2.017	8.102	.0388	.1626	4.821
47	25	5	.514	.336	.226	.414	-1.565	.0479	.1670	-4.210
47	25	15	1.598	1.148	.840	1.351	4.848	.2290	.7984	2.386
57	0	5					0.000	.0036		0.000
57	5	5	10.526	8.326	6.731	9.333	25.000	.0578	.0894	21.000
57	15	5	3.907	3.092	2.501	3.465	15.674	.0542	.1609	11.418
57	25	5	1.740	1.377	1.114	1.543	7.255	.0289	.1609	3.258
57	35	5	.873	.691	.559	.775	0.852	.4815	1.5553	-2.715
		TOTALS						2.3234	5.3631	

ANNEX C

TABLES OF RESULTS

FOR

STAFF MEMBERS MARRIED TO WORKING SPOUSE

MARGINAL APPROACH

SEX = MALE MARITAL STATUS = MARRIED TO WORKING SPOUSE SALARY = UP TO $15,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	1.915	.867	.421	1.278	3.666	.0389	.2006	2.665
27	0	15	1.767	.866	.444	1.231	3.621	.0136	.0699	2.494
27	0	25	1.566	.850	.473	1.150	3.491	.0067	.0347	2.151
27	0	35	1.404	.843	.507	1.087	3.352	.0383	.1976	1.721
27	5	5	1.248	.611	.320	.867	2.659	.1196	.7802	1.414
27	5	15	1.357	.683	.366	.955	2.928	.0417	.2718	1.676
27	5	25	1.373	.755	.430	1.014	3.090	.0207	.1349	1.678
27	5	35	1.422	.861	.526	1.105	3.422	.1178	.7684	1.773
37	0	5	1.710	.919	.511	1.248	3.741	.0075		2.447
37	0	15	1.488	.890	.545	1.147	3.559	.0037		1.967
37	0	25	1.355	.905	.610	1.106	3.514	.0213		1.471
37	5	5	2.079	1.100	.610	1.504	4.286	.0025	.0155	3.058
37	5	15	1.666	.988	.603	1.278	3.955	.0012	.0076	2.418
37	5	25	1.723	1.141	.764	1.400	4.631	.0071	.0439	2.687
37	15	5	.040	.021	.012	.029	-21.325	.0234	.0361	-27.711
37	15	15	1.324	.759	.448	.999	3.035	.0115	.0178	1.513
37	15	25	1.378	.878	.566	1.098	3.436	.0662	.1025	1.602
47	0	5	1.564	1.031	.696	1.265	4.145			2.206
47	0	15	1.369	1.030	.786	1.185	4.209			1.348
47	5	5	1.589	1.053	.715	1.289	4.250	.0016		2.287
47	5	15	1.890	1.410	1.068	1.629	6.534	.0092		3.577
47	15	5	2.109	1.328	.863	1.665	5.252			3.482
47	15	15	1.737	1.229	.887	1.457	5.224			2.853
47	25	5					0.000	.0038		0.000
47	25	15	1.375	.948	.670	1.138	3.714	.0215		1.519
57	0	5					0.000			0.000
57	5	5	4.025	3.363	2.860	3.671	20.400			14.866
57	15	5	2.514	1.967	1.575	2.217	10.618			6.509
57	25	5	1.200	.914	.715	1.044	3.331			0.357
57	35	5					0.000			0.000
		TOTALS						.5776	2.6815	

MARGINAL APPROACH

SEX = MALE MARITAL STATUS = MARRIED TO WERKING SPOUSE SALARY = $15,001 TO $25,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	8%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	1.047	.483	.241	.705	2.132	.0259	.0134	0.888
27	0	15	.993	.489	.253	.692	1.978	.0090	.0047	0.613
27	0	25	1.193	.641	.353	.872	2.599	.0045	.0023	1.169
27	0	35	1.147	.679	.403	.882	2.547	.0255	.0132	0.859
27	5	5	.668	.333	.179	.468	0.637	.3343	.5662	-0.972
27	5	15	.723	.372	.207	.514	0.883	.1165	.1972	-0.723
27	5	25	1.003	.546	.309	.736	2.011	.0578	.0979	0.473
27	5	35	1.161	.694	.419	.896	2.603	.3293	.5577	0.899
37	0	5	1.817	.949	.516	1.307	3.847	.0075		2.623
37	0	15	1.658	.968	.580	1.262	3.883	.0037		2.389
37	0	25	1.449	.944	.623	1.168	3.737	.0213		1.831
37	5	5	1.035	.556	.314	.754	2.119	.0275	.0232	0.630
37	5	15	1.534	.893	.536	1.165	3.595	.0136	.0115	2.088
37	5	25	1.621	1.056	.697	1.306	4.249	.0781	.0659	2.373
37	15	5	.230	.121	.066	.166	-4.772	.1235	.1833	-7.575
37	15	15	.896	.515	.304	.677	1.570	.0609	.0904	-0.165
37	15	25	1.206	.763	.490	.958	2.837	.3501	.5196	0.972
47	0	5	1.563	1.030	.695	1.264	4.140	.0048		2.203
47	0	15	1.342	.996	.751	1.154	3.973	.0277		1.240
47	5	5	1.925	1.233	.814	1.534	4.950	.0113	.0100	3.131
47	5	15	1.941	1.417	1.054	1.654	6.406	.0645	.0571	3.638
47	15	5	1.978	1.244	.809	1.562	4.950	.0016		3.205
47	15	15	1.846	1.289	.921	1.538	5.471	.0092		3.160
47	25	5	.262	.165	.107	.207	-5.703	.0468	.0233	-5.044
47	25	15	1.285	.886	.626	1.064	3.352	.2674	.1331	1.137
57	0	5					0.000	.0108		0.000
57	5	5	3.755	3.094	2.599	3.400	18.312	.0108	.0335	13.115
57	15	5	2.890	2.216	1.745	2.521	11.242	.0433	.0335	7.744
57	25	5	1.298	.988	.774	1.128	3.909	.0217	.0335	0.946
57	35	5	.511	.389	.305	.444	-3.150	.3106	.2346	-6.805
		TOTALS						2.4195	2.5051	

MARGINAL APPROACH

SEX = MALE MARITAL STATUS = MARRIED TO WORKING SPOUSE SALARY = OVER $25,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	1.031	.473	.234	.692	2.087	.0519	.0536	0.842
27	0	15	.982	.481	.248	.683	1.944	.0181	.0326	0.581
27	0	25	1.144	.614	.338	.836	2.459	.0090	.0162	1.011
27	0	35	1.085	.641	.380	.834	2.327	.0511	.0922	0.614
27	5	5	.684	.340	.181	.478	0.725	.4669	.7980	-0.868
27	5	15	.733	.375	.206	.519	0.938	.1627	.2780	-0.654
27	5	25	.962	.524	.296	.707	1.862	.0807	.1380	0.298
27	5	35	1.100	.656	.395	.849	2.386	.4599	.7860	0.660
37	0	5	1.180	.620	.339	.851	2.544	.0576	.0232	1.156
37	0	15	1.471	.859	.515	1.120	3.452	.0284	.0115	1.923
37	0	25	1.317	.859	.566	1.062	3.302	.1632	.0659	1.355
37	5	5	1.019	.546	.307	.741	2.065	.3829	.3484	0.572
37	5	15	1.361	.792	.476	1.034	3.161	.1890	.1720	1.614
37	5	25	1.467	.956	.632	1.182	3.794	1.0858	.9880	1.892
37	15	5	.339	.178	.097	.244	-2.533	1.1863	1.1511	-4.864
37	15	15	.819	.470	.278	.618	1.210	.5855	.5681	-0.576
37	15	25	1.137	.721	.463	.904	2.580	3.3638	3.2640	0.674
47	0	5	1.577	1.038	.700	1.275	4.177	.0323		2.246
47	0	15	1.320	.978	.736	1.134	3.851	.1844		1.130
47	5	5	2.014	1.281	.842	1.600	5.115	.1550	.0995	3.312
47	5	15	1.849	1.347	.999	1.574	5.993	.8851	.5705	3.322
47	15	5	1.343	.846	.552	1.061	3.287	.0646	.0849	1.497
47	15	15	1.623	1.140	.819	1.356	4.754	.3688	.4849	2.451
47	25	5	.389	.245	.159	.308	-2.983	.6361	.5311	-5.776
47	25	15	1.230	.850	.602	1.019	3.125	3.6328	3.0332	0.882
57	0	5					0.000	.0650		0.000
57	5	5	3.272	2.700	2.271	2.965	16.666	.6284	.3017	16.442
57	15	5	2.732	2.114	1.678	2.395	11.082	.4659	.2346	7.232
57	25	5	1.360	1.037	.813	1.183	4.278	.1625	.3352	1.283
57	35	5	.683	.521	.408	.594	-0.862	3.3371	3.2626	-4.220
		TOTALS						18.9608	17.7654	

MARGINAL APPROACH

SEX = FEMALE MARITAL STATUS = MARRIED TO WORKING SPOUSE SALARY = UP TO $15,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	1.590	.732	.357	1.072	3.243	.5066	.3277	2.167
27	0	15	1.559	.779	.404	1.097	3.317	.1070	.0692	2.122
27	0	25	1.518	.829	.462	1.119	3.406	.0373	.0241	2.043
27	0	35	1.119	.666	.397	.863	2.454	.1783	.1153	0.737
27	5	5	1.036	.515	.270	.726	2.111	1.7589	1.0377	0.754
27	5	15	1.130	.578	.310	.803	2.390	.3713	.2191	1.030
27	5	25	1.292	.714	.405	.957	2.895	.1295	.0764	1.445
27	5	35	1.130	.677	.408	.874	2.498	.6189	.3651	0.770
37	0	5	1.728	.933	.522	1.264	3.785	.0558	.0178	2.485
37	0	15	1.605	.953	.580	1.233	3.821	.0196	.0062	2.272
37	0	25	1.020	.662	.435	.820	2.095	.0932	.0297	0.033
37	5	5	1.757	.958	.543	1.291	3.865	.0307	.0178	2.548
37	5	15	1.635	.977	.600	1.260	3.912	.0108	.0062	2.349
37	5	25	1.326	.864	.570	1.069	3.330	.0513	.0297	1.391
37	15	5	.033	.018	.010	.024	-26.376	.2018	.0828	-34.000
37	15	15	1.105	.654	.397	.848	2.397	.0707	.0290	0.706
37	15	25	1.295	.836	.546	1.039	3.197	.3371	.1384	1.285
47	0	5	1.730	1.121	.747	1.387	4.525	.0190	.0093	2.669
47	0	15	.710	.506	.367	.597	-0.138	.0906	.0444	-2.979
47	5	5	1.779	1.162	.781	1.432	4.709	.0073		2.812
47	5	15	1.288	.920	.672	1.086	3.504	.0348		1.070
47	15	5	1.761	1.143	.763	1.413	4.619			2.754
47	15	15	1.693	1.205	.875	1.424	5.125			2.717
47	25	5					0.000	.0612	.0216	0.000
47	25	15	1.122	.798	.579	.944	2.680	.2927	.1035	0.214
57	0	5					0.000	.0421		0.000
57	5	5	1.794	1.406	1.127	1.583	7.354	.0084		3.460
57	15	5	2.470	1.937	1.554	2.181	10.478			6.367
57	25	5	.980	.768	.616	.864	1.836			-1.527
57	35	5					0.000	.1180		0.000
		TOTALS						5.2529	2.7710	

MARGINAL APPRCACH

SEX = FEMALE MARITAL STATUS = MARRIED TO WORKING SPOUSE SALARY = $15,001 TO $25,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	.923	.427	.210	.623	1.764	.1355	.0655	0.448
27	0	15	.853	.430	.226	.603	1.476	.0287	.0138	-0.013
27	0	25	1.121	.609	.338	.824	2.398	.0100	.0048	0.914
27	0	35	.971	.572	.338	.745	1.881	.0478	.0231	0.109
27	5	5	.571	.287	.152	.402	0.016	2.3355	1.4090	-1.734
27	5	15	.614	.319	.175	.440	0.234	.4931	.2975	-1.520
27	5	25	.897	.495	.281	.664	1.600	.1720	.1038	-0.038
27	5	35	.980	.581	.347	.754	1.918	.8218	.4958	0.137
37	0	5	1.533	.828	.463	1.122	3.412	.0135	.0533	2.076
37	0	15	1.552	.921	.560	1.192	3.694	.0045	.0187	2.137
37	0	25	1.183	.766	.502	.950	2.790	.0233	.0890	0.823
37	5	5	.873	.483	.279	.646	1.498	.1785	.1864	-0.151
37	5	15	1.333	.797	.490	1.027	3.138	.0626	.0653	1.508
37	5	25	1.326	.862	.567	1.067	3.324	.2982	.3114	1.394
37	15	5	.218	.117	.064	.158	-5.340	.5514	.6479	-8.309
37	15	15	.763	.452	.274	.585	0.859	.1932	.2271	-1.073
37	15	25	1.095	.706	.461	.878	2.426	.9211	1.0825	0.434
47	0	5	1.745	1.130	.753	1.399	4.562	.0044	.0046	2.708
47	0	15	1.060	.754	.547	.891	2.346	.0209	.0222	-0.153
47	5	5	1.781	1.161	.778	1.432	4.700	.0525	.0232	2.814
47	5	15	1.601	1.142	.831	1.349	4.799	.2509	.1109	2.390
47	15	5	1.644	1.067	.713	1.320	4.299	.0131	.0046	2.434
47	15	15	1.656	1.180	.857	1.394	4.996	.0627	.0222	2.589
47	25	5	.247	.159	.105	.197	-6.497	.1681	.0758	-10.071
47	25	15	1.068	.759	.550	.898	2.389	.8038	.3622	-0.100
57	0	5					0.000		.0268	0.000
57	5	5	2.809	2.200	1.764	2.478	11.774	.1854	.0804	8.011
57	15	5	2.471	1.937	1.555	2.181	10.546	.1348	.0536	6.377
57	25	5	1.126	.878	.701	.991	2.945	.0084	.0536	-0.306
57	35	5	.473	.367	.292	.415	-4.213	.7669	.5006	-8.230
		TOTALS						8.7638	6.4356	

MARGINAL APPROACH

SEX = FEMALE MARITAL STATUS = MARRIED TO WORKING SPOUSE SALARY = OVER $25,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	.909	.420	.206	.614	1.718	.0927	.0328	0.396
27	0	15	.849	.425	.222	.598	1.465	.0196	.0069	-0.016
27	0	25	1.108	.599	.330	.813	2.355	.0068	.0024	0.874
27	0	35	.958	.561	.329	.733	1.827	.0326	.0115	0.062
27	5	5	.588	.294	.155	.413	0.142	.7311	.5680	-1.576
27	5	15	.626	.323	.176	.447	0.324	.1544	.1195	-1.403
27	5	25	.893	.490	.276	.659	1.586	.0538	.0418	-0.044
27	5	35	.968	.571	.338	.743	1.868	.2573	.1999	0.091
37	0	5	1.004	.546	.308	.737	2.014	.0391	.0178	0.478
37	0	15	1.390	.824	.500	1.066	3.280	.0137	.0062	1.688
37	0	25	1.098	.710	.464	.882	2.442	.0652	.0297	0.437
37	5	5	.859	.474	.273	.635	1.439	.0893	.1420	-0.215
37	5	15	1.196	.714	.439	.921	2.715	.0313	.0498	1.043
37	5	25	1.223	.754	.522	.984	2.948	.1491	.2373	0.988
37	15	5	.321	.172	.095	.234	-2.953	.4389	.5795	-5.407
37	15	15	.700	.414	.251	.536	0.478	.1538	.2032	-1.513
37	15	25	1.054	.679	.443	.845	2.248	.7332	.9688	0.236
47	0	5	1.749	1.134	.756	1.403	4.580	.0058		2.721
47	0	15	1.130	.805	.585	.952	2.725	.0279		0.252
47	5	5	1.777	1.158	.777	1.429	4.688	.0190	.0232	2.803
47	5	15	1.571	1.122	.818	1.324	4.695	.0906	.1109	2.278
47	15	5	1.123	.731	.490	.902	2.551	.0190	.0510	0.556
47	15	15	1.493	1.066	.776	1.258	4.382	.0906	.2439	1.972
47	25	5	.368	.237	.156	.294	-3.595	.1118	.2505	-6.594
47	25	15	1.027	.731	.531	.864	2.159	.5343	1.1975	-0.361
57	0	5					0.000	.0084		0.000
57	5	5	2.680	2.102	1.688	2.366	1.688	.1348	.1341	11.390
57	15	5	2.474	1.942	1.560	2.185	10.554	.1264	.2413	6.412
57	25	5	1.169	.913	.731	1.030	3.253	.0674	.2413	-0.005
57	35	5	.611	.476	.380	.537	-2.017	1.1236	2.3330	-5.734
		TOTALS						5.4215	8.0446	

SHARED APPROACH

SEX = MALE MARITAL STATUS = MARRIED TO WORKING SPOUSE SALARY = UP TO $15,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	1.931	.875	.424	1.289	3.688	.0389	.2006	2.687
27	0	15	1.785	.875	.448	1.243	3.648	.0136	.0699	2.524
27	0	25	1.590	.864	.480	1.168	3.542	.0067	.0347	2.205
27	0	35	1.921	1.137	.673	1.478	4.467	.0383	.1976	2.972
27	5	5	1.256	.615	.322	.872	2.677	.1196	.7802	1.435
27	5	15	1.370	.689	.369	.964	2.954	.0417	.2718	1.707
27	5	25	1.390	.765	.435	1.027	3.132	.0207	.1349	1.723
27	5	35	1.939	1.156	.692	1.496	4.537	.1178	.7684	3.020
37	0	5	1.735	.932	.518	1.266	3.784	.0075		2.495
37	0	15	1.522	.910	.557	1.174	3.644	.0037		2.060
37	0	25	2.132	1.392	.916	1.721	5.550	.0213		3.657
37	5	5	2.098	1.110	.815	1.517	4.313	.0025	.0155	3.087
37	5	15	1.690	1.002	.611	1.297	4.007	.0012	.0076	2.474
37	5	25	2.503	1.630	1.072	2.017	6.389	.0071	.0439	4.379
37	15	5	.040	.021	.012	.029	-21.325	.0234	.0361	-27.711
37	15	15	1.326	.761	.449	1.000	3.042	.0115	.0178	1.518
37	15	25	1.379	.879	.567	1.099	3.440	.0662	.1025	1.605
47	0	5	1.616	1.065	.719	1.308	4.300			2.365
47	0	15	2.817	2.033	1.491	2.388	8.768			5.958
47	5	5	1.628	1.078	.731	1.320	4.363	.0016		2.406
47	5	15	3.352	2.422	1.779	2.843	9.958	.0092		7.398
47	15	5	2.111	1.329	.864	1.667	5.256			3.485
47	15	15	1.737	1.229	.887	1.457	5.224			2.853
47	25	5					0.000	.0038		0.000
47	25	15	1.375	.948	.670	1.138	3.714	.0215		1.519
57	0	5					0.000			0.000
57	5	5	8.977	7.150	5.808	7.991	24.678			20.368
57	15	5	2.514	1.967	1.575	2.217	10.618			6.509
57	25	5	1.200	.914	.715	1.044	3.331			0.357
57	35	5					0.000			0.000
		TOTALS						.5778	2.6815	

SHARED APPROACH

SEX = MALE MARITAL STATUS = MARRIED TO WORKING SPOUSE SALARY = $15,001 TO $25,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	1.057	.487	.243	.711	2.158	.0259	.0134	0.921
27	0	15	1.005	.495	.256	.701	2.016	.0090	.0047	0.656
27	0	25	1.211	.650	.358	.885	2.647	.0045	.0023	1.227
27	0	35	1.507	.883	.518	1.154	3.553	.0255	.0132	2.019
27	5	5	.673	.335	.180	.471	0.667	.3343	.5662	-0.934
27	5	15	.731	.376	.209	.520	0.923	.1165	.1972	-0.676
27	5	25	1.015	.552	.312	.745	2.052	.0578	.0979	0.523
27	5	35	1.522	.898	.533	1.168	3.608	.3293	.5577	2.059
37	0	5	1.835	.959	.521	1.320	3.878	.0075		2.655
37	0	15	1.681	.982	.589	1.280	3.935	.0037		2.442
37	0	25	1.962	1.266	.825	1.574	5.062	.0213		3.241
37	5	5	1.049	.563	.318	.763	2.164	.0275	.0232	0.685
37	5	15	1.551	.903	.542	1.179	3.634	.0136	.0115	2.130
37	5	25	2.137	1.380	.901	1.714	5.474	.0781	.0659	3.627
37	15	5	.231	.121	.066	.166	-4.698	.1235	.1833	-7.477
37	15	15	.897	.515	.305	.677	1.576	.0609	.0904	-0.152
37	15	25	1.207	.764	.490	.958	2.842	.3501	.5196	0.973
47	0	5	1.598	1.052	.709	1.292	4.241	.0048		2.310
47	0	15	2.294	1.656	1.214	1.945	7.616	.0277		4.612
47	5	5	1.952	1.251	.826	1.556	5.019	.0113	.0100	3.195
47	5	15	2.901	2.082	1.521	2.452	8.910	.0645	.0571	6.099
47	15	5	1.979	1.245	.809	1.563	4.953	.0016		3.208
47	15	15	1.846	1.290	.921	1.538	5.474	.0092		3.163
47	25	5	.262	.165	.107	.207	-5.703	.0468	.0233	-9.044
47	25	15	1.285	.886	.626	1.064	3.352	.2674	.1331	1.137
57	0	5					0.000	.0108		0.000
57	5	5	7.029	5.597	4.547	6.255	22.046	.0108	.0335	17.770
57	15	5	2.890	2.216	1.745	2.521	11.242	.0433	.0335	7.744
57	25	5	1.298	.988	.774	1.128	3.909	.0217	.0335	0.946
57	35	5	.511	.389	.305	.444	-3.150	.3106	.2346	-6.805
		TOTALS						2.4195	2.9051	

SHARED APPROACH

SEX = MALE MARITAL STATUS = MARRIED TO WORKING SPOUSE SALARY = OVER $25,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	1.040	.477	.236	.698	2.112	.0519	.0936	0.871
27	0	15	.994	.487	.251	.692	1.981	.0181	.0326	0.624
27	0	25	1.162	.624	.343	.849	2.511	.0090	.0162	1.069
27	0	35	1.465	.854	.498	1.118	3.438	.0511	.0922	1.906
27	5	5	.689	.342	.182	.481	0.753	.4669	.7980	-0.831
27	5	15	.741	.379	.209	.525	0.978	.1627	.2780	-0.604
27	5	25	.975	.531	.300	.716	1.910	.0807	.1380	0.355
27	5	35	1.480	.869	.514	1.134	3.492	.4599	.7860	1.946
37	0	5	1.197	.629	.344	.863	2.590	.0576	.0232	1.208
37	0	15	1.493	.872	.523	1.137	3.506	.0284	.0115	1.582
37	0	25	1.803	1.163	.758	1.446	4.675	.1632	.0659	2.857
37	5	5	1.031	.552	.311	.749	2.105	.3829	.3484	0.621
37	5	15	1.377	.802	.482	1.047	3.205	.1890	.1720	1.660
37	5	25	1.956	1.262	.824	1.569	5.051	1.0858	.9880	3.227
37	15	5	.339	.178	.098	.245	-2.514	1.1863	1.1511	-4.832
37	15	15	.820	.471	.278	.619	1.213	.5855	.5681	-0.578
37	15	25	1.138	.721	.463	.904	2.583	3.3638	3.2640	0.681
47	0	5	1.609	1.058	.713	1.300	4.267	.0323		2.343
47	0	15	2.149	1.554	1.142	1.823	7.041	.1844		4.219
47	5	5	2.038	1.297	.852	1.619	5.174	.1550	.0999	3.366
47	5	15	2.686	1.928	1.409	2.270	8.358	.8851	.5705	5.572
47	15	5	1.344	.847	.552	1.062	3.291	.0646	.0849	1.499
47	15	15	1.623	1.141	.819	1.357	4.759	.3688	.4849	2.452
47	25	5	.389	.245	.159	.308	-2.983	.6361	.5311	-5.776
47	25	15	1.230	.850	.602	1.019	3.125	3.6328	3.0332	0.882
57	0	5					0.000	.0650		0.000
57	5	5	6.139	4.895	3.982	5.467	16.666	.6284	.3017	16.442
57	15	5	2.732	2.114	1.678	2.395	11.082	.4659	.2346	7.232
57	25	5	1.360	1.037	.813	1.183	4.278	.1625	.3352	1.283
57	35	5	.683	.521	.408	.594	-0.862	3.3371	3.2626	-4.220
		TOTALS						18.9608	17.7654	

SHARED APPROACH

SEX = FEMALF MARITAL STATLS = MARRIED TC WORKING SPOUSE SALARY = UP TO $15,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATICS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	1.629	.750	.365	1.098	3.304	.5066	.3277	2.235
27	0	15	1.601	.800	.415	1.127	3.391	.1070	.0692	2.205
27	0	25	1.579	.863	.481	1.164	3.534	.0373	.0241	2.182
27	0	35	2.001	1.182	.698	1.538	4.606	.1783	.1153	3.123
27	5	5	1.056	.525	.275	.740	2.170	1.7589	1.0377	C.823
27	5	15	1.160	.593	.318	.824	2.472	.3713	.2191	1.125
27	5	25	1.334	.737	.418	.988	3.003	.1295	.0764	1.567
27	5	35	2.014	1.194	.710	1.551	4.649	.6189	.3651	3.154
37	0	5	1.786	.966	.540	1.307	3.893	.0558	.0178	2.597
37	0	15	1.692	1.005	.612	1.300	4.019	.0196	.0062	2.481
37	0	25	2.366	1.528	.998	1.899	5.989	.0932	.0297	4.083
37	5	5	1.802	.982	.557	1.324	3.943	.0307	.0178	2.632
37	5	15	1.695	1.013	.622	1.306	4.049	.0108	.0062	2.493
37	5	25	2.680	1.736	1.137	2.153	6.759	.0513	.0297	4.661
37	15	5	.034	.018	.C10	.025	-24.480	.2018	.0828	-31.613
37	15	15	1.114	.659	.400	.854	2.429	.0707	.0290	0.744
37	15	25	1.302	.841	.549	1.045	3.223	.3371	.1384	1.311
47	0	5	1.867	1.212	.809	1.499	4.897	.0190	.0093	3.024
47	0	15	3.137	2.230	1.616	2.638	9.244	.0906	.0444	6.542
47	5	5	1.873	1.224	.823	1.508	4.963	.0073		3.054
47	5	15	3.745	2.667	1.537	3.152	10.434	.0348		8.790
47	15	5	1.773	1.150	.768	1.422	4.647			2.784
47	15	15	1.698	1.209	.878	1.429	5.146			2.735
47	25	5					0.000	.0612	.0216	0.000
47	25	15	1.122	.798	.579	.944	2.680	.2927	.1035	0.214
57	0	5					0.000	.0421		0.000
57	5	5	9.823	7.695	6.171	8.667	24.492	.0084		20.374
57	15	5	2.470	1.937	1.554	2.181	10.478			6.367
57	25	5	.980	.768	.616	.864	1.836			-1.527
57	35	5					0.000	.1180		0.000
		TOTALS						5.2529	2.7710	

SHARED APPROACH

SEX = FEMALE MARITAL STATUS = MARRIED TO WORKING SPOUSE SALARY = $15,001 TO $25,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	.945	.437	.215	.638	1.834	.1359	.0655	0.532
27	0	15	.880	.443	.232	.621	1.582	.0287	.0138	0.112
27	0	25	1.161	.632	.351	.854	2.519	.0100	.0048	1.048
27	0	35	1.543	.905	.531	1.182	3.641	.0478	.0231	2.113
27	5	5	.582	.292	.155	.410	0.097	2.3355	1.4090	-1.632
27	5	15	.633	.328	.180	.453	0.361	.4931	.2975	-1.364
27	5	25	.925	.510	.289	.684	1.715	.1720	.1038	0.097
27	5	35	1.554	.915	.540	1.192	3.678	.8218	.4958	2.142
37	0	5	1.572	.850	.475	1.151	3.494	.0139	.0533	2.163
37	0	15	1.610	.956	.581	1.236	3.833	.0049	.0187	2.284
37	0	25	2.023	1.307	.853	1.624	5.215	.0233	.0890	3.383
37	5	5	.902	.499	.288	.667	1.621	.1785	.1864	-0.009
37	5	15	1.372	.821	.504	1.057	3.251	.0626	.0653	1.629
37	5	25	2.171	1.406	.921	1.744	5.578	.2982	.3114	3.709
37	15	5	.219	.117	.065	.159	-5.199	.5514	.6479	-8.111
37	15	15	.767	.454	.276	.588	0.885	.1932	.2271	-1.036
37	15	25	1.097	.708	.462	.880	2.436	.9211	1.0825	0.439
47	0	5	1.833	1.189	.792	1.471	4.803	.0044	.0046	2.939
47	0	15	2.554	1.815	1.315	2.147	7.836	.0209	.0222	5.143
47	5	5	1.845	1.203	.807	1.484	4.872	.0525	.0232	2.979
47	5	15	3.116	2.219	1.611	2.622	9.238	.2509	.1109	6.521
47	15	5	1.648	1.070	.715	1.323	4.312	.0131	.0046	2.445
47	15	15	1.658	1.181	.857	1.395	4.999	.0627	.0222	2.595
47	25	5	.247	.159	.105	.197	-6.497	.1681	.0758	-10.071
47	25	15	1.068	.759	.550	.898	2.389	.8038	.3622	-0.100
57	0	5					0.000		.0268	0.000
57	5	5	7.690	6.024	4.831	6.785	22.428	.1854	.0804	18.074
57	15	5	2.471	1.937	1.555	2.181	10.546	.1348	.0536	6.377
57	25	5	1.126	.878	.701	.991	2.945	.0084	.0536	-0.306
57	35	5	.473	.367	.292	.415	-4.213	.7669	.5006	-8.230
		TOTALS						8.7638	6.4356	

SHARED APPROACH

SEX = FEMALE MARITAL STATUS = MARRIED TO WORKING SPOUSE SALARY = OVER $25,000

CURRENT AGE	PRIOR COVERED SERVICE	FUTURE SERVICE AT BANK/FUND	BENEFIT COST RATIOS 2%	4%	6%	3%	INTERNAL RATE OF RETURN (1)	% STAFF IN CATEGORY BANK	FUND	INTERNAL RATE OF RETURN (2)
27	0	5	.930	.429	.210	.628	1.787	.0927	.0328	0.479
27	0	15	.874	.438	.228	.616	1.561	.0196	.0069	0.094
27	0	25	1.148	.621	.342	.842	2.476	.0068	.0024	1.012
27	0	35	1.524	.887	.516	1.163	3.575	.0326	.0115	2.063
27	5	5	.599	.299	.158	.421	0.219	.7311	.5680	-1.480
27	5	15	.644	.332	.181	.459	0.437	.1544	.1199	-1.267
27	5	25	.921	.505	.284	.679	1.701	.0538	.0418	0.091
27	5	35	1.535	.898	.526	1.173	3.615	.2573	.1999	2.092
37	0	5	1.040	.566	.319	.764	2.138	.0391	.0178	0.618
37	0	15	1.443	.856	.520	1.108	3.421	.0137	.0062	1.842
37	0	25	1.871	1.207	.787	1.501	4.844	.0652	.0297	3.026
37	5	5	.885	.488	.281	.654	1.552	.0893	.1420	-0.082
37	5	15	1.232	.736	.452	.949	2.832	.0313	.0498	1.170
37	5	25	2.001	1.294	.846	1.606	5.172	.1491	.2373	3.336
37	15	5	.323	.173	.096	.235	-2.905	.4389	.5799	-5.344
37	15	15	.704	.417	.253	.540	0.500	.1538	.2032	-1.492
37	15	25	1.057	.681	.444	.847	2.261	.7332	.9688	0.250
47	0	5	1.825	1.185	.790	1.465	4.789	.0058		2.921
47	0	15	2.386	1.700	1.234	2.009	7.835	.0279		4.748
47	5	5	1.833	1.195	.802	1.475	4.840	.0190	.0232	2.948
47	5	15	2.845	2.029	1.477	2.396	8.688	.0906	.1109	5.892
47	15	5	1.127	.734	.492	.906	2.568	.0190	.0510	0.572
47	15	15	1.495	1.067	.777	1.260	4.388	.0906	.2439	1.980
47	25	5	.368	.237	.157	.294	-3.559	.1118	.2505	-6.534
47	25	15	1.027	.731	.531	.864	2.159	.5343	1.1975	-0.361
57	0	5					0.000	.0084		0.000
57	5	5	6.715	5.268	4.231	5.928	20.674	.1348	.1341	16.304
57	15	5	2.474	1.942	1.560	2.185	10.554	.1264	.2413	6.412
57	25	5	1.169	.913	.731	1.030	3.253	.0674	.2413	-0.005
57	35	5	.611	.476	.380	.537	-2.017	1.1236	2.3330	-5.734
		TOTALS						5.4215	8.0446	

Record Removal Notice

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File Title	Barcode No.
Personnel Management Committee Meetings - Minutes 05 President's papers - Robert S. McNamara	1770859

Document Date	Document Type
Sep 10, 1980	Minutes

Correspondents / Participants
Personnel Management Committee

Subject / Title
Record of Eighteenth Meeting

Exception No(s).

☑ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ 8 ☐ 9 ☐ 10 A-C ☐ 10 D ☐ Prerogative to Restrict

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Chandra Kumar	Sep 20, 2013

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Record of Nineteenth Meeting of

PERSONNEL MANAGEMENT COMMITTEE

1. Mr. McNamara convened a meeting on September 23. Present were:

Messrs. Stern
Qureshi
Paijmans
Chenery (Item 1 only)
Pollan

Messrs. Koch-Weser, Clarke and Chaufournier attended for Items 2 and 3 only.

Compensation Matters

Staff Association Request for Interim Adjustment

2. Clarke distributed a draft suggesting alternative approaches to the Staff Association's request. A substantive discussion of this matter was deferred until the next meeting; it is to include an additional option yet to be elaborated.

Personnel Management Matters

Representation of Target Groups in Bank's Management Structure

3. McNamara emphasized the point that he did not want to have discussions among Bank managers of the implications of Paijmans' memorandum until everybody was sure about the Bank Group's managerial promotion criteria which were still being worked out. Was nationality a factor? As far as he was concerned, the best man should get the job. The earlier discussed[1/] nationality and sex distribution objectives for 1990 do not hold for N-Q as they should for J-Q staff.

4. McNamara indicated that to him prime promotion criteria were:

- competence, above all;
- nationality if several candidates of equal competence were being considered.

He would like to know also how N-Q staff, present and projected, related to present and prospective population figures in Part II countries, though exclusive of China.

1/ Fourteenth PMC meeting held on May 20, 1980.

5. McNamara and Stern felt that it was premature to undertake from now on a major adjustment effort focussed on target groups in the nationality profile of the Bank's managerial group. This should, however, not stem the general thrust of our effort to broaden Part II representation in the Bank's J-Q staff. Real adjustments in the managerial group ought to be introduced only where there were particularly noticeable imbalances, such as among Japanese. For women, McNamara wished us to focus mainly on stocking up the J-M levels rather than on the N-Q brackets.

6. Stern wanted PMD to focus more than in the past on the high fliers with high potential irrespective of sex and nationality, and to be more flexible regarding time in grade and to be more imaginative in facilitating assignments for staff of this type.

7. Paijmans' memorandum will not be distributed.

Record Removal Notice

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File Title	Barcode No.
Personnel Management Committee Meetings - Minutes 05 President's papers - Robert S. McNamara	1770859

Document Date	Document Type
Sep 4, 1980	Memorandum

Correspondents / Participants

Subject / Title
Specific Position Issues Remaining from the FY81 Senior Position Planning Review

Exception No(s).

☑ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ 6 ☐ 7 ☐ 8 ☐ 9 ☐ 10 A-C ☐ 10 D ☐ Prerogative to Restrict

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