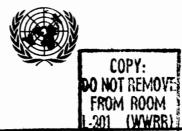
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FIFTH COMMITTEE 81st meeting held on Thursday, 17 December 1981 at 10.30 a.m.

New York

SUMMARY RECORD OF THE 81st MEETING

Chairman: Mr. GODFREY (New Zealand)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 11.10 a.m.

AGENDA ITEM 108: REPORT OF THE INTERNATIONAL CIVIL SERVICE COMMISSION (continued) (A/36/30; A/C.5/36/29; A/C.5/36/L.43/Rev.1, L.44/Rev.2)

1. <u>Mr. MAYCOCK</u> (Barbados), introducing draft resolution A/C.5/36/L.43/Rev.1 on the report of the International Civil Service Commission, said that the sponsors had been joined by Australia and the United Kingdom. During consultations a consensus had been reached with regard to such areas as training, education grants, the decision on the 3 per cent increase in Geneva and supplementary payments because all participating delegations had agreed on certain basic principles considered essential to the United Nations system. Those principles included the conviction that the role of the Commission as the instrument for the regulation and co-ordination of the conditions of service of the United Nations common system, as envisaged in article 1 of its statute, must be fostered and that in the Commission's work greater emphasis should be placed on studies and projects of very high priority.

2. Section I of the draft resolution was concerned with safeguarding the common system. Paragraph 1 urged all organizations to act in accordance with the spirit and letter of the statute of the Commission and the previous resolutions of the General Assembly. Paragraph 2 would suggest that in those rare cases where they considered it desirable not to agree with recommendations or decisions of the Commission, executive heads should submit their own proposals to their governing bodies. In that regard, it was also incumbent upon the States Members of the United Nations to make special efforts to ensure adequate co-ordination between delegations in order to be able to appreciate fully recommendations from the executive heads of organizations. Paragraph 3 has aimed at eliminating unacceptable unilateral action from the system. Paragraph 4 reiterated a recent decision of the Fifth Committee and paragraph 5 restated the desirability of the application of common salary scales. Paragraphs 6 and 7 would have the General Assembly take note of aspects of the Commission's work.

3. Operative paragraph 8 requested the Commission to give high priority to the completion of four studies and to report on them to the thirty-seventh session of the General Assembly. Paragraph 9 requested the Commission to undertake or continue six studies. No time limit had been set on the studies indicated in paragraph 9 because it was felt that discretion should be left to the Commission to complete those studies, if possible, provided that did not jeopardize the completion of the studies requested in paragraph 8 within the established time-frame. The first priority item concerned the ongoing work of the Commission under article 10 of its statute and the studies on concepts of career, types of appointment and so on, which fell under article 14 of the Commission's statute and were also requested in General Assembly resolution 35/210. In that regard, it should be noted that the Commission was requested to take account of the views expressed by delegations in the Fifth Committee as well as any available related study. It was felt, in particular, that it would benefit the Fifth Committee if the Commission took account of any relevant studies of the Joint Inspection Unit. The second priority item would require the Commission to continue and expedite its work on the improvement of the comparison of total compensation between the

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(Mr. Maycock, Barbados)

comparator civil service and the International Civil Service. The main thrust of that proposal was to exclude consideration of expatriate benefits. The third and fourth priority items related respectively to the post-adjustment system and a special index for pensioners, which the consulting delegations considered as urgent matters to be dealt with on a high priority basis.

Among the studies requested in paragraph 9, those identified in 4. subparagraphs (c) and (d) and the element in subparagraph (b) relating to "a review of dependency allowances" were new. Subparagraph (a) expanded the scope of an ongoing study which had been previously requested by the General Assembly. The Commission should take note of the fact that some delegations felt strongly that attention should be given to field conditions, such as housing, medical services, security, and recourse procedures. In subparagraph (e) "equitable treatment" was meant in qualitative rather than quantitative terms. Subparagraph (f) had been included with the knowledge that that proposal differed significantly from the recommendations of the Commission on that matter. None of the delegations involved in the consultations were convinced that the efforts of the Commission as explained in its report met the mandate given to the Commission in General Assembly resolution 35/214 C. Several of those delegations felt that there might be some merit in an approach similar to the one outlined in the final paragraph of the letter from the Permanent Representative of the United States to the United Nations in annex V to the ICSC report (A/36/30). As the sponsor of General Assembly resolution 35/214 C, his delegation thought that the Commission might have been in a position, after one year of review, to indicate whether there were other Member States which made supplementary payments, whether supplementary payments had been made by Governments only to their nationals, and whether payments were being made by Governments to favoured citizens of other States. His delegation felt that the Commission should attempt to provide the Committee with information of that type so that meaningful decisions could be taken.

Lastly, he announced a number of amendments to the draft resolution had been 5. accepted by the sponsors. In the third line of paragraph 2 the word "recommendation" should be replaced by "recommendations". In paragraph 8 (b) the final words "and the International Civil Service" should be deleted. In paragraph 8 (d) the word "Staff" should be inserted between the words "Joint" and "Pension". In accordance with a suggestion by the representative of Algeria, in the fourth line of paragraph 8 (a) a comma should be inserted after the words "Fifth Committee", the word "and" should be deleted and the word "including" should be replaced by the word "and". At the request of the Commission the sponsors agreed that in paragraph 1 the phrase "to respond positively to those recommendations of the Commission which are made directly to executive heads" should be replaced by the phrase "to act positively on the recommendations of the Commission in accordance with the statute of ICSC"; that change was designed to bring operations more closely into line with the constitutional position in the statute.

6. <u>Mr. STUART</u> (United Kingdom), introducing draft decision A/C.5/36/L.44/Rev.2 on behalf of the sponsors, said a simple technical problem arose out of the dual

(Mr. Stuart, United Kingdom)

system of pensionable remuneration adopted in General Assembly resolution 35/214 A. The draft decision proposed that the status quo should be maintained with respect to separation payments, and would make that clear for the organizations of the common system. Prior to the adoption of General Assembly resolution 35/214 A, separation payments had been based, in accordance with General Assembly resolution 31/141 B, on pensionable remuneration less staff assessment. General Assembly resolution 35/214 A, however, had created two new definitions of pensionable remuneration: one for benefits and one for contributions. Neither of those two definitions was appropriate as a base for calculating separation payments. At its thirty-fifth session the General Assembly had overlooked the need to adopt a new and separate definition for that purpose. The solution proposed by ICSC was to recommend that the base for the calculation of separation payments should continue to be gross salary adjusted by movement of the weighted average of post-adjustments less staff assessment. The draft decision would give effect to the decision of the Commission, which clarified the existing rule, so that all organizations within the common system would pay separation payments on the same basis. The Commission and the sponsors of the draft decision did not intend to change anything, but sought only to clarify and ensure uniform practice in the common system. The draft decision included a consequential amendment to the Staff Regulations which was necessary in order to enable the Secretariat to act on the decision. Lastly, he expressed the hope that the draft decision would be adopted by consensus.

7. <u>Mr. AKWEI</u> (Chairman of the International Civil Service Commission) expressed the hope that draft resolution A/C.5/36/L.43/Rev.1 would be adopted by consensus. He expressed satisfaction that the amendment to operative paragraph 1 of that draft resolution suggested by the Commission had been accepted by the sponsor. The Commission had hoped that the draft resolution would contain an appropriate formulation indicating that under existing circumstances the United States Federal Civil Service remained the comparator civil service for the United Nations system.

8. With respect to paragraph 8 (a), he pointed out that the Commission followed very closely the question of broad principles for the determination of conditions of service. It was hoped that the Commission would be entrusted with the specific task of studying concepts of career, types of appointments, career development and related questions, rather than the broad principles for determining conditions of service. He expressed the hope that the Fifth Committee would support the Commission in that regard.

9. He had some difficulty with paragraph 8 (b) which requested the Commission to exclude expatriate benefits applicable to Professional and higher categories in the comparator civil service. The question of salaries for Professionals and higher categories had been discussed in the Administrative Committee on Co-ordination (ACC) and all executive heads had felt that the Commission should expand its consideration of total compensation to include expatriate benefits and that ACC was in a position to request the Commission to undertake that study. It had been the hope of ACC that that would be incorporated into the draft resolution. The Fifth Committee would be requesting the Commission to exclude expatriate benefits

(Mr. Akwei, Chairman of the ICSC)

applicable to Professional and higher categories in the comparator civil service, but to include those benefits in the international civil service. Furthermore, the financial implications, amounting to approximately \$350,000, which the Commission had brought to the attention of the Committee, had not been included in the draft resolution. The Commission would therefore not be able to comply with the request of ACC. That involved a fundamental problem of interagency relations. Serious consideration should be given to requests from ACC because its members represented the administrative authorities of their respective governing bodies in the common system. In view of the principle that no single legislative body could legislate for the entire common system, an attempt by the General Assembly to prevent the Commission from studying a matter of serious concern to ACC might cause grave misgivings on the part of the agencies and might have a negative affect on the work of the Commission. In terms of the statute of ICSC, the General Assembly and all the other governing bodies in the common system were on an equal footing. ACC or any governing body could propose agenda items for the Commission in the same way as the General Assembly. Therefore, if ACC requested the Commission to undertake a study and the General Assembly adopted a resolution which made that task difficult for the Commission, the agencies might feel that their legislative autonomy or competence was being restricted. The Commission would have difficulty comparing non-expatriate benefits plus expatriate benefits in the United Nations system with non-expatriate benefits in the United States Civil Service.

10. Paragraph 8 (b) also raised a problem with regard to the concept of total compensation. If the Commission was asked to study total compensation on one side and limited total compensation on the other, the concept of total compensation would be infringed. He felt that, in the long run, the Commission would have to grapple with the problem of including expatriate benefits in total compensation. Even now, that was reflected in the Noblemaire principle. If the Fifth Committee did not want the Commission to study all elements of total compensation during the current year, that was understandable. However, if the study was postponed for two or three years, its cost would probably increase. He hoped that more accommodation would be forthcoming on that part of the sponsors of the draft resolution, taking into account the sensitivities of the agencies and the technical competence of the Commission.

11. With regard to paragraph 8 (d), the elaboration of a special index would be time-consuming, and the Commission had therefore considered undertaking the task in two phases. The first phase would take a relatively short amount of time and would culminate in a report to the General Assembly at its thirty-seventh session. As long as there was an understanding that that was what was envisaged, the Commission could accept the formulation as it stood.

12. With regard to paragraph 9 (f), the Commission might find it difficult to understand what exactly was meant by "comprehensive". The Commission thought that it had made a "comprehensive study of the question" the previous year. It was true that its consideration of the question had been in respect of three Member States which had adopted certain legislation and practices. Perhaps the feeling was that the Commission should expand the scope of its study to cover the legislation and

(Mr. Akwei, Chairman of the ICSC)

practices of all Member States. He had tried to convince the sponsors of the draft resolution that, although the main examples had been taken from those three Member States, the study had not been limited to those States. He doubted whether it was necessary to make a study of all Member States before making a judgement of principle. The Commission was a policy-making body, which made general It had made a general recommendation on that issue which had taken pronouncements. note of the three Member States in question but also of other practices involved. It had recommended that any supplementary payments should be regarded as unnecessary, inappropriate and inconsistent with the Staff Regulations. The Commissin having made those recommendations, action now lay with the General Assembly. The failure of the Fifth Committee to make a recommendation to the General Assembly might be misconstrued and encourage those countries which were making supplementary payments or thinking of doing so. The World Bank and IMF had taken a very positive stand on the matter. Unless the General Assembly took a stand, FICSA would have continuing grounds for alleging that Professional salaries were not adequate.

13. <u>Mr. DEBATIN</u> (Under-Secretary-General for Administration, Finance and Management) said, with regard to operative paragraph 1 of draft resolution A/C.5/36/L.43/Rev.1, that the word "<u>Urges</u>" suggested that there might be a system-wide problem if the General Assembly had to urge organizations to do something which they were already under a legal obligation to do. Any such request might lead to misunderstanding as to the loyalties of the various agencies in implementing the statute of the Commission.

14. ACC and the agency heads welcomed the intention to define the priorities for the various studies being undertaken by the Commission. With regard to paragraph 8 (a), he expressed puzzlement as to the purpose of the expression "the broad principles for the determination of conditions of service with particular reference to" and questioned its necessity. The wording was so comprehensive as to detract from the focus of the study on career development requested by the General Assembly in resolution 35/210; it might introduce an element of ambiguity which could lead to long debates concerning its exact meaning and purpose.

15. With regard to the total compensation study referred to in paragraph 8 (b), he recalled that he had earlier advised the Committee of the decision taken by ACC at its meeting in October 1981 on the question of the remuneration of staff in the Professional and higher categories. In its decision, ACC had invited ICSC to pursue as a matter of priority, studies of possible alternatives to the continuing use of the home civil service of the United States as the sole comparator in application of the Noblemaire principle. ACC had also requested the Secretary-General to inform the Fifth Committee that ACC supported the continuation of the ICSC studies described in the Commission's report, with the extension of its work on the methodology for total compensation to include expatriate benefits. It was thus a matter of disappointment and concern that that position of ACC was not reflected in the draft resolution.

Mr. DEBATIN, Under-Secretary-General for Administration, Finance and Management)

16. Firstly, there was no mention of the ICSC studies to ascertain whether the present comparator was still the highest-paid civil service, although resolution 35/214 had taken note of that continuing review by ICSC. Secondly, paragraph 8 (b) explicitly excluded consideration of expatriate benefits from the total compensation comparisons. It was not clear whether the proposed exclusion of expatriate benefits from the comparison study was based on the premise that expatriate benefits were not relevant to such comparisons or whether it simply

reflected a desire to adopt a step-by-step approach, i.e., to improve the total compensation comparisons by initially excluding expatriate benefits and then, at a later stage, having ICSC undertake an assessment of expatriate benefits as an integrated part of the total compensation comparison or as a separate aspect of the review of Professional remuneration. If the intention was to disregard expatriate benefits altogether, that would not seem justifiable.

17. Approximately 90 per cent of the staff in the Professional and higher categories were expatriates. For that reason, the application of the Noblemaire principle called for a margin between the remuneration in the United Nations and in the comparator service to reflect, inter alia, the fact of expatriation. Therefore, it would seem essential for the Commission to undertake, in some form and at some stage, an assessment of expatriation benefits as part of its over-all review of the adequacy of Professional remuneration.

18. The sentiment of ACC that expatriate benefits should be included in the current total compensation studies did no more than reflect the afore-mentioned principle and its consistent application throughout the past 35 years. On behalf of the executive heads, he therefore expressed the hope that the proposed decision reflected in paragraph 8 (b) was not intended to preclude the Commission from assessing the current margin by reference to an examination of the expatriate benefits paid by the comparator service when its nationals served outside their country.

19. <u>Mr. OREBI</u> (Food and Agriculture Organization of the United Nations) said that he endorsed the views expressed by the Under-Secretary-General for Administration, Finance and Management on some of the operative paragraphs of draft resolution A/C.5/36/L.43/Rev.1. With regard to paragraph 2, he recalled that the reporting responsibilities of executive heads were determined by their governing bodies. The paragraph must therefore be seen in that context. He supported the views expressed by the Under-Secretary-General for Administration, Finance and Management with regard to paragraph 8 (b). He did not believe that there was any point in abandoning the study of the highest-paid civil service, and he trusted that that item would be one of the priority issues which the General Assembly at its thirty-seventh session asked ICSC to pursue.

20. <u>Mr. ADOSSAMA</u> (International Labour Organisation) said, with regard to operative paragraph 1 of draft resolution A/C.5/36/L.43/Rev.1, that ILO had always implemented the decisions of ICSC.

(Mr. ADOSSAMA, International Labour Organisation)

21. With regard to paragraph 4, he did not wish to go back on what the head of the Department of Personnel at Geneva had already told the Committee. The salary increase had been effected in special circumstances.

22. With regard to paragraph 2, he drew attention to the fact that it was necessary to take account of the constitutional and statutory provisions governing the various specialized agencies of the United Nations system. Article 8 of the ILO Constitution stated that the Director-General was to be appointed by the Governing Council, from which he received his instructions and to which he was responsible for the efficient conduct of the International Labour Office and for such other duties as might be assigned to him. He recalled also the provisions of chapter III, article 12, of the statute of ICSC, which stated that, while the Commission was to establish the relevant facts for and made recommendations as to, the salary scales of staff in the General Service and other locally recruited categories, the executive head or heads concerned could, after consultation with the staff representatives, request the Commission to determine the salary scale at a particular duty station, instead of making a recommendation. While not rejecting the idea of consultation with ICSC, ILO believed that prior arrangements should be made with its legislative and executive organs, which should approve the appropriateness of such consultations. The Director-General of ILO, during his latest visit to New York, had had talks with the Chairman of ICSC concerning the consultations to be held with ICSC. The Director-General was currently studying, with the appropriate organs of ILO, the conditions in which those consultations might be held.

23. <u>Mr. PIRSON</u> (Belgium) said that difficulties had arisen when the sponsors had tried to obtain a consensus text for paragraph 8 (a) o. draft resolution A/C.6/36/L.43/Rev.1 and they had therefore diluted the wording somewhat. Paragraph 8 (b) should be understood as excluding any request for a study of expatriate benefits for either the comparator civil service or the international civil service. An attempt had been made in the draft resolution to list four priority areas on which ICSC should focus its attention. The concept of total compensation should, for the current year, be regarded as excluding expatriate benefits, which did not preclude their consideration at a future date. The study should focus on the comparison with the United States Federal Civil Service. ICSC should not waste time and money on the study of another comparator civil service.

24. He understood that the elaboration of a special index for pensioners, referred to in paragraph 8 (d), would raise difficulties. It was not expected that a final report would be prepared in time for the thirty-seventh session of the General seembly.

25. He believed that he had adequately responded to the representatives of FAO and ILO, except with respect to paragraph 4. He appealed to the Committee to adopt by consensus the draft resolution, which was the outcome of considerable work on the part of the sponsors and other delegations. The draft resolution provided ICSC with sound guidelines and indicated what its priority fields of action should be.

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26. <u>Mr. SAULS</u> (United States of America) said that draft resolution A/C.5/36/L.43/Rev.1 and draft decision A/C.5/36/L.44/Rev.2 were very good texts. His delegation believed, however, that the decisions taken by the Committee regarding the elections to ICSC would, if endorsed by the plenary Assembly, cast doubt on the legality of the composition of ICSC and on its acceptability to the organizations that had accepted its statute, to the staff of those organizations and to the Advisory Committee on Administrative and Budgetary Questions. Pending further clarification of the questions of legality and acceptability, his delegation would not participate in decisions on the draft resolution and the draft decision.

27. <u>Mr. DEBATIN</u> (Under-Secretary-General for Administration, Finance and Management) said that he still did not understand the full implications of the proposed exclusion of expatriate benefits from the study referred to in paragraph 8 (b) of draft resolution A/C.5/36/L.43/Rev.l. ACC would like ICSC to examine expatriate benefits in determining the level of remuneration for staff in the Professional and higher categories. One interpretation of the subparagraph (b) was that the usefulness of such an examination was acknowledged, but that it should be undertaken at a later stage. Another interpretation was that when expatriate benefits were to be examined, there would have to be a specific decision to that effect adopted by the General Assembly.

28. In his capacity as Under-Secretary-General for Administration, Finance and Management, he had a duty to report to the executive heads of the United Nations organizations and to ACC on the content and implications of the draft resolution. He was seeking clarification so that he would be in a position to carry out that duty.

29. <u>Mr. PIRSON</u> (Belgium) said that paragraph 8 (b) was perfectly clear. In the light of the ICSC study referred to therein the General Assembly would be free, at its thirty-seventh session, to make such recommendations as it might deem appropriate.

30. Draft resolution A/C.5/36/L.43/Rev.1, as amended, was adopted without a vote.

31. <u>Mr. MONTHE</u> (United Republic of Cameroon), speaking in explanation of position, said that although his delegation had not objected to the adoption of the draft resolution, it did have some reservations, specifically with regard to paragraph 4.

32. <u>Mr. BOUZARBIA</u> (Algeria) said that his delegation too had reservations concerning paragraph 4.

33. Algeria was grateful to the sponsors for accepting its minor amendment to paragraph 8 (a). His delegation regretted that, for lack of time, it had been unable to follow the relevant consultations more closely. It reserved the right to become more involved in such consultations at the thirty-seventh session. The adoption, without a vote, of draft resolution A/C.5/36/L.43/Rev.1 should be without prejudice to the preparation of the studies requested by the General Assembly in its resolution 35/210.

(Mr. BOUZARBIA, Algeria)

34. His delegation supported the views concerning paragraph 8 (a) of the draft resolution expressed by the Under-Secretary-General for Administration, Finance and Management.

35. <u>Mr. DITZ</u> (Austria) said that, in line with the views it had expressed during the debate on personnel questions, his delegation had joined in the consensus on the draft resolution. Austria supported the remarks made by the Assistant Secretary-General for Personnel Services and looked forward to the separate reports on career development and other related questions called for by the General Assembly in its resolution 35/210.

36. <u>Mr. BELYAEV</u> (Byelorussian Soviet Socialist Republic) commended the sponsors on their efforts in preparing draft resolution A/C.5/36/L.43/Rev.1. His delegation had participated in the complex consultations regarding the draft resolution and, on the basis of the understanding reached, had found it possible not to object to its adoption without a vote. Nevertheless, not all the provisions of the draft resolution were compatible with his delegation's position on certain matters of substance.

37. In general, the draft resolution should afford ICSC a sound basis for its consideration of various questions of principle, with a view to enhancing the efficiency of the international civil service. Paragraph 8 as a whole was extremely important because it requested ICSC to give high priority to the completion of a number of studies of fundamental significance. On the basis of those studies, it should be possible to formulate recommendations on the question of the comparison of total compensation.

38. His delegation had some reservations concerning paragraph 9. The questions referred to in subparagraphs (a) and (b) were of secondary importance at the current stage. Subparagraphs (c) and (d) dealt with to the question of training. It was his delegation's position of principle that training activities should have a limited role in the United Nations system. ICSC should bear in mind that the United Nations was not a university. The staff of the Secretariat should concentrate on implementing the decisions of the General Assembly rather than on training. The goal was not to recruit a 20-year-old in the hope that he or she would one day become the Secretary-General. The United Nations had to recruit trained experts.

39. The Secretariat already had the option of arranging training seminars. Every effort should be made to ensure that such seminars did not require additional resources. The emphasis must be on the best possible use of resources in order to improve the qualifications of staff members.

40. The CHAIRMAN invited the Committee to turn its attention to draft decision A/C.5/36/L.44/Rev.2.

41. <u>Mr. AKWEI</u> (Chairman of the International Civil Service Commission), replying to a question from the Soviet representative, said that, as he understood it, the draf decision had no financial implications.

42. Draft decision A/C.5/36/L.44/Rev.2 was adopted without a vote.

43. The CHAIRMAN said that the Committee had inadvertently omitted to take action on the amendment to paragraph 9 (b) of draft resolution A/C.5/36/L.43/Rev.1 proposed by the representative of Belgium at the 78th meeting (A/C.5/36/SR.78, para. 47).

44. <u>Mr. PALAMARCHUK</u> (Union of Soviet Socialist Republics) said that it would be best to proceed on the basis of an informal understanding that ICSC had been requested to review the possibility of providing an element of subsidy to child-care expenses. If the Committee could agree to proceed on that basis, it would be unnecessary to change the text of the draft resolution, which had already been adopted. His delegation would not, however, object to such a change, if the Committee considered it necessary.

45. <u>Mrs. de HEDERVARY</u> (Belgium) said she agreed that the Committee should proceed on the basis of that informal understanding.

The meeting rose at 1 p.m.