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at 8 p.m.  
New York

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SUMMARY RECORD OF THE 38th MEETING

Chairman: Mr. BUJ FLORES (Mexico)

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

CONTENTS

AGENDA ITEM 101: FINANCING OF THE UNITED NATIONS PEACE-KEEPING FORCES IN THE  
MIDDLE EAST (continued)

- (a) UNITED NATIONS DISENGAGEMENT OBSERVER FORCE: REPORT OF THE SECRETARY-GENERAL
- (c) REVIEW OF THE RATES OF REIMBURSEMENT TO THE GOVERNMENTS OF TROOP-CONTRIBUTING  
STATES: REPORT OF THE SECRETARY-GENERAL

AGENDA ITEM 99: REPORT OF THE INTERNATIONAL CIVIL SERVICE COMMISSION (continued)

AGENDA ITEM 91: PROGRAMME BUDGET FOR THE BIENNIIUM 1980-1981 (continued)

United Nations accommodation at Nairobi

Comprehensive study of the question of honoraria payable to members of organs  
and subsidiary organs of the United Nations

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The meeting was called to order at 8 p.m.

AGENDA ITEM 101: FINANCING OF THE UNITED NATIONS PEACE-KEEPING FORCES IN THE MIDDLE EAST (continued)

- (a) UNITED NATIONS DISENGAGEMENT OBSERVER FORCE: REPORT OF THE SECRETARY-GENERAL (A/35/585 and Corr.1 to 3, A/35/653)
- (c) REVIEW OF THE RATES OF REIMBURSEMENT TO THE GOVERNMENTS OF TROOP-CONTRIBUTING STATES: REPORT OF THE SECRETARY-GENERAL (A/35/653; A/C.5/35/38)

Draft resolution A/C.5/35/L.22

1. Mr. DORR (Ireland), speaking on behalf of the sponsors, introduced draft resolution A/C.5/35/L.22, concerning the review of the rates of reimbursement to the Governments of States which contributed troops to the United Nations Disengagement Observer Force (UNDOF) and the United Nations Interim Force in Lebanon (UNIFIL) and said that Austria should be added to the list of sponsors.

2. The draft resolution proposed that the General Assembly should establish new standard rates of reimbursement of \$950 per man per month for all ranks, plus an additional \$280 per man per month for a limited number of specialists. Those new rates would take effect from 1 December 1980 in the case of UNDOF and from 19 December 1980 in the case of UNIFIL, should the Security Council decide to extend their mandates.

3. In 1974, the General Assembly had established for the first time standard rates of reimbursement to troop-contributing States for the pay and allowances of their troops serving with UNEF and UNDOF; those rates had been set at \$500 per man per month for all ranks, with an additional \$150 for a limited number of specialists, and had taken effect from 25 October 1973.

4. In 1977, the General Assembly had increased those rates to \$680 per man per month for all ranks, with an additional \$200 for a limited number of specialists. Those rates were still in force. Subsequently, in 1978, by resolution S-8/2, the General Assembly had decided that the standard rates of reimbursement established for UNEF and UNDOF should be applied to UNIFIL, created under Security Council resolution 425 (1978).

5. As costs had increased considerably since 1977, it had become necessary to increase the standard rates of reimbursement, and that had been accepted by the General Assembly at its thirty-fourth session, when it had adopted resolution 34/166, in which it had recognized that inflation and escalating troop costs had adversely affected the value in real terms of the rates of reimbursement established in 1977 and had requested the Secretary-General to study the existing rates in consultation with the States which contributed troops to UNDOF and UNIFIL.

6. In the report (A/C.5/35/38) submitted in response to that request, the Secretary-General reached the conclusion that the present rates of reimbursement

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(Mr. Dorr, Ireland)

could no longer be considered as providing fair and reasonable compensation to troop-contributing States. With the goal of ensuring equitable rates of reimbursement in accordance with resolution 34/166, and following discussions with the troop-contributing States, the Secretary-General recommended a new rate of \$950 per man per month for all ranks, with an additional \$280 for a limited number of specialists. That recommendation of the Secretary-General had been approved by the Advisory Committee on Administrative and Budgetary Questions and was incorporated in the draft resolution before the Committee.

7. The General Assembly recognized that those countries which contributed troops to the United Nations peace-keeping forces, in a desire to contribute to the achievement of the purposes and principles of the Charter, should receive fair and reasonable compensation for the pay and allowances of the troops which they provided to the United Nations; nevertheless, the Secretary-General's study showed that the standard rates established three years earlier did not meet that purpose. Accordingly, the main purpose of draft resolution A/C.5/35/L.22 was to endeavour to remedy that situation.

8. The CHAIRMAN said that at its 2256th meeting, held on 26 November, the Security Council, in resolution 481 (1980), had extended the mandate of UNDOF for a further period of six months, i.e., until 31 May 1981.

Draft resolution A/C.5/35/L.23

9. Mr. FAUTEUX (Canada) introduced draft resolution A/C.5/35/L.23, concerning the financing of the United Nations Disengagement Observer Force (UNDOF) and announced that the delegations of Argentina, Colombia, Denmark, Ghana and Panama had become sponsors of the draft resolution.

10. The formula for the financing of UNDOF that was proposed in document A/C.5/35/L.23 was essentially the same as that approved by the General Assembly in resolutions 33/13 and 34/7. That formula was based on a procedure separate from that applied to meet expenditures under the regular budget and was characterized by the creation of a special category of States which contributed to the financing of the peace-keeping forces, account being taken of the special responsibilities of the permanent members of the Security Council in that regard and of the need for the economically more developed countries to provide a relatively larger share of the contributions. The sponsors of the draft resolution were fully aware of the fact that the measures currently being proposed for the third consecutive year had originally been measures of an exceptional and provisional character, to be applied pending a permanent solution.

11. Unfortunately, in spite of the General Assembly's efforts, it had not been possible to eliminate the basic obstacle of the withholding of contributions by some Member States, which had for several years hindered the effective functioning of United Nations peace-keeping operations and had, to a large extent, contributed to the fact that the cumulative deficit of UNDOF and UNEF currently totalled \$54.5 million. That had caused considerable delays and reductions in the payment of the agreed rates of reimbursement to troop-contributing States, which had

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(Mr. Fauteux, Canada)

reiterated to the Secretary-General their deep concern about the heavy burden placed on them by that difficult financial situation. The persistence of that situation, both unacceptable and unfair, had prompted the sponsors to submit draft resolution A/C.5/35/L.23.

12. He drew the Committee's attention to the fact that the sums mentioned in the draft resolution for the financing of UNDOF had been calculated on the basis of the new rates of reimbursement to the Governments of troop-contributing States proposed by the Secretary-General in his report A/C.5/35/38. Accordingly, draft resolution A/C.5/35/L.23 assumed that the Fifth Committee and the General Assembly would adopt draft resolution A/C.5/35/L.22. The sponsors firmly believed that United Nations peace-keeping operations were the physical embodiment of the Organization's *raison d'être* and that it was therefore essential and urgent to find a solution to the crucial problem of the withholding of contributions to UNDOF and other operations of the same kind.

13. The sponsors therefore urged Member States to support draft resolution A/C.5/35/L.23 and to continue their efforts to find a final solution to the basic problem causing the difficulties.

14. Mr. DUQUE (Secretary of the Committee) said that the blank spaces in the second preambular paragraph of part A of draft resolution A/C.5/35/L.23 and in the operative paragraph of section III should be filled in to read "481 (1980) of 26 November 1980.". Likewise, in the first preambular paragraph of part B of the draft resolution, the blank space should be filled with the number 5. That left only the blank space in the third preambular paragraph of part A of the draft resolution to be filled in, which would be done once the General Assembly, on the recommendation of the Fifth Committee, had adopted the draft resolution concerning the rates of reimbursement to the Governments of troop-contributing States and had given it the appropriate number.

15. Mr. SADDLER (United States of America) said that while his delegation could accept the main thrust of the Secretary-General's report on the rates of reimbursement to the Governments of troop-contributing States, namely, that those rates should be increased to reflect some inflationary effects, it considered that the increases proposed by the Secretary-General, \$270 and \$80 per man per month were in excess of the figures which in its view would be appropriate at the present time, namely, \$250 and \$64.

16. On the financing of UNDOF, the Secretary-General proposed in his report (A/35/585, para. 13) that the General Assembly should take three decisions. The United States delegation supported the first decision proposed, whereby the amount of \$12,577,998 would be appropriated for the period from 1 June to 30 November 1980, since that appropriation had been authorized and apportioned for UNDOF in section III of General Assembly resolution 34/7 C.

17. Secondly, the Secretary-General proposed that provision should be made, through appropriation or authorizations, as appropriate, for meeting relevant requirements and for the apportionment of the corresponding amounts. Should the

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(Mr. Saddler, United States)

Security Council decide to renew the mandate of UNDOF beyond 30 November 1980. In that connexion, the Advisory Committee indicated (A/35/653, para. 18) that the amount proposed by the Secretary-General should be reduced by \$948,500. The United States delegation supported the Advisory Committee's recommendation.

18. Lastly, the Secretary-General proposed that the special financial period of UNDOF should cover periods of 12 months starting on the first day of December of one year and ending on 30 November of the next. The Advisory Committee had recommended acceptance of the Secretary-General's proposal at the preceding session (A/34/688, para. 18), and the United States supported that recommendation.

19. The United States was deeply concerned over the current status of contributions to the United Nations peace-keeping forces. In his report (A/35/585, para. 7), the Secretary-General drew attention to the serious shortfall caused by the fact that certain Member States had not paid their assessments for UNDOF. As a result, payments to troop-contributing States had not been made on time and those States had not been reimbursed fully in accordance with rates agreed upon.

20. The United States believed that all States should honour their financial obligations and pay the assessments for peace-keeping, as was clearly stated in Article 17 of the Charter. States should not only make their financial contributions in a timely manner, but should also endeavour to make the operations as effective as possible. The United States would continue to strive towards those ends, which had the support of most Member States.

21. Mr. AWOKOYA (Nigeria) said that his country had offered to contribute troops to UNIFIL because, although it was a developing country hard pressed to provide for its own needs, it was aware of the vital importance of the Force's work.

22. The Nigerian delegation had co-sponsored the draft resolution submitted by Ireland (A/C.5/35/L.22), although the rates of reimbursement proposed therein, following the Advisory Committee's recommendations, were lower, as the Secretary-General indicated (A/C.5/35/38, para. 7), than those requested by the troop-contributing countries and would be insufficient to allow those countries to recoup all their expenditures for the maintenance of international peace and security.

23. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) expressed his delegation's surprise that the Fifth Committee had not received the Secretary-General's report on the utilization of the funds approved at the previous session of the General Assembly for the liquidation of the United Nations Emergency Force, and added that he would like the Secretariat to provide the necessary information in that regard.

24. Regarding the appropriations that the Fifth Committee was considering for UNDOF, the delegation of the Soviet Union observed that, as in previous years, the appropriations included much unjustified expenditure. For example, the Advisory Committee indicated that under such items as the maintenance of premises, the purchase and maintenance of vehicles and other purchases, the amounts requested

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(Mr. Palamarchuk, USSR)

were excessive. As was well known, the Soviet Union based its position in the matter on the need to use the means and resources available to the United Nations as economically as possible. Consequently, since that criterion had not been applied in the case in point, the Soviet delegation could not support the appropriations requested for renewing the mandate of UNDOF. Nor could it approve the action by the Secretariat which had made it possible for excessive amounts to be spent in many categories relating to the Force up to 30 November 1980.

25. Regarding the Secretary-General's report on rates of reimbursement to troop-contributing countries, the Soviet delegation also reaffirmed its position of principle: the reimbursement rates had been fixed originally in arbitrary fashion, without any objective financial justification and at very high levels. Consequently, it could not approve a further increase in reimbursement rates that were already unjustifiably high. The Soviet Union could not accept the transformation of participation in the noble task of maintaining peace into a profit-making commercial undertaking.

26. Mr. KIMURA (Japan) said that his delegation fully supported the peace-keeping operations in the Middle East and therefore considered that all Member States had a collective responsibility fully to ensure the financial basis for those operations.

27. In that connexion, the Japanese delegation expressed its deep concern at the fact that some Member States were not paying their contributions or were withholding them, and that the amounts in question had been estimated to be some \$126 million on 30 June 1980, which was undoubtedly the main cause for the financial emergency of the United Nations.

28. The Japanese delegation, while paying tribute to those Member States which generously continued to provide troops to the peace-keeping operations in the area, appealed to those States which were withholding their contributions to reconsider their position on the financing of those activities. Sooner or later the time would come when it would be necessary to resort to drastic measures to ensure payment of the sums withheld by some Member States.

29. Lastly, with regard to the specific question of rates of reimbursement to troop-contributing countries, the Japanese delegation said that it was ready to accept the new rates of \$950 per man per month for all ranks, plus a supplemental \$280 per man per month for a limited number of specialists, as proposed by the Secretary-General in his report (A/C.5/35/38, para. 14), although it would represent a new financial burden for all contributing countries.

30. The CHAIRMAN informed the representative of the Soviet Union that the document he had requested would be distributed at the next meeting of the Committee.

31. Mr. RUEDAS (Assistant Secretary-General for Financial Services) explained in that connexion that the figures in the document were provisional and had not yet been verified.

32. Mr. HAMZAH (Syrian Arab Republic) said that his delegation would explain its position regarding the financing of UNDOF at a later stage. However, he wished to reply to the United States representative who, basing himself on the concept of collective responsibility, had alleged that all States ought to participate in financing operations of that type and that non-participation was a violation of the Charter.

33. Since his country felt that it had been referred to, he wished to ask the United States representative whether some Member States were not violating the Charter when they refused to compel the aggressor to withdraw, thus themselves becoming the origin of all the expenditure which they had later had to meet. Those States deceived nobody but themselves and their position was well known to all: were it not for the support they gave the aggressor, the world would not have been exposed to the violations of peace and security which had occurred in many regions.

AGENDA ITEM 99: REPORT OF THE INTERNATIONAL CIVIL SERVICE COMMISSION (continued)  
(A/35/30 and Corr.1; A/C.5/35/37, 39 and 61)

34. Mr. MAL'KO (Ukrainian Soviet Socialist Republic) said that his delegation had examined at length the careful and detailed report of the International Civil Service Commission (A/35/30), and he would focus in his statement on the question of post adjustments, which was a matter of the highest importance, since on the operation of the post adjustment system depended the remuneration of 16,000 staff members in the Professional and higher categories, at 160 duty stations throughout the world.

35. On the whole, his delegation believed that the work carried out by ICSC and the description of the purposes, operation and methodology of the post adjustment system were very valuable. However, the decisions proposed in the report were of a preliminary nature and did not take into consideration a number of factors that would have to be taken into account at a later stage, in accordance with comments made by the Committee and the General Assembly. Although it would be necessary to set up a more complex system at a later stage, his delegation believed that the existing system could provide a basis for all the organizations of the United Nations system. It did not consider that there was a better alternative, but that did not mean that the current system could not be improved.

36. In particular, his delegation believed that ICSC should improve the methodology for calculating levels of post adjustment, so that the Noblemaire principle could be applied at all duty stations, and not only at Headquarters. It was also to be hoped that all duty stations would be assigned the same importance as that assigned to New York, in order to avoid either underpaying or overpaying United Nations staff members at the various duty stations. It was true that it was a difficult task, but he was confident that ICSC could carry it out in the context of further action to develop the current system.

37. The review of current practices led him to believe that it was necessary to improve the consolidation of basic data (especially data on prices of goods and services and on the pattern of personnel costs) not only at Headquarters but also at the other duty stations, where there might be people who wished to give the calculations a subjective slant.

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(Mr. Mal'ko, Ukrainian SSR)

38. In view of what he had just said, ICSC and its subsidiary body, the Advisory Committee on Post Adjustment Questions (ACPAQ), should pay greater attention to monitoring and checking all stages of data gathering and processing and should try to play a direct role in the process in order to improve existing methods. It was also necessary to improve the methodology for calculating post adjustment, which, in his delegation's view, should be more sound. In that connexion, the explanations in paragraph 34 of annex VI to the ICSC report (A/35/30) on utilization of the Fisher formula seemed artificial. Staff assigned to duty stations other than New York should adapt to new conditions in time, but frequently that was not the case, which gave rise to the need to devote greater attention to a more realistic methodology for determining living and working conditions. Greater justification was also needed for the adjustments made at duty stations other than Headquarters, which were generally assigned secondary importance.

39. With regard to the recommendations made in paragraph 101 of the report concerning post adjustment, the reasons put forward to justify consolidation of 30 points of post adjustment into the base pay of Professional staff seemed superficial and unconvincing. His delegation also had doubts and reservations with regard to application of the "no loss and no gain" principle, since it would have considerable financial implications for Member States. It wished, moreover, to have more data on current base pay and on the Tax Equalization Fund.

40. Other matters that caused concern to his delegation were the review of the education grant and the classification of duty stations according to living and working conditions. The purpose of the relevant recommendations was in fact to increase the grant paid to international civil servants, without taking into consideration the more important question of comparing the situation of international civil servants with that of officials in the respective national civil services.

41. His delegation did not find the proposal concerning the introduction of the new job classification system convincing. The new system was based on experience in the private sector, and it thus conflicted with the Noblemaire principle, which, as was known, was based on conditions in the United States Civil Service. Furthermore, the development of new systems was a duplication of similar action taken by the Secretariat, which was about to set up a new classification system. Therefore, before a decision was adopted, the Committee's Working Group must state its conclusions concerning the positive and negative aspects of both classification systems.

42. In conclusion, his delegation was also concerned at the recommendation of ICSC in paragraph 253 of its report that the authority to grade posts should be delegated to the executive heads of the various organizations. In his view, such authority should be the exclusive prerogative of intergovernmental bodies.

43. Mr. SLABY (Czechoslovakia) said that paragraph 101 of the report of the International Civil Service Commission (A/35/30) recommended to the General Assembly that 30 points of post adjustment should be consolidated into base salary on the basis of no loss and no gain. Moreover, in paragraph 95 of its report ICSC

(Mr. Slaby, Czechoslovakia)

indicated that, for the first time in many years, the United Nations Tax Equalization Fund would fall into deficit (estimated at 13 per cent) and that, unless a sufficient amount of post adjustment was consolidated into base salary to replenish the Tax Equalization Fund, that deficit would, under rule 105.3 of the Financial Rules of the United Nations, be financed from the regular budget of the Organization and thus become a charge upon all Member States. Paragraph 101 also stated that consolidation of 30 points of post adjustment into base pay on the basis of no loss and no gain would redress to some extent the anomalies mentioned earlier and, more important, help the situation vis-à-vis the Tax Equalization Fund.

44. It followed that the main reason for the recommended consolidation was the anticipated deficit of the Tax Equalization Fund, which, in his delegation's view, showed that it was necessary for the Committee and the General Assembly to examine the relationship between the Tax Equalization Fund and consolidation of post adjustment into base pay on the basis of no loss and no gain.

45. The Tax Equalization Fund had been established under General Assembly resolution 973 (X), of 15 December 1955, and its function and method of operation were described in rules 105.2 to 105.5 of the Financial Rules of the United Nations. Its main purpose was to reimburse income tax paid by staff members of the United Nations Secretariat who were nationals of countries where such tax existed: reimbursement was financed from the staff assessment income.

46. In 1973, with 8 to 10 points of post adjustment in New York, the total tax payments reimbursed had amounted to 82 per cent. After consolidation of five points of post adjustment on 1 January 1974 and a further 5 points on 1 January 1977, the share of reimbursed taxes in staff assessment income had amounted to 88 per cent in 1977, 90 percent in 1978 and 99 per cent in 1979. In 1980, with 8 to 10 points of post adjustment in New York, as in 1973, the share would rise to 113 per cent, as stated in the ICSC report. The Tax Equalization Fund might therefore be in deficit in 1980.

47. Furthermore, the growing share of reimbursed taxes in staff assessment income had been affected by the reduced scale of assessment of the United States, a reduction authorized in 1973 by General Assembly resolution 3062 (XXVIII). That reduction had naturally resulted in the reduction of United States credit in the Tax Equalization Fund, i.e. the credit from which the Secretariat reimbursed the taxes paid by United States nationals employed in the United Nations Secretariat.

48. Another important fact was the possible increase in income tax rates in those States which taxed their nationals employed in the Secretariat. It was apparent from resolution 1099 (XI) of 27 February 1957, according to which reimbursement applied not only to "national income taxes" but also to "local or state income taxes", that that possibility was not merely hypothetical.

49. Another reason against consolidation, which was actually a transfer of a part of the post adjustment to net base pay, was the fact that not only was the base pay thereby increased but, after the addition of staff assessment, the gross salary was increased too. That, of course, had an effect on the calculation of contributions

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(Mr. Slaby, Czechoslovakia)

to the Pension Fund which, in the case of Secretariat staff, amounted to 7 per cent of the gross but, in the case of States Members of the United Nations, represented 14 per cent.

50. It followed from financial rules 105.2 to 105.5 that so far no Member State gained or lost anything from the operation of the Tax Equalization Fund, as every Member State recovered the whole amount which it had paid into the Fund in its over-all contribution to the United Nations budget, either directly by deducting that amount from the contribution for the next calendar year or indirectly in the national income tax. The question was, however, how much did the operation of the Fund - an operation which in substance was a transfer of money "from one pocket to another" - cost all the Member States. His delegation did not have the data on the numbers of Professional and General Service staff members who performed administrative functions relating to the operation of the Fund. The total expenditures might be negligible but, whatever they were, they could be saved and, if the Fund did not exist, there would be one item less to pay from the United Nations budget.

51. All those factors, particularly in combination, could at any time in the future cause a deficit in the Fund, for example, in a situation where it could not be remedied by consolidation because, in a large number of duty stations, it would change positive points of post adjustment to negative ones with all the undesirable consequences. Without consolidation, the deficit of the Fund, as had already been stated, would have to be charged to the regular United Nations budget, which would mean that those Member States which had exempted their nationals working in the Secretariat from the income tax, would pay towards the taxes of Member States which taxed their nationals employed in the Secretariat.

52. His delegation therefore took the view that the time had come for the Fund to be abolished. However, that was not possible so long as there were Secretariat employees who were obliged to pay national, local or state income taxes. The Committee should therefore consider recommending that the General Assembly should call upon Member States which had not yet exempted their nationals employed in the secretariats of the international organizations of the United Nations system from the payment of income taxes to do so as soon as possible.

53. With regard to the education grant, as indicated in paragraph 157 of its report, ICSC had decided to accept the proposal of the Federation of International Civil Service Associations (FICSA) to increase the education grant for children of staff members living abroad and the amount payable for boarding.

54. The ICSC recommendations to increase the education grant and the amount payable for boarding were badly timed. Moreover, as ICSC itself recognized, they represented only an interim solution, as 1980 was not a budget year of the United Nations. The Committee should therefore recommend that the General Assembly should request ICSC to reconsider its recommendations on those matters and to submit a definitive solution to the General Assembly at its thirty-sixth session, i.e. in 1981, which was a budget year.

(Mr. Slaby, Czechoslovakia)

55. At its eleventh session, ICSC had worked out and distributed a questionnaire relating to the health, climate, education, housing, isolation and local conditions in the various field duty stations. On the basis of the answers from less than 50 per cent of those duty stations, ICSC was submitting two recommendations to the General Assembly concerning the "frequency of home leave" and "educational facilities", together with their financial implications (A/35/30, paras. 223 to 226). At the same time, it noted that, in view of the incomplete nature of the replies the results submitted might change.

56. His delegation did not underestimate the difficult conditions encountered by staff members in various field duty stations or the difficulties relating to the quantification and classification of those conditions. It also appreciated the difficulties faced by organizations of the United Nations system in recruiting and retaining for field service staff at all levels. It nevertheless thought that the ICSC recommendations were premature.

57. ICSC had been considering the questions relating to living and working conditions in field duty stations for several years. Nevertheless, it was submitting only partial recommendations to the General Assembly. ICSC itself had decided "to postpone its decision on the question" of financial incentives "to its next session at which time it expected to have more conclusive information regarding the duty stations which would qualify for such incentives" (A/35/30, para. 227).

58. His delegation considered that decision by ICSC to be wise and that the Committee should recommend the General Assembly to request ICSC to combine its recommendations submitted in 1980 with those it intended to submit the following year and to bring them before the General Assembly in 1981 which was a budget year.

59. Mr. WILLIAMS (Panama) said that his delegation was gratified to note the remarkable progress made by ICSC, whose recommendations were consistent with the mandate assigned to it by Member States, and the important part it had played in the dialogue, inquiry and process of consultation with the representatives of the Staff Union in regard to the activities of ICSC. In addition to generating a democratic and frank atmosphere, those consultations had enabled more realistic recommendations to be formulated.

60. Panama, loyal to its principle of defending the genuine aspirations of the working classes, fully endorsed the methodology used and the results obtained in the post classification exercise for the Professional category and the review of the post adjustment system which affirmed the concept of equal pay for equal work for all members of the international civil service wherever they might be stationed.

61. Regarding the ICSC recommendations on the pensions scheme, his delegation reserved the right to speak later when the Committee took up the matter.

62. Where conditions of service in the field were concerned, his delegation endorsed the position taken by ICSC and was ready to support any action to improve working conditions for United Nations field staff. It also welcomed the

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(Mr. Williams, Panama)

Commission's cautious but firm approach to the question of remuneration of staff in the Professional and higher categories, which was entirely in keeping with the desire of Member States that their contributions to the United Nations should be properly used, and it looked forward to the detailed report to be submitted to the Assembly at its thirty-sixth session.

63. His delegation would like the Acting Chairman of ICSC to tell the Committee what the working group appointed to consider the question of revising the post adjustment system had done so far. If the group had not arrived at any specific conclusions, his delegation officially requested that a full report on the matter should be submitted to the Assembly at its thirty-sixth session.

64. His delegation was also keenly interested in the various aspects of the remuneration of General Service staff, manual workers and the Security and Safety Service; fair and positive solutions must be arrived at for that large group, which was the backbone of the Organization.

65. With regard to the education grant (A/35/30, paras. 149-158), his delegation agreed with ICSC on the need to review the amount of that fringe benefit. There were many outside factors affecting that area, making a well-considered and rational readjustment desirable. While those factors weighed heavily on all United Nations staff, nationals of the Headquarters country were probably affected most. A serious and detailed study should therefore be made, with a view to arriving at solutions favourable to that group of staff members.

66. Mr. KABEYA MILAMBU (Zaire) said that the ICSC report (A/35/30) made an exhaustive examination of the functioning of the international civil service and revealed some obvious short-comings.

67. During the meetings of the open-ended working group on personnel questions, delegations had an opportunity to hear the senior officials who dealt with personnel matters at the United Nations, the Under-Secretary-General for Administration, Finance and Management and the Assistant Secretary-General for Personnel Services. It was clear from their statements that there was a latent malaise in the United Nations for which an urgent and effective cure must be found. The Secretary-General himself, in a letter to the Chairman of the Fifth Committee, had recognized that there was a problem which might require a revision of the existing structures. His delegation welcomed that initiative, and also the fact that the staff representatives had made recommendations for improving conditions for international civil servants.

68. In general, his delegation agreed with the recommendations in the ICSC report (A/35/30); however, there were some suggestions that it wished to make on certain paragraphs of the report.

69. With respect to personnel categories, his delegation considered, on the basis of the letter which the Acting Chairman of ICSC had addressed to the Secretary-General, who had transmitted it to the Fifth Committee, that that unfortunate situation should be remedied, and he urged ICSC and the Joint Inspection Unit to come to an agreement on the matter in the overriding interest of the international community.

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(Mr. Kabeya Milambu, Zaire)

70. In paragraphs 83 to 123 of its report, ICSC referred to the comparison to be made in application of the Noblemaire principle. In accordance with the mandate given to it, ICSC followed the evolution of the margin between the remuneration of the United States Civil Service, which was currently the comparator, and that of the United Nations common system. His delegation would like to know whether the United States Civil Service was in fact the best paid. If it was, the present system should continue to be applied; if not, another country should be chosen as the comparator. In its opinion, it was time to try to find a new formula that would be more independent than the present one.

71. Regarding the supplementary payments which international civil servants of certain nationalities received from their Governments, his delegation agreed with the conclusions reached by ICSC, namely, that payments of that kind were inconsistent with the provisions of staff regulations and made it difficult for both organizations and staff members to ensure that such regulations were respected and enforced.

72. There were, of course, national laws authorizing those countries to make adjustments to the salaries of their nationals employed by the United Nations, in recognition of the fact that the salaries now being paid to international civil servants were inadequate. What should be done, therefore, was to increase the salaries of staff members of the United Nations and the specialized agencies in the light of the cost of living at duty stations and of working conditions.

73. In paragraphs 234 to 310 of its report, ICSC described its position in matters of personnel policy. His delegation largely agreed with ICSC regarding the provisions of articles 13 and 14 of its statute.

74. Lastly, his delegation would like to know what place women would occupy in the context of the "Master Standard" described by ICSC in its report.

75. Mr. OREBI (Food and Agriculture Organization of the United Nations), referring to the recommendations contained in the ICSC report (A/35/30), said that FAO, like all the specialized agencies, was essentially a field-oriented organization and decentralization was one of the main pivots of its policy. It therefore relied mainly on its staff in the field for successful implementation of its programme of work. It was only by the final results of its efforts in the field that FAO's input to the attainment of the development objectives of its member States could be evaluated. That massive, continuing effort would founder were it not for the dedication of those who executed what was planned by their more fortunate colleagues at headquarters.

76. The ICSC proposals concerning field service conditions were little more than symbolic acknowledgement and marginal compensation for the endeavours of field staff. Allowing them to see their children twice instead of once a year, reducing the period between one home leave and another and conceding in principle what was no more than token monetary compensation constituted an attempt to express appreciation to the silent majority.

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(Mr. Orebí, FAO)

77. The question of the education grant, which affected a wide spectrum of staff members, was another issue of special concern to FAO and to the International Fund for Agricultural Development, which associated itself with the comments he was about to make.

78. Both the ICSC report and the introductory statement by its Acting Chairman had drawn attention to the disparity between costs of education and the current level of the education grant and had made proposals to remedy that unfortunate situation.

79. The ICSC report, based on figures submitted by FICSA, demonstrated that, system-wide in 1979, the education grant had covered 66.8 per cent of education costs, as against the 73 per cent which the Commission had considered adequate on the occasion of its last review. Those figures were accurate, but they were strongly conditioned by two important factors. At headquarters duty stations, high costs had been cushioned by the introduction of floor exchange rates providing relief to staff members. In New York, the General Assembly's grant of \$3,550,000 to the United Nations International School had allowed fees to be kept substantially below what they would otherwise have been.

80. Such actions to protect against the erosion of the education grant merited support, but the fact was that in duty stations such as Rome, where the phenomenon of the currency's depreciating in relation to the United States dollar did exist, school fees had doubled since 1977 and were expected to increase still further in 1981, so that the current level of education grant covered barely 50 per cent of actual cost. That situation required remedial action, as it seriously affected staff members in Rome and other low-value currency areas and forced them to borrow or to deprive their children of a university education.

81. FAO was strongly in favour of the adoption of ICSC's recommendations, although it would stress that the limited measures contemplated would only partially offset the oppressive burden on many staff members. He suggested that the Commission should be invited to carry out not only periodic reviews but also an in-depth and detailed study with a view to recommending an adjustment formula which would more adequately respond to the problem.

82. Mr. NIALL MacCABE (International Labour Organisation) said that the ILO Governing Body, whose two-hundred-fourteenth session had just concluded, had already taken preliminary decisions on certain of the recommendations of ICSC and would consider the others at its two-hundred-fifteenth session in February 1981. The decisions already taken by the Governing Body were provisional, pending the recommendations of the Fifth Committee and the decisions of the General Assembly.

83. He endorsed the remarks of the representative of FAO on the two recommendations which he had mentioned and which had been provisionally endorsed by the ILO Governing Body: the recommendation on education grant and the recommendation on home leave and education travel entitlement of staff serving in certain duty

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(Mr. Niall MacCabe, ILO)

stations. The improvement of conditions in the field appeared to ILO to be both necessary and an aid to its policy of maximum rotation of staff between headquarters and field assignments.

AGENDA ITEM 91: PROGRAMME BUDGET FOR THE BIENNIUM 1980-1981 (continued)

United Nations accommodation at Nairobi (A/C.5/35/35 and Add.1; A/35/7/Add.11)

84. Mr. ZASK (Sweden) said that, before the reports now available had been submitted, his delegation had been dissatisfied with the lack of precise information to Governments on an important matter and concerned about the way it had been dealt with. It was of the utmost importance to his Government that existing rules and regulations with respect to tendering processes and awarding of contracts should be strictly followed and not influenced by political considerations. International competitive bidding was in the interest both of the organizations concerned and of the prospective suppliers.

85. Despite that, his delegation was prepared to accept the proposed revised project for the United Nations accommodation at Nairobi as presented in document A/C.5/35/35/Add.1 and in the related report of the Advisory Committee because, in the view of his Government, it was most important that United Nations resources should be used in the most economical manner, especially during times of financial constraints. Moreover, the revised proposal seemed to be well-founded and accurate. His delegation hoped that the revised proposal, if accepted, would be speedily implemented and would result in the estimated savings.

Comprehensive study of the question of honoraria payable to members of organs and subsidiary organs of the United Nations (A/C.5/31/2; A/C.5/33/54; A/33/7/Add.39; A/C.5/35/L.20, A/C.5/35/L.21)

86. Mr. EL-SAFTY (Egypt) said that, as he had stated at an earlier meeting, the revised rates of honoraria proposed in draft resolution A/C.5/35/L.21 were too low. He therefore proposed that they should be modified as follows: Chairmen (Presidents), \$4,000; Vice-Chairman of the International Narcotics Control Board, \$4,000; other members \$3,000.

87. He also proposed the deletion of the words which appeared in parenthesis in operative paragraph 1 of the draft resolution.

88. Mr. SADDLER (United States of America) said that his delegation was opposed in principle to payments of honoraria, which were notional amounts and only imprecisely related to the value of services performed. In its view, honoraria were not designed to provide per diem payments to members of organs and subsidiary organs of the United Nations. Such per diem payments were made separately; therefore, honoraria payments need not be increased or decreased because of changes in the cost of living. Those changes did affect the per diem rates, but an increase in honoraria was not justified.

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(Mr. Saddler, United States)

89. In the view of the United States, the prestige and personal satisfaction attaching to the work for which honoraria were paid were in themselves adequate compensation.

90. For those reasons, the United States would be unable to support the increase in the honoraria proposed in draft resolution A/C.5/35/L.21.

91. Mr. PRODROMOU (Cyprus), referring to the question of honoraria payable to members of organs and subsidiary organs of the United Nations and to the Mexican draft resolution (A/C.5/35/L.21), said that, taking into consideration the importance of the work and the amount of time spent by such experts, the present honoraria were inappropriate and should be substantially increased. The amounts proposed in the draft resolution were still not enough, but the Mexican proposal was a good beginning and deserved support.

92. Where members of the Human Rights Committee were concerned, article 35 of the International Covenant on Civil and Political Rights stated that they "shall, with the approval of the General Assembly of the United Nations, receive emoluments from United Nations resources on such terms and conditions as the General Assembly may decide, having regard to the importance of the Committee's responsibilities". It should be recalled that, in accordance with article 28 of the Covenant, members of the Committee served in their personal capacity and not as representatives of Governments.

93. Since the establishment of the Human Rights Committee, its members had received, in addition to the payment of the cost of their travel to and from meetings of the Committee and a per diem subsistence allowance, an honorarium of \$1,000 per annum. In order to carry out its functions under the Covenant and its Optional Protocol in a responsible manner, it was necessary for the Committee to meet for eight weeks a year (in three sessions), and in 1981 it was scheduled to hold three sessions, each of three weeks. In addition, members of the Committee attended at least one working group meeting of a week's duration each year, and there was also preparatory work to be done between sessions. Members were therefore called upon to devote nearly three months each year to the work of the Committee, which was likely to increase in the future.

94. Mrs. DORSET (Trinidad and Tobago) pointed out that, in addition to the draft resolution submitted by Mexico in document A/C.5/35/L.21, the Committee had before it an amendment proposed by the delegation of Egypt. Her country was concerned that the question of honoraria payable to members of organs and subsidiary organs of the United Nations should not be dealt with too hastily and felt that the Committee should study the proposed amendment carefully before taking a decision.

95. Mr. HAMZAH (Syrian Arab Republic) said that, in his delegation's view, the honoraria payable to members of organs and subsidiary organs of the United Nations bore no relation to the special skills and important functions involved. The payment of such small honoraria seemed unreasonable. His delegation therefore considered that the amount should be revised in accordance with the Mexican proposal.

96. Mr. FARMER (Australia) said that his delegation's position regarding the remuneration of members of organs and subsidiary organs of the United Nations was based on two points of view. First, he considered that it would be regrettable to authorize exceptions to General Assembly resolution 2489 (XXIII) of 1968 entitled "Expenses to be incurred by the United Nations in respect of individuals or groups of experts appointed by organs or subsidiary organs for the performance of special ad hoc tasks". Secondly, since the honoraria payable to members of those organs were not in the nature of salaries, the arguments in favour of bringing them up to date by payments to compensate for cost-of-living increases were therefore invalid.

97. His delegation would therefore not support any measures for increasing the existing levels of payment or for making such a practice more general.

98. Mr. BOUZARIA (Algeria), referring to the Mexican draft resolution in document A/C.5/35/L.21, said that, in his delegation's opinion, there were two alternatives: either to pay the members of organs and subsidiary organs adequate honoraria or to abolish such payments. It was absurd to continue paying the same amounts as 10 years earlier without taking account of the erosion of purchasing power. Since the General Assembly had decided to maintain the payments, it would be advisable to increase them.

99. His delegation supported the Mexican proposal and welcomed the Egyptian amendment, which would mean an even higher level of remuneration. He also wished to know whether a decision was to be taken at the current meeting; otherwise he would reserve the right to speak again on the matter at a later stage.

100. Mr. YAMAMOTO (Mexico) said that his delegation accepted the Egyptian amendment and suggested that a vote should now be taken.

101. Mr. PICO DE COÑA (Spain) said that his delegation shared the view that it would be unwise to make too many exceptions to General Assembly resolutions and decisions. In the present case, however, the Assembly itself had approved exceptions, for example in respect of the International Law Commission, the International Narcotics Control Board, the United Nations Administrative Tribunal and the Human Rights Committee.

102. Consequently, the proposal to increase the remuneration for members of those organs, as compensation for a cost-of-living increase, seemed logical. His delegation would accordingly support draft resolution A/C.5/35/L.21, as amended by the delegation of Egypt.

103. Mr. SADDLER (United States of America) said that the Egyptian amendment introduced a new element and, in his delegation's opinion, the view of the Advisory Committee on Administrative and Budgetary Questions should be sought on the financial implications of the proposal.

104. Mr. STUART (United Kingdom), on a point of procedure, said that he saw no need to transmit draft resolution A/C.5/35/L.21 as amended to the Advisory Committee, since the latter had studied the problem in detail and indicated its disapproval. In his opinion, it would be inappropriate to ask the Advisory Committee to work out the financial implications, since that was a task which the Secretariat could perform.

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105. Mr. HOUNA GOLO (Chad) said that, in accordance with established procedure, the Committee should first adopt the draft resolution and, if the financial implications exceeded the sum of \$25,000, transmit it to the Advisory Committee for a decision.

106. Mr. SADDLER (United States of America) said that in his opinion the Egyptian amendments were substantive and not merely procedural, since they involved the deletion of the phrase in brackets in paragraph 1 of draft resolution A/C.5/35/L.21.

107. The CHAIRMAN said that, in accordance with rule 153 of the rules of procedure, it would be necessary to know the administrative and financial implications of the draft resolution, as amended, before it was put to a vote. If the financial implications exceeded the sum of \$25,000, the question would have to be submitted to the Advisory Committee.

108. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that, if the Fifth Committee were to adopt draft resolution A/C.5/35/L.21 as amended by Egypt, which stipulated the honoraria payable to members of principal organs and subsidiary organs of the United Nations, a fait accompli would be created with regard to which the Advisory Committee would have nothing to say. On the other hand, if the Fifth Committee were to decide only to increase the honoraria, without specifying the amount, the Advisory Committee would be able to advise on the matter.

109. Mr. RUEDAS (Assistant Secretary-General for Financial Services) said that the financial implications of adopting draft resolution A/C.5/35/L.21 would be \$125,000, apportioned in the following way: International Narcotics Control Board, \$27,000; Human Rights Committee, \$36,500; United Nations Administrative Tribunal, \$14,500; and International Law Commission, \$47,000.

110. At the request of the representative of the Soviet Union, a separate vote was taken on paragraph 2 of draft resolution A/C.5/35/L.21.

111. Paragraph 2 of draft resolution A/C.5/35/L.21 was adopted by 50 votes to 13, with 19 abstentions.

112. A vote was taken on draft resolution A/C.5/35/L.21 as a whole, as amended by the delegation of Egypt.

113. Draft resolution A/C.5/35/L.21, as amended by the delegation of Egypt, was adopted by 53 votes to 11, with 19 abstentions.

114. Mr. STUART (United Kingdom), explaining his vote, said that his delegation had abstained on the draft resolution as a whole since, although it supported the principle of revising the honoraria in question, the amount proposed seemed excessive in times of financial austerity.