

UNITED NATIONS

GENERAL  
ASSEMBLY



LIMITED

A/C.5/SC.7/L.3  
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Fifth session  
FIFTH COMMITTEE

BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1951

Salary, Allowance and Leave System of the United Nations:  
Application of Salary Differentials

(Note by the Secretary-General)

1. The Committee of Experts proposed that salary differentials should be applied to that part of a staff member's salary which would in fact be affected by living costs in the area. It was recognized that a proportion of salary will normally be expended in the home country and part will go into savings, including pension contribution, and that the amount remaining would probably be in the region of 75 per cent. The Committee was mindful of the fact that the application of a differential, either plus or minus, to the whole salary would involve too great an adjustment, particularly for staff in the higher salary grades.
2. The Advisory Committee considered that it was undesirable, on administrative grounds, to apply the differential to an arbitrary proportion of salary.
3. The Secretary-General believes that the Expert's proposal to apply differentials to 75 per cent of salary is more equitable than to apply the differentials to the whole of salary and that this plan would, therefore, be more acceptable to members of the staff. He does not foresee any serious administrative difficulties in applying the Experts' plan and in view of the fact that the organization has plus differentials in some areas and minus differentials in others, the budgetary effect of the plan would appear to be inconsequential.
4. The majority of the specialized agencies have indicated their agreement with the Experts' plan and the WHO has in fact already installed this

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arrangement for its branch offices. In the interest of co-ordination with the specialized agencies the Secretary-General accordingly recommends that the Experts' proposals be accepted.

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