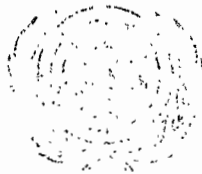


UNITED NATIONS

GENERAL ASSEMBLY



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FIFTH COMMITTEE

BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1951

Salary, Allowance and Leave System of the United Nations:

Non-Resident's Allowance and Language Bonus

(Note by the Secretary-General)

1. During the Fifth Committee and sub-committee discussions of the repatriation grant, several delegations expressed concern over the effect of the elimination of the expatriation allowance which has been paid on a current basis since 1947 on the take-home pay of the staff, particularly in the lower grades. It was suggested that some study be given to the possibility of continuing the expatriation allowance of staff in new salary levels "A" through "D" (Salary range \$1,900 - \$4,200) recruited outside the country of their duty station.
2. The representative of the Secretary-General pointed out that the Committee of Experts had not been unmindful of the financial problems of staff in the lower grades who were recruited abroad. The Experts had recommended that while the salary scales for the General Service Category should be set in accordance with the best prevailing wage rates for similar work in the area of each office, consideration should be given to establishment of a "non-resident's allowance" for staff recruited abroad to fill certain posts in this category. Such an allowance would compensate the "semi-local" staff members for extra expenses incurred in living away from their home countries - e.g., higher rent than is paid by residents of the area.
3. The Advisory Committee on Administrative and Budgetary Questions at its spring session also studied the question and concurred generally in the plan but noted, inter alia, that

/"Secondly, it may
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"Secondly, it may be impracticable in certain areas to pay the so-called "semi-local" staff, who are in fact internationally recruited, on the basis of prevailing rates for comparable work in the duty-station area plus a non-resident allowance. Sufficient flexibility must therefore be retained to allow the Secretary-General to fix rates at points between those appropriate for locally recruited staff, on the one hand, and the international staff on the other."

4. During 1950, the Secretary-General has undertaken studies concerning local salary rates and the amount of the non-residence allowance in the area where United Nations has established offices. These studies had not been completed at the time of preparation of the 1951 Budget Estimates and the Secretary-General, therefore, noted in the foreword to the estimates that

"the question of a non-resident's allowance, as recommended by the Committee of Experts in cases where local posts can only be filled from recruitment outside the immediate area, remains for specific determination. It is my expectation that any additional costs arising from decisions on these matters can be absorbed within the appropriations requested."

5. The results of these studies in Geneva, which were conducted in close collaboration with the specialized agencies located there, resulted in a local salary scale ranging from 10-30% below the salaries at present paid for work in these categories. To these scales it is considered necessary to add a non-resident's allowance of 1800 Swiss francs in the lower grades for staff necessarily recruited in other European countries. In New York, the Experts had recommended a scale for the General Service, based on prevailing New York rates, but left the amount of the non-resident's allowance open. The Secretary-General believes it should be set at \$200 net per annum. It is not necessary to set it as high as in Geneva since the basic local salary scale is higher and \$200 would cover in some measure the most important differences in costs to the internationally recruited secretary or clerk.

6. The Secretary-General's proposal is to pay the allowance at headquarters to semi-local staff whose net salary is below \$3,600. It would be considered as pensionable and as assessable income under the Staff Assessment Plan. On this basis, the estimated cost in 1951 would amount to approximately \$57,000.

7. The Secretary-General wishes to emphasize the fact that the proposed non-residence allowance is an essential part of the general salary plan (recommended by the Committee of Experts and endorsed by the Advisory Committee) for locally and "semi-locally" recruited staff.

/8. An additional

8. An additional factor in the salary of semi-local staff who demonstrate continuing proficiency in any two of the United Nations official languages is the Experts' proposal of a "language bonus". It was the conclusion of the Experts that secretarial and clerical staff, utilizing two or more of the official languages should have some compensation additional to that paid to monolingual staff. The Secretary-General has completed his studies of the administrative aspects of this question and is considering new staff rules which will provide payment of such a bonus to staff in salary levels, B, C or D at Headquarters (salary ranges \$2,200 - \$4,200), or their equivalent in the local salary structure of other established offices, who pass an appropriate examination and demonstrate continuing proficiency in any two of the United Nations official languages. For the sake of administrative simplicity, the Secretary-General proposes to establish the bonus as the equivalent of a one-step increase, extending, where necessary beyond the staff member's salary level. This means that the bonus would amount to \$100 per annum for eligible staff in the junior and intermediate levels (\$2,200 - \$3,500) and \$150 in the senior level of the General Service category (\$3,600 - \$4,200) at the headquarters. Detailed application of the plan to Geneva and other overseas offices has not yet been completed.

9. It is expected that the full implementation of these proposals from 1 January 1961 will provide equitable treatment for the staff together with economies for the Organization.
