



Wednesday, 25 November 1970,
at 8.40 p.m.

Chairman: Mr. Max H. WERSHOF (Canada).

AGENDA ITEM 73

Budget estimates for the financial year 1971 (continued) (A/7822, A/7937, A/7968, A/7987 and Add.1, A/8006, A/8008 and Add.1 to 4, A/8032, A/8033, A/8072, A/8122, A/8133, A/C.5/1296, A/C.5/1298, A/C.5/1302 and Corr.1 and Add.1, A/C.5/1303 and Add.1, A/C.5/1305, A/C.5/1307, A/C.5/1309, A/C.5/1310, A/C.5/1315 and Corr.1, A/C.5/1317, A/C.5/1319, A/C.5/1320 and Corr.1, A/C.5/1322 and Corr.1, A/C.5/1329, A/C.5/1331, A/C.5/1332, A/C.5/1333, A/C.5/L.1041, A/C.5/L.1049, A/C.5/L.1053, A/C.5/L.1055, A/C.5/XXV/CRP.7, A/C.5/XXV/CRP.9, A/C.5/XXV/CRP.11, A/C.5/XXV/CRP.13 to 15, A/C.5/XXV/CRP.16 and Add.1, A/C.5/XXV/CRP.17)

Salary scales for the Professional and higher categories (continued) (A/8008/Add.3, A/C.5/1303 and Add.1, A/C.5/L.1049, A/C.5/L.1053, A/C.5/XXV/CRP.7, A/C.5/XXV/CRP.9, A/C.5/XXV/CRP.11, A/C.5/XXV/CRP.13 to 15, A/C.5/XXV/CRP.16 and Add.1, A/C.5/XXV/CRP.17)

PROPOSAL CONTAINED IN DOCUMENT A/C.5/L.1049 AND DRAFT RESOLUTIONS A/C.5/L.1053, A/C.5/XXV/CRP.14 AND A/C.5/XXV/CRP.16 AND ADD.1 (continued)

1. Mr. REFSHAL (Norway) said that his delegation continued to support the conclusion of the Advisory Committee on Administrative and Budgetary Questions set out in paragraph 58 (b) of its report (A/8008/Add.3). It also agreed with the Advisory Committee that the International Civil Service Advisory Board should be requested to undertake a thorough review of the United Nations salary system. It had full confidence in the Board's ability to carry out the study, for the reasons which had been given by the delegations of the United Kingdom and Peru at the preceding meeting. His delegation would vote in favour of draft resolution A/C.5/XXV/CRP.16 and Add.1, provided that the freeze on base salary scales lasted no more than two years. The draft resolution had the merit of specifying clearly the task which ICSAB would be asked to perform and of setting a time limit for its completion.

2. Mr. JALIL (Ecuador) said that he could only repeat his delegation's conviction that United Nations staff members merited a salary increase of 8 per cent, with effect from 1 January 1971, as recommended by ICSAB and the Secretary-General, and as set forth in operative paragraph 1 of draft resolution A/C.5/XXV/CRP.14.

3. Mr. FAURA (Peru) said that his delegation could not agree with the proposal in draft resolution A/C.5/L.1053 that a special intergovernmental committee of experts should be set up to replace ICSAB. It considered that ICSAB, whose Chairman and members were appointed by the Secretary-General, with the advice and consent of the Administrative Committee on Co-ordination, had the necessary experience and expertise to draw up the principles for establishing salary rates, and there was consequently no need to set up a new body.

4. Mr. WEI (China) said that he would make some brief comments in the light of the statement made by the Controller at the preceding meeting.

5. Since post adjustments were not pensionable, there was a considerable gap at high-cost duty stations between the over-all remuneration of staff and their pensionable remuneration, resulting in a correspondingly lower pension entitlement upon retirement. That was why it had been proposed that two classes of post adjustment should be incorporated in the base salary scales.

6. If it was decided to treat post adjustments independently from the base salaries and pensions, then both staff members on active duty and retired personnel would receive post adjustments and the livelihood of the latter would be protected. The post adjustments applicable to the retired personnel might even be calculated on a different scale from those of the staff in active service, because their needs were likely to be different. The short fall in the Tax Equalization Fund which would result from the exclusion of the post adjustments from the base salaries could be compensated by the introduction of some kind of assessment on the post adjustments.

7. His delegation was not making a formal proposal but merely a suggestion for consideration when the whole system was reviewed.

8. Mr. DAO (Mali) said that his delegation supported the proposal in operative paragraph 1 of draft resolution A/C.5/L.1053, because it did not think that ICSAB was the body best suited to carry out the review of the United Nations salary system.

9. With regard to the more immediate question of a salary increase, his delegation found the proposal in draft resolution A/C.5/XXV/CRP.14 the most suitable. It would like, however, to propose an amendment in the form of a new preambular paragraph that would read:

“*Bearing in mind* that the success of the Second United Nations Development Decade and of the introduction of programmes will in large measure depend on the material conditions of staff in the international civil service.”¹

10. The success of the Second Development Decade would depend greatly upon the morale and material well-being of United Nations staff members, and an 8 per cent increase could be regarded as an investment which would yield greater returns.

11. Mr. OZGUR (Cyprus) said that it was doubtful whether an 8 per cent increase in salaries, even after consolidation of two classes of post adjustment, would totally offset the inflationary pressures of the past two years. His delegation would therefore prefer the increase to take effect on 1 January 1971 rather than on 1 July as recommended by the Advisory Committee, although it would be prepared to agree to the latter date if that was the wish of the majority.

12. While inadequate remuneration was a serious matter, he hoped that staff members would place their allegiance to the Organization above all else and would abandon the idea of staging a strike.

13. Mr. FARAH (Somalia) said that it was regrettable that the Advisory Committee had not considered the question of an adjustment in salaries earlier, so that the matter could have referred back to ICSAB before being taken up by the Fifth Committee. ICSAB had, after all, been set up for the specific purpose of overseeing the salary scales of the Professional and higher categories.

14. In sponsoring, with other delegations, draft resolution A/C.5/XXV/CRP.14, the Somali delegation had been largely influenced by the consideration that the judgement of the Secretary-General, who had carefully pondered a decision that involved a budgetary increase, should not be disregarded. He would only add that in New York the cost of living index had risen by 40 per cent over the past decade.

15. Mr. SANU (Nigeria), as a co-sponsor of draft resolution A/C.5/L.1053, said that he was advocating the establishment of a special committee of experts, first because the drastic change in United Nations membership since its early days made a salary review essential, and secondly because ICSAB was composed of eminent individuals whose national duties made it impossible for them to spend the time needed for the review. The proposal in operative paragraph 2 of draft resolution A/C.5/XXV/CRP.16 and Add.1 that the Board should establish panels or subsidiary bodies was

unacceptable because neither the General Assembly nor the Fifth Committee would have any say in the choice of members of such bodies.

16. Regarding the fate of ICSAB, he saw no reason for abolishing the Board if an expert committee was appointed; it had not been abolished when the 1956 Salary Review Committee had been appointed. The Board could work on the post adjustment system and its records and discussions could be made available to the committee of experts.

17. With regard to the kind of committee required, the sponsors of draft resolution A/C.5/L.1053 would be discussing the matter and would make the position clear. It was essential that the members should be individual experts nominated by their Governments and that the United Nations should pay their travel and *per diem* allowance, in order to ensure that experts of the highest calibre were appointed.

18. With reference to the comments of the representative of Mali, he saw no connexion between United Nations staff salaries and the success of the Second Development Decade. Only the solution of balance-of-payments problems and the cushioning of prices of commodity products—such as cocoa—could help to raise the levels of living of the developing countries. He would vote against the Malian amendment.

19. Mr. KABORE (Upper Volta), recalling his statement in the general discussion (1391st meeting), said that his delegation supported the proposal for the establishment of an intergovernmental committee of experts and agreed with the views expressed by the representatives of Nigeria, India and Kenya.

20. Meanwhile, as indicated by the representative of Mali, the problem was how to increase salaries in the light of present conditions. His delegation was in favour of the solution proposed by the United States delegation (A/C.5/L.1049), as amended by the Argentine delegation (A/C.5/XXV/CRP.15), which had the advantage of taking account of the inflationary situation and giving the staff better pension benefits.

21. Mr. MSELLE (United Republic of Tanzania) said that all the draft resolutions came within the scope of the two essential proposals before the Committee: one concerning a salary increase and the other concerning the body which should review the salary system. Nothing had occurred in the Committee to alter his delegation's inability to support the recommendations either of the Secretary-General and ICSAB or of the Advisory Committee.

22. He welcomed the Argentine amendment (A/C.5/XXV/CRP.15) to the United States amendment (A/C.5/L.1049) and would vote in favour of the United States amendment as amended. He did not see it as a compromise. A 5 per cent increase for the Professional and higher category classes, with consolidation of two classes of post adjustment, seemed fair pending the proposed review. A 5 per cent increase had met the staff requirements for 1969 and 1970 and should

¹ Text subsequently circulated under the symbol A/C.5/XXV/CRP.18.

meet their needs for the further two years which he assumed would be required for completion of the review.

23. On the question of the review body, despite his support for ICSAB in the general discussion (1387th meeting), he felt that there was great merit in the idea of an intergovernmental committee of experts—which was not a new idea. He would therefore support draft resolution A/C.5/L.1053 and would become a sponsor, subject to consultation with the other sponsors to ensure that the terms of reference of the committee of experts were clearly specified.

24. An intergovernmental committee would be able to work continuously and to serve for a further year if necessary, whereas ICSAB was limited by the national functions of its members.

25. Mr. BAEZ DIAZ (Dominican Republic) supported draft resolution A/C.5/XXV/CRP.14. It was a compromise, but it was sufficient to prevent United Nations staff from being attracted away by better salaries and to meet the concern expressed in the Secretary-General's report. He hoped that the Fifth Committee would vote in favour of the resolution in the interests of the United Nations.

26. Mr. FERNANDEZ MAROTO (Spain) said that the Argentine amendment (A/C.5/XXV/CRP.15) greatly improved the United States amendment (A/C.5/L.1049) and deserved the Fifth Committee's full support. In order to help the Committee to reach agreement, his delegation would support the United States amendment, as amended by the Argentine amendment.

27. Mr. MAKUFU (Democratic Republic of the Congo) said that after careful reflection his delegation supported draft resolution A/C.5/XXV/CRP.14 as providing the only fair and reasonable decision. In doing so, it wished to help the Secretary-General by ensuring that the morale of his staff was maintained. Whatever the arguments advanced, his delegation was convinced that rejection of the Secretary-General's proposals would lower morale, to the detriment of the smooth functioning of the Organization and ultimately to the prejudice of Member States.

28. He stressed, however, that his delegation would not support any further salary adjustment until the review of the salary system had been completed and the results approved by the General Assembly.

29. As far as the body to carry out the review was concerned, he would favour ICSAB, provided it was given the means, the necessary information and the time to complete the study, though he would have no objection to the appointment of a special committee of experts to comment on the study and enable Member States to take a decision. His delegation would vote in favour of draft resolution A/C.5/XXV/CRP.16 and Add.1.

30. Mr. OSMAN (Sudan) said that his delegation's motive in submitting amendments in document

A/C.5/XXV/CRP.13 to modify subparagraphs (a) and (b) of paragraph 58 of the Advisory Committee's report had been the desire for a review to be carried out as soon as possible and for the salary increase to be effective on 1 January 1971. He welcomed the proposals in documents A/C.5/XXV/CRP.16 and Add.1 and A/C.5/L.1053. His delegation had no strong views on what body should carry out the review, though it would prefer a special committee of experts, since a committee of governmental experts would not receive travel and *per diem* allowances. His delegation supported the Secretary-General's proposal but, subject to informal consultations that were in progress, it might withdraw its amendment in favour of the amendment in document A/C.5/XXV/CRP.14.

31. The CHAIRMAN said that he intended to announce at the following meeting the order of voting of the proposals before the Committee.

32. Mr. MATHESON (Canada) said that, if the leave, allowances, indemnities and similar fringe benefits accruing to United Nations staff members were taken into account, the United States proposal (A/C.5/L.1049) would seem reasonable and acceptable.

33. Mr. GUPTA (India) said that the summary records showed with great accuracy that his delegation had always had the highest respect for ICSAB. The sponsors of draft resolution A/C.5/L.1053 had no intention of changing its status or terms of reference. ICSAB continued to have a mandate to implement the principles and guidelines laid down in the matter of salary scales. The proposed special committee of experts might decide, after a thorough review of the question, to make new recommendations and in that case ICSAB would implement them as it had done in the past.

34. With regard to the suggestion that draft resolution A/C.5/L.1053—whose sponsors had—been joined by Burundi, Libya, Mauritius and the People's Republic of the Congo—lacked precision, he pointed out that the only amendment to it that had been suggested was that ICSAB rather than a special committee of experts, should carry out the proposed review.

35. He associated his delegation with the statement just made by the Nigerian representative, which had clearly been one of principle.

36. Mr. ASHWIN (Australia), supported by MR. PAJARI (Finland), proposed three amendments to draft resolution A/C.5/XXV/CRP.14, which should take precedence in the Committee's order of voting. He proposed:² that the second preambular paragraph should be deleted; that the date "1 January 1971" in operative paragraph 1 should be replaced by "1 July 1971"; and that operative paragraphs 2, 3 and 4 should be deleted, because the salary review proposed and referred to in those paragraphs could be dealt with in a separate resolution, such as resolution A/C.5/L.1053 or A/C.5/XXV/CRP.16 and Add.1.

² Text subsequently circulated under the symbol A/C.5/XXV/CRP.19.

37. Mr. WOSCHNAGG (Austria) said that the most important consideration was the need to ensure that the United Nations continued to operate. He quoted figures to show that in net terms the difference between the Advisory Committee's proposal and the United States proposal about \$800,000—a figure which hardly justified a serious confrontation with the staff. He therefore supported the Australian amendment and agreed that the Committee should vote on it first.

38. Mr. CLELAND (Ghana) said that his delegation had considered a comprehensive review of the United Nations common system of salaries to be preferable to both the ICSAB and the Advisory Committee recommendations. It could not understand the expressions of disapproval of the idea that the Fifth Committee should contemplate not accepting recommendations submitted by ICSAB or the Advisory Committee, which were, after all, merely advisory bodies.

39. His delegation supported the United States proposal (A/C.5/L.1049), as amended by Argentina, and thought that a system should be established that was favourable both to the staff and to Member States.

40. Mr. TAPOSEEA (Mauritius) proposed that the date in operative paragraph 1 of draft resolution A/C.5/XXV/CRP.14 should be "15 July 1971".³

41. Mr. BAROODY (Saudi Arabia) said that, while welcoming the spirit of compromise in the Australian amendment to draft resolution A/C.5/XXV/CRP.14, he remained convinced that the Professional staff of the United Nations system both deserved and needed the proposed 8 per cent salary increase immediately. He personally considered that 15 December 1970 would be the most equitable date for that increase to take effect and felt that, if it adopted the Australian amendment, the Fifth Committee would in effect be compelling the staff to pay the price of the compromise.

42. There was one feature common to all the draft resolutions on Professional salaries before the Committee. In all of them, the part played by the Secretary-General had been passed over in silence. Yet, throughout 1970, the Secretary-General had devoted much of his time to the question. Notwithstanding his multifarious duties and grave responsibilities, he had held regular consultations with the various competent persons and bodies and had submitted a number of most informative reports. On two occasions he had addressed the Fifth Committee on the subject of the present item. It was clear that he was most concerned about the morale of the Secretariat and did not wish it to have any adverse effect on the functioning of the United

Nations. Not a single acknowledgement had been made of his efforts: he had not been thanked and the Committee had not expressed its appreciation. The delegation of Saudi Arabia therefore wished to rectify the position and had prepared a draft resolution for submission to the Committee.

43. After a procedural discussion in which Mr. TARASOV (Union of Soviet Socialist Republics) and Mr. BAROODY (Saudi Arabia) took part, the CHAIRMAN ruled that, in view of the Fifth Committee's deadline for new proposals on the item, the new draft resolution to be submitted by the representative of Saudi Arabia would have to be treated as an amendment.

44. Mr. BAROODY (Saudi Arabia) proposed therefore that draft resolution A/C.5/XXV/CRP.14 should be amended by the addition of a further operative paragraph to read:

"*Extends its thanks to the Secretary-General for his sound judgement, which took into consideration the prevailing situation of the personnel in the United Nations Secretariat*".⁴

45. He pointed out that in the wording of the proposed new operative paragraph he had deliberately avoided mentioning any specific category of staff, in order to avoid any discriminatory implications. In any event, there was no need to do so, for he was confident that the Secretary-General would keep a vigilant watch over the position of all his staff, regardless of their category or grade.

46. In reply to a question by Mr. PHILON (Greece), Mr. TURNER (Controller) said that the figures quoted by the Austrian representative were absolutely correct: the gross cost to the United Nations of the three proposals submitted by the Secretary-General, the Advisory Committee and the United States was \$8.8 million, \$4.4 million and \$3.4 million, respectively; the net cost was \$5.5 million, \$2.8 million and \$2 million.

47. Mr. DAO (Mali), replying to the comments of the Nigerian representative, said that his delegation felt that the question of salaries was closely related to the Second United Nations Development Decade because of the possibility that there might be a strike, or even a succession of strikes, which would disrupt productivity if United Nations staff members were dissatisfied with their conditions. It was in that light that the Malian amendment should be understood.

The meeting rose at 11.5 p.m.

³ *Idem*, A/C.5/XXV/CRP.20.

⁴ *Idem*, A/C.5/XXV/CRP.21.