

Property Organization (WIPO) called for comment, because the creation of a new specialized agency was an event of considerable importance. The draft agreement (A/9603, annex IV) followed the pattern of the majority of those previously concluded. The Polish delegation had been a sponsor of the draft text subsequently adopted as Economic and Social Council resolution 1890 (LVII), which recommended to the General Assembly that it adopt the draft agreement, and was therefore in favour of that adoption, but it wished to make some comments.

50. Article 1 on the delimitation of competence of the United Nations and WIPO should not be taken as encroaching upon the competence of other United Nations agencies because it gave certain emphasis to some aspects of the objectives and activities of WIPO. That was especially important in order to avoid any duplication of activities already carried out by other United Nations bodies such as UNESCO and UNCTAD. He hoped that the organizations concerned would take the necessary measures to co-ordinate their activities in ways referred to in the relationship agreement and in accordance with inter-organizational practice.

51. His delegation wondered whether the full exchange of documents, referred to in article 6 of the draft agreement, was necessary to fulfil the legitimate interests of each organization in the other's activities and hoped that the secretariats of both organizations would evolve a more realistic approach to the matter.

52. Rather than approving the relationship agreement before the end of the current session, it might be preferable to wait for the outcome of the review of the existing agreements between the United Nations and the specialized agencies which was to be carried out at the intersessional meeting of the Policy and Programme Co-ordination Committee to be convened not later than February 1975, and to draft the new relationship agreement between the United Nations and WIPO on the basis of its findings. However, if

it was the wish of the Committee and the General Assembly to approve the draft agreement at the current session, his delegation would not object.

53. Mr. WHITLAM (Australia) said that effective administrative and budgetary co-ordination between the parts of the United Nations system was more important than ever. Duplication, although inevitable to a certain extent, must be reduced to the minimum. One way was to ensure that each organization undertook only those activities allowed by its constitution and within its field of expertise. Fortunately, the areas of expertise of the various agencies were different enough to avoid the worst type of duplication. Even though the membership of most of the organizations approached universality, the contributions of any given country could vary considerably from organization to organization. Since the organizations were so different, when one carried out work for another, it was important that the full cost should be borne by the organization requesting the work. It was disconcerting to note in document A/9857 that the average cost of technical and non-technical support to UNDP-financed projects totalled 23.3 per cent of project costs and that the reimbursement of overhead costs was only 14 per cent. It therefore seemed that the organizations were paying the 9 per cent difference, a situation that his delegation hoped would be remedied.

54. His delegation welcomed the Advisory Committee's recommendation that the Fifth Committee should approve the administrative and budgetary provisions of the draft agreement between WIPO and the United Nations. It was satisfying to note that, whereas the United Nations staff growth rate for 1973 to 1975 was 5.1 per cent, the average for the specialized agencies and IAEA was 4.1 per cent. It was to be hoped that WIPO would tend towards the latter figure.

*The meeting rose at 1 p.m.*

## 1688th meeting

Tuesday, 10 December 1974, at 8.05 p.m.

Chairman: Mr. Costa P. CARANICAS (Greece).

A/C.5/SR.1688

### AGENDA ITEM 82

#### United Nations salary system:

- (a) Report of the Secretary-General (A/9738 and Add.1 and Add.1/Corr.1, A/9891);
- (b) Report of the International Civil Service Advisory Board (A/9630, A/9709, A/9919, A/C.5/1652)

1. The CHAIRMAN announced that, as in the case of the item concerning pensions, he had received a number of cabled communications from staff associations indicating their concern.

2. Mr. RHODES (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee (A/9891) on the draft statute of the International Civil Service Commission, said that the draft statute had its origins in General Assembly resolution 3042 (XXVII), which provided for the establishment in principle of an International Civil Service Commission as of 1 January 1974. That resolution had further stipulated that the Commission should consist of no more than 13 independent experts having the requisite qualifications and experience and had requested the Secretary-General to submit a draft statute to the Fifth Committee through the Advisory Committee.

3. At the twenty-eighth session of the General Assembly, there had not been sufficient time for consideration of the draft statute (A/9147 and Corr.1, annex I), and such discussion as had taken place had focused on the division of responsibilities between the full-time and part-time members of the Commission. Since the Committee had not been able to dispose of the question, it had decided to invite the comments of Governments on the matter.<sup>1</sup> The replies received (A/9738, annex) and the comments of the Administrative Committee on Co-ordination and of the Advisory Committee indicated that opinion had crystallized in favour of the statutory equality of all 13 members of the Commission.

4. The Advisory Committee had arrived at two general conclusions regarding the Commission, which were contained in paragraphs 3 and 4 of its report. The first was that, while the draft statute should provide a comprehensive framework for the activities of the Commission, it was not necessary for the Commission to try to do everything at once: it should be selective in establishing its work programme, at least at the beginning of its operations. The second was that, although by its nature the Commission would not be subject to any detailed control, it should at least come under the general direction of the General Assembly and that fact should be explicitly stated in the draft statute.

5. The draft statute, as revised by the Secretary-General after discussions in ACC, was broadly acceptable to the Advisory Committee, which had therefore made no attempt to comment on every article of the draft statute. Nor, with the exception of a number of critical points, had the Advisory Committee attempted to redraft individual articles; it assumed that the Secretary-General would perform that task, having regard to the relevant discussions in various United Nations organs.

6. The statute in its present form represented a number of departures from the existing division of responsibility between the General Assembly, on the one hand, which determined Professional salaries and allowances, and the executive heads, on the other, who determined the salaries and allowances of General Service staff, since it would empower the Commission to take decisions on Professional allowances and give it advisory powers with regard to General Service salaries unless the executive heads actually requested the Commission to determine the salaries of the General Service category. The Advisory Committee had doubts concerning the wisdom of delegating the General Assembly's authority to decide Professional allowances and the reasons for those doubts were given in paragraphs 9 and 10. The Advisory Committee therefore suggested that article 11(b) should be incorporated in article 10 in order to ensure that the General Assembly would still determine any major allowances of Professional staff. It was necessary to specify in article 10 which allowances were to be determined by the General Assembly, leaving the question of less important allowances to article 11. He expressed confidence that the Secretary-General would proceed accordingly in redrafting the statute. With regard to the determination of General Service salaries, the Advisory

Committee believed that, although the Commission might eventually assume full responsibility in that area, it was still premature to make provision for that eventuality in the draft statute. Thus, while the Advisory Committee was not proposing any drastic amendments to article 12, it was suggesting that it be amended to establish clearly that the Commission need not assume immediately all the functions assigned to it in that article. The Advisory Committee suggested that article 12(b) should be amended to specify that, when at the request of an executive head the Commission determined salaries at a particular duty station, that determination should apply to all staff in the same category at that station. That recommendation was made in the interests of uniformity of General Service salary scales at duty stations where more than one agency or body had headquarters.

7. With regard to the size of the Commission, the Advisory Committee would not oppose the recommendation of the Secretary-General and ACC for a membership of 13, although it would have preferred a more compact body. With regard to the structure of the Commission, the question at issue was the number of full-time and part-time members. The various views which had been expressed were reflected in paragraphs 12 to 20 of the Advisory Committee's report. The Advisory Committee was willing to accept the Secretary-General's view that there should be 2 full-time members—a Chairman and a Vice-Chairman—both of whom would be designated by the General Assembly. Paragraphs 21 and 22 of the report contained the Advisory Committee's suggestions as to how the draft statute might be amended to give effect to that arrangement.

8. The division of responsibilities was one of the key issues which had concerned the Advisory Committee in 1973. After consultations, the Secretary-General had suggested that article 18 should be amended so as to remove any doubts with regard to the indivisibility of the Commission. The Advisory Committee, while considering that suggestion well-taken, believed that it did not go far enough. It therefore recommended that article 18 be reworded along the lines suggested in paragraph 26 of its report. Article 18 was a key article of the draft statute which the Committee should carefully examine. Should it be amended as suggested, a number of other amendments would be necessary, as pointed out in paragraph 27 of the report. Paragraphs 28 to 35 were self-explanatory.

9. The budget estimates for the Commission were dealt with in paragraphs 36 to 50. The Advisory Committee had stressed, in paragraphs 36 to 38, the need to maintain clear distinction between the members of the Commission and its secretariat. In order to ensure that the commissioners would not be affected by their own recommendations, the remuneration of the full-time commissioners should not be formally equated with that of any specific grade in the United Nations system and should take the form of an honorarium. The amount suggested by the Advisory Committee was \$45,000 net per annum, with the Chairman receiving an additional \$5,000 net per annum. Those figures had been reached after consideration of the importance of the duties and the complexity of the work the commissioners would be called upon to perform. With regard to the remuneration of the part-time commissioners, both ICSAB and the Secretary-General had recognized that the existing

<sup>1</sup> See *Official Records of the General Assembly, Twenty-eighth Session, Annexes*, agenda item 87, document A/9463, para. 46 (a).

arrangements for travel and subsistence allowances might prove inadequate, especially for members who gave extended service. Sooner or later the question would arise of honoraria or other means of remuneration for the part-time commissioners, in view of the heavy workload they would bear. Their position could not, however, be considered in isolation. For example, the members of the Advisory Committee gave their services for at least six months of the year. He (Mr. Rhodes) added that, as he was about to vacate his appointment as Chairman of the Advisory Committee, he felt free to suggest that the honorarium attaching to that appointment might also be reviewed.

10. The Advisory Committee was disappointed with the Secretary-General's estimates for the initial number of staff and with the fact that arrangements for the staffing of the Commission did not rely more heavily on transferring posts from other organizations within the United Nations system. The Advisory Committee recommended that the Commission secretariat initially consist of the 25 posts (10 Professional and 15 General Service staff) which it was proposed to transfer from the United Nations and other organizations.

11. The Advisory Committee recommended that the budget of the Commission in 1975 should be \$920,000, as against the Secretary-General's estimate of \$1,236,000 (A/9738/Add.1 and Corr.1, para. 14). The net extra cost to the United Nations would be only \$54,000, since the bulk of the Commission's staff would be seconded from the United Nations itself. The Advisory Committee had included in its revised estimates a requirement of \$15,000 which it thought was necessary to cover the costs of issuing the Commission's documents in the five working languages of the subsidiary organs of the General Assembly.

12. The report of the Advisory Committee (A/9919) on the United Nations salary system should be considered in conjunction with the report of ICSAB (A/9630) and the note by the Secretary-General (A/9709).

13. The review of Professional salaries undertaken by ICSAB had been called for at the twenty-eighth session of the General Assembly, which had concluded that it would be wrong to maintain the wage freeze, established by resolution 2742 (XXV), in view of the delay in the actual establishment of the International Civil Service Commission. In paragraphs 1 to 12 of its report, the Advisory Committee gave an indication of the views expressed by the various parties.

14. ICSAB had approached the question from the point of view of attempting to determine what relative changes in real income had taken place since the last salary increase granted by the United Nations. To that end, ICSAB had attempted to determine the loss in real income suffered by United Nations staff and the salary gains made by national civil servants in the seven headquarters countries. Loss in real income had been suffered despite the system of post adjustments, because the latter did not provide complete compensation for cost-of-living increases. In view of the number of variables involved, it was no surprise that there was a difference of opinion among the parties concerning the extent of the loss, which ICSAB had calculated at approximately 3 per cent.

15. In order to determine what gains had been made by the staff of national civil services since July 1971, ICSAB had employed an index of real income movements of the civil services in the seven headquarters countries. It believed that the data justified a slight increase of 3 per cent in United Nations Professional salaries. Thus, combining the 3 per cent loss in real income with the 3 per cent increase in national civil service salaries led to the conclusion that a 6 per cent increase in United Nations Professional salaries was justified.

16. The Advisory Committee had reservations with regard to ICSAB's interpretation of the data and did not find the data employed absolutely conclusive. Furthermore, the Advisory Committee had reservations with regard to the basic approach of ICSAB, since it believed that more emphasis should have been placed on the Noblemaire principle, which had traditionally underlain the United Nations Professional salary scale. According to that principle, United Nations Professional salaries should be related to the salary scale of the best paid national civil service, which in the past had been the federal civil service of the United States of America. While it had been suggested that the United States civil service salary scale had been overtaken by civil service salary scales in other countries, the Advisory Committee believed that there was no evidence to corroborate that contention. ICSAB appeared to have given no more than a passing glance to that principle in paragraphs 32 to 35 of its report. Moreover, having considered the movement of United States federal civil service salaries, it had concluded that increases of between 2.5 and 3.5 per cent would be sufficient to restore the 1971 equivalencies, if the post adjustment received by United Nations staff in New York as of December 1974 was taken into account. The Advisory Committee suggested that it would be useful to have more evidence on how United States civil service salary scales compared with those of the United Nations and had therefore provided a number of statistics in the annex to its report. The question what the differential between those two scales should be had a long history, an account of which was contained in paragraph 10 of the Advisory Committee's report. The question of a differential was one for the International Civil Service Commission to decide. While the Advisory Committee could not give its unqualified support to ICSAB's recommendation of a 6 per cent increase, it believed that the data did not warrant opposing that recommendation. It was important to bear in mind that any comparison of different salary scales was complicated by the fact that pay rises were given at different times and thus there was an inevitable time-lag to be taken into account.

17. In view of the foregoing considerations, the Advisory Committee believed that a more comprehensive review of the salary structure was needed. However, it was not suggesting that any salary increase should be delayed on that account. The time had come for a thorough examination of the United Nations salary system and its underlying principle, an examination which the International Civil Service Commission should carry out when it came into existence.

18. With regard to the consolidation of two classes of post adjustment, ICSAB had made no recommendations but had expressed the hope that the subject would receive further

consideration. The Advisory Committee was not able to support the recommendation of the Secretary-General to consolidate two classes, which it regarded as premature in view of the pending comprehensive review of the salary structure and its own doubts concerning the 6 per cent salary increase. The Advisory Committee believed that it would be better to confine any action to the granting of the 6 per cent increase so as not to prejudice the implementation of any new salary structure which the International Civil Service Commission might wish to recommend in the future.

19. With regard to the waiting period for changes in the classification of duty stations for purposes of post adjustment, ICSAB had urged the organizations to examine the desirability of reducing the current four-month waiting period. The Secretary-General had recommended reduction of that period to three months. The Advisory Committee was not able to support that recommendation since, from such information as it had been able to gather, the United Nations system appeared to be more responsive than most national civil services to cost-of-living changes.

20. The Advisory Committee concurred with the recommendation that the children's allowance be increased from \$300 to \$450 with effect from 1 January 1975.

21. With regard to the assignment allowance, the Advisory Committee concurred in the new rates proposed by the Secretary-General.

22. With regard to the education grant, the Advisory Committee agreed with ICSAB's decision not to make any recommendations concerning the maximum amount and modes of payment of that grant.

23. Finally, he drew attention to paragraph 31 of the report in which the Advisory Committee disagreed with the attitude adopted by ICSAB on the possible need for further interim measures if current monetary and economic trends continued. In the view of the Advisory Committee, such interim measures should be avoided unless the comprehensive review of emoluments of staff in the Professional and higher categories was unduly delayed.

24. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) suggested that it would be preferable to begin by taking up the draft statute of the International Civil Service Commission and to leave discussion of the salary system until later.

25. The CHAIRMAN said that he had not intended to separate discussion of the two parts of the item, because they were closely linked. Furthermore, in view of the shortness of the time available, it might be necessary to limit statements to 15 minutes, allowing each delegation to decide for itself whether to deal with one or both topics.

26. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) felt that it was logical to begin with the question of the draft statute, consideration of which had been deferred until the twenty-ninth session in order to allow Member States more time for study.

27. Mr. NAUDY (France) said that, while he sympathized with the view of the representative of the Soviet Union, he was inclined to agree with the Chairman that the two matters were closely linked. He preferred to deal with the item as the Chairman of the Advisory Committee had done, taking the statute first and later addressing himself to the question of salaries.

28. Mr. HILLIS (United Kingdom) said that he, too, agreed with the Chairman that the two aspects of the item were inextricably linked.

29. Mr. OUEDRAOGO (Upper Volta), supported by Mr. DIPP GOMEZ (Dominican Republic), felt that delegations should be free to deal with both issues in the same statement, which should, if possible, be limited to 15 minutes.

30. The CHAIRMAN said that it appeared to be the Committee's wish not to subdivide the item.

31. Mr. NAUDY (France) said that the United Nations salary system had clearly been overtaken by events and had become an illogical maze. The comprehensive review of the system was urgently needed and should constitute one of the main tasks of the new Commission, whence the importance of reconsidering its draft statute.

32. Detailed observations on the provisions of the draft statute had been submitted by the French Government to the Secretary-General and were to be found in the annex to document A/9738. Most of those observations were similar in nature to the comments made by the Advisory Committee in its report (A/9891), which his delegation therefore had no difficulty in supporting. It welcomed in particular the amendments proposed to articles 2 and 18 of the draft statute, which responded to the criticism voiced in the Fifth Committee at the preceding session and to the suggestions made by his Government. His delegation also supported the Advisory Committee's recommendation that article 12 should be retained but that it should be amended to specify that the International Civil Service Commission itself would determine when and at what pace it could assume the responsibilities indicated therein. That was because the determination of General Service salaries would add considerably to the workload of the Commission, which, in the beginning, should devote itself to the main task in hand. His delegation also agreed with the Advisory Committee that the determination of the rates of major allowances and benefits, particularly those involving basic social policy, should remain vested in the General Assembly, and it supported the recommendation in paragraph 9 of that Committee's report.

33. In connexion with the organization of the Commission's secretariat, he drew attention to the observations transmitted by his Government to the Secretary-General. While the Commission should, at least at the beginning of its life, make use of staff members already serving in the organizations of the United Nations system, it was equally essential to recruit new staff capable of looking at the problems with a fresh mind.

34. Noting that the United Nations salary system had become so complex that the Advisory Committee, as it

indicated in paragraph 13 of its report on the subject (A/9919), had noted the existence of different interpretations of the basic data transmitted to it, he said that a comprehensive review of the system was long overdue. Among the many subjects which should be considered was the question of allowances, whether they were adequate and whether new ones—for example, a housing allowance—should be instituted in order to alleviate the problems of staff members, particularly those with children, serving in large cities.

35. The Fifth Committee was required to decide whether, pending the review by the Commission, the remuneration of the United Nations staff should be increased, and whether the increase should be 6 per cent, as had been recommended by both ICSAB and the Advisory Committee. It appeared to be generally recognized in the reports under consideration that the loss in real income which had occurred since 1 July 1971 came to a little over 3 per cent and that action should be taken to make up for that loss. However, opinions seemed to differ regarding the need for an additional increase. On the one hand, it was maintained that an increase of 3 per cent was needed in order to bring United Nations real income movement into line with that of the national civil service salaries in the seven headquarters countries. On the other hand, it was the view of the Advisory Committee itself that such a method could be no more than a temporary expedient. Furthermore, the tables in the annex to document A/9919 revealed that the net remuneration of United Nations staff in New York was already considerably higher—by between 34 and 45 per cent—than the net remuneration of United States civil servants of equivalent rank. That fact was important from the viewpoint of the application of the Noblemaire principle. As stressed by the Advisory Committee, more attention should have been paid to that principle; even if it was out of date in some respects, the principle did constitute the basis of the system still in force. In conclusion, in view of the contradiction between the data and of the somewhat ambiguous nature of the Advisory Committee's conclusions, the French delegation was hesitant about supporting the Board's recommendation of a 6 per cent increase and was inclined to favour an increase of a little over 3 per cent, which would make up the actual loss in real income suffered by the staff.

36. Mr. HILLIS (United Kingdom) said that the International Civil Service Commission should be given as wide a range of powers as possible and should eventually make a contribution to the determination of General Service salaries. It would be recalled that over the previous decade all the organizations of the United Nations system had attempted to harmonize their practices by laying down guiding principles for a General Service salary structure but that difficulties had continued over an interpretation of the "best prevailing conditions of employment" formula. Article 12 of the draft statute should therefore be retained, as the Advisory Committee recommended, and the Commission itself should determine the pace at which it would assume the various responsibilities assigned to it.

37. With regard to allowances and benefits, his delegation believed that the original drafting of articles 10 and 11 drew the correct distinction between matters on which the Commission should make recommendations to the General

Assembly. Consequently, there seemed to be some inconsistency in the Advisory Committee's contention that certain allowances which were not readily definable by reference to broad principles should remain the responsibility of the General Assembly. Serious administrative difficulties might arise if decisions on the amount of benefits, as distinct from the principles on which such benefits were to be calculated, had to await the following session of the General Assembly. His delegation therefore had reservations concerning the incorporation of article 11 (b) in article 10.

38. His delegation tended to agree with the Secretary-General that the expected workload of the Commission would require the services of 3 full-time members; however, having regard to all the circumstances, it was prepared to accept the Advisory Committee's amendment to article 2, which provided for only 2 full-time members.

39. It fully shared the view that the powers of the Commission should be vested in the Commission as a whole, and that such functions as were exercised by the full-time members would be exercised on behalf of the Commission as a whole. Since that point had not been fully brought out in article 18 as originally drafted, his delegation welcomed the reformulation of that article proposed by the Advisory Committee in paragraph 26 of its report (A/9891).

40. With regard to article 7, his delegation trusted that it would never prove necessary to terminate the appointment of a member of the Commission; however, should the need arise, it was surely not desirable that the member in question should continue to participate in the Commission's work until such time as the General Assembly took a decision, as seemed to be suggested in paragraph 29 of the Advisory Committee's report. Furthermore, his delegation did not support the Advisory Committee's suggestion in paragraph 35 of its report, because the details of staff participation in the work of the Commission were purely an administrative matter and could best be handled outside the terms of the statute itself.

41. His delegation had not as yet taken a final position regarding the different figures put forward by the Secretary-General and the Advisory Committee for the budget estimates for 1975. Clearly, the establishment of the Commission would, in principle, enable counter balancing savings to be made in the provisions for the staffing of the United Nations and the agencies. For the time being, he simply stressed the importance of enabling the new Commission to start its work without loss of time and with enough staff to be able to discharge its responsibilities expeditiously.

42. With regard to Professional salaries, there had been reviews by ICSAB in 1970 and 1974 as well as a report by the Special Committee for the Review of the United Nations Salary System.<sup>2</sup> That report would be transmitted to the International Civil Service Commission, which could hardly complete its review of the salary system before 1976 at the earliest. Consequently, there seemed to be only two courses

<sup>2</sup> *Ibid.*, Twenty-seventh Session, Supplement No. 28 and corrigendum.

of action for the Fifth Committee: to continue the freeze imposed by General Assembly resolution 2742 (XXV); or to endorse the view of ICSAB (A/9630, para. 37) that there was a need to increase base salaries in order to restore a measure of equilibrium to a situation in flux.

43. In support of the former solution, it had been argued that the 1971 base rate had been too high in relation to salary rates in the United States federal civil service; that the post adjustment system automatically kept United Nations remuneration abreast of inflation; and that the proposed increase would place a heavy burden on the budgets of the United Nations and the specialized agencies. On the other hand, however, there was growing disagreement about the application of the Noblemaire principle, which had been generally accepted in the past as the prime basis for salary determination. Indeed, one of the main reasons for establishing the Special Committee for the Review of the United Nations Salary System had been the feeling, expressed in General Assembly resolution 2743 (XXV), that that principle had led to a number of serious anomalies in its contemporary application.

44. Moreover, it was no longer accurate to say, in the prevailing climate of rapid inflation and currency instability, that the post adjustment system automatically preserved the real purchasing power of United Nations salaries. In particular, the system of compensating staff without dependants at a lower rate than those with dependants had produced serious inequities, especially at duty stations where the local currency had appreciated in relation to the dollar. Such problems would be examined as part of the impending comprehensive review of salaries, but that was likely to take some years, and it was not reasonable to postpone any adjustment of salaries until the review had been completed.

45. Those delegations which accepted that some increase in base salaries was justified would no doubt arrive at varying conclusions as to the appropriate amount. ICSAB had suggested that the increase required to restore United Nations salaries in real terms to the 1971 level would be rather more than 3 per cent, but had added that, on the basis of real gross income in national civil services, a further 3 per cent increase would be justified. That part of the ICSAB recommendation seemed more debatable. The Board, by backdating its comparison to 1 January 1970 whereas the most recent increase in United Nations base salaries had been on 1 July 1971, might have overstated the comparison. Moreover, the international indices of civil service real-income changes showed a consistent rise over the period 1968-1972, but a decline, or at least a slower increase since that date. Finally, at a time when counter-inflation policies obliged Governments to impose sacrifices on their own nationals, international civil servants might reasonably be expected to wait a little for an improvement in their standard of living, as distinct from maintenance of their existing standard.

46. Consequently, although his delegation would have been inclined, if the matter had come before the Committee earlier, to favour a smaller increase than that proposed by ICSAB, it was prepared at the current stage to endorse the 6 per cent increase as a reasonable compromise, pending a comprehensive review of the whole system with the least possible delay.

47. With regard to the consolidation of two classes of post adjustment, he agreed with the Advisory Committee's opinion that consolidation should await the outcome of the comprehensive review of the United Nations salary structure, and that no change should be made in the waiting period. He had some doubts about the recommendation of ICSAB, endorsed by the Advisory Committee, that dependency allowances be increased; such allowances accentuated the tendency to over-compensate staff with dependants, and it might be preferable to leave the matter, including the question of the spouse allowance, for the comprehensive review to be conducted by the International Civil Service Commission.

48. On the assignment allowance and the education grant, his delegation had nothing to add to the report of the Advisory Committee.

49. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) noted that the draft statute of the International Civil Service Commission had been commented on by delegations and by the Secretary-General as well as by the Advisory Committee, and that a number of amendments had been proposed. He asked whether the Secretariat proposed to issue another draft incorporating the suggested amendments.

50. He also asked when the Secretary-General intended to give the Fifth Committee a list of the candidates for appointment to the International Civil Service Commission.

51. Mr. DAVIDSON (Under-Secretary-General for Administration and Management) said that the Secretariat would prepare a draft text of each article to which the Advisory Committee had suggested amendments. In putting those amendments before the Fifth Committee, the Secretary-General would not necessarily be endorsing them.

52. With regard to the proposals on the composition of the International Civil Service Commission, he recalled that, in its resolution 3042 (XXVII), the General Assembly had requested the Secretary-General, after consultations, to submit, through the Advisory Committee, detailed proposals for an International Civil Service Commission. He had informed the Chairman of the Advisory Committee that the Secretariat was ready to discuss a list of names which the Secretary-General might intend to present. The Secretary-General was proceeding on the assumption that the number of members of the Commission would remain at 13, 2 of whom would be full-time, and that the statute would not be further amended. If any of those assumptions proved unwarranted, submission of the list to the Advisory Committee and the Fifth Committee might be delayed.

#### AGENDA ITEM 75

**Administrative and budgetary co-ordination of the United Nations with the specialized agencies and the International Atomic Energy Agency: report of the Advisory Committee on Administrative and Budgetary Questions (continued) (A/9578, A/9603 (chap. VI, sects. A.3, 5 and 6), A/9813, A/9852, A/9857, A/C.5/1625)**

53. Mr. RHODIUS (Netherlands) said that discussion of the important matter of administrative and budgetary

co-ordination of the United Nations with the specialized agencies had been deferred at the twenty-eighth session, and at the twenty-seventh session had been dealt with only very summarily. Consequently, his delegation wished to inquire how the General Assembly—or, more specifically, the Fifth Committee—intended to meet its obligations under Article 17, paragraph 3, of the Charter. The Committee's agenda at the current session included a number of matters, such as salaries, pensions, personnel, currency instability and scales of assessment, which were of direct concern to all organizations in the United Nations system and which, therefore, none of those organizations could consider in isolation. The manifold activities of the different organizations were complementary, and the basic question was how the available funds could be allocated within the United Nations family in such a manner as to produce the maximum impact. The report of the Administrative Committee on Co-ordination on expenditures of the United Nations system in relation to programmes<sup>3</sup> illuminated the problems of the allocation of available funds to the various programmes of the different organizations—a question that was of great importance in the management of the United Nations system as an integrated whole. It had been said that improvement of co-ordination in the United Nations system depended on the attitude of Member States. His delegation fully agreed and considered, moreover, that Member States should be fully aware of the specific issues and problems confronting them.

54. In trying to define some of those issues, the Committee had been greatly helped by the reviews of the administrative budgets and budget estimates of the specialized agencies conducted by the Advisory Committee (A/9578 and A/9857). He thought, however, that some specific questions which had been discussed in the Committee could be looked at in more detail by the United Nations and some of the specialized agencies with a view to achieving a more integrated approach and better use of total resources. Those questions included a further review of the over-all effects of inflation and currency instability; a mutually acceptable distribution of overhead costs; closer collaboration in determining the scale of assessments for the specialized agencies; and co-operation between the United Nations and agency secretariats in matters concerning the calendar of conferences, including the possibility of setting up joint services or pooling personnel resources. Such issues, if tackled more systematically by ACC and given a more detailed review by the Advisory Committee, might impart more substance to the matter of co-ordination, while also enabling the Committee to devote more attention to other important matters.

55. His delegation proposed that the Committee's report on the agenda item should include a paragraph to the effect that the Committee, recalling Article 17, paragraph 3, of the Charter, decided to give priority at the thirtieth session to consideration of the question of administrative and budgetary co-ordination. His delegation would propose a suitable text at a later date, following consultations.

56. Mr. STOTTEMYER (United States of America) agreed that the Committee had not dealt satisfactorily with that question. The Advisory Committee's reports did

indeed contain much useful information on the budgets of the agencies, their current administrative problems and so on. He supported the Netherlands proposal. It would materially assist the Committee's consideration of the question if it could be dealt with by the Advisory Committee and a report submitted to the Fifth Committee very early in the session.

57. Mr. MSELLE (United Republic of Tanzania) said that the Advisory Committee's report on administrative and budgetary co-ordination was prepared after consultation with representatives of the agencies and numerous officials who provided it with information. He asked whether, in view of the time required to obtain and check the information, the Advisory Committee would be able to comply with the request to present its co-ordination report early in the session.

58. Mr. RHODES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) recalled his statement at the 1687th meeting that it was unrealistic to suppose that the co-ordination report could be made available much earlier in the session, for the reasons which the representative of the United Republic of Tanzania had indicated.

59. Mr. KEMAL (Pakistan) pointed out that the Fifth Committee had a tendency to postpone certain difficult items on its agenda, such as those dealing with co-ordination. At the thirtieth session, the Committee would be taking up the budget and its attendant problems of administrative co-ordination, intergovernmental machinery and so on. He therefore repeated the suggestion which he had made at the previous session that the Fifth Committee should not only meet in the autumn of each year, but that it should consider the possibility of devoting another session, possibly in the early summer, to questions of the kind he had described, so as to leave it free during the regular session to concentrate on budgetary matters, financial implications and so on.

60. The CHAIRMAN proposed to the Committee that it recommend to the General Assembly that it should: (a) take note of the reports of the Advisory Committee (A/9578 and A/9857) concerning administrative and budgetary co-ordination of the United Nations with the specialized agencies and IAEA; (b) take note of chapter VI, sections A.3 and 5 of the report of the Economic and Social Council (A/9603); (c) refer to the organizations concerned the observations of the Advisory Committee; (d) request the Secretary-General to refer to the executive heads, through the consultative machinery of ACC, matters arising out of the reports of the Advisory Committee and the related discussion in the Fifth Committee which called for their attention; and (e) transmit the above-mentioned reports to the United Nations Board of Auditors, to other members of the Panel of External Auditors and to the Joint Inspection Unit for their information.

*It was so decided.*

61. The CHAIRMAN proposed to the Committee that, with regard to the draft Agreement between the United Nations and WIPO, it recommend to the General Assembly that it should: (a) take note of the report of the Advisory

<sup>3</sup> Document E/5541 of 21 June 1974.

Committee (A/9852); (b) approve the administrative and budgetary provisions of the draft Agreement between the United Nations and WIPO; and (c) take note of chapter VI, section A.6, of the report of the Economic and Social Council (A/9603).

*It was so decided.*

62. The CHAIRMAN said that, in accordance with the Committee's decision at its 1651st meeting, the Rapporteur

would report direct to the General Assembly at its plenary meeting concerning the decisions of the Committee.

63. With the exception of the consideration of the draft paragraph to be submitted by the Netherlands delegation, the Committee had thus concluded consideration of agenda item 75.

*The meeting rose at 10.40 p.m.*

## 1689th meeting

Wednesday, 11 December 1974, at 3 p.m.

Chairman: Mr. Costa P. CARANICAS (Greece).

A/C.5/SR.1689

### AGENDA ITEM 72

Financial reports and accounts for the year 1973 and reports of the Board of Auditors (concluded):\*

(b) United Nations Development Programme (concluded)\*

*United Nations Fund for Population Activities  
(A/9607/Add.1, vol. II; A/9763/Add.1)*

1. Mr. RHODES (Chairman of the Advisory Committee on Administrative and Budgetary Questions), referring to the financial report and accounts of the United Nations Fund for Population Activities (A/9607/Add.1, vol. II), said that the Advisory Committee's report (A/9763/Add.1) was self-explanatory. Although there had been some problems, as could be seen from paragraph 4, the Advisory Committee had realized that 1973 was a transitional year and had therefore not wished to discuss the disagreement which had emerged between the Board of Auditors and the Fund concerning the "rolling plan" and the annual funding in the operations of the Fund, but hoped that the parties would find a solution within the framework of the new financial regulations which had come into force in January 1974.

2. He drew attention to paragraph 7 of the report of the Advisory Committee.

3. The CHAIRMAN proposed that the Committee should recommend the adoption by the General Assembly of the draft resolution which he read out.<sup>1</sup>

*It was so decided.*

### AGENDA ITEM 82

United Nations salary system (continued):

(a) Report of the Secretary-General (continued) (A/9738 and Add.1 and Add.1/Corr.1, A/9891);

(b) Report of the International Civil Service Advisory Board (continued) (A/9630, A/9709, A/9919, A/C.5/1652)

\* Resumed from the 1652nd meeting.

<sup>1</sup> Text subsequently adopted by the General Assembly (resolution 3303 (XXIX)).

4. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) suggested that the Committee should take a decision on the composition of the International Civil Service Commission so that the Secretary-General could submit to the Advisory Committee on Administrative and Budgetary Questions and the Fifth Committee the names of candidates for appointment to the Commission.

5. Mr. DAVIDSON (Under-Secretary-General for Administration and Management) said that, by its resolution 3042 (XXVII), the General Assembly had decided that the Commission should have 13 members; what remained to be decided was the number of full-time members. If the Fifth Committee were now to decide to approve the Advisory Committee's recommendation (A/9891, para. 19) that there should be 2 full-time members, the Administration would have no difficulty in completing its consultations with the Advisory Committee.

6. Mr. MSELLE (United Republic of Tanzania) agreed that the Fifth Committee could proceed on the understanding that it approved the Advisory Committee's recommendation and that the Under-Secretary-General for Administration and Management should hold consultations with the Advisory Committee concerning the list of candidates. If the negotiations did not begin until the Fifth Committee had taken a decision on the establishment of the Commission, there would be no time for it to take a decision on the list of candidates.

7. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) agreed that the Committee was now inclined to support the Advisory Committee's recommendation and that the Under-Secretary-General should go ahead with the negotiations.

*Mr. Garrido (Philippines), Vice-Chairman, took the Chair.*

8. Mr. NAGGAGA (Uganda) said that his Government had not so far made any formal reservations or suggestions with regard to the draft statute of the International Civil Service Commission. It had, however, pointed out the need for a co-ordinated approach to personnel problems through such a commission. The Commission's mandate should therefore