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**Chairman: Mr. Omar LOUTFI (Egypt).**

*In the absence of the Chairman, Mr. Calogeropoulos-Stratis (Greece), Vice-Chairman, took the Chair.*

**AGENDA ITEM 51**

**United Nations salary, allowance and benefits system: report of the Salary Review Committee (A/3209, A/3505 and Corr.1, A/C.5/691 and Add. 1 to 3, A/C.5/L.441) (*continued*)**

CONSIDERATION OF THE REPORT OF THE ADVISORY COMMITTEE ON ADMINISTRATIVE AND BUDGETARY QUESTIONS (A/3505 AND CORR.1) (*continued*)

Point 11 (*vii*) (*continued*)

1. Mr. ZODDA (Italy) felt that the general situation regarding the cost-of-living classification had not yet been fully clarified. As the Italian delegation had already pointed out, it was difficult to see on what basis Geneva had been placed in a lower class than Rome. It would be more appropriate to place them both in class 1, and he formally proposed that Rome should be classified accordingly.

2. In addition, the Controller had advocated placing New York in class 5 in anticipation of a continued rise in cost of living. His own view, however, was that it was an unsound economic principle to assume future rises. He was not certain, in any case, that the proposed classification corresponded to real net percentage increases. A strictly mathematical approach was necessary if the salary categories were to reflect cost-of-living differences. It was scarcely possible for the Fifth Committee to take a decision on such important matters if the Advisory Committee on Administrative and Budgetary Questions, as explained in its report (A/3505 and Corr.1), had had neither the time nor sufficient information to determine the appropriateness of the classification proposed by the Salary Review Committee for Rome, Paris and Montreal. In his view, the whole question should be held over until the twelfth session of the General Assembly, as suggested by the French representative at the 581st meeting. By that time, the Secretary-General and the Advisory Committee would have more information on which to base a better justified proposal.

3. Mr. HUNN (Rapporteur of the Salary Review Committee), referring to the point raised by the Italian delegation at the 580th meeting with respect to the

proposed classification of Rome and Geneva, said that the Review Committee would agree that Rome prices were not 5 per cent higher than Geneva prices and that it was even doubtful whether they were indeed higher. Available statistics showed that the difference in the January 1956 figures was only 1 per cent—a very small margin which might be accounted for by statistical computations. Inter-city comparisons were not easy, however, and the figure of 1 per cent might not truly reflect the situation. The classification of Rome in class 2 was recommended for several reasons. In the first place, the Salary Review Committee had found that Rome prices had risen 10 per cent since the last salary adjustment there in 1952—a rise which, if maintained for six months, would have entitled Rome, under existing review procedure, to a cost-of-living adjustment of 10 per cent on 75 per cent of salary. In other words, the staff had been almost due for an increase of 7½ per cent gross. Secondly, certain cost-of-living items, such as transportation, domestic service and medical care, did not appear to have been fully covered by the statistics. The Salary Review Committee had also felt it necessary to take into account that the Food and Agriculture Organization (FAO) was having some difficulty in recruiting the type of staff it needed. For all those reasons it had decided to place Rome in class 2. As far as Geneva was concerned, it was moving, as he had already stated, towards a 5 per cent post adjustment, so that the disparity in favour of Rome might be a passing phase.

4. Mr. OGISO (Japan) asked whether official United Nations figures could be given for the price-level relationship between New York and Geneva in October 1956, in support of the Secretary-General's contention that New York was already closer to class 5 than to class 4.

5. Referring to paragraph 32 of the Secretary-General's report (A/C.5/691), he inquired whether the proposals relating to the strengthening of the statistical services of the United Nations would be submitted at the present session.

6. Mr. NATARAJAN (India) said that his delegation would normally agree with the Salary Review Committee's finding that New York should be placed in class 4, especially as that finding was also supported by the Advisory Committee. There were certain considerations, however, which indicated the need for further scrutiny, as the Indian delegation had stated in the general debate on the subject (574th meeting). It had then pointed out that the class 4 post adjustment for staff members without dependants was only about 10 per cent—not 15 per cent, as suggested—of the average salary at each level (for staff members with dependants it was about 15 per cent), and that while the proposed system of post allowances to some extent met the problem of dependants, it hardly touched the problem of the increase in cost of living, since the existing 10 per cent adjustment had been granted with

effect from 1 January 1956, which meant that, apart from a liberalization of dependency benefits, New York staff would receive no improvement in remuneration, if a post adjustment in class 4 was approved.

7. At the 581st meeting, the Controller had adduced still other grounds which the Indian considered reasonable. All parties concerned including the Rapporteur and the delegations which had opposed class 5 for New York, seemed to be in broad agreement that New York was approaching that level. The basic difference between their views and those of the Secretary-General in regard to the initial classification of New York seemed to relate to the manner in which that fact should be recognized. The Secretary-General thought it advisable to anticipate the slight additional increase that would be necessary before New York came into class 5, in making the initial classification. The counter-argument was that it was better to wait until that situation had actually been reached; but even the proponents of that thesis recognized that New York at present, and even on 1 January 1956, fell between classes 4 and 5. It had to be noted, however, that the Salary Review Committee had recommended that no debit or credit points should be carried forward on the cost-of-living index once a duty station had been initially placed in a particular class. In other words, if New York was placed in class 4 it could not carry forward any credit points to the next review. His delegation thought that such a situation was hardly satisfactory in view of the very slight margin between the actual position and the higher class.

8. The Fifth Committee had already decided in favour of increasing General Service salaries at a cost of nearly half-a-million dollars, on the basis of a proposal by the Secretary-General also involving an element of judgement. The Committee had been prepared to accept the Secretary-General's judgement without requiring detailed statistical information. In his delegation's view, the Secretary-General's judgement on the question of the classification of Professional staff for post adjustment purposes should similarly be accepted, both he and the Controller having provided all the relevant facts and figures. According to the latest information, New York was only one point below class 5 and its placement in that class could hardly be described as over-generous. It would be undesirable for a considerable number of staff members in the Professional category to receive less than many locally recruited staff members.

9. The representative of the Secretary-General had stressed the need for basing decisions on broad considerations. His delegation approved that approach, and called special attention to the Secretary-General's increasing responsibilities, in the discharge of which he would need the whole-hearted co-operation of an efficient staff. He was, in fact, receiving such co-operation but it was important at the same time that staff morale should not be affected by decisions which would give grounds for complaint. Certain important sections of the staff, particularly those in the intermediate levels, would receive no salary increase under the Salary Review Committee's recommendations and timely recognition of their claims seemed fully justified. His delegation accordingly supported the proposal to place New York in class 5.

10. Mr. COLOMA (Ecuador) had already expressed his support for the Secretary-General's proposal to place New York in class 5, and his attitude had been

strengthened by the Controller's statement at the 581st meeting concerning the continued increase in the cost of living in New York.

11. Mr. Y. W. LIU (China) had been impressed by the reference of the Rapporteur of the Salary Review Committee to the pattern worked out by that Committee after three months of study. Despite the points made by the Controller, he still attached greater importance to that pattern than to individual arguments. It was important to tackle the problem of how to give satisfaction to the New York staff and reduce the hardships suffered by many of its members, for only then could they be expected to do good work. The Secretary-General's proposal, however, might be described as *post mortem*. The Salary Review Committee's recommendation might have been different had he laid his cards before it. It would be better not to make the proposed change to class 5 until a thorough study of the matter had been made by a body like the Salary Review Committee; if the proposal was approved at the twelfth session, it could be made retroactive to January 1957. Adoption of such a procedure would mean that the Fifth Committee was not shirking its duty. Were action to be taken at the present session on the lines suggested by the Secretary-General, the United Nations would be irretrievably committed to the additional expenditure. While the Fifth Committee must do its part to alleviate the real hardship suffered by the Secretariat, it should do so only after a thorough study had been made.

12. Mr. VAN ASCH VAN WIJCK (Netherlands) was particularly grateful to the Rapporteur of the Salary Review Committee for clarifying the situation. The Fifth Committee was being called upon to take a decision which was difficult but which brooked no delay. It would be wrong to postpone it, because the Committee might then find that the situation had changed in the meantime and that a further complete review might have to be undertaken. The members of the Fifth Committee were not all statisticians or experts on living standards, and sufficient data had been produced and statements made to permit an immediate decision. He was not convinced that New York should be placed in class 5 forthwith, thus anticipating future developments. If prices remained at 5 per cent above class 4 throughout the next nine months, it might be necessary to take a decision at the twelfth session to place New York in class 5 as from 1 January 1958. That possibility was always open. He would accordingly vote for the classification of New York in class 4.

13. As far as Paris was concerned, little information had been provided, and he was not convinced that it should be placed in the same class as New York. It should, rather, be placed in class 3; if prices continued to rise during the year, a thorough study could be made, as in the case of New York, with a view to its possible reclassification at the twelfth session.

14. Mr. TURNER (Controller), in reply to a question by the Japanese representative at the beginning of the meeting, said that the price relationship between Geneva and New York in October 1956 was much the same as in January 1956, but that the question was not relevant to the consideration of the Salary Review Committee's recommendations, which explicitly stated that place-to-place comparisons should be established with a cut-off date of 1 January 1956 and that, thereafter, the determining factor would be the time-to-time relationship at each locality.

15. As regards the proposal for strengthening statistical services, consultations were now taking place between the United Nations and the specialized agencies, and it would take one or two months before the final details were worked out. Hence the Secretary-General would be unable to submit a final plan to the Fifth Committee at the present session, but hoped to do so early in the twelfth session.

16. Mr. OGISO (Japan) explained that his point had been that if New York was raised from class 4 to class 5 and if the price level relationship with Geneva remained the same, it would also be necessary to consider moving Geneva from class 1 to class 2. His delegation supported the Salary Committee's recommendation and regretfully opposed the change advocated by the Secretary-General. Any change in the classification recommended for New York would affect the whole structure of the recommendations, which had been based not only on considerations of price levels but also on other factors. He also supported the Salary Review Committee's recommended classification for Paris and Rome, and submitted, in reply to the contentions by the French and Italian representatives, that the cost-of-living was usually higher for foreigners than for nationals of a given country.

17. Mr. MAHEU (United Nations Educational, Scientific and Cultural Organization), speaking at the invitation of the Chairman, recalled that the ninth Conference of the United Nations Educational, Scientific and Cultural Organization (UNESCO) had adopted a resolution, the text of which was communicated to the Fifth Committee in document A/C.5/700, authorizing the Director-General to proceed with the implementation of such elements of the revised system of salaries, allowances and other conditions of employment as he considered desirable and practicable, provided that any such revisions made prior to the tenth Conference were in general conformity with the measures adopted by the General Assembly of the United Nations. The resolution, which had been adopted unanimously, had been based on the main recommendations of the Salary Review Committee and the Director-General's report thereon; it further stated that, although the report of the Salary Review Committee had not been available, the Conference had found that in general its recommendations provided a satisfactory basis for the establishment of a revised common system.

18. The government experts who composed the Salary Review Committee had produced abundant evidence in support of their view that Paris should be in class 4 for the purposes of the post adjustment, and the Director-General of UNESCO considered that their recommendation was both just and necessary. UNESCO was the United Nations agency with the largest number of staff in Paris, where its headquarters was located. The Director-General's representative in the Salary Review Committee had said that, unless there were a general increase in base salaries, it would be difficult to recruit personnel of the requisite calibre if Paris were not placed in class 4. Some representatives in the Fifth Committee had suggested that it should be in class 3, representing an index of 110 (May 1950=100). That level, however, had been reached in Paris by 1951-1952. Consequently UNESCO staff had been granted an appropriate cost-of-living adjustment in April 1952, but by January 1956 the index had been 115, which clearly indicated the need for class 4. Since then the cost of living had continued

to rise in Paris and the index had reached 117.3 in November 1956. If class 3 were chosen, the purchasing power of staff members would be gravely reduced, since it would mean that salaries remained at the 1952 level despite the acknowledged increase in cost of living.

19. The French representative had alluded to the privileges granted by the French Government to UNESCO staff in Paris in support of his advocacy of class 3. The liberal manner in which the French Government interpreted the Headquarters Agreement was greatly appreciated, but it should not be forgotten that the privileges in question were largely confined to a small number of staff at the P-5 level and above, representing only 11 per cent of the total, who came into the category of diplomatic officials permitted to import foodstuffs and pay reduced prices for some commodities such as petrol. Permission to import a motor car without payment of Customs duty, which the French representative had also mentioned, was not a special privilege, since all foreigners in France were entitled to do so. Certain advantages enjoyed by officials in P-4 posts would not be continued when the present incumbents were replaced.

20. It would be unfair to use the advantages granted to a minority of the staff with the highest salaries as an argument for fixing the remuneration of the entire staff at a lower level than that advocated by the Salary Review Committee. That Committee's recommendation was based on mature consideration and deserved the support of the Fifth Committee.

21. Mr. POLLOCK (Canada) said that, although he felt somewhat diffident about disagreeing with the Secretariat, his delegation's decision to support a class 4 post adjustment for New York staff was the result of careful thought and the study of many statistics which all tended to confirm the conclusions reached by the Salary Review Committee after painstaking investigations. The recommendations in paragraphs 146 to 148 of the Salary Review Committee's report (A/3209) represented a considerable improvement on the existing situation and provided a valid basis for fixing post adjustments in the current year. The Salary Review Committee rightly pointed, however, to the desirability of obtaining as accurate information as possible once adequate machinery was established to review both the method and the results. If, by means of new surveys, convincing evidence was adduced that a reappraisal was necessary, the proposed machinery would enable fresh adjustments to be made in due course, once that principle had been established.

22. He was aware that acceptance of the Salary Review Committee's recommendation at the present session would not satisfy the Secretary-General or the staff, but he nevertheless considered that it would be in the Fifth Committee's best interests to accept it, particularly as the General Assembly would be holding its twelfth session in only eight months' time, when any fresh data could be thoroughly examined and a new decision taken. Since only a very small upward price movement was needed to justify the placing of New York in class 5, there was every reason to believe that a solution giving greater satisfaction to the staff would soon be adopted. The great advantage of the Salary Review Committee's recommendation lay in the fact that it established a workable procedure for the future.

23. Mr. GREZ (Chile) said that his Government had devoted close attention to the Salary Review Committee's proposals, and as there appeared to be every chance that more information would be forthcoming in the next few months, his delegation supported a class 4 post adjustment for New York staff. He also endorsed the views expressed by the French and United States representatives at the previous meeting.

24. Mr. FORTEZA (Uruguay) expressed his delegation's agreement with the proposed system of post adjustments, which represented a more realistic and practical substitute for the present system of cost-of-living allowances. He regretted, however, that he could not agree with the Salary Review Committee's specific recommendations on the application of the post-adjustment system and the classification of the various headquarters, particularly New York. It was admittedly difficult to decide whether class 4 or class 5 should be applied to that city, but he believed that it was wise to err on the side of generosity to the staff.

25. It had been shown by the Secretary-General (A/C.5/691, para. 97) that between 1 January and 31 October 1956 the cost of living in New York had steadily risen, so that a further rise of 1.3 points would in fact bring New York up to the class 5 level. The rise had continued in recent months and the index as of January 1957 was probably not more than one point below the class 5 level. Prudence, a virtue which several delegations had praised during the debate, would therefore seem to argue in favour of placing New York in class 5 immediately.

26. There were several other factors which confirmed his contention: for example, transport, entertainment and domestic service costs were all relatively higher in New York than elsewhere. He did not, however, wish to suggest that the promotion of New York to class 5 should establish a precedent for changing the classification of the other cities concerned, unless there were compelling reasons in individual cases.

27. Mr. JONES (United States of America), referring to the proposal that Paris should be placed, at least temporarily, in class 3, said he realized that the Salary Review Committee felt that the cost of living in Paris was slightly lower than in New York, but it was his understanding that the Salary Review Committee felt that the difference was so slight that Paris should be in class 4 with New York. The Committee's conclusions had not been reached lightly and he felt that the Fifth Committee should adopt them. Adequate machinery was provided for changing the post adjustments if and when that became necessary.

28. Mr. DIEGUEZ (Guatemala) said that, even before listening to the lucid arguments of the Controller at the 581st meeting, his delegation had been in favour of a class 5 adjustment for New York. He did not feel that there was any conflict between that viewpoint and the Salary Review Committee's recommendation: that Committee had itself envisaged the possibility of subsequent reappraisals, and during the period since the preparation of its report (A/3209) the situation might well have changed to an extent warranting the immediate reclassification of New York. Prevention was better than cure: hitherto, United Nations salaries had always lagged somewhat behind the increases in the cost of living, but the Committee now had for the first time an opportunity of remedying that anom-

aly. A further upward adjustment would in any case be inevitable in the near future, and it would undoubtedly have a beneficial effect on the morale of the staff if the appropriate measures were taken forthwith instead of at some later date when they could no longer be gainsaid.

29. He noted the suggestion of the Chinese representative that any decision taken at the twelfth session to place New York in class 5 should be given retroactive effect to 1 January 1957. The Guatemalan delegation was prepared to make a formal proposal to that effect.

30. Mr. BRODTKORB (Norway) did not consider that the Secretary-General had made out a clear case for placing New York in class 5. A base date for the system must be chosen; if that date were 1 January 1956, then no account could be taken of price increases during 1956 in New York without paying similar regard to cost-of-living changes at other duty stations.

31. His delegation favoured the proposal to place Paris provisionally in class 3, on the understanding that, as the Salary Review Committee had stated in its report (A/3209, para. 146 (c)), the allowance should be reviewed when appropriate machinery was available for a new inter-city comparison. It would be better for future changes to be upward rather than downward.

32. Mr. GANEM (France) supported the United Kingdom representative's proposal at the 580th meeting to classify Paris in class 3 for the time being.

33. Referring to the remarks of the UNESCO representative, he pointed out that in July 1952 the French Parliament had enacted legislation introducing a sliding scale of salary adjustments for civil servants and many other employees which would automatically come into effect when price indices exceeded by 5 per cent the level prevailing on 1 January 1952. That position had still not been reached five years later and thus the sliding scale had not so far been operative. It was not correct to state that any foreigner in France could import a motor car free of Customs duty: only foreign tourists were in that fortunate position—resident foreigners who imported cars were subjected to the same regulations as French nationals.

34. Mr. BRAVO CARO (Mexico) said that his delegation attached great importance to allowing the New York staff a standard of living conducive to the maintenance of morale. That was an important consideration in the recruitment of personnel with the requisite qualifications of efficiency, competence and integrity. It was therefore only fitting that for the purposes of the post adjustment New York should be placed in class 5.

35. Mr. ROBERTSON (Director of Personnel) said that the Secretary-General was anxious that the sequence of events leading up to the presentation of the Salary Review Committee's report should be fully understood by the Committee. One representative had said at an earlier meeting that the Salary Review Committee had not apparently considered that the Secretary-General had submitted to that Committee the case for an increase for the New York staff which he was now making. In that representative's opinion, the Salary Review Committee had given the Secretary-General substantially what he had asked for. It was quite true that the Secretary-General regarded the system of post adjustments in general as a distinct improvement

over the existing system and hoped that it would be adopted, but the position with regard to the situation in New York on 1 January 1957 was more complicated.

36. The Secretary-General's initial recommendations to the Salary Review Committee had called for higher pensionable pay than the Committee had eventually proposed and for better prospects for the career staff, to be brought about, in particular, by the coupling of the P-3 and P-4 levels. The Salary Review Committee had given careful consideration to the question of career prospects and it had put forward a series of proposals; nevertheless their net result would be less favourable than the Secretary-General's original proposals.

37. Furthermore, as early as 22 June 1956, the Secretary-General had submitted to the Salary Review Committee a working paper stating that it appeared to him that for a great many United Nations staff at Headquarters there was a case for some immediate increase in pay. The paper had continued as follows:

"The staff themselves have a strong conviction that for ten years United Nations conditions have been allowed to deteriorate, in a relative sense, and are claiming a 15 per cent increase. The Secretary-General finds it difficult, on the basis of available material, to draw any firm conclusions as to what would be an increase representing the general improvement of salary standards. However, he is convinced that there is a case for such an improvement and he considers, therefore, that serious consideration should be given to the problem in view of the interest of this Organization to keep abreast of developments both for reasons of equity and for reasons of efficiency. A too restrictive attitude on this point would over the years be likely to harm the Organization in view of the greater flexibility which the salary systems show in most other fields. Bearing in mind the improvement which he is suggesting in pay structure, which will be of material benefit to the staff, the Secretary-General feels that it must be left to the judgement of the Salary Review Committee to express an opinion on the claims of the staff, in the light of the above and other facts."

38. Hence, the Secretary-General had undoubtedly suggested that there was a case for an increase within the proposed salary scales. It should be noted, however, in that connexion that the improvement in pay structure recommended by the Secretary-General had not been adopted.

39. The Committee should bear in mind that the Secretary-General's proposals had been submitted to the Salary Review Committee before the new pattern had been worked out. Confronted with a new salary system containing so many good features, the Secretary-General had had to reformulate his thinking. His new position was set out in documents A/C.5/691 and in his statement at the 573rd meeting and had been further clarified and amplified by the Controller at the 581st meeting. As the Secretary-General had informed the Fifth Committee, his considered judgement was that the treatment required to do immediate justice, particularly in the face of the greater rise in cost of living at New York throughout 1956, was to place New York in class 5 as of 1 January 1957. The Secretary-General did not feel that that proposal was

incompatible with his recommendations to the Salary Review Committee. In brief, his proposal that New York should be placed in class 5 was essentially an alternative measure decided on since the Review Committee had submitted a new proposal and designed to replace the increase he had consistently had in mind, within the framework of the Salary Review Committee's general proposals.

40. It had been argued that the Salary Review Committee's report was monolithic and untouchable. That was not quite true, as the Salary Review Committee's recommendations had already been modified on several points.

41. The Secretary-General believed that the General Assembly would always wish to give special consideration to the level of remuneration in New York. It was not enough to fit New York into a general system as into a Procrustean bed; if New York could not easily be assimilated into the general system, the system should be adapted.

42. The Secretary-General recognized the value of statistics and the need to improve the statistical machinery. He felt, however, that judgement, common sense and the human factor also had to be taken into account.

43. Mr. TOWNSEND EZCURRA (Peru) strongly supported the Secretary-General's proposal that New York should be placed in class 5. His delegation was not fully convinced that such a post adjustment was a satisfactory substitute for a salary increase: it was not pensionable and it made a distinction between single and married staff members. In any event, class 4 was too low for New York in view of the great difference in the cost of living between New York and Geneva. The Salary Review Committee itself recognized that the time for reclassifying New York in class 5 was fast approaching. Furthermore, the statistics on the cost of living omitted certain items which were far more expensive in New York than in Geneva or indeed anywhere else. He had in mind such things as domestic service, commuting, education and what the Secretary-General had referred to as the decent and reasonable amenities of life.

44. It was vital that the staff should receive equitable remuneration. Service in the United Nations called for exceptional qualifications in addition to which staff members had to make the sacrifice of leaving their own countries. The staff had for years been requesting, with moderation but insistence, a salary increase in keeping with the rising cost of living in New York.

45. Mr. PEACHEY (Australia) wholeheartedly supported the recommendation of the Salary Review Committee and the Advisory Committee on the classification of New York. The views expressed in the Fifth Committee had been overwhelmingly in favour of the Review Committee's thoroughly considered views. The statements in favour of reclassifying New York had been largely of a general and somewhat emotional nature, involving considerations of equity, staff morale and the recently enhanced status of the Secretariat. His delegation had not been convinced by those statements. It was regrettable that the Secretary-General's proposal had been submitted directly to the Fifth Committee rather than through some intermediate machinery, such as the Salary Review Committee. The proper procedure now would be to use the new machinery for salary review to study the matter in detail.

46. He also supported the Salary Review Committee's recommendations with regard to the classification of Paris and Rome, on the understanding that the situation at all posts would be kept under continuous review and that the posts would be reclassified when required.

47. Mr. KEATING (Ireland) said that he would, with considerable hesitation, vote in favour of the Salary Review Committee's recommendation. The Secretary-General's arguments in favour of class 5 were very strong. On the other hand, the Review Committee had managed to work out a coherent salary system and had provided machinery for later adjustments. If the Fifth Committee failed to take a decision at that juncture, it would subsequently be faced with a completely different set of circumstances and the whole task would have to be done again. The cost of living in New York was undoubtedly high, but if the Committee began to tinker with the Salary Review Committee's system before it had been given a trial, it would never achieve any logical solution to the salary problems confronting the United Nations.

48. He would support the Salary Review Committee's recommendations on Paris, Montreal and Rome because the Fifth Committee had not sufficient data before it to come to an independent decision; neither had it had an opportunity of giving the matter the full consideration it had received from the Salary Review Committee.

49. Mr. RAEYMAECKERS (Belgium) supported the Salary Review Committee's recommendation that New York should be placed in class 4. He had far more hesitation with regard to Paris, Montreal and Rome, because in those cases the recommendations had, on the Salary Review Committee's own admission, been based on less satisfactory data than the Committee would have liked. That was regrettable as the establishment of an appropriate relationship between duty stations was a fundamental element of the current review. In any case, it was improper to place Paris in the same class as New York. He would therefore support the United Kingdom proposal that Paris should be placed in class 3.

50. The CHAIRMAN said that if there were no objections he would assume that the Committee unanimously approved the recommendation that the existing system of differentials and cost-of-living allowances should be replaced by a system of post adjustments.

*It was so decided.*

51. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the General Assembly's responsibilities with regard to the determination of post adjustments for various locations were two-fold: in the case of United Nations staff at Headquarters, it would have to determine the appropriate post adjustment, while in the case of the headquarters offices of the other

organizations, it might make recommendations, leaving it to the legislative bodies of the organization concerned to take the final decisions. The legislative bodies of UNESCO and the World Health Organization had already adopted resolutions authorizing their executive heads to take co-ordinating action with the United Nations in that regard (A/C.5/700 and Add.1). He was glad to note from the resolution adopted by UNESCO at its ninth Conference, that one specialized agency at least was extremely anxious that no unilateral decision should be taken and that all decisions should as far as possible be co-ordinated with those taken by the General Assembly. In those circumstances, the Assembly's responsibility was very great.

52. With regard to United Nations staff stationed at the headquarters locations of other organizations, the Secretary-General might be authorized to follow the classifications decided upon by the organization concerned. Similarly, staff of other organizations employed in New York could be assimilated to United Nations staff in New York for the purpose of the post adjustment.

53. Appropriate post adjustments would have to be worked out through inter-agency machinery, probably the Administrative Committee on Co-ordination, for the various branch or field offices throughout the world.

54. In conclusion, he suggested that the classification of each of the main headquarters offices should be put to the vote separately. The Philippine representative's proposal at the 580th meeting that New York should be placed in class 5, the United Kingdom representative's proposal that Paris should provisionally be placed in class 3 and the Italian representative's proposal that Rome should be placed in class 1 should be treated as amendments to the Salary Review Committee's recommendations as set out in document A/3505, column A.

*The Philippine representative's amendment that New York should be placed in class 5 was rejected by 30 votes to 24, with 2 abstentions.*

*The Salary Review Committee recommendation that New York should be placed in class 4 was approved by 40 votes to none, with 16 abstentions.*

*The United Kingdom representative's amendment that Paris should be placed in class 3 was adopted by 26 votes to 18, with 10 abstentions.*

*The Italian representative's amendment that Rome should be placed in class 1 was rejected by 23 votes to 5, with 26 abstentions.*

*The recommendation of the Salary Review Committee that Rome should be placed in class 2 was adopted by 37 votes to none, with 15 abstentions.*

*The recommendation of the Salary Review Committee that Montreal should be placed in class 4 was adopted by 38 votes to 1, with 14 abstentions.*

The meeting rose at 5.50 p.m.