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UNITED NATIONS SALARY SYSTEM

Report of the Fifth Committee

Rapporteur: Mr. Ahmed ABOUL GHEIT (Egypt)

I. INTRODUCTION

1. At its 2353rd meeting, on 19 September 1975, the General Assembly decided to include the item entitled:

"United Nations salary system:

- (a) Report of the International Civil Service Commission;
- (b) Report of the Secretary-General"

in the agenda of its thirtieth session and allocated it to the Fifth Committee for its consideration.

2. The Committee considered this item at its 1744th, 1751st, 1753rd and 1756th meetings, on 20, 26, 28 November and 2 December 1975, respectively.

3. For its consideration of this item, and in accordance with article 17 of the Statute of the International Civil Service Commission, the Committee had before it the first annual report of the Commission to the General Assembly. ^{1/} The International Civil Service Commission was established by the General Assembly in its resolution 3357 (XXIX) of 18 December 1974, by which it also, inter alia, approved the Commission's Statute and endorsed the administrative and budgetary arrangements proposed for 1975.

^{1/} Official Records of the General Assembly, Thirtieth Session, Supplement No. 30 (A/10030).

4. The Committee also had before it the following documents:

(a) A statement in which the Secretary-General submitted revised estimates in respect of the work programme of the Commission (A/C.5/1700);

(b) A statement (A/C.5/1703) in which the Secretary-General submitted the financial implications of the recommendation contained in paragraph 64 of the report of the International Civil Service Commission 1/ regarding interim changes in the post-adjustment system.

The comments of the Advisory Committee on Administrative and Budgetary Questions on this agenda item were also before the Committee (A/10008/Add.9).

5. In its report, the International Civil Service Commission dealt, inter alia, with the work it had begun with respect to the priority task assigned to it by the General Assembly in paragraph 3 of resolution 3357 (XXIX) of reviewing the United Nations salary system, and the way it envisaged pursuing this review with the aim of presenting the fullest possible report covering the major aspects of the system to the Assembly at its thirty-first session. The report also dealt with two questions specifically brought to its attention by the Administrative Committee on Co-ordination and the Federation of International Civil Servants' Associations (FICSA) as requiring urgent consideration.

6. The first of the above-mentioned questions concerned the application of the post-adjustment formula to staff members without dependants. In paragraph 57 of its report, the Commission had concluded that the application of the present formula to post adjustment payable to staff members without dependants constituted a serious problem of inequity in duty stations with a high post-adjustment class and that without prejudice to the conclusion it might reach later, in the general review, regarding the post-adjustment system, the staff assessment system and other aspects of the system, some relief should be granted immediately to such staff members.

7. In paragraph 64 of its report, the Commission recommended 2/ that, as a temporary interim measure, with effect from 1 January 1976:

"(a) At duty stations classified for the purposes of application of the post-adjustment system at class 7 and below there should be no change in the existing tables of rates of post adjustments for staff with and without dependants at the different grades and steps;

"(b) At duty stations classified in class 8 and above, the present rates should continue to apply to staff members without dependants in respect of the first seven classes of post adjustment. For each class above class 7 (class 8 and above), additional payments should be made to staff members without dependants equal to the difference between the present rate (two thirds of the 'with dependants' rate) and a rate of 85 per cent of the 'with dependants' rate."

2/ The dissenting view on the recommendations is reflected in paragraph 65 of the report.

8. The second question dealt with by the International Civil Service Commission concerned the education costs incurred by expatriate staff for the education of their children. In paragraph 72 of its report, it decided to inform the General Assembly that the consensus of the Commission was that the case for increasing the education grant in 1975 as a matter of urgency had not been fully made, and that it would revert to the matter in the context of its general review of the salary system, on the basis of more complete data, in conjunction with the other changes in the conditions of the education grant recommended by the Special Committee for the Review of the United Nations Salary System. 3/

9. In his initial estimates of the proposed programme budget for 1976-1977, 4/ the Secretary-General had requested a provisional amount of \$2,453,000 in respect of the International Civil Service Commission with the indication that revised estimates would be submitted to the General Assembly at its thirtieth session, on the basis of proposals to be made by the Commission and after consultation with the Administrative Committee on Co-ordination, in accordance with article 21, paragraph 2, of the Commission's statute. Accordingly, in document A/C.5/1700, the Secretary-General, after detailed consideration of the Commission's work programme and in consultation with the Commission, submitted revised budget estimates amounting to \$2,739,000, or an increase of \$286,000 over the initial estimates. After allowing for the reimbursement to the United Nations by the specialized agencies of their share (67 per cent) of the cost involved, the amount to be provided in the United Nations budget would be \$904,000, or \$95,000 over the initial estimates.

10. As regards the Commission's recommendation with respect to the amendments to the application of the post-adjustment system, the Secretary-General, in paragraph 2 of his statement on financial implications (A/C.5/1703), estimated the cost of the Commission's recommendation to the United Nations for the biennium 1976-1977 at a total of \$1,155,000.

11. The Chairman of the Advisory Committee on Administrative and Budgetary Questions orally introduced the Advisory Committee's report (A/10008/Add.9) at the 1744th meeting, on 20 November. In its report the Advisory Committee stated that it accepted the revised estimates for the International Civil Service Commission for the biennium 1976-1977 as contained in document A/C.5/1700. The Advisory Committee, in paragraph 15 of its report, also invited the Secretary-General to ascertain, in co-operation with the Administrative Committee on Co-ordination, the extent to which the additional manpower requirements of the Commission's secretariat could be met by redeployment of existing posts from agencies in the common system and to report to the General Assembly at its thirty-first session on the steps taken to give effect to such redeployment. As regards the Commission's recommendation on the application of the post-adjustment system, the Advisory Committee, in paragraph 7 of the same report, stated that it had no objection to the recommendation being implemented as of 1 January 1976.

3/ Official Records of the General Assembly, Twenty-seventh Session, Supplement No. 28 (A/8728 and Corr.1).

4/ Ibid., Thirtieth Session, Supplement No. 6 (A/10006), vol. VI, sect. 22 A.

12. Also at the 1744th meeting, the Chairman of the International Civil Service Commission orally introduced the report of the Commission. ^{5/} Details of the Chairman's statement are reflected in the summary record of the Committee (A/C.5/SR.1744).

II. DISCUSSION

13. Delegations participating in the discussion which followed expressed satisfaction with the establishment of the Commission, with the start it had made on the priority task on the salary review and with its intention to present its report on the review to the General Assembly at its thirty-first session. Some delegations welcomed the Commission's reaffirmation of the Noblemaire principle and, in that connexion, the view was expressed that the comparison of the United Nations remuneration with that of the highest-paying national civil service should not be confined to salary alone but should be made on a broad basis, comprising other benefits and such elements as expatriation and housing allowance.

14. The interim changes in the post-adjustment system recommended by the Commission were supported by some delegations as a reasonable interim remedy to a real problem of inequity, not prejudging the Commission's ultimate recommendations; they suggested that the Commission should in future remove the reflection of dependency status from the post-adjustment system and incorporate it instead into either the staff assessment scheme or the dependency allowance. Another representative, however, expressed his delegation's surprise with regard to the Commission's proposal to increase the payments to certain staff members when its report showed that the level of United Nations salaries was already high in relation to those of national civil services and when the Commission had not yet completed its review of all aspects of the salary system; his delegation would vote against the proposal.

15. The Commission's work programme and plans for progressive assumption of the full range of its responsibilities, subject to completion of the priority task of the salary review, were commended by some representatives who supported the budget estimates and the proposals regarding the Commission's pattern of meetings and the establishment of a subsidiary body to provide expert advice on matters in connexion with the post adjustment system. In reply to questions raised by one delegation, it was confirmed that the proposed body would be the only one existing for this purpose in the United Nations system, the former Expert Committee on Post Adjustments having lapsed upon the establishment of the Commission; its members (five or six in number) would be chosen for their expertise, having due regard to geographical distribution; they would receive no remuneration other than payment of their travel expenses; and the secretariat of the body would be provided by the secretariat of the Commission without additional expense.

^{5/} Ibid., Supplement No. 30 (A/10030).

16. The desirability of the redeployment of already existing staff from other agencies or services of the United Nations to the Commission's secretariat, as called for in paragraph 15 of the report of the Advisory Committee (A/10008/Add.9), was emphasized by some delegations. One representative considered the proposed increases in the manning table of the Commission's secretariat to be unjustified at a time when the Commission had only just started its work; he stated that his delegation could not support additional expenditures due to inflation and staffing increases.

17. Delegations commenting on the question of increasing the education grant concurred with the consensus reached in the Commission that it was not a matter of urgency, and expressed the hope that the Commission will have considered the question when it submits its proposals on the salary system in 1976.

III. PROPOSALS

18. At the 1751st meeting, on 26 November, the representative of Japan introduced the following draft resolution (A/C.5/L.1260) on behalf of Austria, Germany (Federal Republic of), Ghana, India, Japan and Mexico:

"The General Assembly,

"Recalling its resolutions 3041 (XXVII) of 19 December 1972 and 3357 (XXIX) of 18 December 1974,

"Convinced that a good foundation has been laid for the International Civil Service Commission to perform the important tasks entrusted to it by the General Assembly,

"Takes note with appreciation of the first annual report of the International Civil Service Commission, 6/

"Notes with satisfaction the Commission's intention to present to the General Assembly at its thirty-first session its comprehensive recommendations regarding the United Nations salary system, called for by paragraph 3 of General Assembly resolution 3357 (XXIX),

"Notes the Commission's plans for the progressive assumption of the full functions assigned to it by its statute,

"Approves, having regard to the provisions of article 27 of the Commission's statute and taking into account the recommendations of the Commission contained in paragraph 18 of its first report, 6/ the establishment of a subsidiary body to provide expert advice to the Commission concerning the operation of the post-adjustment system."

6/ Ibid.

In so doing the representative of Japan stated that the sponsors intended to revise the draft resolution following consultations.

19. At the 1756th meeting, on 2 December, the representative of Japan introduced the following revision of the draft resolution (A/C.5/L.1260/Rev.1):

"The General Assembly,

"Recalling its resolution 3042 (XXVII) of 19 December 1972, in which the International Civil Service Commission was requested to submit 'recommendations for action at the earliest possible date' on the report of the Special Committee for the Review of United Nations Salary System, and also its resolution 3357 (XXIX) of 18 December 1974, in which the Commission was requested 'as a matter of priority' to prepare a review of the United Nations salary system,

"Convinced that a good foundation has been laid for the International Civil Service Commission to perform the important tasks entrusted to it by the General Assembly,

"1. Takes note with appreciation of the first annual report of the International Civil Service Commission; 7/

"2. Invites the Commission to complete its work on the United Nations salary system in 1976 and to present its final recommendations to the General Assembly at its thirty-first session;

"3. Notes the Commission's plans for the progressive assumption of the full functions assigned to it by its statute;

"4. Approves, having regard to the provisions of article 27 of the Commission's statute and taking into account the recommendations of the Commission contained in paragraph 18 of its first report, 7/ the establishment, taking into account equitable geographical distribution, of a subsidiary body to provide expert advice to the Commission concerning the operation of the post-adjustment system."

In so doing he stated that Poland had joined the list of co-sponsors, and that the revised draft incorporated suggestions made by Poland with a view to amplifying and making the original draft more explicit.

20. Also at its 1756th meeting, the Committee considered a draft resolution proposed by the Chairman (A/C.5/L.1269) on the subject of interim changes in the post-adjustment system.

21. At the same meeting, the Committee adopted without objection draft resolution A/C.5/L.1260/Rev.1 (see para. 23 below, draft resolution A).

7/ Ibid.

22. The Committee also adopted, by 72 votes to 10, with 2 abstentions, draft resolution A/C.5/L.1269 proposed by the Chairman of the Committee (see para. 23 below, draft resolution B).

IV. RECOMMENDATIONS OF THE FIFTH COMMITTEE

23. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolutions:

United Nations salary system

A

Report of the International Civil Service Commission

The General Assembly,

Recalling its resolution 3042 (XXVII) of 19 December 1972, in which the International Civil Service Commission was requested to submit recommendations for action at the earliest possible date on the report of the Special Committee for the Review of the United Nations Salary System, 8/ and also its resolution 3357 (XXIX) of 18 December 1974, in which the Commission was requested as a matter of priority to prepare a review of the United Nations salary system,

Convinced that a good foundation has been laid for the International Civil Service Commission to perform the important tasks entrusted to it by the General Assembly,

1. Takes note with appreciation of the first annual report of the International Civil Service Commission; 9/
2. Invites the International Civil Service Commission to complete its work on the United Nations salary system in 1976 and to present its final recommendations to the General Assembly at its thirty-first session;
3. Notes the plans of the International Civil Service Commission for the progressive assumption of the full functions assigned to it by its statute;
4. Approves, having regard to the provisions of article 27 of the statute of the International Civil Service Commission and taking into account the recommendations of the Commission contained in paragraph 18 of its first report, 9/ the establishment, taking into account equitable geographical distribution, of a subsidiary body to provide expert advice to the Commission concerning the operation of the post-adjustment system.

8/ Ibid., Twenty-seventh Session, Supplement No. 28 (A/8728 and Corr.1).

9/ Ibid., Thirtieth Session, Supplement No. 30 (A/10030).

B

Interim changes in the post adjustment system

The General Assembly,

Having considered the recommendations made by the International Civil Service Commission in paragraphs 37 to 65 of its report, 10/

Noting that the operation of the post-adjustment system has resulted in an undue degree of differentiation in the total remuneration of staff members without dependants as compared with that of staff members with dependants, which, in the opinion of the International Civil Service Commission, constitutes a serious problem of inequity,

Noting further that the International Civil Service Commission expects to include in the over-all report on its review of the United Nations salary system, which it will submit to the General Assembly at its thirty-first session, proposals to deal with this problem on a long-term basis,

Approves the recommendation of the International Civil Service Commission 11/ that, as a temporary interim measure, with effect from 1 January 1976:

(a) At duty stations classified for the purposes of application of the post-adjustment system at class 7 and below, there should be no change in the existing tables of rates of post adjustments for staff with and without dependants at the different grades and steps;

(b) At duty stations classified in class 8 and above, the present rates should continue to apply to staff members without dependants in respect of the first seven classes of post adjustment; for each class above class 7 (class 8 and above), additional payments should be made to staff members without dependants equal to the difference between the present rate (two thirds of the "with dependants" rate) and a rate of 85 per cent of the "with dependants" rate.

10/ Ibid.

11/ Ibid., para. 64.