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PROGRAMME BUDGET FOR THE BIENNIUM 1980-1981

REPORT OF THE INTERNATIONAL CIVIL SERVICE COMMISSION

Administrative and financial implications of recommendations
contained in the report of the International Civil Service
Commission

Statement submitted by the Secretary-General in accordance
with rule 153 of the rules of procedure of the General
Assembly

1. Some of the recommendations contained in the report of the International Civil Service Commission (ICSC) to the General Assembly ^{1/} would, if adopted, result in additional expenditures for the 1980-1981 biennium.
2. The recommendations which have financial implications may be summarized as follows:
 - (a) Consolidation of post adjustment into base salary (chap. IV, sect. A, para. 3):
 - (b) Proposed increase in the maximum of education grant (chap. IV, sect. D)
 - (c) Classification of duty stations according to conditions of work (chap. VI, sect. A).
3. Two other subjects on which ICSC has made recommendations, namely, revised salary scales in the General Service and related categories in New York and revised salary scale of staff in the General Service category in Geneva also have financial implications but are dealt with in the context of the first performance report on the programme budget for the biennium 1980-1981.

^{1/} Official Records of the General Assembly, Thirty-fifth Session,
Supplement No. 30 (A/35/30).

4. The proposals of the Commission regarding the strengthening of the cost-of-living section of its secretariat, outlined in chapter VIII, section B, of its report, have been examined and not endorsed by the Administrative Committee on Co-ordination. 2/ Therefore, all possibilities will be explored to bring and keep cost-of-living work up to date within the current appropriations.

(a) Consolidation of post adjustment into base salary

5. The consolidation proposed by ICSC involves some 30 points of post adjustment (i.e., about five classes) and should merely constitute a redistribution of the pay package from post adjustment to base salary. The basic principle underlying the consolidation is "no gain, no loss". ICSC is recommending that the consolidation be implemented as from 1 January 1981. Some gains to staff would result from "rounding" and from the revision of the scale of staff assessments. These would involve costs of approximately \$210,000 for 1981 of a non-recurring nature. The reductions in the scale of assessments would result in increases in net equivalents corresponding to pensionable remuneration, the effect of which would warrant an increase of approximately \$330,740 in the amount budgeted for separation payments for 1981.

(b) Proposed increase in the maximum of education grant

6. ICSC is putting forward new reimbursement brackets concerning education grant, the effect of which would increase the maximum grant payable from the current \$2,250 to \$3,000. The current maximum has been in effect since 1 January 1977. 3/ The new reimbursement brackets would involve new percentages applicable to approved costs reimbursable under the provisions of the grant, namely, 75 per cent up to the first \$3,000; 50 per cent for costs between \$3,001 and \$4,000, and 25 per cent for costs between \$4,001 and \$5,000, subject to the provision that in respect of disabled children, 75 per cent of approved costs up to \$5,000 should be reimbursable. ICSC is also recommending that the flat amount payable for boarding costs should be increased from \$750 to \$1,000 and that the currency floor be maintained as established in 1977. It is estimated that the costs of implementing the ICSC recommendations indicated above would be approximately \$900,000 per year.

(c) Classification of duty stations according to conditions of work

7. ICSC is recommending a change in the periodicity of home leave to 12 and 18 months, respectively, for staff members serving in very difficult and difficult field duty stations to become effective as from 1 January 1981. ICSC is working on an analysis of factors which will underlie the categorization of duty stations,

2/ ACC/1980/32.

3/ See ST/AI/181/Rev.4.

and, at its next session, it will determine which duty stations will be eligible for the special measure of shortening the periodicity of home leave. An analysis, for costing purposes, shows that the number of United Nations staff likely to benefit from the new measures proposed is such as to make the financial implications very minimal.

8. A summary of financial implications is as follows:

	<u>1981</u>
(a) Consolidation of post adjustment into base salary	
Costs from revision of scale of staff assessments (non-recurrent)	\$210,000
Increase in amount budgeted for separation payments	330,740
(b) Increase in the maximum of education grant	
Increase in amount budgeted	900,000

9. No additional appropriations are requested at this time, but the Secretary-General reserves the right to return to the above financial implications in the context of the final performance report on the programme budget for the biennium 1980-1981.
