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SUMMARY RECORD OF THE 59th MEETING

Chairman:

Mr. TEIRLINCK

(Belgium)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 113: HUMAN RESOURCES MANAGEMENT (continued)

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The meeting was called to order at 10.30 a.m.

AGENDA ITEM 113: HUMAN RESOURCES MANAGEMENT (continued) (A/C.5/49/13, A/C.5/49/60 and Add.1, A/C.5/49/62; A/C.5/49/CRP.3)

1. <u>Mr. CONNOR</u> (Under-Secretary-General for Administration and Management) said that reform of the internal system of justice was a key component of the new management strategy focusing on efficiency, accountability, responsibility, performance appraisal and the Integrated Management Information System. The two main objectives were to promote efficiency and professionalism. After extensive consultations, the staff had given their full approval to the detailed proposals for reform, set forth in document A/C.5/49/60.

2. The current system of justice was unable to handle expeditiously the volume and complexity of the grievances, appeals and disciplinary cases being presented. The system had been designed at a time when there were only four or five cases a year, handled by perhaps 10 volunteers. Currently there were some 110 cases every year, involving more than 300 staff volunteers. Although that represented a considerable cost in staff time, the results were rarely satisfactory.

3. Machinery for the resolution of disputes had changed considerably in the outside world over the past 50 years, and it was time to bring the Organization into line with a world where transparency, fairness and professionalism were seen as essential parameters. The Organization must move in that direction in the interest of both labour relations and justice.

4. The reform comprised three mechanisms which had proved successful in national civil services: emphasis on early reconciliation and resolution of disputes through mediation; efficient and objective review of grievances to pre-empt litigation; and professionalism of appeals and disciplinary bodies.

5. There was an urgent need for institutional machinery to provide for early reconciliation and mediation. The establishment of ombudsman mediation panels would provide an informal and flexible mechanism that should help to prevent litigation. The absence of any mandatory administrative review of grievances, which had taken place in only 48 of a total of 309 cases in 1994, clogged the system and undermined staff/management relations. Under the new system, administrative review of grievances would be mandatory before any litigation took place.

6. Notwithstanding his agreement in 1988 to endorse unanimous recommendations of the Joint Appeals Board (JAB), the Secretary-General had, owing to legal or policy deviations, endorsed only 50 per cent of those recommendations, which cast severe doubts on the outputs of JAB. In fact, the current system relied heavily on volunteers without legal expertise, in addition to which JAB had been delayed by the time needed to constitute panels and by the fact that staff members were not always available to conclude cases.

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7. Those difficulties would be resolved by the establishment of an Arbitration Board. Arbitrators would hear cases in New York and in Geneva, and it was expected that the time needed for completion of a case would be halved in New York and reduced by two thirds in Geneva. In addition, as part of the professionalization of the internal system of justice, a full-time legal officer would be appointed to the Panel of Counsel.

8. Professionalization would result in considerable savings, since current costs were estimated at a minimum of \$800,000 in staff time alone, not including other hidden elements. The new system as a whole would make the best use of the Organization's resources.

9. There was a clear and urgent need for such reforms in the interest of positive staff/management relations and improved efficiency. Both staff and management eagerly sought the proposed changes, and the Committee should not divorce those proposals from those for a streamlined evaluation system. The aim was to stop problems from arising and to deal quickly and, for the most part, informally with those that did. While change was often seen as unsettling, it would be a severe error not to make the changes that were badly needed in the internal system of justice.

10. The CHAIRMAN said he would it that the Committee wished to recommend to the General Assembly that it should take note with interest of the introductory statement made by the Under-Secretary-General for Administration and Management on the two reports of the Secretary-General on the reform of the internal system of justice in the United Nations Secretariat, and to defer in-depth consideration of the two reports to the fiftieth session of the General Assembly, taking into account the relevant recommendations and observations of the Advisory Committee on Administrative and Budgetary Questions in the context of the proposed programme budget for the biennium 1996-1997.

11. It was so decided.

12. The CHAIRMAN said he would take it that the Committee wished to take note of the statement on the status of women adopted by the Administrative Committee on Coordination (A/C.5/49/62) and of the detailed information on the practice of the use of retirees in the United Nations Secretariat (A/C.5/49/CRP.3).

13. <u>Ms. GRAHAM</u> (United States of America) said that the status of women was an important issue on which her delegation would look for progress, and she trusted that the Secretary-General would keep the question before the Administrative Committee on Coordination.

14. With regard to the employment of retirees, she noted that of the 573 retired staff members employed in the biennium 1993-1994, 150 had worked for more than 80 days, which represented a significant percentage. It appeared that the hiring of such former staff was done on an ad hoc basis by programme managers, rather than being centralized. Such individuals should be employed only for short-term vacancies, to meet workload peaks or to cover absences.

15. The Secretary-General should submit a comprehensive report on the hiring of retirees, placing the practice within the overall context of personnel policy

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and paying particular attention to the need for internal controls to ensure that earnings caps were not exceeded. The policy on the use of retirees must be consistent with Pension Fund regulations. Any increase in the earnings cap should not be a simple reflection of cost-of-living movement, as suggested in the document, but should involve a review of the criteria for the hiring of retirees established in 1982.

16. <u>Ms. ROTHEISER</u> (Austria) said that her delegation would welcome an opportunity to consider the documents in informal consultations, in view of which the Committee should defer taking action on them.

17. The CHAIRMAN said the Committee would proceed accordingly.

The meeting rose at 11.10 a.m.