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PROGRAMME BUDGET FOR THE BIENNIUM 1994-1995

Conditions of service and compensation for officials other
than Secretariat officials

Members of the International Court of Justice

Report of the Secretary-General

I. INTRODUCTION

1. The General Assembly, in paragraph 4 of section A of resolution 45/250 of 21 December 1990, decided that the emoluments and other conditions of service for the members of the International Court of Justice (ICJ) (15 members) should next be reviewed at its forty-eighth session.

2. In order to facilitate consideration of the various issues regarding the compensation and conditions of service of members of the Court, the present report has been divided into the following sections: remuneration; adjustment for currency fluctuation and cost of living; special allowance of the President and of the Vice-President when acting as President; compensation of ad hoc judges; costs of educating children; pensions; other conditions of service; financial implications; and next comprehensive review.

II. REMUNERATION

3. Article 32 of the Statute of ICJ provides, inter alia, that each member of the Court shall receive an annual salary (para. 1), that these salaries and allowances "shall be fixed by the General Assembly" and that "they may not be decreased during the term of office" (para. 5).

4. Since 1976, the General Assembly has conducted a number of reviews of the emoluments of the members of the Court, most notably at its thirty-fifth, thirty-eighth, fortieth and forty-fifth sessions. 1/

5. The General Assembly, by paragraph 1 of section A of resolution 45/250 of 21 December 1990, decided that, with effect from 1 January 1991, the annual salary of the members of ICJ would be \$145,000.

6. The emoluments of the members of the Court are sui generis. However, in undertaking periodic reviews of their emoluments, a number of reference points have been used for assessment purposes. As on the occasion of previous periodic reviews, the following tables provide a comparison of the changes that have taken place in the remuneration of the judges with those of senior Secretariat officials (net base salary plus post adjustment at the dependency rate), the Chairman of the Advisory Committee on Administrative and Budgetary Questions (ACABQ), the Chairman and Vice-Chairman of the International Civil Service Commission (ICSC) and the members of the Joint Inspection Unit (JIU). They also provide information on the gross emoluments of the president and members of the highest courts in three national judiciaries that traditionally have been canvassed on the occasion of the periodic reviews (i.e., the United States of America, the United Kingdom of Great Britain and Northern Ireland and Canada). As requested by ACABQ in 1990, in order to provide a broader overview, information is also provided on the gross emoluments of the president and members of the highest courts of other regions of the world. The tables provide a basis for an assessment of the evolution of the situation in the three years since the last review.

7. Table 1 compares the movement of the judges' total emoluments with changes in the remuneration of senior Secretariat officials and that of full-time members of other subsidiary bodies of the United Nations, for the period 1991-1993.

8. Table 2 provides information obtained with the assistance of permanent missions to the United Nations on the movement of gross emoluments of the president and members of the highest courts in five national judiciaries for the period 1991-1993. The table also presents information on the movement in emoluments of the President and members of the Court of the European Communities in Luxembourg and the Islamic Republic of Iran-United States Claims Tribunal in The Hague. With regard to the Court of the European Communities, the salary of the President is equal to that of the President of the European Commission: the members of the Court receive a salary equivalent to that of a Commissioner.

9. It should be noted that, in a number of countries, the most senior judicial officers receive, in addition to their salaries and pensions, substantial additional benefits. For example, in Japan, where the Chief Justice has a rank equal to the Prime Minister and other justices rank equal to Cabinet Ministers, members of the Supreme Court have the benefit of a house, servants, car and driver, among other prerequisites. Judges of the Court of the European Communities have a car and driver and housing allowance. Members of ICJ have none of these benefits.

Table 1

Changes in remuneration of members of the Court, Secretariat
officials and members of United Nations bodies, 1991-1993

(In United States dollars, dependency rate)

	<u>Jan. 1991</u>	<u>Jan. 1992</u>	<u>Jan. 1993</u>	<u>Dec. 1993</u>
<u>International Court of Justice</u>				
President <u>a/</u>	160 000	160 000	160 000	160 000
Index	100.0	100.0	100.0	100.0
Members of the Court	145 000	145 000	145 000	145 000
Index	100.0	100.0	100.0	100.0
<u>Senior Secretariat officials</u>				
<u>The Hague</u>				
ASG <u>b/</u> (dep. rate)	121 322	122 454	116 944	109 341
ASG <u>b/</u> (single rate)	109 817	110 993	106 042	99 164
Index (dep. rate)	100.0	100.9	96.4	90.1
Index (single rate)	100.0	101.1	96.6	90.3
<u>Geneva</u>				
USG <u>c/</u>	160 765	158 478	150 185	153 840
ASG <u>b/</u>	146 782	144 685	137 079	140 430
Index USG	100.0	98.6	93.4	95.7
ASG	100.0	98.6	93.4	95.7
<u>New York</u>				
USG <u>c/</u>	117 228	121 814	127 257	129 504
ASG <u>b/</u>	106 850	111 058	116 050	118 110
Index USG	100.0	103.9	108.6	110.5
ASG	100.0	103.9	108.6	110.5

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	<u>Jan. 1991</u>	<u>Jan. 1992</u>	<u>Jan. 1993</u>	<u>Dec. 1993</u>
<u>Full-time members of subsidiary bodies</u>				
Chairman, ICSC/ ACABQ <u>d/</u>	120 875	120 875	128 776	128 776
Index	100.0	100.0	106.5	106.5
Vice-Chairman, ICSC	112 875	112 875	120 776	120 776
Index	100.0	100.0	107.0	107.0
Members of JIU, Geneva	127 363	125 504	118 767	121 737
Index	100.0	98.5	93.3	95.6

a/ Includes special allowance of \$15,000 as of 1986.

b/ Includes representation allowance of \$3,000 a year.

c/ Includes representation allowance of \$4,000 a year.

d/ Includes special allowance of \$8,000 a year.

Table 2

Movement in gross emoluments of officers of national judiciaries,
 the Court of the European Communities and the Islamic Republic of
 Iran-United States Claims Tribunal 1991-1993

	<u>1991</u>	<u>1992</u>	<u>1993</u>
1. <u>United States Supreme Court</u>			
Chief Justice (US\$)	155 000	166 200	171 500
Index	100.0	107.2	110.6
Associate Justice (US\$)	147 500	159 000	164 100
Index	100.0	107.8	111.3
2. <u>Supreme Court of Canada</u>			
Chief Justice			
(Can\$ <u>a/</u> , <u>b/</u>)	180 100	189 600	199 900
(US\$) 1 January	155 259	164 870	157 402
Index	100.0	106.2	101.4
Puisné judge			
(Can\$ <u>b/</u> , <u>c/</u>)	166 800	175 600	185 200
(US\$) 1 January	143 793	152 696	145 827
Index	100.0	106.2	101.4
3. <u>United Kingdom of Great Britain and Northern Ireland</u>			
Lord Chief Justice			
(£ stg.) 1 April	102 950	108 940	112 083
(US\$) 1 April	180 614	187 828	167 288
Index	100.0	104.0	92.6
Master of the rolls			
(£ stg.) 1 April	95 150	100 880	103 790
(US\$) 1 April	166 930	173 931	154 910
Index	100.0	104.2	92.8

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	<u>1991</u>	<u>1992</u>	<u>1993</u>
4. <u>Australia</u>			
Chief Justice			
(\$A)	180 733	185 251	185 251
(US\$) 1 January	139 025	141 413	127 759
Index	100.0	101.7	91.9
Justice			
(\$A)	164 290	168 397	168 397
(US\$) 1 January	126 377	128 547	116 136
Index	100.0	101.7	91.9
5. <u>Japan</u>			
Chief Justice			
(¥)	42 028 432	43 082 126	43 732 089
(US\$) 1 January	309 033	341 922	352 678
Index	100.0	110.6	114.1
Associate judges			
(¥)	30 636 620	31 431 860	31 907 788
(US\$) 1 January	225 269	249 459	257 321
Index	100.0	107.4	114.2
6. <u>Court of the European Communities</u>			
President			
(BF d/)	7 951 632	8 221 974	8 559 119
(US\$) 1 January	254 860	262 683	259 367
Index	100.0	103.1	101.8
Member			
(BF)	6 482 309	6 702 696	6 977 543
(US\$) 1 January	207 766	214 144	211 441
Index	100.0	103.1	101.8

	<u>1991</u>	<u>1992</u>	<u>1993</u>
7. <u>Islamic Republic of Iran- United States Claims Tribunal</u>			
President (US\$)	230 000	230 000	245 000
Index	100.0	100.0	106.5
United States-Iranian judge (US\$)	195 000	195 000	210 000
Index	100.0	100.0	107.7
Third-country judge (US\$)	220 000	220 000	235 000
Index	100.0	100.0	106.8

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- a/ Also entitled to a representation allowance of \$Can 10,000 from 1985.
- b/ Also entitled to an incidental allowance of \$Can 2,500.
- c/ Also entitled to a representation allowance of \$Can 5,000 from 1985.
- d/ Also entitled to a residential allowance of BF 70,661.

10. A communication from the members of the Court has been received proposing that the annual emoluments of the members of ICJ of \$145,000 be maintained in real terms. Accordingly, they should be adjusted to take account of the accumulated increase in the cost of living at The Hague since 1990. In this way the emoluments would retain their real value and would not, as on previous occasions, be eroded over time. The Secretary-General sees merit in this approach and would propose that the emoluments of the members of the Court be adjusted to reflect increases in the cost of living since the occasion of the last review. According to the United Nations Monthly Bulletin of Statistics, the consumer price index (CPI) has increased in the Netherlands by 6.5 per cent from January 1991 to August 1993. Application of this movement to the current level of emoluments would result in an increase in emoluments from \$145,000 to \$154,425 per annum.

III. ADJUSTMENT FOR CURRENCY FLUCTUATION AND COST OF LIVING

11. In April 1987, ICSC introduced the concept of a local currency floor and ceiling at a number of duty stations, including The Hague, to protect staff against the weakening of the dollar. The local currency floor amount, related to base salary plus post adjustment minus pension contribution, was determined by reference to a specific floor exchange rate between the local currency and the dollar. When the United Nations official exchange rate fell below the floor rate, ICSC adjusted the post adjustment classification for the duty station so

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as to yield total dollar emoluments corresponding to the local currency floor amount at that exchange rate. A similar procedure was put in place for cases where the United Nations official exchange rate rose above the ceiling rate.

12. The emoluments of members of the Court are sui generis, with no direct link to those of senior Secretariat officials. In 1988, however, the General Assembly approved an ACABQ proposal that the above local currency floor/ceiling measures should be extended to the judges' emoluments to protect them in local currency terms against a weakening or strengthening of the dollar. 2/ Effective 1 January 1989, a floor was established using as a basis the 1986 emoluments (\$85,000 per year) and an exchange rate 4 per cent below the average 1986 exchange rate (2.47 guilders to the dollar). The floor exchange rate of 2.37 guilders to the dollar produced a local currency floor of 16,787 guilders a month. When the total 1989 emoluments (\$95,000) were taken into account, the floor amount became payable if the exchange rate fell below 2.10 guilders to the dollar. Similarly, a local currency ceiling of 19,833 guilders a month was established, using the 1986 emoluments and an exchange rate of 2.80 guilders to the dollar: using total 1989 emoluments, the local currency ceiling amount was payable if the exchange rate rose above 2.48 guilders to the dollar. When the 1990 emoluments were taken into account (\$101,750), the floor amount was payable if the exchange rate fell below 1.98 guilders to the dollar and the ceiling amount was payable if the exchange rate rose about 2.34 guilders to the dollar.

13. In paragraph 3 of its resolution 45/250, the General Assembly decided to continue the system of floor/ceiling measures introduced in resolution 43/217. Given the revised emoluments payable to the members of the Court as from 1 January 1991, it was necessary to establish revised floor/ceiling rates to apply with effect from that date. Revised floor/ceiling exchange rates were derived by applying the previous formula of 4 per cent above and 4 per cent below the average exchange rate to the year 1990. The average exchange rate in 1990 was 1.84 guilders to the dollar and yielded revised floor/ceiling exchange rates of 1.77 and 1.91 guilders respectively. The floor exchange rate of 1.77 guilders to the dollar resulted in a revised currency floor of 21,386 guilders per month and the ceiling exchange rate of 1.91 guilders to the dollar resulted in a revised currency ceiling of 23,079 guilders per month. No adjustments were made for 1992 and 1993.

14. Table 3 indicates the official exchange rate for the guilder against the dollar for the period January 1991-December 1993. Over the three-year period, the floor amount has been payable for nine months and the ceiling amount for seven months.

Table 3

Exchange rate of the guilder to the dollar,
January 1991-December 1993

	<u>1991</u>	<u>1992</u>	<u>1993</u>
January	1.71	1.70	1.82
February	1.68	1.80	1.78
March	1.71	1.85	1.83
April	1.90	1.86	1.83
May	1.97	1.86	1.79
June	1.92	1.82	1.82
July	2.02	1.73	1.90
August	1.97	1.67	1.93
September	1.97	1.59	1.88
October	1.90	1.61	1.84
November	1.90	1.73	1.88
December	1.80	1.80	1.92

15. The Secretary-General would also note that the mechanism utilized to regulate emoluments against the weakening/strengthening of the dollar has provided adequate protection for the judges over the three-year period since 1990. Accordingly, he would propose that the same mechanism continue to be applied. The average exchange rate between the guilder and the United States dollar would be used to establish a revised currency floor and ceiling. As a point of reference, the floor and ceiling would be updated annually in January and rebased using the average exchange rate for the previous year. The revised floor and ceiling would be reported to ACABQ at its spring session of 1994.

IV. SPECIAL ALLOWANCES OF THE PRESIDENT AND OF THE VICE-PRESIDENT
 WHEN ACTING AS PRESIDENT

16. Article 32 of the Statute of the Court provides that the President shall receive a special annual allowance (para. 2) and that the Vice-President shall receive a special allowance for each day on which he acts as President (para. 3). As is the case with remuneration, these allowances "shall be fixed by the General Assembly" and "may not be decreased during the term of office" (para. 5). General Assembly resolution 31/204 provides that the allowances "shall be reviewed concurrently with the periodic review of their annual salary" (para. 3).

17. Until 1976, the special allowances increased by the same percentage and at the same time as the annual salary: they constituted a constant proportion (24 per cent) of the annual base salary. The Vice-President's allowance was subject to a maximum corresponding to 100 times the daily compensation. As at 1 January 1976, the General Assembly introduced a system of remuneration comprising an annual base salary and a cost-of-living supplement. Given that the allowances were not subject to the cost-of-living adjustment, they no longer bore a direct relationship to increases in the total emoluments of members of

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the Court. The Assembly, by its resolution 31/204, established the amount of the allowance at \$12,000 a year (24 per cent of \$50,000) with effect from 1 January 1977, but henceforth the amount of the allowance dropped as a proportion of total emoluments because it was not subject to the new interim adjustment procedure.

18. On the occasion of the 1980 periodic review, no increase in the allowances was proposed, although annual base salary rose by 40 per cent. From 1981 to 1985 the allowances represented 17.4 per cent of the annual base salary and 14.6 per cent of the adjusted emoluments, including the cost-of-living supplement (\$82,000). In 1983, the Secretary-General suggested that the 24 per cent relationship between the special allowance of the President and the annual base salary be restored (A/C.5/38/27), thereby raising the allowance from \$12,000 to \$16,000 as of 1 January 1985. It was also proposed that the special allowance of the Vice-President be increased by a corresponding amount, from \$76 to \$104 a day.

19. ACABQ was of the view that a fixed ratio between the special allowances and the annual base salary should not be applied. The allowance should be fixed at a specific amount not subject to automatic adjustment, given that the new system of remuneration included a cost-of-living supplement. The Advisory Committee recommended that the special annual allowance of the President be set at \$15,000 as at 1 January 1985, with a corresponding increase to \$94 a day and a maximum of \$9,400 a year for the special daily allowance of the Vice-President when acting as President.

20. The Secretary-General concurred with the Advisory Committee's recommendation. In the case of the Vice-President's allowance, he felt that the maximum (equivalent to 100 days) should not be a legal bar to seeking a further allotment in a situation where the Vice-President, through the death or incapacity of the President, acted as President for more than 100 days in any calendar year.

21. On the occasion of the 1990 review, the Secretary-General proposed, in the light of movements in annual base salary and taking into account the cost of living at The Hague, to increase the special allowances to \$20,000 per year and \$115 a day (\$11,500 maximum), while noting that members of the Court received no allowance for representational or other purposes. ACABQ, in 1990, recommended that the special allowances should not be increased. The Secretary-General is of the view that further consideration should be given to the proposals he advanced in 1990 to increase the special allowances for the President and Vice-President since the calls on these allowances has increased commensurate with the rapid increase in the case-load of the Court.

V. COMPENSATION OF AD HOC JUDGES

22. Under Article 31 of the Statute of the Court, persons whom parties to cases before the Court choose "to take part in the decision on terms of complete equality with their colleagues" (para. 6) are known as ad hoc judges. Further to Article 32, paragraph 4, of the Statute, they "shall receive compensation for each day on which they exercise their functions". The historical background to

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the determination of the amount of that compensation was presented in the report of the Secretary-General to the General Assembly at its fortieth session (A/C.5/40/32, paras. 35-41).

23. The General Assembly, in paragraph 2 of section A of its resolution 45/250 of 21 December 1990, decided that, with effect from 1 January 1991, the ad hoc judges should receive for each day they exercised their functions, one three-hundred-and-sixty-fifth of the annual salary payable at the time to a member of the Court. The Secretary-General proposes that no change be made in these arrangements.

VI. COSTS OF EDUCATING CHILDREN

24. In his report to the General Assembly at its thirty-eighth session (A/C.5/38/27, paras. 82 and 83), the Secretary-General suggested that the President and members of the Court who had taken up residence in The Hague be reimbursed for the actual cost of educating their children in respect of each child up to the award of the first recognized degree. The amount of the reimbursement per child per school year was proposed to be subject to a ceiling of \$4,500, the equivalent of the limit applicable to staff in the Professional and higher categories at that time (75 per cent of \$6,000).

25. The General Assembly, in its resolution 43/226 of 21 December 1988, decided to increase the education grant for staff in the Professional and higher categories, up to a maximum per child per school year of \$6,750 (75 per cent of \$9,000). For disabled children, the grant was increased to \$9,000. In light of this decision, the Secretary-General suggested that the amount of the reimbursement for costs of education applicable to members of the Court be increased in line with General Assembly resolution 43/226, subject to the same ceiling (i.e., \$6,750), and extending the provisions regarding disabled children to members of the Court.

26. In section C of its resolution 45/250, the General Assembly decided that, with effect from 1 January 1991, the President and the members of the International Court of Justice who had taken up primary residence at The Hague should be reimbursed, up to a ceiling of \$6,750 (\$9,000 in the case of a disabled child) for the actual cost of educating their children in respect of each child each year up to the award of the first recognized degree. Also provision should be made for one return journey per year in respect of each child from the place of scholastic attendance, when outside the Netherlands, to The Hague.

27. The Assembly decided further that any increase in the level of the education grant, including that for disabled children, applicable to staff in the Professional and higher categories decided upon by the General Assembly at its forty-fifth session should be extended to the members of the International Court of Justice. By section XI of its resolution 45/241 of 21 December 1990, the General Assembly approved, as from the school year in progress on 1 January 1991, an increase in the maximum amount of admissible educational expenses incurred in five currencies - the deutsche mark, the Spanish peseta, the Italian lira, pound sterling and United States dollar - with consequential

increases in the amounts of the maximum education grant, special education grant in respect of disabled children and the ceiling for boarding costs, as follows:

<u>Currency</u>	Maximum admissible <u>educational expenses</u> (local currency) <u>a/</u>	<u>Maximum grant</u> (local currency)	Ceiling for <u>boarding costs</u> (local currency)
Deutsche mark	26 395	19 800	5 867
Spanish peseta	1 429 740	1 072 500	317 778
Italian lira	15 397 200	11 549 997	3 442 220
Pound sterling	7 183	5 387	1 596
United States dollar	11 000	8 250	2 450

a/ The amount of the special education grant for each disabled child should be equal to 100 per cent of the revised amount of maximum admissible educational expenses for the regular education grant. In areas where education-related expenses were reimbursed in other currencies, the amounts remained unchanged.

28. Effective 1 January 1991, the amounts were applicable to the members of the Court.

29. By its resolution 47/216, the General Assembly approved, as from the school year in progress on 1 January 1993, an increase in the maximum amount of admissible educational expenses incurred in five currencies - the Finnish markka, the Italian lira, the Netherlands guilder, the pound sterling and the United States dollar - with consequential increases in the amounts of the maximum education grant, special education grant in respect of disabled children and the ceiling for boarding costs, as follows:

<u>Currency</u>	Maximum admissible <u>educational expenses</u> (local currency) <u>a/</u>	<u>Maximum grant</u> (local currency)	Ceiling for <u>boarding costs</u> (local currency)
Finnish markka	54 000	40 500	12 000
Italian lira	18 000 000	13 500 000	4 000 000
Netherlands guilder	27 000	20 250	6 000
Pound sterling	9 000	6 750	2 000
United States dollar	13 000	9 750	2 900

a/ The amount of the special education grant for each disabled child should be equal to 100 per cent of the revised amount of maximum admissible educational expenses for the regular education grant. In areas where education-related expenses were reimbursed in other currencies, the amounts remained unchanged.

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30. The Secretary-General would propose that, as was decided by the General Assembly in its resolution 45/250, section C, the increase in the level of the education grant, including that for disabled children, applicable to staff in the Professional and higher categories by Assembly resolution 47/216 should be extended, under the same conditions, to the members of the Court. The Secretary-General also suggests that provision continue to be made for one return journey per year from the place of scholastic attendance when outside the Netherlands to The Hague. These proposals would continue to be applicable to those members of the Court who have taken up residence at The Hague.

31. In view of the fact that the General Assembly reviews the level of the education grant every two years, the Secretary-General would propose that any changes in the grant consequent upon the 1994 review should be applied to the Court on a provisional basis, prior to the next review of emoluments and conditions of service of members of the Court.

VII. PENSIONS

32. Members of the Court are entitled to retirement pensions in accordance with Article 32, paragraph 7, of the Statute of the Court, the specific conditions of which are governed by regulations adopted by the General Assembly. From 11 December 1963 until 1 January 1991, pensions constituted half the annual salary of a judge who completed a full nine-year term, with a proportional reduction for a judge who did not complete a full term. A judge who was re-elected received one six-hundredth of his annual salary for each further month of service, up to a maximum pension of two thirds of his annual salary.

33. However, with the adoption of resolution 45/250 of 21 December 1990, the pension entitlement was changed to a fixed amount. A member of the Court who has served a full term of nine years receives \$50,000, with a proportional reduction for a judge who has not completed a full term. For a member of the Court who is re-elected, the pension entitlement is increased by an additional \$250 per month for each further month of service, up to a maximum pension of \$75,000 a year.

34. In the view of the Court, the current pension regime is unsatisfactory for several reasons. First, the current pension arrangement - \$50,000 for one term of service and \$75,000 for two terms - is not correlated to salaries as are judicial and other pensions. Second, the Court's scheme provides pensions significantly lower than those of comparator countries in which pensions are correlated with salaries. In the United States of America, federal judges at all levels receive 100 per cent of their salary on retirement, provided that they are 65 years of age on retirement and have served 15 years or 70 years of age on retirement and have served 10 years. In Canada, a judge who has reached the age of retirement and held office for 10 years receives two thirds of his salary on retirement. In the Court of the European Communities, a retired judge receives 50 per cent of his salary after 11 years of service and a maximum of 70 per cent of salary after 15 years of service. In Australia, judges of the highest courts are entitled to a full pension after the age of 60, provided they have 10 years of service, which is equivalent to two thirds of whatever is the current salary of such judges. In Brazil, the pension on retirement, which is

compulsory at age 70, corresponds to the full salary in activity. A summary of the pension information is contained in annex I to the present report. Third, the pensions of the members of the Court are paid in United States dollars irrespective of the country of retirement, with no protection against weakening of the dollar or cost-of-living fluctuations in the country of retirement/residence.

35. In the view of the Court, pensions of its members should be treated as sui generis, as judicial pensions are generally treated. They should be determined neither by the pension arrangements of the United Nations common system nor be a precedent for them. In many countries, judicial pensions are more generous than civil service pensions at large, in view of the exceptional qualifications for, and demands and inhibitions of judicial service (for example, no civil servant in the United States, even after 40 years of service, receives a pension approaching that of a federal judge after 15 years of service). The pensions of retired members of the Court should take account of the high office a member of the Court has held; the age at which most members are elected; restrictions on gainful employment after retirement for reasons of propriety and age; the loss of accrual of national pension rights during the period of service of a judge of the Court; and the standards of judicial pensions that obtain in leading comparator countries. Further, the difference between the salary of a serving judge and the pension (or disability allowance) of a retired judge should not be so great as to unduly induce judges to seek re-election or to endeavour to refrain from retirement despite disablement.

36. It is the conclusion of the Court that the pre-1991 regime under which pensions reflected a percentage of salary should be restored. Judges who have served a full term should receive 50 per cent of their salary and judges who have served two full terms should receive two thirds of their salary.

37. The Secretary-General is of the view that it would be appropriate for the pension of the members of the Court to be established by direct reference to national and international judiciaries, and hence to annual salaries.

38. The Secretary-General observes that members of the Court do not enjoy the lump-sum option that is in force for members of the United Nations Joint Staff Pension Fund (UNJSPF), nor do retired judges have the protection against inflation or currency fluctuation generally available in pension fund arrangements. He would agree with the Court that the pension upon completion of one term be based on 50 per cent of the annual salary. Based on the present annual salary of \$145,000, this would yield an annual pension of \$72,500. There would continue to be a proportional reduction for a judge who did not complete a full term. For a member of the Court who is re-elected, the pension entitlement would increase by one three-hundredth of the pension payable to a one-term judge (50 per cent of his annual salary) for each further month of service, up to a maximum pension of two thirds of his annual salary (\$96,700). Should the proposal be adopted, the pension would likewise increase by one three-hundredth for each further month of service. Judges who have already retired would, as in the past, receive a proportional increase in their pensions.

39. With regard to surviving spouses, the members of the Court have observed that, in some national judiciaries and in so far as the executive heads of the

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organizations of the United Nations common system may be concerned, surviving spouses receive a pension of 60 per cent of spouse's pension. The Court is of the view that the same provision should be extended to surviving spouses of its members. The Secretary-General concurs in this view.

40. The members of the Court have also noted that, in the United Nations pension system, in the case that a surviving spouse remarries, that spouse is paid a lump sum equal to twice the amount of the spouse's current annual benefit, as a final settlement. The Court requests that this provision be extended to its members. The Secretary-General has no objection to this request.

41. Should the proposals presented above with regard to pensions be accepted, the Secretary-General would propose also that the Pension Scheme Regulations for the members of ICJ be amended as contained in annex II to the present report.

VIII. OTHER CONDITIONS OF SERVICE

42. The members of the Court have requested that they be able to participate in the Organization's health plan and that the United Nations contribute to the charges to sustain participation therein in a manner comparable to the health contributions made by the United Nations for other senior officials. It should be noted that, while the Secretary-General and the two full-time members of ICSC and the Chairman of ACABQ are participants in the Headquarters health plan, the Organization does not contribute to the cost of participation. It would be the view of the Secretary-General that the members of the Court, in addition to their current option of joining The Hague Nuts-Aegon health insurance plan of the United Nations system, retain the option alternatively of joining the Van Breda plan, or the Headquarters health plan if they choose to retire in the United States upon payment of the full cost of the premium.

IX. FINANCIAL IMPLICATIONS

43. In summary, should the General Assembly approve the proposals contained in paragraphs 10, 21, 23, 30, 37, 38, 39 and 40 above, the financial implications of the changes proposed in the compensation and conditions of service of the members of the Court are estimated at \$814,250 for the biennium 1994-1995, as follows:

Table 4

Financial implications 1994-1995

	US\$
1. Emoluments - adjustment of base salary (para. 10)	282 000
2. President's and Vice-President's special allowance (para. 21)	14 200
3. Increase in emoluments of ad hoc judges (para. 23)	<u>a/</u>
4. Education grant increase (para. 30)	30 000
5. Pensions (paras. 37 and 38)	452 300
6. Compensation for survivors (paras. 39 and 40)	<u>a/</u>
Total	<u>778 500</u>

a/ No financial implication is estimated at this time.

44. As indicated above, should the proposals of the Secretary-General be approved, the additional requirements for implementation would be \$778,500. Estimated requirements of \$17,000 for the emoluments of ad hoc judges would fall under the provisions of paragraph 1 (b) (i) of Assembly resolution 48/209 on unforeseen and extraordinary expenses.

45. In respect of the estimated requirements of \$778,500, it is the view of the Secretary-General that these requirements relate to inflation and should be treated outside the procedures related to the contingency fund, as provided for in paragraph 11 of annex I to General Assembly resolution 41/213.

X. NEXT COMPREHENSIVE REVIEW

46. In accordance with the practice established at the forty-fifth session of the General Assembly in respect of the emoluments and other conditions of service of the members of the Court, the next comprehensive review by the Assembly will be undertaken at its fifty-first session in 1996.

Notes

1/ See A/C.5/35/33, A/C.5/38/27, A/C.5/40/32 and Corr.1, and A/C.5/45/44; see also General Assembly resolutions 35/220 of 17 December 1980, 38/239 of 20 December 1983, 40/257 of 18 December 1985 and 45/250 of 21 December 1990.

2/ See A/43/7/Add.6, paras. 8-11, and General Assembly resolution 43/217 of 21 December 1988.

Annex I

PENSION ARRANGEMENTS

1. United States Supreme Court

Non-contributory, with amount of pension equal to full salary if either
(a) retirement at age 70 or over with a minimum of 10 years' service, or
(b) retirement at age 65 with a minimum of 15 years' service.

2. Supreme Court of Canada

Contributions prior to 17 February 1976 at a rate of 1.5 per cent of salary; contributions after that date at a rate of 7 per cent of salary; amount of pension equal to two thirds of final salary if either (a) retirement at age 70 with a minimum of 10 years' service, or (b) retirement at age 65 with a minimum of 15 years' service. Mandatory retirement at age 75.

3. United Kingdom of Great Britain and Northern Ireland

Non-contributory, with amount of pension equal to half of final salary after a minimum of 15 years' service.

4. Australia

Sixty per cent of the current judicial salary (at the time of retirement) for justices having attained the age of 60 years and having served more than 10 years, or justices who retire owing to permanent disability or infirmity.

5. Japan

On retirement at age 70, a pension is calculated at between 60 per cent and 70 per cent of the salary level of the last month of service, the amount varying with length of government service; in addition, a lump sum is payable on retirement. In 1992, for 10 years of service, the retiring Chief Justice would have received a lump sum of 130,020,000 yen (US\$ 1,182,000); an associate judge 94,860,000 yen (US\$ 850,000).

6. Court of the European Communities

Amount equals 4.5 per cent of final basic salary for each full year in office and one twelfth of that amount for each complete month of service. Maximum pension is 70 per cent of final base salary.

7. Islamic Republic of Iran-United States Claims Tribunal

Not applicable.

Annex II

PROPOSED AMENDMENTS TO THE PENSION REGULATIONS FOR
MEMBERS OF THE INTERNATIONAL COURT OF JUSTICE

Article I. Retirement pension

In paragraph 2 (a), replace "50,000" by "one half [50 per cent] of the annual salary".

In paragraph 2 (b), replace "\$250" by "by one three-hundredth of the amount payable under paragraph 2 (a)" and "75,000" by "two thirds of his annual salary".

In paragraph 2 (c), replace "annual pension" by "one half [50 per cent] of annual salary".

Article II. Disability pension

In paragraph 2, replace "one half of annual pension" by "one quarter of the annual salary".

Article III. Widow's pension

In paragraphs 1 and 2, replace "one third of annual pension" by "60 per cent of the spouse's pension".

In paragraph 3 (a) and (b), replace "one sixth of annual pension" by "one twelfth of the annual salary".

In paragraph 3, replace "one third of annual pension" by "one sixth of the annual salary".

In paragraph 4, replace "A widow's pension shall cease on her remarriage" by "A widow who remarries shall be paid as a final settlement, a lump sum equal to twice the amount of the former member's current annual benefit."

Article IV. Child's benefit

In paragraph 1 (a), replace "one-eighteenth of the annual pension" by "one thirty-sixth of the annual salary".

Article VII. Application and effective date

In paragraph 1, replace "1 January 1991" by "1 January 1994".
