

Thirty-second session  
FIFTH COMMITTEE  
Agenda item 100

PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1978-1979

Reductions recommended by the Advisory Committee on Administrative  
and Budgetary Questions in respect of common staff costs under  
section 2D: UNTSO and UNMOGIP

1. In the course of its review of section 2D of the proposed programme budget for the biennium 1978-1979, the Advisory Committee requested additional information on the items "other common staff costs" in table 2-34 (UNTSO) and table 2-36 (UNMOGIP) in which total requirements under this object of expenditure were indicated in the following amounts:

UNTSO	\$5,195,600
UNMOGIP	\$ 911,900

The specific question raised by the Advisory Committee in this regard was why the ratio of common staff costs to the salaries of the established posts involved were at the high level of 68 per cent for UNTSO and 78 per cent for UNMOGIP.

2. The following explanatory detail was provided in response:

	UNTSO		
	1976-1977 appropriation plus maintenance		1978-1979 estimates
	\$		\$
Established posts	<u>7,315.0</u>		<u>7,622.7</u>
Other common staff costs	4,329.6	59% of salaries	4,500.5
Rental supplies	<u>610.2</u>		<u>695.1</u>
	<u>4,939.8</u>		<u>5,195.6</u>

	<u>UNMOGIP</u>		
	1976-1977 appropriation plus <u>maintenance</u>		1978-1979 <u>estimates</u>
	\$		\$
Established posts	<u>1,106.8</u>		<u>1,164.3</u>
Other common staff costs	686.8	62% of salaries	726.7
Rent supplements	<u>118.0</u>		<u>185.2</u>
	<u>804.8</u>		<u>911.9</u>

3. In the case of UNTSO, it was explained that, whereas the "other common staff costs" had been calculated at a standard rate of 59 per cent of salaries, this did not provide for rent supplements which were calculated separately on the basis of their own rate of inflation. The term "rent supplements" related to daily subsistence allowances for newly-assigned staff and their dependents. UNTSO is the mission from which the manpower required for other missions is provided. Hence, there is a constant flow of staff into and out of the area resulting in a higher than normal expenditure for daily subsistence allowance. After the inclusion of these supplements the ratio of "other common staff costs" to salaries was 68 per cent rather than the standard ratio of 59 per cent.

4. As in the case of UNTSO, the rent supplements indicated for UNMOGIP relate to daily subsistence allowances for newly-assigned staff. In addition, the UNMOGIP Field Service staff (32) rotates between Rawalpindi and Srinigar twice yearly. With each rotation, this staff is entitled to an installation allowance (\$600 per staff member, \$300 per dependant) as well as the daily subsistence allowance. The inclusion of these payments under "other common staff costs" had resulted in a ratio of 78 per cent to the cost of salaries.

5. The recommendations of the Advisory Committee on these particular items of expenditure are contained in paragraphs 2.27 and 2.34 of its first report on the proposed programme budget for 1978-1979 as follows:

UNTSO

"2.27 The Committee inquired into the high ratio of 'other common staff costs' (\$5,195,600) to salaries (\$7,622,700) which comes to 68 per cent. The Committee was informed that under 'other common staff costs' are included common staff costs at the standard rate of 59 per cent assumed for UNTSO (\$4,500,500), and 'rent supplements' for newly assigned staff and their dependants and are calculated separately on the basis of their own rate of inflation (\$695,100). In chapter I, paragraph 28 above the Advisory Committee stated that it intends to revert at its spring 1978 session to the question of the composition of common staff costs at different duty stations. The Committee recommends that, in the meantime, the estimate of \$695,100 for rent supplements in UNTSO be deleted."

UNMOGIP

"2.34 More than two thirds of the total estimate is earmarked for salaries, other common staff costs, military observers' allowances, and monthly mission allowance. The high ratio of 'other common staff costs' (\$911,900) to salaries (\$1,164,300) - 78 per cent - (table 2.36) is accounted for by the fact that, as in the case of UNTSO, the 'other common staff costs' include rent supplements for newly-assigned staff and their dependants (\$185,200). For the reason given in paragraph 2.27 above, the Advisory Committee recommends that the estimate of \$185,200 for rent supplements be deleted."

6. In the course of the consideration of section 2 by the Fifth Committee, the Controller drew the attention of the Committee to the fact that the recommended reduction related to the payment of an allowance to which mission staff were entitled and that the Secretary-General would have no choice but to continue these payments. The term rental supplements used in the budget was really a misnomer in that the amounts concerned are not strictly speaking subsidies related to the actual rents paid by officials for their more or less permanent accommodations but rather the provision of additional payments to Field Service staff to assist them in meeting the costs of getting installed at a new duty station.

7. In accordance with staff rule 103.21 entitled "Salary and allowances during mission assignments", staff members assigned or recruited from outside the area to serve on a "special mission assignment" as so designated by the Secretary-General, e.g. the peace-keeping missions, are entitled to receive a mission subsistence allowance (MSA) in lieu of an assignment allowance, installation grant and, in the case of Professional staff, any post adjustment applicable to the area. For Professional and General Service staff detailed to a special mission from another duty station the MSA is paid in addition to the emoluments applicable at the duty station from which the staff members were assigned. For Field Service officers the MSA constitutes the only payment made in addition to the base salary. The MSA consists of a daily rate for the first 30 days equal to the normal travel subsistence allowance for the area followed by a monthly rate, the monthly mission allowance (MMA). Therefore, the basic long-term emoluments of a Field Service officer consist of a base salary plus the MMA. Since the provisions of staff rule 107.20 governing the payment of the installation grant to a staff member upon appointment or transfer did not cover staff members on mission service, Field Service officers were not entitled to receive the extra payment provisions applicable under that rule which were intended to assist in meeting "the initial extraordinary living costs incurred by the staff member and his or her eligible family members immediately following their arrival at the duty station".

8. In 1973, the Secretary-General decided to extend the basic provisions of staff rule 107.20 to Field Service personnel in recognition of the special nature and requirements of their mission assignments and because their emoluments were directly related to the duty station, unlike the situation of staff detailed for short periods from an established office to a special mission. Remuneration of Field Service personnel when on duty in mission areas is shown in the tables included in the budget document under three items:

(a) Salaries: established posts (base salary);

(b) Monthly mission allowance;

(c) Other common staff costs, which include not only the various elements normally included in this item, such as dependency allowances, pension contributions, home leave, expenditure connected with appointments, transfer and separation, etc., but also the additional payments made possible under the Secretary-General's decision to extend the basic provisions of rule 107.20 related to the installation grant to Field Service staff.

7. Against this background, these payments have hitherto been recorded under object of expenditure code No. 191 "Rent supplements". Only by such separate recording was it possible to monitor this category of expenditure separately from the monthly mission allowance (code 192). To avoid any misunderstanding in the future, a new object of expenditure under code No. 198, entitled "Mission installation allowance", will be established.

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