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PROGRAMME BUDGET FOR THE BIENNIUM 1978-1979

Conditions of service and compensation for officials other than
Secretariat officials serving the General Assembly

Twentieth report of the Advisory Committee on Administrative
and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report on conditions of service and compensation for officials other than Secretariat officials serving the General Assembly which the Secretary-General submitted in response to section XI of Assembly resolution 32/212 of 21 December 1977 (A/C.5/33/41).

2. In his report the Secretary-General describes the conditions of service of and the developments over the years as regards the remuneration payable to the members of the International Court of Justice (A/C.5/33/41, paras. 5-10, and annex), the members of the Joint Inspection Unit (*ibid.*, paras. 11 and 12 and annex), the Chairman of the Advisory Committee on Administrative and Budgetary Questions (*ibid.*, paras. 13-18 and annex) and the Chairman and the Vice-Chairman of the International Civil Service Commission (*ibid.*, paras. 19-27 and annex). As the Secretary-General indicates in paragraph 2 of his report, he is reporting separately on the question of honoraria payable to part-time members of organs and subsidiary organs of the United Nations (A/C.5/33/54).

3. In paragraph 28 of his report, the Secretary-General reaches the conclusion that "there is not enough common ground for formulating a single set of guidelines which would govern the determination of the annual compensation and other conditions of service of all the full-time officials serving the United Nations who are not staff members" and that he continues to believe that there is no ready or viable alternative to a pragmatic approach to the question.

4. In paragraphs 31 to 35 of the report, the Secretary-General presents an up-dated examination of the level of compensation and other conditions of service of the Chairman and the Vice-Chairman of the International Civil Service Commission.

In paragraph 36 he reiterates his view that the remuneration of the two commissioners should be set at a level not less than that of an Assistant Secretary-General, with the remuneration of the latter (currently \$54,896) normally being defined as base salary and post adjustment at the dependency rate plus the representation allowance. In the same paragraph the Secretary-General suggests that reviews of their conditions of service be undertaken every four years to coincide with the end of their terms. In paragraph 30 the Secretary-General adds that "it would be for the Assembly to determine whether, and the extent to which, any decisions taken in respect of the two full-time commissioners should be applied to other full-time officials who are not staff members".

Observations of the Advisory Committee

5. The remuneration of the Chairman and the Vice-Chairman of the International Civil Service Commission was determined by the General Assembly at its twenty-ninth session in the light of a report of the Advisory Committee (A/9891). In that report the Committee made the following observations on the conditions of service of the full-time commissioners:

"18. As regards the relationship between full-time commissioners and the staff of the Commission, the essential consideration is to ensure that the full-time commissioners are seen to be independent of the top echelon of the secretariats. To that end they should have conditions of service distinct from those of the Secretariat and they must not be regarded as the day-to-day administrative supervisors of the Commission's staff ...

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"37. It follows /from what is said in paragraph 18/ that the remuneration of the full-time commissioners should be set by the General Assembly outside the common system, so that they should not be personally affected by the recommendations they would be called upon to make in exercise of their functions. ...

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"39. The Advisory Committee is of the opinion that the remuneration to be paid to the two full-time commissioners should take the form of an honorarium appropriate to the complexity and importance of the tasks they will have to perform under the Commission's statute. ... In recognition of the fact that the post adjustment system will not apply to the honoraria, the latter should be reviewed by the General Assembly at appropriate intervals."

6. At its twenty-ninth session, the General Assembly set the honoraria of the Chairman and the Vice-Chairman of the International Civil Service Commission at

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\$45,000 net, plus a special allowance of \$5,000 a year for the Chairman. In a report to the General Assembly at its thirty-second session, the Secretary-General proposed that the honorarium be raised by \$9,000 to \$54,000 a year as from 1 January 1978 (A/C.5/32/28, para. 7). In its related observations the Advisory Committee stated that it believed that, given the developments, including inflation, in the intervening years, the proposed increase was reasonable and recommended that it be approved. The Committee cautioned, however, that that should not create a precedent or establish a formula for automatic 5 per cent annual cost-of-living increases. 1/ The Assembly at its thirty-second session took no decision on the Secretary-General's proposal and deferred its consideration to the thirty-third session.

7. The Advisory Committee considered whether the amount of \$54,000 which the Secretary-General proposed to the General Assembly in document A/C.5/32/28 and which the Committee regarded as reasonable in 1977 (see preceding paragraph) was appropriate in the present circumstances. In response to inquiries the Committee was informed that between January 1975 and October 1978 there had been a cumulative increase of 28.63 per cent in the United States Consumer Price Index; in other words, in order fully to restore the original purchasing power of the honorarium the latter would have to be raised to approximately \$58,000. In paragraph 32 of his report (A/C.5/33/41), the Secretary-General states that since January 1975 the net remuneration (defined as in para. 4 above) of senior Secretariat officials in New York has risen by 21.2 per cent for D-2, step IV, 19.5 per cent for Assistant Secretaries-General, and 19.3 per cent for Under-Secretaries-General. In the circumstances, the Advisory Committee recommends that the honorarium of the Chairman and the Vice-Chairman of the International Civil Service Commission be set at \$55,000 net a year as from 1 January 1979, and that the Chairman continue to receive an allowance of \$5,000 in recognition of his added responsibilities.

8. In paragraph 36 of his report (A/C.5/33/41), the Secretary-General suggests that the conditions of service of the full-time commissioners be reviewed every four years to coincide with the end of their terms. The Advisory Committee interprets this suggestion to mean that the honoraria - and not all conditions of service - of the two full-time commissioners should be reviewed every four years. The Committee agrees that four-year reviews of the honoraria would be appropriate in normal circumstances. If current inflation rates were to continue, however, a four-year review cycle would expose the honoraria to a loss of purchasing power which the Advisory Committee regards as unacceptable. 2/ Accordingly, the Advisory Committee recommends that the honorarium be reviewed every four years or when the United States CPI has risen by 20 per cent since the last review, whichever comes earlier.

K. Ghanu

1/ Official Records of the General Assembly, Thirty-second Session, Supplement No. 8A (A/32/8/Add.1-30), document A/32/8/Add.11, para. 8.

2/ With a rate of inflation of 10 per cent a year, the purchasing power of the honorarium would be reduced to little more than one half by the end of the four-year period.

9. In paragraphs 25 and 26 of his report, the Secretary-General deals with the full-time commissioners' conditions of service other than the honorarium. In paragraph 25 he states that the letters sent to them upon assumption of their duties specify that as regards their conditions of employment (other than receipt of the honoraria) "your status will be assimilated to that of the highest ranking officers of the United Nations Secretariat". This formulation is inconsistent with the view expressed by the Advisory Committee in its report to the General Assembly at its twenty-ninth session that "the essential consideration is to ensure that the full-time commissioners are seen to be independent of the top echelon of the secretariats. To that end they should have conditions of service distinct from those of the Secretariat" (A/9891, para. 18; see para. 5 above). The Advisory Committee recommends that the use of the formulation hitherto employed in the Secretary-General's letters to the two full-time commissioners be discontinued.

10. In paragraph 25 of his report, the Secretary-General enumerates the eight entitlements that have been extended to the full-time commissioners, namely:

- (a) Travel expenses on appointment;
- (b) Removal of household goods and effects;
- (c) Entitlements for travel on official business (subsistence and travel costs);
- (d) Home leave (once every two years);
- (e) Annual leave (six weeks a year);
- (f) Sick leave;
- (g) Coverage for service-incurred death, injury or illness under appendix D of the Staff Rules;
- (h) Inclusion under the Headquarters medical insurance scheme (without receipt of subsidy, i.e., full cost of premium met by the commissioners).

11. For the reason given in paragraph 9 above, it is the opinion of the Advisory Committee that the entitlement of the two full-time commissioners to subsistence and travel costs when travelling on official business derives not from the relevant provisions of the Staff Rules (as is stated in paragraph 25 of the report of the Secretary-General) but from the relevant provisions of General Assembly resolutions on the travel of members of commissions, committees and other bodies serving in their individual capacity.

12. As regards coverage for service-incurred death, injury or illness, the Advisory Committee recalls that at its fifth session the General Assembly adopted resolution 458 (V) on compensation to members of commissions, committees or similar

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bodies in case of injury or death attributable to service with the United Nations. To give effect to that resolution the Secretary-General issued provisional rules governing such compensation. The Advisory Committee notes that these rules have not been revised since March 1956 (ST/SGB/103). The Committee is therefore requesting the Secretary-General to make recommendations for the amendment of the rules and related scale of compensation, taking into account developments in the past 22 years. To make it possible for the Assembly to pronounce itself in the matter at its thirty-fourth session, the report of the Secretary-General should be issued by 1 September 1979.

13. The Advisory Committee regards it as reasonable that the United Nations should bear the cost of travel to New York for the full-time commissioners and their dependants and of the removal of their household goods and effects, when they assume or relinquish their duties; and that the full-time commissioners should be given the option of joining the Headquarters medical insurance scheme upon payment of the full cost of the premium.

14. Inasmuch as the full-time commissioners are not staff members, the Advisory Committee does not consider it appropriate that provisions of the Staff Rules should apply to the commissioners' entitlement to home leave, annual leave and sick leave. Officials of the seniority of the two full-time commissioners can be relied upon to subordinate their absences on leave to the discharge of their responsibilities, nor should they be required to submit medical certificates to justify periods of sickness. As regards home leave it is reasonable that the United Nations should defray the related travel costs; but it would be enough to specify the number of occasions during a four-year term of office when the United Nations will pay the costs in question, while leaving the periodicity of the travel to the discretion of the commissioners themselves.

15. In paragraph 26 of his report, the Secretary-General lists six allowances and grants which (with one exception) have not been extended to the full-time commissioners. They are:

- (a) Dependency allowances;
- (b) Education grant and travel;
- (c) Installation grant;
- (d) Repatriation grant;
- (e) Commutation of accrued annual leave upon separation.

In paragraph 27 he recalls that the full-time commissioners do not receive what he refers to as "post-retirement" benefits.

16. In considering paragraphs 26 and 27 of the Secretary-General's report, the Advisory Committee recalled that the statute of the International Civil Service

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Commission specifies in article 2 that two of the members of the Commission "shall serve full time". Given the paramount importance of the independence of the Commission from the secretariats, the Advisory Committee believes that the General Assembly did not intend that the full-time commissioners be dependent on the United Nations after they have left the Commission. In practice, the full-time commissioners are likely, in most cases, to be members of the public service of their country - either retired or active. If they are retired, they will already be in receipt of national retirement benefits. If they have not reached retirement age, it should be borne in mind that they are not required to resign from their national public service upon assuming their responsibilities on the Commission; their status vis-à-vis their public service would therefore be governed by such conditions as may be agreed between them and the public service in question. It follows from the foregoing that it would not be appropriate to grant the full-time commissioners any post-retirement benefits, or repatriation grant. Furthermore, if - as was suggested in paragraph 14 above - the duration of annual leave is not specified, the question of commutation of accrued annual leave will not arise.

17. As regards dependency allowance, education grant and travel and installation grant, the Advisory Committee attaches importance to the view it expressed in its report to the General Assembly at its twenty-ninth session that "the remuneration of the full-time commissioners should be set by the General Assembly outside the common system, so that they should not be personally affected by the recommendations they would be called upon to make in exercise of their functions" (A/9891, para. 37; see para. 5 above). Admittedly, it would be possible to devise a special system of grants and allowances for the full-time commissioners outside the common system, but the Advisory Committee doubts that it would be appropriate to devise a special system for two persons, particularly as it would be impossible to prevent comparisons between such a special system and the corresponding grants and allowances under the United Nations common system. In the same report, the Advisory Committee expressed the opinion that "the remuneration to be paid to the two full-time commissioners should take the form of an honorarium appropriate to the complexity and importance of their tasks" (A/9891, para. 39; see para. 5 above). By the same token the Committee is of the view that it would not be appropriate, as a matter of principle, for them also to receive the various grants and allowances which reflect the needs of recruitment and retention of a career international civil service. Accordingly, the Advisory Committee recommends that the grants and allowances listed in paragraph 26 of the report of the Secretary-General not be extended to the full-time commissioners.

18. In section XI of resolution 32/212, the General Assembly made provision for possible retroactive application of the proposed adjustment of the compensation of the two full-time commissioners. In the opinion of the Advisory Committee, retroactive adjustment of the compensation of the full-time commissioners would not be desirable as it might lead to unacceptable consequences, including pressures on the part of the staff, in the future, for the retroactive adjustment of their salaries. Accordingly, the Committee has recommended in paragraph 7 above that the honorarium of the Chairman and the Vice-Chairman of the International Civil Service Commission be adjusted with effect from 1 January 1979.

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19. As regards the compensation of the Chairman of the Advisory Committee on Administrative and Budgetary Questions, the Secretary-General, in paragraphs 16 and 17 of his report (A/C.5/33/41), reviews the action taken by the General Assembly at its thirty-second session and concludes that it would seem that the intent of the Assembly was to equate the levels of compensation of the Chairman of the Advisory Committee and the Chairman of the International Civil Service Commission. Accordingly, the Advisory Committee recommends that the level of compensation of its Chairman be established at the same level as that to be approved by the Assembly for the Chairman of the Commission. The Advisory Committee is of the opinion, however, that the other conditions of service of its Chairman - which are summarized by the Secretary-General in paragraph 18 of his report and in part C of the annex thereto - need not be altered at this stage.

20. The Advisory Committee notes from paragraph 29 of the report of the Secretary-General that (a) the conditions of service of the members of the Joint Inspection Unit are directly linked to those of a D-2 Secretariat official, and (b) a comprehensive review of the emoluments of the members of the International Court of Justice is to take place in 1980.

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