

GENERAL ASSEMBLY

NINTH SESSION

Official Records



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Chairman: Mr. Pote SARASIN (Thailand).

AGENDA ITEMS 53 AND 38

Organization of the Secretariat (A/2731, A/2745, A/2765; A/C.5/580, A/C.5/581, A/C.5/583, A/C.5/591, A/C.5/594, A/C.5/595; A/C.5/L.282, A/C.5/L.292/Rev.1) (*continued*)

Budget estimates for the financial year 1955 (A/2647 and Add.1, A/2688; A/C.5/577) (*continued*)

SALARIES AND ALLOWANCES OF UNDER-SECRETARIES OR OFFICIALS OF AN EQUIVALENT RANK (*continued*)

1. The CHAIRMAN invited the Committee to continue its consideration of the question of the salaries and allowances of Under-Secretaries and officials of equivalent rank.

2. Mr. HALL (United States of America) said the Secretary-General's and the Advisory Committee Chairman's references to delegation salaries had led his delegation to suggest at the 446th meeting that the Advisory Committee should be requested to make a study comparing the salaries of members of delegations with those of Secretariat officials. He had subsequently determined that the information in the Secretariat's possession was not entirely current or complete, and was partially of a confidential nature. In addition, several delegations had privately expressed concern about the suggestion, the adoption of which they thought would amount to intervention in a matter which was essentially within the domestic jurisdiction of Member States. Accordingly, the United States delegation was withdrawing its suggestion, but was ready to provide full information in respect of the United States delegation, and hoped that all other delegations would do likewise if they could, since the information would be extremely useful to the Committee.

3. Mr. HOLGUIN (Peru) said that it was axiomatic that the Committee should be guided at all times by the principles of sound financial management. Nevertheless, excessive economy might impair the Secretariat's efficiency, which it was the Secretary-General's constant concern to improve. The reorganization plan had not been improvised; it was the work of an able person, who had spent two years at the head of the Secretariat and whose opinion the Committee could not afford to ignore.

4. If the General Assembly granted the Secretary-General the sums he was asking for the additional allowances, he would not necessarily spend the whole amount. The Secretary-General had undertaken not to pay the allowances in question without good reason; he was mainly interested in obtaining authorization to pay an allowance to those of his principal assistants who performed certain functions beyond the scope of their regular duties. As for the submission of vouchers, that was the system followed in the Peruvian diplomatic services; but it was for the Secretary-General to say whether it was also applicable to the Secretariat.

5. He pointed out that no economic or financial criteria were mentioned in Article 101, paragraph 3, of the Charter; the Secretary-General's main concern in planning the reorganization was to improve the Secretariat's efficiency. Consequently, the Peruvian delegation would vote in favour of the Secretary-General's proposals on the salaries and allowances of Under-Secretaries. If the General Assembly continually added to the burden of the Secretary-General's responsibilities, it was only right that it should provide him with the means he considered necessary for the performance of his duties.

6. Mr. A. K. FAHMY (Egypt) said that at the eighth session several delegations had expressed satisfaction at the way in which the Secretary-General and the Advisory Committee were co-operating, and had expressed the hope that they would continue to work in harmony. It was unfortunate that there was an irreconcilable difference of opinion between them on a question as delicate as the one under discussion, on which it would have been preferable to try and arrive at a compromise by means of private negotiation.

7. In settling the matter, the Committee should bear in mind what the Norwegian representative had said at the 446th meeting when he had urged the Committee to try and find a solution on which all delegations could agree. With that end in view, he would explain his delegation's position in regard to the three points at issue. Firstly, the Argentine representative's proposal made at the 446th meeting that the Committee should endorse the Secretary-General's proposal (A/C.5/583) for the payment of an additional allowance of not more than \$6,000 and reduce the appropriation under that head from \$60,000 to \$50,000, was a compromise solution which should be acceptable to both the Secretary-General and the Advisory Committee. Secondly the Egyptian delegation was ready to approve the transitional measures, but it would like to know the exact number of officials to whom those measures would apply. Finally he thought that payment of the allowance on a voucher basis would be inconsistent with the dignity of high-ranking officials and with the trust which the General Assembly had in them. The General Assembly should leave it to the Secretary-

General to fix the level of the allowances paid as he thought fit. There should be no serious objection if, as the French representative had suggested at the 446th meeting, the officials concerned voluntarily produced vouchers which would provide the Secretary-General with sufficient information to decide each year the amount of the allowance to be paid to each of his principal assistants.

8. Mr. RODRIGUEZ FABREGAT (Uruguay), briefly restating the position his delegation had taken during the general discussion on the reorganization of the Secretariat, said that the reorganization must not result in any curtailment of the organization's essential activities or in the withdrawal of any of the funds the Secretariat required to perform its duties.

9. In his opinion, it was an elementary principle of good administration that no reorganization should impair acquired rights or expose officials to new uncertainties. He could not therefore support the modifications of the Secretary-General's proposals recommended by the Advisory Committee.

10. It was unnecessary to make a very detailed examination of the Secretary-General's budget estimates, since the Committee already knew that the Secretary-General's main concern was to improve the Secretariat's efficiency. His delegation accordingly approved the Secretary-General's proposals but was prepared to give careful consideration to the Argentine suggestion regarding the salaries and allowances of Under-Secretaries.

11. With regard to the salaries and allowances of Under-Secretaries, it was difficult for the administration to establish a relationship between the work done and the appropriate remuneration in the case of intellectual work. Moreover, all Secretariat officials were subject to special limitations. They were liable to dismissal if they engaged in political activity. They also ran risks of another kind. For instance, recently they had been deeply hurt by the publication in the Press of offensive statements originating in the United Nations Medical Service. It was legitimate to ask what protection the United Nations offered them against such risks, who defended their interests and what emoluments could compensate them for the sacrifices they thus accepted.

12. The Secretary-General's proposals seemed to be based on a new principle—that of lowering salaries and increasing allowances. Although the system would have the undeniable advantage of much greater flexibility during the reorganization period, officials must know exactly to what they were entitled, and be certain that arbitrary considerations and favouritism would play no part in the determination of their emoluments. At all events, it might be in the interests of good administration to adopt the system temporarily. His delegation's misgivings regarding the system were reduced by the fact that there were vigilant control organs. His delegation would like to know what effect the new system would have in the case of officials who were United States citizens and thus had to pay United States taxes, and how much the United Nations would have to pay to reimburse those taxes. He also asked whether, as a result of the reorganization, certain officials would not have their salaries cut and be downgraded, in other words, whether certain acquired rights would be impaired.

13. He reserved the right to speak again on the matter when further proposals or a draft resolution were submitted.

14. The SECRETARY-GENERAL pointed out, in reply to the representative of Uruguay, that there was no question of impairing acquired rights or of downgrading officials at the supervisory level. While the nature of their duties was somewhat modified, the extent of their responsibilities remained the same. There would be no great changes in their emoluments but in future the additional allowance would be granted to high officials in so far as the exercise of their duties involved certain expenses. So far as the taxation of their emoluments was concerned, there would be no change in the position of the officials concerned.

15. The representative of Uruguay had stressed the human aspect of staff administration and in that connexion had mentioned the publication in the Press of certain statements of a medical nature. He had also asked how the legitimate interests of the staff would be safeguarded. If the Committee decided to examine that question in detail he would have further comments to make. However, he wished to point out now that he would do everything necessary to defend the prestige of the United Nations and the interests of its officials.

16. Mr. RODRIGUEZ FABREGAT (Uruguay) thanked the Secretary-General for the explanation he had given and took the opportunity of repeating that his delegation had absolute confidence in him.

17. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the difference between the emoluments proposed by the Secretary-General and those proposed by the Advisory Committee was of the order of \$2,000 net per year. He assured the representative of Uruguay that, in making its proposals, the Advisory Committee had taken into account the human aspect of the problem.

18. No doubt it was necessary for the salaries of important officials to be high. However, those salaries were not the determining factor in the recruitment of highly qualified individuals, who were in many cases attracted by the type of work they would have to do. In that connexion, the Secretary-General had himself shown an example of disinterestedness in accepting his present post.

19. The Advisory Committee had not acted in a geometric spirit as the French representative had alleged, and had not sought to impair acquired rights. As long as a contract remained in force the conditions of the contract must be respected. However, when a contract expired, it was normal to apply the new conditions to all.

20. The SECRETARY-GENERAL agreed that certain individuals accepted supervisory posts in the United Nations in a disinterested spirit. However, there should be no question of taking advantage of that disinterestedness at the expense of high officials who agreed to make a considerable sacrifice.

21. Mr. CHAPMAN (New Zealand) said that his delegation was generally satisfied with the Secretary-General's reorganization plan but regretted that it could not support his proposals in regard to the salaries and

allowances of Under-Secretaries and officials of equivalent rank. The allowances, in particular, seemed to be too generous in view of the fact that the duties of the officials concerned would be primarily administrative rather than political. The representational functions which had previously been principally performed by the Assistant Secretaries-General would now be shared by about fourteen or fifteen officials. In the circumstances, it seemed difficult to justify the payments to the latter of allowances nearly as high as those received by the Assistant Secretaries-General.

22. The increase in the cost of living could not be advanced as justification for such large allowances. Presumably the Under-Secretaries would receive the cost of living allowance paid to all Secretariat members. Moreover, if the argument that the special allowances of top echelon officials should be revised because of the rise in prices were accepted, other members of the Secretariat would be entitled to ask for an increase in their cost of living allowance.

23. His delegation felt that the United States representative's proposals would be reasonable for a new organization. However, they were hardly appropriate for an organization in which a salary pattern had already been established. His delegation preferred the Advisory Committee's proposal as being an extremely fair compromise. It had been suggested that it would result in a reduction of remuneration for officials at the top level. That would only apply to the Assistant Secretaries-General. The Principal Directors promoted to Under-Secretary rank would receive increased remuneration for their increased responsibilities.

24. His delegation had given full consideration to the proposal that entertainment expenses should be paid on a voucher system. The adoption of such a proposal would of course ensure that the allowance was in fact used to defray entertainment expenses and would not be regarded as additional salary. However, it would also involve many practical difficulties and it was preferable to rely on the Secretary-General to see that allowances were granted only for good reasons.

25. Mr. VAN ASCH VAN WIJCK (Netherlands) thought that since the Assistant Secretaries-General had never discharged the political and diplomatic functions corresponding to the emoluments granted them in 1946, there was nothing to justify paying the officials in the new top echelon, who would be almost twice as numerous as the Assistant Secretaries-General, but would have neither the same responsibilities nor the same rank, an allowance which would bring their total emoluments up to the level of those at present received by the Assistant Secretaries-General. It was not a question of correcting a mistake which was said to have been made in 1946, but of adapting the salary scales to the new organization of the Secretariat. The proposals did not adversely affect the emoluments of the Principal Directors category.

26. The Netherlands delegation recognized that the remuneration of top posts should be considerably higher than that of the lower grades. Nevertheless, if the difference was too large there might be pressure from below to narrow the gap. In any case, it was not so much a high salary as the prestige of the United Nations which would attract the best elements.

27. To justify the increase in the allowances payable to top echelon officials, the Secretary-General referred

to the rise in the cost of living. If that consideration had to be taken into account at all, the remuneration of all members of the Secretariat should be examined from this point of view.

28. He did not think it would serve any useful purpose to draw comparisons between the emoluments of higher officials of the Secretariat and the emoluments of United States officials or diplomatic representatives. He was therefore grateful to the United States representative for withdrawing his request. It would, however, be recognized that expatriated officials should have considerably higher salaries than those working in their own countries.

29. It had been proposed that the Advisory Committee should be asked to join the Secretary-General in looking for some compromise solution. The Netherlands delegation did not approve of that suggestion. The Advisory Committee was not a negotiating committee. It had made known its views on the Secretary-General's proposals and it was for the Fifth Committee to make its decision.

30. The Netherlands delegation accepted the Secretary-General's proposal that the Under-Secretaries and officials of equivalent rank should be given a net salary of \$12,500 and a basic allowance of \$3,500, though it would not have objected to some differentiation in the treatment of officials within that category. So far as concerned the additional allowance, the amounts proposed by the Advisory Committee appeared to be adequate. His delegation would not support the proposal that the additional allowance should be paid only on a voucher basis, though the formula advocated by the delegations of France and Egypt, which left it to the option of the officials concerned to produce vouchers for their representation expenses, should be considered. In view of those considerations, the Netherlands delegation would be unable to support the proposal submitted by the United States delegation.

31. So far as concerned the transitional measures, he did not think that respect for acquired rights should prevent application of the new conditions of employment to all officials as from 1 January 1955. An official who, on the expiry of his contract, accepted a new post to which lower emoluments were attached than those he had previously received, was not in fact being demoted; he was merely occupying a new post which had not previously existed, his former post having been abolished.

32. Mr. URRUTIA (Colombia) thought it would be unfortunate if the Committee, which had for the first time to consider budget estimates that were lower than those for the preceding year, refused the Secretary-General, who had undertaken to make the Secretariat an economic and rational body, the appropriations he considered necessary to recruit persons of first class abilities for the top-level posts. The Committee should realize that if it forced the Secretary-General to appoint mediocrities, the latter would soon need numerous assistants; the staff would have to be increased again, with a consequent increase in expenditure, and the budgetary situation would be the same as in the past.

33. He believed that the present salaries for top-level posts were too low. There was certainly no ambassador who would accept an Under-Secretary's post. He would remind the United States representative, who had compared the emoluments suggested by the Secretary-

General with those of certain United States ambassadors, that after studying the salary scale of the United States diplomatic services, a congressional committee had recently concluded that the inadequacy of the salaries was making it impossible for persons without independent means to embark upon a diplomatic career. It was of course usual in the United States for businessmen to enter the public service as a patriotic duty at a relatively low salary for a limited period. However, they were in a position to make that temporary sacrifice because they would be able to return to highly lucrative employment afterwards without difficulty. The same was not true of Secretariat officials who in many cases had lost almost all contact with their own countries. It was therefore essential to provide a sufficiently remunerative salary scale if the key posts in the Secretariat were to be occupied by highly qualified officials devoted to the cause of the United Nations, and not by amateurs or dilettantes who merely worked for the United Nations until something better turned up. Actually, the salaries of the Under-Secretaries should be compared, not with the salaries of diplomatic personnel, but with the emoluments of the president of a bank in New York.

34. Colombia might be told that, although it preached a policy of generosity, it bore only a very low proportion of the expenses of the United Nations. That was undeniable, but he pointed out that his country had made no objection when its contribution had been increased in 1953. On the other hand, while the United States paid a contribution of 33 per cent, it received tax on the salaries of United States citizens employed by the United Nations.

35. The Colombian delegation thought that the Committee should place confidence in the Secretary-General so long as he presented such reasonable budgetary estimates as those for 1955; it would therefore support his proposals relating to the salaries and allowances of Under-Secretaries and officials of equivalent rank.

36. Mr. HEMSLEY (Canada) was sorry that the Secretary-General and the Advisory Committee had not been able to agree on the question before the Committee, but he felt that the divergence of views was not insuperable.

37. In company with the United States delegation, his delegation had compared the salary levels proposed by the Secretary-General for the top echelon of the Secretariat with the salaries of Canadian civil servants of equivalent rank, bearing in mind the special duties of high officials of the Secretariat and the level of living costs in New York. The Secretary-General had said that the proposed salary scales should be compared with the salaries of permanent national representatives rather than with those of United States officials. He wished to point out, however, that members of permanent delegations in New York were called upon as part of their duties to undertake representation to a much greater degree than heads of administrative departments in the Secretariat. The Secretary-General had himself remarked that the Under-Secretaries would not have the political responsibilities that had been envisaged for the Assistant Secretaries-General at San Francisco. Their responsibilities, in fact, would be primarily administrative, and there would thus be some justification for accepting the proposal of the United States delegation that there should be no additional allowances and that the appropriation for section 23—

Hospitality—should be increased. On the other hand, his delegation felt that there was much to be said for the greater flexibility of both the Secretary-General's and the Advisory Committee's proposals. The figures proposed by the Secretary-General, however, were too high, and the Canadian delegation would support the proposal of the Advisory Committee that the maximum additional allowance should be set at \$4,000, bearing in mind that the scale could subsequently be varied as circumstances might require.

38. The Advisory Committee had also suggested that an additional allowance should be authorized on a voucher basis. That method was difficult to apply, since there were certain representation expenses which could not be accounted for by vouchers. However, as the Secretary-General proposed to decide annually upon an appropriate allowance in each case, vouchers might be of great help to him wherever the representational activity lent itself to vouchers.

39. With regard to the transitional measures proposed by the Secretary-General for certain officials whose contracts expired at the end of the present year, the Canadian delegation agreed with the Advisory Committee that the new conditions of employment should be applied as from 1 January 1955 to all members of the Secretariat without exception.

40. Mr. KOSTIC (Yugoslavia) approved of the United States proposal (A/C.5/L.292/Rev.1), but he had doubts as to the usefulness of the voucher system, which would be no certain guarantee against unjustified expenses and would give rise to numerous difficulties. Moreover, in certain cases its application might hurt the feelings of the persons concerned. The Committee should therefore grant the Secretary-General a certain latitude in establishing methods of reimbursement and of checking representation expenses. The Secretary-General might present his observations on the question to the next session of the General Assembly.

41. Mr. HAMBRO (Norway) thanked the United States representative for having withdrawn his request for information regarding the remuneration of members of diplomatic missions in the United States. The United States representative had added, however, that he would willingly supply figures for the salaries of high officials of his country. But in fact it was not for the Committee to compare the remuneration of high officials in various countries.

42. The United States representative had said he would like to be able to explain to the Congress of the United States why the salaries of the high officials of the United Nations were high. The Advisory Committee could help him by noting whether or not the salaries of high officials of diplomatic services stationed abroad exceeded those of officials of the same rank in their own country. The heads of many permanent delegations to the United Nations actually received higher salaries than those of ministers in their own countries.

43. The Chairman of the Advisory Committee had said that a difference of \$2,000 in the emoluments of high officials was not a determining factor in their decision to undertake the duties of a senior official in the United Nations. The logical conclusion of that argument would surely be to recruit high officials with private means and pay them no salary. It would be very difficult to recruit qualified persons if it were decided to reduce the remuneration of the high-ranking

officials and thus lower the very prestige of the United Nations. Incidentally, it was not certain that the United Nations still enjoyed the same prestige as in 1946. Doubtless that was one of the reasons why the Secretary-General had considerable difficulty in filling top-ranking posts.

44. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) explained that there could be no question of exploiting the disinterestedness and idealism of persons accepting high-ranking posts. Nevertheless, such persons were attracted more by the nature of the task they were to perform than by financial considerations. He cited the case of two persons from the United Kingdom who had accepted supervisory posts at a salary of not more than \$11,000.

45. Mr. URRUTIA (Colombia) said he would like to know at what period those two United Kingdom nationals had been receiving the salary mentioned by the Chairman of the Advisory Committee.

46. The CHAIRMAN suggested that, before the next meeting of the Committee, the Chairman of the Advisory Committee and the Secretary-General should try to reach an agreement, taking into account the views expressed by the members of the Committee during the discussion.

47. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) stated that he could not in his capacity as Chairman proceed to an exchange of views with the Secretary-General without the agreement of the other members of the Committee.

48. Mr. SAPRU (India) suggested that Mr. Aghnides might undertake such an exchange of views in his private capacity.

49. Mr. HASSAN (Pakistan) considered that it would be difficult for the Chairman of the Advisory Committee and the Secretary-General to reach an agreement. It was up to the Fifth Committee to solve the problem before it, and to that end it should bear in mind the suggestions made at the 446th meeting by the French representative as well as the observations made at the present meeting by the representative of Egypt.

50. Mr. CUTTS (Australia) supported the statement of the Pakistani representative.

51. Mr. ZARUBIN (Union of Soviet Socialist Republics) pointed out that the Chairman of the Advisory Committee could not reverse a decision adopted by that Committee without consulting the other members. His delegation therefore could not approve the Chairman's suggestion.

52. The SECRETARY-GENERAL announced that, before the next meeting of the Committee, he would reconsider the problem, bearing in mind the views expressed by members of the Committee, and would put forward new proposals, if appropriate.

53. Mr. HAMBRO (Norway) supported the statement made by the Soviet Union representative, but wondered whether the Advisory Committee, too, might not reconsider the question in the light of the observations presented by members of the Committee.

The meeting rose at 5.30 p.m.