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UNITED NATIONS COMMON SYSTEM

Report of the Fifth Committee (Part I)

Rapporteur: Mr. Ali Achraf MOJTAHED (Islamic Republic of Iran)

I. INTRODUCTION

1. At its 3rd plenary meeting, on 21 September 1984, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its thirty-ninth session the item entitled:

"United Nations common system;

" (a) Report of the International Civil Service Commission;

" (b) Reports of the Secretary-General"

and to allocate it to the Fifth Committee.

2. For the consideration of this item, the Committee had before it the tenth annual report of the International Civil Service Commission. <sup>1/</sup> Chapter II of the Commission's report, dealing with pensionable remuneration and pension entitlements, was also considered by the Fifth Committee in conjunction with agenda item 118, entitled "United Nations pension system: report of the United Nations Joint Staff Pension Board".

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<sup>1/</sup> Official Records of the General Assembly, Thirty-ninth Session, Supplement No. 30 (A/39/30 and Corr.1).

3. The Committee had also before it a report of the Joint Inspection Unit on staff costs and some aspects of utilization of human and financial resources in the United Nations Secretariat (A/39/522 and Corr.1), together with the comments thereon of the Administrative Committee on Co-ordination (A/39/522/Add.1) and of the Secretary-General (A/39/522/Add.2), the views of the Federation of International Civil Servants' Associations (A/C.5/39/18) and those of the Co-ordinating Committee for Independent Staff Unions and Associations of the United Nations System (A/C.5/39/27), as well as a statement of the Secretary-General on the administrative and financial implications of the recommendations and decisions contained in the report of the International Civil Service Commission (A/C.5/39/26) and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/39/7/Add.4).

4. The Fifth Committee considered this item at its 16th, 17th, 19th, 21st, 24th to 30th, 34th, 36th and 37th meetings, on 24, 26 and 30 October and 2, 8, 12 to 16, 19, 27 to 29 November. Comments made in the course of the discussion of the item are reflected in the relevant summary records (see A/C.5/39/SR.16, 17, 19, 21, 24-30, 34, 36 and 37).

## II. CONSIDERATION OF PROPOSALS

5. A draft resolution (A/C.5/39/L.8) sponsored by the Union of Soviet Socialist Republics and the United States of America was issued on 31 October and read as follows:

"The General Assembly,

"Emphasizing that in New York, which is the base city, the level of remuneration, including the post adjustment, of staff in the Professional and higher categories must be determined exclusively on the basis of the Noblemaire principle,

"Recalling that, from 1976 onwards, the General Assembly has repeatedly confirmed the adequacy of United Nations remuneration in the light of the Noblemaire principle and, in view of this, in 1982 rejected the proposal to increase United Nations salaries by 5 per cent,

"Considering, therefore, that the conclusion of the International Civil Service Commission regarding the "understatement" of the New York post adjustment, which is an integral element of remuneration, is unjustified,

"Noting with concern that, as a result of the implementation of the Commission's decision to increase the New York post adjustment index, the margin of United Nations remuneration over that of the civil service of the comparator country will reach 33 per cent,

"Considering this margin to be excessive in the light of the Noblemaire principle,

"Considering also that, in deciding to revise the New York post adjustment index, which is the basis for the entire system and had been established as a result of a number of decisions adopted by the General Assembly itself, the International Civil Service Commission has exceeded its mandate,

"Recalling its resolution 31/141 B of 17 December 1976, in which it requested that International Civil Service Commission to take appropriate measures within the operation of the post adjustment system in order to prevent an undue widening of the margin of United Nations remuneration over that of the comparator civil service,

"Recalling further its resolution 38/232 of 20 December 1983, in which it expressed its concern over unjustified overstatement of the post adjustments at certain duty stations,

"Taking into consideration the report of the Joint Inspection Unit 2/ and the conclusions and recommendations contained therein,

"1. Regrets that the International Civil Service Commission did not implement the provisions of General Assembly resolution 31/141 B and, exceeding its mandate under article 10 of the Commission's statute, decided to increase the New York post adjustment index;

"2. Decides to revoke the above decision of the International Civil Service Commission;

"3. Instructs the International Civil Service Commission to take immediate measures, in accordance with article 11 (c) of its statute, to eliminate unjustified over-payments at those duty stations where the level of post adjustment is higher than the results of the latest cost-of-living survey could justify."

6. At the 36th meeting, on 28 November, Mr. Otto Ditz, Vice-Chairman of the Committee, introduced draft resolution A/C.5/39/L.10 elaborated following informal consultations.

7. At its 37th meeting, on 29 November, the Committee adopted draft resolution A/C.5/39/L.10 without a vote (see para. 9).

8. Statements in explanation of position were made by the representatives of Argentina, the Bahamas, Brazil, India, Japan, Mexico, Pakistan, the Union of Soviet Socialist Republics and the United States of America.

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2/ A/39/522 and Corr.1.

III. RECOMMENDATION OF THE FIFTH COMMITTEE

9. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

United Nations common system: report of the International  
Civil Service Commission

The General Assembly,

Having considered the report of the International Civil Service Commission for the year 1984, 3/

Having received the report of the Joint Inspection Unit on staff costs and some aspects of utilization of human and financial resources in the United Nations Secretariat 4/ and the comments thereon of the Administrative Committee on Co-ordination, 5/

Noting the Commission's consideration of the basis and level of remuneration of the Professional and higher categories as requested in section II of General Assembly resolution 37/126 of 17 December 1982,

Reaffirming that the Noblemaire Principle is the basis for the determination of the level of remuneration for staff in the Professional and higher categories in New York, the base city for the post adjustment system, and in other duty stations,

Recalling that in previous resolutions, 6/ the General Assembly took note of the levels of the margin, ranging from 9.3 per cent to 18.2 per cent, reported by the Commission between the net remuneration of the United Nations in New York and that of the comparator service, at present the United States federal civil service,

Recalling further its resolution 31/141 B of 17 December 1976, in which it decided that at any time that the Commission considered corrective action was necessary it should either recommend such action to the General Assembly or, if urgent conservatory action were necessary between sessions of the Assembly to prevent an undue widening of the margin of United Nations remuneration over that of the comparator civil service, take appropriate measures itself within the operation of the post adjustment system,

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3/ Official Records of the General Assembly, Thirty-ninth Session, supplement No. 30 (A/39/30 and Corr.1).

4/ A/39/522 and Corr.1.

5/ A/39/522/Add.1.

6/ Resolutions 33/119 of 19 December 1978 and 38/232 of 20 December 1983.

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Noting with concern that the margin between the net remuneration of the United Nations and that of the comparator civil service would widen to the order of 24 per cent following the Commission's decision to increase the post adjustment index at the base city, New York, by 9.6 per cent, which decision led to an increase of one class of post adjustment in New York in August 1984 and would entail a further class in December 1984,

1. Considers that a margin of 24 per cent is too high in relation to past levels of the margin and, consequently, requests the International Civil Service Commission to:

(a) Re-examine, in the light of the views expressed in the Fifth Committee at the current session, what would constitute a desirable margin between the net remuneration of the United Nations in New York and that of the comparator civil service and its effect on the operation of the post adjustment system;

(b) Submit its recommendations to the General Assembly at its fortieth session on:

(i) A specific range for the net remuneration margin, together with a concise summary of the methodology applied in calculating that margin, taking into account that, on average, the margin in the past has been within a reasonable range of 15 per cent;

(ii) The technical measures which would be applied by the Commission to ensure that the post adjustment system operates within the framework of the defined margin range;

(c) Take the necessary measures to suspend implementation of the increase in post adjustment for New York envisaged for December 1984, pending receipt by the General Assembly at its fortieth session, and action thereon, of the Commission's recommendations regarding the margin and other measures referred to in (a) and (b) above; and take whatever related measures are required in respect of the post adjustment levels at other duty stations to ensure equivalence of purchasing power as soon as possible at all duty stations in relation to the level of net remuneration in New York;

2. Decides that:

(a) The Commission should continue to report the margins in respect of both total compensation comparisons and net remuneration comparisons of the United Nations system and the comparator civil service;

(b) In determining the total compensation margin, the Commission should consider all relevant factors in the two services including, inter alia, the differences in annual leave, taking into account the views expressed in the Fifth Committee;

3. Decides to refer to the Commission the report of the Joint Inspection Unit, 4/ the related comments of the Administrative Committee on Co-ordination, 5/ and the views of Member States and requests the Commission to report thereon to the General Assembly at its fortieth session;

4. Decides that 20 points of post adjustment shall be consolidated into the base salaries of the Professional and higher categories, with effect from 1 January 1985 in conformity with the recommendation of the Commission in paragraph 137 of its report, thereby establishing the salary scales (gross and net), post adjustment schedules and scales of staff assessment set forth in annexes III, IV and V of the report of the Commission and the corrigendum thereto, and that the base of the post adjustment system shall be changed from New York at 100 as at October 1977 to New York at 100 as at December 1979;

5. Renews its earlier request, made in resolution 239 C (III) of 18 November 1948, to Member States that have not done so to take appropriate action to exempt their nationals from income tax, which could result in the abolition of the Tax Equalization Fund.

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