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Chairman: Mr. Najib BOUZIRI (Tunisia).

AGENDA ITEM 76

Budget estimates for the financial years 1965 and 1966 (continued) (A/5799 and Corr.1; A/5805, A/5807 and Corr.1; A/5940 and Corr.1; A/5969, A/5995, A/5996, A/6005, A/6007 and Corr.1; A/6050; A/C.5/1009 and Corr.1; A/C.5/1011, 1014, 1025 and Corr.1; A/C.5/1027, 1035-1038; A/C.5/L.833, L.836)

Budget estimates for the financial year 1966 (continued) (A/5799 and Corr.1; A/5805, A/5807 and Corr.1; A/5940 and Corr.1; A/5996, A/6005, A/6007 and Corr.1; A/6050; A/C.5/1009 and Corr.1; A/C.5/1025 and Corr.1; A/C.5/1027, 1035-1038; A/C.5/L.833, L.836)

General discussion (continued)

1. Mr. ILIC (Yugoslavia) said that he wished to give an explanation in connexion with what the representative of Czechoslovakia had said at the 1079th meeting concerning the Yugoslav position on the appropriations in section 16 (Special missions). His delegation had opposed only the inclusion in the regular budget of an appropriation for the United Nations Commission for the Unification and Rehabilitation of Korea.

2. Mr. HOLKERI (Finland) was afraid that the Czechoslovak representative had misunderstood the point of view expressed by the Finnish delegation at the 1073rd meeting. The Finnish suggestion did not imply fixing several years in advance a budget ceiling on all United Nations activities, which would serve as a basis for the budget estimates. The Finnish delegation had in fact expressed the wish that the financial planning of the Organization's

future activities should be improved and had asked whether it would not be possible, together with the annual budget estimates, to submit an outline of the financial implications of the programmes planned for future years.

3. That suggestion, and the general tenor of the statement in the course of which it had been made, showed that the financial planning in question was intended to apply to programmes already approved. There was no intention of fixing a financial ceiling to be observed by United Nations bodies responsible for planning the Organization's future activities.

4. Mr. PRUSA (Czechoslovakia) said he was sorry to have misunderstood the statements of the Yugoslav and Finnish delegations. In referring to the Finnish suggestion, he had stated that he was not certain of having understood it correctly.

5. Mr. MARSCHIK (Austria) stressed that the Committee could not consider the budget estimates for 1966 without taking into account the crisis which had paralysed the General Assembly from the beginning of 1964 until recently. It was true that the crisis was much more a political than a financial one, but some financial problems still remained to be solved. The United Nations was still facing obligations in excess of \$100 million, resulting from peace-keeping operations, it had to provide for repayment of the United Nations bond issue and if the operations of the United Nations Emergency Force in the Middle East were to be continued, provision would have to be made for their financing. There were still fundamental differences of opinion, moreover, of the financing of future peace-keeping operations. His delegation, as a member of the Special Committee on Peace-keeping Operations, was fully aware of the complexity of those problems and of the great efforts that would be necessary to solve them.

6. His delegation shared the concern of most countries over the steady increase in the expenditure of all international organizations. It recognized, however, that the expansion in United Nations activities was necessarily reflected in greater budgetary expenditure. It was therefore willing to vote for the appropriations requested, as long as they represented an increase in the Organization's tasks and remained within acceptable limits. But it was necessary to ensure that all expenditure was kept to the minimum compatible with the continued functioning of the Organization.

7. With regard to the continual increase in the number of meetings and conferences, which had particularly attracted his delegation's attention, the

best way of stopping it was surely to appeal to delegations and Governments themselves. It was pointless to condemn the proliferation of meetings in the Fifth Committee if at the same time the representatives of Governments in other main committees or other United Nations organs called for an ever greater number of conferences. During the past three years, Austria had appealed in the Economic and Social Council for closer co-ordination of United Nations activities and a substantial reduction in the number and frequency of the meetings of subsidiary organs. It had supported the proposals made in that connexion by the Secretary-General, but the effect of the few recommendations adopted by the Council on the subject had been nullified by the measures taken at subsequent sessions. There was no hope of improvement without better co-ordination among representatives and delegations of the same State and without some control by the General Assembly over requests for meetings. His delegation had noted with great interest what the United Kingdom representative had said on the subject (1073rd meeting), and wondered whether the Advisory Committee could not make a study of the various aspects of the question and submit specific proposals to the Fifth Committee.

8. Member States were agreed that it would be useful to review and re-evaluate the structure and procedures of the United Nations in order to adapt them to the changes that had occurred in the twenty years since its establishment. As the membership of the Security Council and the Economic and Social Council had just been increased in order to reflect the increase in the membership of the Organization, as the question of peace-keeping operations had been placed on the General Assembly's agenda and as the problem of strengthening the United Nations machinery for the peaceful settlement of disputes was also on the agenda, it might also be profitable to consider the administrative and budgetary aspects. His delegation would welcome it if the annual general discussion became a frank and fruitful debate on the more basic and long-term problems facing the Organization in the administrative and budgetary field, and of possible action in regard to them.

AGENDA ITEM 77

Review of salary scales of the professional and higher categories of the international civil service (continued)* (A/6056):

- (a) Report of the International Civil Service Advisory Board (continued)* (A/5918/Add.1);
- (b) Report of the Secretary-General (continued)* (A/5918)

9. Mr. GREN (Union of Soviet Socialist Republics) said that the item under consideration was of prime importance both for officials in the categories in question and for Member States, which contributed their share to the Organization's expenditure and had to call upon the resources of their people to do so. It was therefore essential that the question should be given thorough consideration on the basis of clear and precise data, so that the solution of the problem would result in no damage to anyone's interests. The proposed increases in the salaries of professional and higher categories were not due to a rise in the cost

of living. It was common knowledge that the pay system included a semi-automatic procedure for adjustments to take such rises into account. What was proposed now was a review of the present structure of the common salary system. A review of that kind had been made for the first time in 1950, again in 1957—when actually no increases were recommended—and most recently in 1961. His delegation recognized that the time had come for another review of the common salary system, particularly as in 1961 serious imperfections and anomalies had been found in the proposed scales. In that year the Advisory Committee on Administrative and Budgetary Questions had made no recommendations on the proposals of ICSAB which it had found to be based on questionable information and unconvincing arguments. In the same year, some delegations had expressed a similar opinion in the Fifth Committee. It had even been said that no valid conclusions could be reached on the question until it had been studied more thoroughly. It was for that last reason that in 1963 the General Assembly in its resolution 1981 B (XVIII), had given effect to the recommendation for widening the terms of reference of ICSAB so that it could study the problem of salary scales of the international civil service in its entirety. His delegation had studied the documents submitted to the Committee very closely, but it was compelled to state that to its surprise, the salary system had not been given the thorough study that had been requested. It therefore considered that the salary increases could not be approved until a study of that kind had been completed. From the report of ICSAB (A/5918/Add.1), it was clear that it had not tackled the question of the basic principles governing the common salary system, which had been criticized. The effect of the proposals of the executive heads of the United Nations family of organizations was merely to re-establish the relationship which existed between United Nations salaries and the salaries paid by the national civil service of the United Nations of America at the time of the previous review in 1961. ICSAB had been unable to devote a thorough study to the question well in advance; it recognized that the proposed increase was excessive, but since it had been unable to draw up a new scientifically based salary scale, it had confined itself to an obvious half-measure by recommending a one-third reduction in the proposed increases. Such methods of work would not enable ICSAB to accomplish what it had been asked to do. Furthermore, his delegation had found contradictions in ICSAB's report; thus, in paragraph 31, ICSAB said that any new United Nations scales should take into account changes made in the classification of posts in the civil service of the United States, whereas in annex A, paragraph 10, it was admitted that precise comparisons were not possible because of uncertainty regarding the equivalence between United Nations grades and those of national services. The table in annex B compared the GS-7 level of the United States civil service and the P-1 level of the United Nations, and also the GS-12 and P-3 levels: he wondered why, in the case of the United States civil service, there was a difference of four levels, while in the United Nations the difference was of one level only. The comparison between the United Nations scale, which comprised seven levels, and the United

*Resumed from the 1078th meeting.

States scale, which comprised twelve, was made in such a way that the United Nations salary scale was "elevated" vis-à-vis the United States scale. Why had the principle of a strict alignment of levels between the two systems not been adhered to more evenly from top to bottom of the scale? Moreover, ICSAB recognized that the validity of the comparisons drawn hitherto had never been examined. What was required was a detailed analysis of precise data on all United Nations posts and all the posts in the United States civil service, so that there would be a basis for comparison.

10. ICSAB had indicated that it had doubts about the way in which the Noblemaire principle had thus far been applied in the United Nations system; it even added, in paragraph 63 of its report, that the operation of the post adjustment system in conjunction with that principle led to anomalies and possibly to inappropriate results. The report admitted that the margin by which the remuneration of internationally recruited staff, should exceed the highest civil service salaries had never been laid down. Indeed, that margin varied surprisingly according to the category of posts considered; thus, a married P-3 earned 40 per cent more than his opposite number in the United States, while the difference between a D-1 and the United States official of equivalent rank was only 14 per cent.

11. In paragraph 19 of its report, ICSAB noted that of all professional staff employed outside North America by all the organizations in the United Nations system, approximately 10 per cent only were of North American origin. How could that argument justify salary increases, in view of the quite correct observation in paragraph 63 of the ICSAB report that a United States staff member received higher remuneration while working in his own country than when working at Geneva? Besides, the difficulties allegedly encountered in recruiting persons from high-salary countries were not confirmed by the other documents before the Committee. It was common knowledge that the United Kingdom and other countries of Western Europe had exceeded their desirable ranges of staff recruitment, and the recruitment of United States and Canadian nationals fell within their respective ranges. With regard to the difficulty of recruiting highly qualified staff in many fields of work, ICSAB emphasized that it would be illusory to believe that the measure of those difficulties was a sufficient guide to the adequacy or otherwise of salaries under the present system. In the opinion of ICSAB, the increase of salaries to the level at which there would be no difficulties in the recruitment of personnel would lead to excessive expenditures, and it was certainly not clear whether such difficulties could be removed only through an increase in monetary remuneration. It was regrettable that that consideration had not been kept in mind.

12. His delegation agreed with the most important conclusion of ICSAB that it was necessary to undertake in 1966 a review of the principles which should underlie the establishment of salaries for the international civil service in present conditions. In that regard, it should be noted that the Advisory Committee declined to accept any responsibility for the substance of the proposal to increase salaries immediately,

because it had not undertaken a detailed study of that particular problem. As things stood, a hasty approval of the proposed increases could not be justified until the necessary study had been carried out. Some had objected that the study might take more than a year. But would not the postponement of the specific decision for one year be the best guarantee that the study, which seemed doomed to perpetual postponement, would actually be carried out? Moreover, that was not long if one considered that in the past a seven-year period had elapsed between such reviews. His delegation was therefore categorically opposed to the proposed increase until the results of a thorough study of the common salary system were available.

13. Mr. GANEM (France), after paying a tribute to the work done by ICSAB and by the Advisory Committee, emphasized that the proposals before the Fifth Committee concerning salary increases for international civil servants were not the result of an increase in the cost of living, since post adjustments were there to compensate for such increases. They resulted from application of the principle, approved in 1920 by the Noblemaire Committee of the League of Nations, that the salaries of international civil servants should be based on those of civil servants in the world's wealthiest countries, in order to avoid certain recruiting difficulties, in any case limited, particularly with regard to technicians and experts from North America. He recalled that at the time of that principle's adoption, the membership of the League of Nations had been small, being drawn primarily from Western Europe and Latin America; Africa had been represented only by Liberia, South Africa and, after 1923, Ethiopia; neither the United States, nor the Soviet Union, nor even Germany had been part of the League, at least in its early years.

14. Today, the membership of the United Nations was almost three times that of the League of Nations, and the gap between the levels of living of the different countries had widened tremendously. The assessed contribution of some fifty Member States to the United Nations budget was set at the minimum level—0.04 per cent—and even that minimum was burdensome to many. He therefore wondered whether it was appropriate for the Committee to decide to increase the financial burden on Member States by a further \$2.7 million, or even three times that amount, if all the specialized agencies were taken into account. The Secretariat affirmed that there was urgent need to raise the salaries of international civil servants in order to facilitate the recruitment of United States specialists. His delegation was well aware that a large number of posts in the United Nations and the agencies must be held by United States nationals, but it did not believe that the Noblemaire principle should be automatically retained without review or adjustment. ICSAB had felt much the same, since it had decided to undertake, in 1966, a study of the basic principles which should govern the salaries of international civil servants. The Advisory Committee, for its part, had wondered whether any action should not be postponed until the results of the new study to be undertaken by ICSAB were available. His delegation certainly wanted to have complete documentation at its disposal before voting

for an increase in salaries, so that the Fifth Committee might not again, in two or three years' time, find itself obliged to amend the salary system. His delegation was therefore in favour of postponement, and would refuse to support a proposal whose consequences were so burdensome.

15. Mr. MESQUITA (Brazil) asked the Chairman to postpone to the following week the vote on the proposed salary increases for professional and higher staff members, so that delegations might study the question in depth and engage in consultations. His delegation was disinclined to accept both the salary increase for professional staff and the other supplementary expenditures under section 3 (Salaries and wages) of the budget estimates. Where that section was concerned, a formula should be worked out which did not entail too great an increase in the assessments

of the various countries. The Committee must study that section of the estimates in the spirit of economy which had prevailed during the consideration of other sections. Lastly, appreciation of the quality of ICSAB's work was no reason automatically to accept its proposals.

16. The CHAIRMAN agreed that, having regard to the importance of the question under discussion and the consultations which should take place, it would seem expedient to postpone the vote.

17. Mr. MORRIS (Liberia) thanked the French representative for his kind words about Liberia, and recalled the role his country had played in the liberation of Africa.

The meeting rose at 4.5 p.m.