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Chairman: Mr. Harry MORRIS (Liberia).

AGENDA ITEM 74

Budget estimates for the financial year 1968 (continued) (A/6705 and Corr.1, A/6707 and Corr.1 and 2, A/6854, A/6861, A/6878 A/C.5/1113 and Corr.1 and 2, A/C.5/1114 and Corr.1, A/C.5/1115 and Corr.1, A/C.5/1118, A/C.5/1123 and Corr.1, A/C.5/1124, A/C.5/1126-1129, A/C.5/1132, A/C.5/1135, A/C.5/L.901, A/C.5/L.908 and Corr.1)

First reading (continued) (A/C.5/L.908 and Corr.1)

SECTION 3. SALARIES AND WAGES (continued) (A/6705 and Corr.1, A/6707 and Corr.1 and 2, A/6854, A/C.5/1114 and Corr.1)

- 1. Mr. FERNANDEZ MAROTO (Spain), referring to the appropriations requested under section 3, said that his delegation supported the reductions recommended by the Advisory Committee on Administrative and Budgetary Questions in its reports (A/6707 and Corr.1 and 2 and A/6854) and would carefully study any proposal that might be submitted to the Committee for reducing the appropriations in question still further.
- 2. In view of the importance of the responsibilities attached to the post of Legal Counsel, his delegation considered that it should be in the upper level of the top echelon.
- 3. Mr. S. K. SINGH (India) said he considered that the Advisory Committee had put forward some particularly detailed and convincing arguments in support of the reductions it recommended in the appropriations requested under section 3. Several delegations had said that the reductions in respect of the addional posts requested by the Secretary-General seemed excessive. His delegation had no doubt that the Advisory Committee had been guided solely by the desire to improve staff management and the recruitment policy. On that subject it would be unwise to ignore the developments that had taken place in recent years. The policy that was applied in matters of recruitment and strengthening the organizational

units of the Secretariat should therefore be consonant with what had happened during the period 1962-1967. His delegation had noted with satisfaction that the Chairman of the Advisory Committee had given the assurance that the Committee would be prepared to reconsider the reductions it recommended in respect of additional posts if it turned out that those reductions might have a detrimental effect on the work of UNCTAD and UNIDO.

- 4. With reference to the proposals for reorganizing the top echelon in the United Nations Secretariat (A/C.5/1128), he said his delegation considered that the Secretary-General was perfectly justified in expressing the hope that the General Assembly would take note of the proposals, and in stating that, subject to necessary budgetary action, he intended to implement them. As it had already said in its statement at the 1185th meeting, the Indian delegation considered that that reorganization was entirely within the Secretary-General's own powers, and it would support any effort he might make to remodel the Secretariat in the interests of greater efficiency and flexibility. His delegation appreciated what problems the Secretary-General had had to face in deciding how many posts should be included in the upper level of the top echelon, and it was well aware that he had asked for no instructions on the subject. A number of delegations, however, had stated their position on the subject. In his delegation's view, those were observations that were meant to assist the Secretary-General. The Indian delegation itself agreed with the great importance which attached to the Office of the Legal Counsel of the United Nations, and it therefore hoped that the various statements made in that context would assist the Secretary-General in taking a final decision, which, in any case, had to be his own.
- 5. Mr. TARDOS (Hungary) said he had been surprised by the number of delegations which, in their statements at the preceding meeting, had indicated their expectation that the plan for the reorganization of the Secretariat would be reconsidered with a view to making changes in it. He had no doubt that before preparing the plan the Secretary-General had consulted his top advisers. The insistence with which it was being requested that the post of Legal Counsel should be placed in the highest category was undignified, and prejudicial to the prestige of international law and of the post itself.
- 6. In view of the many problems raised by the proposed reorganization, particularly from the point of view of improving the geographical distribution which the Secretary-General envisaged for the two classes of posts, and in view also of the Secretary-General's intention that the reorganization of the Secretariat at other levels should also be considered.

there was no point in requesting him to modify his plan at present. For the time being, no decision to that effect was necessary.

- 7. Mr. YASSEEN (Iraq) said that, corresponding to the international community, there was an international legal order, the expression of which at the institutional level was the United Nations. International law played an essential part. In fact, legal problems arose every day and at all levels. All the problems that had been brought before the United Nations could be said to have a legal aspect. It was not surprising, therefore, that so much importance had been attached to the Office of Legal Affairs of the United Nations. In his delegation's view, the Secretary-General should reconsider that point in relation to his plan for the reorganization of the Secretariat. The post of Legal Counsel should be in the upper level of the top echelon, the level to which the Secretary-General's principal advisers belonged.
- 8. Mr. KELSO (Australia) said he wanted to support the representatives who had already said that the post of Legal Counsel should be in the upper level of the top echelon. His delegation recognized that the Secretary-General had undivided responsibility in choosing and appointing staff. He drew attention to the high position given in the Charter of the United Nations to international law and justice, adding that it seemed to follow that the Legal Counsel, as the Secretary-General's adviser on such matters, should be of the highest rank, so as to accord full recognition to the responsibilities and skill required of his position.
- 9. Mr. RAINFORD (Jamaica) recalled that while, in the general discussion, he had expressed approval in principle of the Advisory Committee's recommendations concerning the budget estimates, he had been unable, in at least one instance, to support the reductions recommended: he had in mind the recommendation relating to the additional staff requested for ECLA and, in particular, the Office for the Caribbean. As could be seen from table 3-A-23 in the budget estimates for the financial year 1968 (A/6705 and Corr.1), the present staff of that Office consisted of 1 Senior Officer and 1 First Officer, and 2 new posts were requested—1 Second Officer and 1 officer at the local level. In support of his request, the Secretary-General said that there was "a need to strengthen the work on economic planning and projections and on problems of the newly independent countries in the Caribbean area, as well as on those of the Greater Colombian countries" (ibid., p. 57, para. 135). The newly independent countries to which the Secretary-General referred were, in fact, Guyana and Barbados, which were now members of ECLA serviced by the Office for the Caribbean. The Advisory Committee seemed to have overlooked that vital fact. Since the Secretary-General had no intention of contesting formally the reductions proposed by the Advisory Committee, his delegation did not wish to push those objections too far, but it hoped the Secretary-General would be able to make available to the Office for the Caribbean, if only on a temporary basis, the additional staff required to undertake the work programme. In any case, it fervently hoped that the Advisory Committee, bearing in mind the points his delegation had put forward, would support

- any reasonable request for additional staff for that Office which the Secretary-General might make in the budget estimates for the financial year 1969.
- 10. As to the reorganization of the top echelon in the Secretariat, his delegation considered that the proposal to place the post of Legal Counsel in the lower and not in the upper level of the top echelon would devalue the authority and prestige of that office and place the incumbent at a psychological disadvantage among representatives in the Sixth Committee, members of the International Law Commission and members of the International Court of Justice. Furthermore, it might give the impression that the United Nations itself had ceased to attach much importance to the legal aspect of issues coming before it. His delegation therefore hoped that the Secretary-General would find it possible to reconsider his proposal.
- 11. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) found it surprising that most delegations should be concentrating their attention on the question of the rank to be given to the office of Legal Counsel. While that was certainly a matter of some importance it must not be forgotten that the Fifth Committee's responsibilities for budgetary control would be better exercised by a detailed consideration of section 3, which, representing as it did more than half the total expenditure, was one of the most important in the budget estimates. The Soviet delegation's position of principle was well known: it considered that the expenditure under section 3, as well as sections 4 (Common staff costs) and 5 (Travel of staff), together representing more than 54 per cent of the total budget, was excessive, and was unfortunately increasing all the time. Drastic steps must be taken to bring it down, and for that purpose a strict discipline must be imposed on the various departments of the Secretariat.
- 12. In general, the Soviet Union delegation questioned the soundness of measures which consisted of automatically increasing salaries and wages in line with the rise in the cost of living. Nevertheless, it recognized that that factor had to be taken into account in one way or another. It noted, in table 6 of the Advisory Committee's main report, that the increase in General Service salary rates and Manual Worker wage rates in Geneva as of 1 January 1968 was set at 2.9 per cent, involving an estimated additional cost of \$106,800. That step seemed justified, in view of the necessity of taking account of the rise in the cost of living in Geneva in the particular case of staff members whose remuneration ranged between \$250 and \$350 a month, and at first glance would not seem to call for any comment. However, those modest figures masked a situation which warranted study. On 25 October, the Chairman of the Fifth Committee had received a telegram sent by the members of the Staff Committee of the United Nations Office at Geneva on its behalf and that of the Staff Committees of the five specialized agencies also located there, inviting him to draw the Fifth Committee's attention to the difficult situation resulting from the decision of the Directors of those agencies to reduce General Service salary rates and Manual Worker wage rates by 9 per cent. In so doing, the Administrations of those agencies had violated a series of established and vital principles, and the

position had become so tense that a strike by staff members had actually been contemplated. The examination of that question by the Advisory Committee had brought out certain facts which it was essential to bring to the Fifth Committee's notice. For example, those Administrations had unilaterally denounced an official agreement concluded in 1962 between the staff and administration representatives which had provided for the correlation of wages and salaries with the official cost of living index in Switzerland and had also debarred any discrimination in respect of salaries for women, various weighting adjustments having been included in the wage and salary scales to that end. The staff of those agencies was now asking that salaries and wages should continue to be governed by the 1962 agreement. The threat of strike action had been dropped for the time being in the hope that the Fifth Committee and the Advisory Committee would assist in finding a solution to the problem. Reverting to table 6, it was not an increase to 2.9 per cent that would need to be provided for in order to take account of the rise in the cost of living index in Switzerland but an increase of 7 per cent, involving an additional cost in the region of \$120,000. Although the Soviet Union delegation normally objected to any additional cost, the present case was one in which the proposed outlay was designed to correct an imbalance detrimental to the least privileged categories of staff. It was good to economize, but it was not good to insist on doing so at the expense of the lowest paid staff. What had happened, in fact, was that the Geneva administrations, and even those of certain other international institutions, had yielded to the pressure exercised by local concerns, which had thus made use of the United Nations to resist the demands put forward by the Swiss trade unions. The Soviet Union delegation was certainly not alone in refusing to allow the United Nations to be used for such unsavoury purposes; and the efficiency and reputation of the Organization to be jeopardized on the pretext of making minor savings in a budget of more that \$140 million. In view of the fact that representatives of the Staff Committee of the organizations located in Geneva had come to New York to submit a memorandum to the Advisory Committee members, the Soviet Union delegation felt that it would be very appropriate to have that memorandum distributed to the members of the Fifth Committee. The Fifth Committee should, in the opinion of the USSR delegation, deal with that question.

13. Mr. AMERASINGHE (Ceylon) wished to make a few comments on the Secretary-General's proposal for the reorganization of the top echelon in the United Nations Secretariat. The last reorganization of the Secretariat dated back to 1955; and in view of the significant increase in the number of Member States and the volume of United Nations activities during the intervening twelve years, an immediate review of the responsibilities of posts at top level and modifications designed to increase the Organization's efficiency were imperative. The Secretariat had orginally included 8 Assistant Secretaries-General and a number of Principal Directors, those officials constituting two separate tiers. In 1955 those two tiers had been replaced by a single echelon of Under-Secretaries. The Secretary-General now proposed a reversion to

the two-tier system at top level, with an upper echelon of 11 posts and a lower echelon with an as yet undetermined number of posts. The effect would be to have 8 upper echelon posts at Headquarters, the remaining 3 posts in that echelon being those of the Secretary-General of UNCTAD, the Executive Director of UNIDO and the Director-General of the United Nations Office at Geneva. However, his own view was that it would be easier to assess the merits of the scheme if there were a clear idea of what was proposed with regard to those posts of Under-Secretary in the Secretariat itself which had not been placed by the Secretary-General in the top echelon.

14. The inference from paragraph 17 of the Secretary-General's note on the subject (A/C.5/1128) was that the future of those posts would be considered by the team of four or five experts which would be appointed to consider the problem of reorganization of the Secretariat at other levels. In drawing up his reorganization plan, the Secretary-General had applied two main principles: with regard to the administrative aspect he had sought to classify the posts according to the responsibility attaching to them, and with regard to the political aspect he had sought to ensure equitable geographical distribution. In the view of the Ceylonese delegation, those two principles were incompatible, and the Secretary-General would seem to have been forced to subordinate administrative considerations to the paramount requirements of geographical distribution; he had had to take account of the nationality of the present incumbents in order to ensure that a fair geographical distribution was achieved at top level within the context of the new system. If the proposed plan was defective, it was because the Secretary-General's attempt at reconciling those administrative and political principles had been confined to the top echelon. It would have been easier to reconcile them had the plan covered a larger number of posts and had account been taken of the geographical distribution of top level posts not only at the United Nations but in all United Nations bodies, including the specialized agencies. To do that, of course, it would have been necessary to consult the specialized agencies in order to evolve a co-ordinated scheme. Even if political considerations were applied to a wider range of posts, the main criterion of classifying them in accordance with the responsibilities involved should be applied without regard to the fortuitous circumstances connected with the nationality of the present incumbents. But whatever principles were followed in devising a reorganization plan, allowance had to be made in the final analysis for the personal judgement of the head of the Organization. The observations made by his delegation should not be construed, therefore, as questioning the Secretary-General's discretionary power in the matter. It was in that spirit that he wished to make a few points concerning the choice of posts which the Secretary-General proposed to include in the top echelon.

15. The criteria for determining the relative importance of posts were generally recognized as being the degree of administrative and financial responsibility involved, the power of decision and the nature of the functions of the person concerned. The size of the work-load should not be an important consideration if it merely represented a quantitative rather than a

qualitative factor. He was surprised at the non-inclusion of the post of Legal Counsel in the higher level of the top echelon. That specialized post was the only one of its kind in the Secretariat; the incumbent was concerned not only with one division but with questions of moment to the entire Organization. The post should thus take precedence over one which involved purely mechanical and executive functions, such as that which involved running the Office of Conference Services. It could also legitimately claim precedence over the post of Director-General of the United Nations Office at Geneva, although the work-load of the latter might be heavier.

16. The Office of Conference Services was so closely linked with the General Assembly matters thatleaving aside the circumstance of the present geographical distribution of those posts-it could well come under the Under-Secretary for General Assembly Affairs. As to the combination of the posts of Director of Personnel and Controller, he felt that it would create a work-load and degree of responsibility beyond the capacity of one official, albeit assisted by two officials at the lower level of the top echelon. Staff questions were so important and complex, and also so distinct from financial questions, that they should come under a separate body. Furthermore, the posts of Controller and Director of Personnel were of a more independent nature than other posts in the top echelon, for their incumbents could adopt final decisions in their respective fields, in the same way as the Legal Counsel. The posts of Director of Personnel and Controller should therefore be kept separate and placed at the higher level of the top echelon, like the post of Legal Counsel. Incidentally, in view of the nature of the responsibilities involved, that reclassification could be effected by reducing the status of the posts of Under-Secretary for Conference Services and of Director-General of the United Nations Office at Geneva. As to the post of Executive Director of UNIDO, its responsibilities bore no comparison with those of other top-level United Nations posts. He welcomed the recognition of the importance of the post of Administrator of UNDP and approved the Secretary-General's recommendation that it should be equated with that of executive head of a major specialized agency.

17. In paragraph 15 of his note, the Secretary-General suggested that the question of the level of the post of Executive Director of UNICEF could be left to the Executive Board of UNICEF. The Ceylonese delegation hoped that the Secretary-General's proposed reorganization scheme would not set in train a competitive reclassification of the posts in other organizations and specialized agencies, which were free to determine those matters themselves. In conclusion, he wished to stress that his observations were prompted by purely technical considerations and were in no way concerned with questions of a political nature or with the individual merit and capacity of officials.

18. Mr. TAITT (Barbados) said that at the 1200th meeting the Chairman of the Advisory Committee had asserted that the work programmes of the United Nations would in no way be jeopardized because of the reductions proposed by the Advisory Com-

mittee in section 3 of the budget estimates for 1968. However, in his statement on 18 October (A/C.5/1127, para. 15), the Secretary-General had said that the majority of the new posts were required in order to meet the growing activities of the United Nations in the economic and social and human rights fields. The delegation of Barbados, for its part, considered that the programmes which would be affected by the reductions proposed by the Advisory Committee were in those very fields of activity. It therefore wished to associate itself with the request made by the delegation of Trinidad and Tobago (see 1200th meeting) that the Under-Secretary for Economic and Social Affairs, whose functions included those fields, should personally inform the Fifth Committee of the possible effects of the proposed reductions on the important programmes designed to promote the rapid economic development of the less developed countries. In making those comments, his delegation had no intention of challenging the Advisory Committee's view: it merely wished to clarify a question which it deemed vital.

19. With regard to the reorganization of the top echelon of the Secretariat, his delegation wished to add its voice to those of the delegations which had stressed that the post of Legal Counsel should be at the highest possible level. It hoped that the Secretary-General would reconsider his recommendation in that respect. Furthermore, his delegation welcomed the Secretary-General's intention to extend his reorganization to the Secretariat as a whole. It hoped that that task could be carried out rapidly and was confident that its completion would lead to better utilization of the staff.

20. Lastly, with regard to the Controller's statement at the preceding meeting that it would be necessary to adjust the salaries and wages of General Service Staff at Headquarters, the delegation of Barbados wondered whether the machinery used to estimate those adjustments was not slightly out of gear and whether what needed overhauling was not the machinery itself.

21. The CHAIRMAN announced that in response to the wishes of the delegation of Trinidad and Tobago, the Under-Secretary for Economic and Social Affairs would attend the following meeting.

22. Mr. EL BARADEI (United Arab Republic) associated himself with the reservations which had been expressed concerning the status of the Legal Counsel. The fact that that post was not included in the list in annex III to the Secretary-General's note (A/C.5/1128) might create the impression that international law was becoming less important to the United Nations. He therefore hoped that the Secretary-General would consider including that post in the higher level of the top echelon.

23. Mr. CALEFF (Israel) recalled that during the general discussion on the budget estimates (1191st meeting), his delegation had dwelt at length on the problem of manpower management in the United Nations and in the specialized agencies; it had encouraged the Secretary-General to reorganize and reassign staff members so as to ensure full utilization of their services, and had pointed to the dangers which the proliferation and reclassification of posts

involved. With regard to the note by the Secretary-General on the reorganization of the top echelon in the United Nations Secretariat, he appreciated the fact that the growth of the Organization during the past twelve years made reogranization of the Secretariat essential. It was obvious that the Secretary-General's executive powers and responsibilities had to be delegated to his immediate assistants, but they should be delegated to a small number of persons only. The list of 11 posts specified in annex III to the Secretary-General's note—or 12 if the post Legal Counsel was included—seemed rational.

24. The Israel delegation felt, however, that no consideration had been given to the implications of the proposed reorganization. In paragraph 17 of his note the Secretary-General said that he proposed to appoint a small team of four or five experts to consider the problem of reorganization of the Secretariat at other levels and to make appropriate recommendations. However, unless the implications of the Secretary-General's recommendations were known, it was very difficult, or even impossible, to encourage the proposed reorganization, which affected not only the top echelon but would no doubt have repercussions throughout the Secretariat. At first sight, it appeared that the effect of the proposed reorganization would be to add another level to the top of the present structure, with all that that would entail, perhaps not in the immediate future but within the framework of proliferation inherent in the Organization. If there was no alternative, that situation would have to be accepted. However, what the Israel delegation wanted was an over-all picture of what the administrative and financial implications of the proposed reorganization would be, and especially of its influence on the way in which the chief executive of the United Nations would conduct the business of the Organization under his authority. It would be easier to express a considered opinion once the Secretary-General had appointed the team of experts to study the problem of reorganization and the group had made its recommendations.

SECTION 9. MAINTENANCE, OPERATION AND RENTAL OF PREMISES (A/6705 AND CORR.1, A/6707 AND CORR.1 AND 2, A/C.5/1132)

25. The CHAIRMAN said that in the budget estimates for the financial year 1968 (A/6705 and Corr.1)

the Secretary-General had requested an appropriation of \$4,146,800. In document A/C.5/1132, he had requested an additional amount of \$24,000, which raised the total appropriation requested to \$4,170,800. In its main report (A/6707 and Corr.1 and 2, para. 268), the Advisory Committee had recommended a reduction of \$46,800 in the initial request.

26. Mr. BANNIER (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the major portion of the estimates under section 9 related to services furnished under contractual arrangements, and that although the Advisory Committee was concerned at the increasing cost of such services, it recognized that the Secretary-General could exercise little control over the prices for the rental and maintenance of premises and the cost of utilities. It should be possible, however, to effect some savings by ensuring the utmost economy in the use of utilities and by reducing the estimates under chapter III (Other expenses). Accordingly, the Advisory Committee had recommended a total appropriation of \$4,100,000 for section 9, or \$46,800 less than the Secretary-General's initial request.

27. The Secretary-General had submitted a revised estimate in the amount of \$24,000 (A/C.5/1132) to provide for the rental of commercial storage space in the Headquarters area for publications and documents. Members were aware of the increased volume of documentation and of the fact that there was a shortage of space at Headquarters. Bearing that in mind, and recognizing that \$2 per square foot was reasonable for the rental of such space, the Advisory Committee was not opposed to the Secretary-General's proposal. It hoped, however, that it would not be necessary to provide for the rental of outside space on a continuing basis. The Advisory Committee therefore recommended an appropriation under section 9 in the total amount of \$4,124,000.

The Advisory Committee's recommendation for an appropriation of \$4,124,000 under section 9 was approved on first reading by 66 votes to none, with 7 abstentions.

The meeting rose at 4.40 p.m.