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Chairman: Mr. Max H. WERSHOF (Canada).

AGENDA ITEM 74

**Planning estimate for the financial
year 1972 (continued) ***

1. The CHAIRMAN reminded the Committee that the Norwegian representative had submitted at the 1388th meeting a draft text whereby the Fifth Committee would recommend that the General Assembly should decide to defer for one further year the implementation of paragraph 7 of its resolution 2370 (XXII) of 19 December 1967. He stressed that the adoption of that proposal would not prejudice any delegation's position on the item, which was being deferred only for lack of time.

2. Mr. GUPTA (India) recalled that many delegations, including his own, had had serious reservations about the manner in which the item had been introduced at the twenty-second session, and had made it clear that they regarded a planning estimate as a guideline which should not constitute a budget ceiling or impose rigidity on the process of budget formulation. It was not the fault of the developing countries that the item had been postponed in 1969. However, since the reasons advanced for the postponement in 1969 remained valid, he recognized that the question might have to be postponed again at the current session. On the other hand the postponement should not be limited to one year. First, in view of the Secretary-General's decision to freeze the staff for 1971 at the 1970 level, his delegation doubted the advisability of using that necessarily artificial level as a basis for the planning estimate. Secondly, the view expressed by the Committee for Programme and Co-ordination¹ that the Secretary-General should be requested to review his programme projections for 1972 and its budgetary implications in the light of the objectives to be set for the Second United Nations Development Decade as well as the results of the manpower utilization survey, keeping in mind the increased role which the United Nations was likely to play in the implementation of those objectives should be taken into account in considering General Assembly resolution 2370 (XXII). Thirdly, the question of a planning estimate would have to be viewed as an aspect of the institutional and organizational implications of programme budgeting. The *Ad Hoc* Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies, if reactivated, should be requested to consider the rela-

tionship between planning estimates and programme budgeting.

3. His delegation would not oppose the Norwegian proposal, but believed that no particular time period should be specified because the dignity of the General Assembly would suffer if, as was likely, it had to keep postponing the implementation of its own decisions year after year.

4. Mr. GARRIDO (Philippines) felt that planning estimates should be a permanent feature of the budget. Since the manpower utilization survey was still in progress, there was no reason for not postponing the item again. His delegation accordingly had no objection to the Norwegian proposal although it felt that until programme budgeting was introduced into the United Nations, the system of planning estimates was a step in the right direction.

5. Mr. FAROOQ (Pakistan) supported the previous speakers. He felt that the item should be deferred for more than one year and that the Fifth Committee, at the twenty-sixth session, should determine how matters stood at that time. In view of the proposal for programme budgeting, the expansion of the activities of the United Nations, the uncompleted manpower utilization surveys and the studies of the Joint Inspection Unit, the Fifth Committee could not yet take a stand on the question.

The draft text submitted by Norway was adopted.

AGENDA ITEM 73

**Budget estimates for the financial year 1971
(continued) (A/7822, A/7937, A/7968, A/7987 and
Add.1, A/8006, A/8008 and Add.1 to 4, A/8032,
A/8033, A/8072, A/8122, A/8133, A/C.5/1296,
A/C.5/1298, A/C.5/1302 and Corr.1 and Add.1,
A/C.5/1303 and Add.1, A/C.5/1305, A/C.5/1307,
A/C.5/1309, A/C.5/1310, A/C.5/1315 and
Corr.1, A/C.5/1317, A/C.5/1319, A/C.5/1320
and Corr.1, A/C.5/1322 and Corr.1, A/C.5/
1329, A/C.5/1331, A/C.5/1332, A/C.5/1333,
A/C.5/L.1041, A/C.5/XXV/CRP.7, A/C.5/
XXV/CRP.9)**

**Salary scales for the Professional and higher
categories (continued) (A/8008/Add.3, A/C.5/
1303 and Add.1, A/C.5/XXV/CRP.7, A/C.5/XXV/
CRP.9)**

6. Mr. REFSHAL (Norway) recalled his delegation's comments on the question of salary scales for the

* Resumed from the 1388th meeting.

¹ See *Official Records of the Economic and Social Council, Forty-eighth Session, Supplement No. 9*, para. 47.

Professional and higher categories during the general discussion (1366th meeting). Although the Fifth Committee should be mindful of the difficult financial situation facing not only the United Nations but also one of the major specialized agencies, it should not apply its economy drive to the living standards of the thousands of people who worked for the Organization. The question was not what the Committee could get away with, but what was fair to the staff and beneficial to the work of the Organization.

7. Although statistics were, of course, indispensable to avoid working on the basis of sheer guesswork, they could be used to reach varying and even conflicting conclusions.

8. With regard to the four alternatives proposed by the Advisory Committee on Administrative and Budgetary Questions in paragraph 52 of its report (A/8008/Add.3), he felt that the acceptance of alternative (a) to defer any salary increase until the submission of a report by a group of government experts would leave United Nations salaries so far behind acceptable average standards that it might prove impossible to recoup the loss, particularly in view of the General Assembly's reluctance to grant retroactive salary increases. He agreed with the reasoning underlying alternatives (b) and (c), but felt that any decision taken by the Assembly should not appear to be a stop-gap solution. His delegation therefore favoured alternative (d), calling for an 8 per cent increase as of 1 July 1971 with the consolidation of two classes of post adjustment. That would at least give the staff real economic help and enable it for some time to maintain the economic standard which it had enjoyed for the past few years. His delegation endorsed the reasons given for that alternative by the Advisory Committee in paragraph 56 of its report. The proposed review of salary scales should be completed within the next nine or ten months so that the conclusions could be submitted to the General Assembly at its twenty-sixth session. While he understood the Advisory Committee's reluctance to pressure ICSAB by fixing a time-limit for its completion, the reference to the twenty-sixth session should be explicit, as the staff could hardly be expected to accept a salary freeze for an indefinite period.

9. Although some delegations had implied that, because the Noblemaire principle was fifty years old it must be decrepit, he felt that the principle was as valid now as it had been when first introduced, although it necessarily had to be adapted in its application. Whatever name might be given to any principle which would replace it, it must still be based on the need to attract nationals from the highest paid country. However, some consideration should be given to the idea that the principle of geographical distribution need not apply to certain posts and to certain units and to the idea that local staff on short-term engagements, primarily in Geneva, might be paid in local currency.

10. His delegation tended to react negatively to any proposal for the establishment of still another

intergovernmental body to conduct the proposed salary review. While it had the fullest confidence in ICSAB, there was some question whether the Board would be able to include in its consideration not only the salary system but also related aspects of the working conditions of the staff. It therefore felt that, in order to carry out such a broad review, ICSAB should have adequate assistance from competent consultants.

11. In the final analysis, the administration of an international organization was necessarily hampered by some considerations which inevitably did not apply to national or private organizations. Even if there were some cogs in the Secretariat machinery which did not operate as smoothly as the rest, he himself would rather overpay those "rusty cogs" than run the risk of losing the very many hard-working and dedicated staff members now employed by the Organization.

12. Mr. BOUZARBIA (Algeria) said that his delegation had always supported the Secretary-General's proposals for increases in staff salaries in the hope that such action would enhance the efficiency of the Secretariat. It could be argued that by endorsing proposals to increase salaries his delegation was inflating administrative costs to the detriment of development programmes. But it was not easy to oppose increases without affecting staff morale and, hence, the effectiveness of the Organization and efficiency of the staff. The proposed increase was justified by the general and sometimes steep rise in the cost of living throughout the world, and particularly in New York. In any event, the increase seemed relatively modest when compared with the total budget of the United Nations; although not immediately productive, it represented a profitable, more or less short-term investment.

13. His delegation had noted, from paragraph 28 of document A/C.5/1303/Add.1, that the staff had served the Organization and Member States with competence and dedication and was ready to support all efforts to increase productivity and establish better utilization of staff and greater efficiency in the international family of organizations. Moreover, the Secretary-General had emphasized the human aspect of the question and stressed the favourable effect of implementation of the proposal on staff morale.

14. To say that salaries of United Nations officials were six months ahead of or behind those of United States civil servants was to state the problem incorrectly. Obviously, statistics must be used, but everything depended on how the question was put. His delegation was confident that the members of ICSAB would put the question objectively. It was aware of the need for a thorough review of the United Nations salary system and agreed that the Noblemaire principle was outdated. ICSAB could conduct the review jointly with government experts especially appointed for the task.

15. It was to be hoped that any increase in the salaries of the Professional and higher categories would not, by attracting more candidates from developed countries, be detrimental to the recruitment of nation-

als of developing countries. His delegation was convinced that implementation of the proposal would enable the Secretary-General to recruit qualified staff, taking account of the principles of equitable geographical distribution and linguistic balance.

16. Mr. OSMAN (Sudan), commenting on the general principles affecting recruitment and retention of Professional and higher categories of United Nations personnel, said that since 1962, revisions of salary scales had been based on the recommendations of the 1956 Salary Review Committee.² The base of the common system to be Geneva and base salary scales were to be adequate to attract and retain at Geneva staff of the highest degree of efficiency, competence and integrity, recruited on as wide a geographical basis as possible. Naturally, the Salary Review Committee had rejected the possibility that staff of different nationalities might be remunerated at different rates; if it had not done so, the United Nations, the guardian of human rights, would have violated the principle of equal pay for equal work in the same circumstances. Obviously, equal pay did not ensure equal standards of living in different countries; in order, therefore, to preserve equivalent standards of living at different duty stations, the Salary Review Committee had recommended a system of post adjustments to be determined primarily on the basis of the cost of living relationship between Geneva and the duty station concerned. Admittedly, there were anomalies in the system, the main one being that a United States staff member was paid more in New York than in Geneva. It would be interesting if the secretariats of the various organizations in the United Nations system were to prepare a study indicating the number of instances in which the anomaly occurred. Care must be taken, however, to ensure that an anomaly affecting only a few persons was not replaced by one which would adversely affect over 90 per cent of international civil servants. The study should also take account of ICSAB's reviews of the principles underlying the international salary system and of the conclusion reached by the Board at its seventeenth session, in 1969, concerning the re-introduction of expatriation allowance.³ In view of the complexities of the matter, his delegation endorsed the practical approach recommended by the Salary Review Committee in 1956 and described in paragraph 4 of the Advisory Committee's report (A/8008/Add.3). In 1969, ICSAB had decided⁴ to reject the world market rate approach to the problem of establishing the salaries of international civil servants and, by inviting the organizations to improve their arrangements for the collection and analysis of data relevant to the establishment of those salary scales, had endorsed the practical approach. In 1970, the Board had re-emphasized the role each organization should play in resolving the anomalies existing in the present system (A/C.5/1303, annex I, para. 30).

17. Turning to the Secretary-General's recommendation (A/C.5/1303) and the Advisory Committee's

² See *Official Records of the General Assembly, Eleventh Session, Annexes*, agenda item 51, document A/3209 (separate fascicle).

³ *Ibid.*, *Twenty-fourth Session, Annexes*, agenda item 83, document A/C.5/1240, annex, annex II.

⁴ *Ibid.*, document A/C.5/1240, annex, para. 11.

amendment (A/8008/Add.3), he said that his delegation regarded all references to salaries other than those of the Professional and higher categories as digressions. The Secretary-General's recommendation was based on ICSAB's recommendation which, in turn, was based on the still relevant system of remuneration recommended by the 1956 Salary Review Committee. The Advisory Committee had amended the Secretary-General's recommendation in such a way that the increase would take effect from 1 July 1971 rather than from 1 January 1971. The Advisory Committee had recognized ICSAB's competence to review the salary scales and had not cast doubt on the Board's conclusions or on the recommendation which the Secretary-General had endorsed. It had, however, concentrated on developments subsequent to January 1970 and, as a result, had made the recommendation to which he had already referred. The Fifth Committee's task was to prove or disprove the validity of the arguments adduced by the Advisory Committee in favour of its amendment. In the opinion of his delegation, those arguments were not valid. The Advisory Committee had not advanced sufficient reason for comparing the cost of living at Geneva with that in New York rather than with that of Washington. The United States Civil Service was not located mainly in New York and the United Nations in Geneva did not recruit the United States members of its staff only from New York. Had the Advisory Committee compared the cost of living at Geneva with that in Washington, it would not have reached the conclusion (see A/8008/Add.3, para. 30) that United Nations salaries at Geneva would exceed that adjusted United States salaries by between 21.5 and 39.6 per cent.

18. His delegation could not support the Advisory Committee's recommendation concerning the effective date of the proposed increase and, unless a target date was set for completion of the review, it would also be unable to agree that no further adjustment of the scales should be made until the review had been completed and its results approved by the General Assembly. It would support the Secretary-General's proposal.

19. Mr. BENKIRANE (Morocco) said that the question of Professional salaries was one of the most delicate and complicated facing the Fifth Committee: delicate because of the human element involved, and complex because of the multiplicity of relevant statistics.

20. For several years, ICSAB had been considering the possibility of changing the salary system for Professional and higher categories but had concluded that it would be unwise to dispense with the Noblemaire principle until something better had been found. It had also concluded, after examining adjustments to the salaries in question in the light of salary movements in seven countries in which United Nations offices were located, that gross salaries, after the consolidation of two classes of post adjustment, should be increased by 8 per cent with effect from 1 January 1971.

21. The Advisory Committee, for its part, had displayed the greatest concern for fairness and for

economy in the Organization's budget. His delegation endorsed the Advisory Committee's conclusion that ICSAB should be requested to undertake a thorough review of the United Nations salary system and hoped that, as a result of the review, the best possible system for United Nations salaries would be established. However, the review should not be a prerequisite for an increase in salaries. It would take months or even years to make an exhaustive review, and it would be unfair to delay the proposed increase for so long.

22. His delegation was less inclined to endorse the Advisory Committee's conclusion that the proposed increase should take effect from 1 July 1971 rather than 1 January 1971. It agreed with ICSAB on that point. The United Nations must be able to attract staff on the basis of the highest standards of efficiency, competence and integrity and there was no denying that in modern times part of the attraction must be financial. The proposal would add to administrative expenses which were already high in comparison with those of development programmes. Nevertheless, in order to be able to devote maximum resources to development, the Organization must be able to recruit and retain the best possible staff. The human factor was the most important. Accordingly, the proposed increase should take effect from 1 January 1971. It was to be hoped that the increase would be accompanied by maximum efficiency on the part of the staff.

23. Mr. TARASOV (Union of Soviet Socialist Republics) said that the Fifth Committee's discussion of the question of salary scales for the Professional and higher categories was taking place in a confusing if not dramatic atmosphere. At the very beginning of the session, the Secretary-General had presented the matter (see A/C.5/1309) as perhaps the most important administrative and budgetary problem facing the Organization and had implied that its solution was basic to all the other needs of the United Nations. In his subsequent appearance before the Committee (1393rd meeting), the Secretary-General had stressed the prestige and authority of ICSAB and the decision of the Administrative Committee on Co-ordination, and had appealed to the Fifth Committee to consider the human aspects of the problem because the United Nations should be a good employer. In that speech, he had not, however, given any factual data to support the proposed increase in the salaries of the United Nations staff, which were already higher than those of any other civil service in the world. However understandable the motives of the Secretary-General might have been, the Fifth Committee must decide the matter only on the basis of factual and carefully evaluated data. The Controller had attempted to do so, but, despite the mass of statistical material he had presented (1386th meeting), he had not controverted one undisputed fact: that the salaries of the United Nations staff in New York were already significantly higher than those of the United States Civil Service.

24. He had not been convinced by the Controller's many references to the difficulties faced by the Secretariat in recruiting United States Professional employees because the number of United States nation-

als on the staff of the United Nations was constantly increasing, the United States was already above the lower limit of its quota and the United States delegation itself was opposed to a large increase in United Nations salaries. The Controller had referred to two talented young people who had been unable to continue their work for the United Nations Secretariat in New York supposedly because of the low salaries they were receiving; however, as everyone knew, the Office of Personnel was not faced with any shortage of talented candidates and the Secretariat found a sufficient number of experienced Professional workers to fill its constantly growing manning table. There was nothing to indicate that existing personnel were inefficient or unable to do their work or that they should be replaced. That meant that existing salaries were adequate for the recruitment and retention of qualified and competent Professional workers. In fact, they were so desirable that many developing countries found it difficult to put forward their own candidates for employment in the Secretariat because of the competition they faced with all the high-level posts held as a rule by candidates from the developed Western countries whose national services paid high wages. The Controller had been unable to disprove the fact that the salaries of United Nations employees in New York were higher than those of United States Civil Service employees or that the salaries of staff in Geneva, even taking into account differences in the cost of living, remained high.

25. The discussion had engendered an element of nervousness, drama and obvious pressure. In addition to the statements made by Secretariat representatives in the Fifth Committee, the staff had held meetings, the Staff Association had distributed documents and rumours were being circulated about the possibility of "serious conflicts" and the readiness of the overwhelming majority of the staff to engage in "direct action" in support of the Secretary-General's proposals. But, in the face of such artificially created tension and pressure, the Fifth Committee must remain calm and aware of its responsibility to the General Assembly for the adoption of correct decisions on a matter which affected not only the interests of a large part of the staff but also the financial possibilities of the United Nations and, consequently, the interests of Member States.

26. The Soviet Union, which had never opposed necessary salary increases, considered that the question should be considered in the framework of a carefully worked out system and should be based on scrupulously objective calculations. The present proposal met neither of those criteria. His delegation, like the Secretary-General and the Controller, also recognized the competence of ICSAB, but felt that in the present instance, lacking sufficient strength to withstand the pressure put upon it, it had adopted a decision which deviated from its own conclusions. Furthermore, it had been physically impossible for ICSAB to consider the problem thoroughly because, as its report showed, at its last session, which had lasted only thirteen days, it had had to discuss eleven agenda items.

27. ICSAB's proposal hinged upon the argument that a salary increase was necessary because of rises in the cost of living. However, the staff members of the United Nations were in the privileged position of being reliably protected against the adverse effects of inflation and rising living costs through the post-adjustment system, which automatically gave them a salary increase whenever the cost of living rose. Hence their real income remained stable. That system did not exist merely on paper; it was constantly put into practice by the Secretariat. For example, during the one and one half years following the last salary increase in January 1969, the operation of the post-adjustment system had led to three increases in the absolute salary of staff members in New York, each by nearly 5 per cent—in July 1969, in December 1969 and in June 1970. Thus, during that brief period, Secretariat salaries had risen 15 per cent through the operation of the post adjustment system alone.

28. The Advisory Committee had endorsed the ICSAB recommendation on the grounds that the real salaries of the United Nations system lagged behind the real salaries of the civil service of the seven countries in which the headquarters of various United Nations organs were situated. However, an analysis of changes in the salary scales over the twenty years between 1950 and 1970 showed that for eleven years—from 1950 to 1961—salary scales had remained stable not because there had been no increases in the cost of living or in national civil service salaries, but because the responsibility for analysing such changes had rested not with representatives of the Secretariat but with a group of government experts, the Salary Review Committee. Since that time, the Secretariat had taken over that task and an unhealthy tendency to constant increases in salaries had appeared. In the past decade, salaries had increased three times—in 1961, 1965 and 1968. In addition, the interval between salary reviews was growing shorter: eleven years between 1950 and 1961, the year of the first salary review; five years between 1961 and 1966; three years between 1966 and 1969. And now a new increase was being proposed only two years after the last one.

29. Those developments had impelled the Fifth Committee and the General Assembly to ask ICSAB to make a careful analysis of the whole system with a view to putting it in order. However, in five years ICSAB had not succeeded in finding a sound and reliable basis for calculating salaries and had tried to work out a new method: i.e. to review salaries in the light of world market rates and interim adjustments based on the index of real salaries in the seven headquarters countries.

30. That method had been rejected by ICSAB and by the General Assembly, but the Secretariat clung to the index of real salaries in the seven headquarters countries and had tried to squeeze it into the Noblemaire system. The fact was, however, that existing salaries were the highest in the world and were already several times higher than those of equivalent grade in the United States Civil Service. The Noblemaire principle could not be used to justify the demands of

those who favoured constant increases. That was made extremely clear in the table in paragraph 35 of the Advisory Committee's report (A/8008/Add.3) which indicated that United Nations salaries in New York exceeded equivalent United States Civil Service salaries by a margin ranging from 17.3 per cent to 35 per cent.

31. Moreover, a United Nations P-4 at step V was now receiving \$15,940 net, whereas a United States GS-14 would receive, before taxes, \$12,600, or \$3,340 less. Furthermore United Nations posts tended to be equated with higher levels of United States Civil Service than was really justified. For example, based on a comparison of job functions, United Nations staff in grades P-3 to P-5 should be compared with United States Civil Service grades GS-9 to 11, whose salaries ranged between \$10,000 and \$12,000 a year.

32. In that connexion, he stressed that in its 1965 report,⁵ ICSAB had stated that nowhere had the proper margin by which the salaries of the international civil service should exceed the highest paid national civil service been established, and that it should not be assumed that the salaries of the international staff should necessarily be increased every time the salaries of the national services were increased. Now, however, it was proposed to alter course 180° by increasing United Nations salaries on the grounds that United States salaries had increased. Furthermore, the countries whose civil service salary scales had been selected for purposes of comparison had not included Ethiopia, Thailand or Chile, although they, too, were headquarters countries. Furthermore, even though there had been a relative increase in salary scales in the countries selected for purposes of comparison, the absolute dimension of that increase was less than that in the United States and consequently much less than that in the United Nations. Those who argued in terms of morale disregarded the gap between United Nations salary scales and those of the civil services of most Member States. That in turn meant, in effect, that United Nations staff had become a kind of elite. It was impossible to ignore the Indian representative's observation at the 1383rd meeting that the salary of the D-2 category was the same as that of the Chief Justice of India. It was an astounding fact that an official in the Secretariat heading a section of perhaps five to eight individuals should receive the same salary as the incumbent of the loftiest legal position in a country of some 500 million. It was understandable, too, that the representative of Ghana at the same meeting should have pointed out that an increase in United Nations salaries would impose a heavy burden on the developing countries and would be unfair to their populations.

33. For all those reasons, the proposal to increase salaries was without any serious justification and would constitute a very considerable burden on the already colossal budget of the United Nations. His delegation was not alone in its conclusions: IAEA had rejected ICSAB's proposals, putting forward arguments which coincided with his own delegation's views. The Agency

⁵ *Ibid.*, Twentieth Session, Annexes, agenda item 77, document A/5918/Add.1, paras. 62 and 69.

had pointed out (see A/C.5/1303, annex I, para. 12) that present United Nations salary scales had already resulted in a substantial margin over United States Civil Service rates, and that it was able to recruit and retain the Professional staff it required at present salary levels. The qualifications which IAEA required of its staff were certainly not inferior to those required by other international organizations.

34. His delegation believed that an increase in United Nations salary scales would also lead to a serious reduction in programmes and to an unwarranted increase in the budget—against which delegations from countries with high civil service pay scales had already spoken. Furthermore, it could promote an exodus of specialists from certain countries which were already facing difficulties in that connexion.

35. ICSAB, in paragraphs 26 and 28 of its report (A/C.5/1303, annex I, had expressed concern that existing rates of salaries of the international civil servants in New York were already higher than those of the national civil servants of the United States and that the existing salary scales had already led to a situation in which non-expatriate United Nations staff in New York received substantially more than their United States Civil Service counterparts in the same city. ICSAB had felt that any increase in United Nations base scales would therefore aggravate that difference. It had further noted that, taking into consideration the lower cost of living in Geneva in comparison with that of New York, the real wages of international organizations in Geneva were still high.

36. The Advisory Committee had done useful work, particularly in calculating the real relationship between staff salaries at Geneva and those of the United States Civil Service. The results of those calculations, in paragraph 30 of the Advisory Committee's report (A/8008/Add.3), indicated that United Nations salaries at Geneva would exceed the adjusted United States salaries by between 21.5 and 39.6 per cent. That paragraph also showed the actual differences in salaries; in the case of an official in the P-3 category, for example, United Nations salaries exceeded those of the United States Civil Service by 39.6 per cent. To an impartial observer, those conclusions of ICSAB and the Advisory Committee could only show now little justification there was for any increase in salary scales. Nevertheless, ICSAB and the Advisory Committee, under pressure from the Secretariat and other bodies, had made recommendations which did not logically follow from their own conclusions. The Advisory Committee had also reached conclusions without regard to the realities of the present situation. It was not for the Advisory Committee to guess as to the situation which might exist with regard to salaries in the second half of 1971 and to adjust existing salaries accordingly. The post adjustment system, which was automatic, could be relied upon to cope with fluctuations in living costs detrimental to the United Nations staff.

37. His delegation firmly believed that a review of the salary system should not be entrusted to ICSAB. There had been a sound proposal in the Advisory Com-

mittee that the whole question should be entrusted to a special committee of experts appointed by Governments, as had been done in 1956. A situation in which the real employer—the Member States—was disregarded in the consideration of salary scales could not continue to be tolerated. The data relating to salary scales was prepared by the Secretariat. ICSAB was in fact served by Secretariat personnel and, although composed of independent experts, was appointed by the Secretary-General. Thus, the Secretariat was present at every stage in the salary-fixing process whereas the employer was excluded. There was no country in the world in which there was a system whereby the employee decided the size of his income and then turned to his employer merely to confirm the amount of his remuneration. Unhappily, such a system had been instituted in the United Nations. Delegations in the Fifth Committee should act courageously to end it. A Committee of government-appointed experts was the only organization which could undertake a review of salary scales.

38. His delegation wished to re-emphasize its opposition to any unjustified increase in salary scales and would vote against any proposal to that end.

39. Mr. BOYE (Senegal) said that he found it amazing that some members should cling to the ancient Noblemaire principle in an endeavour to refute the pertinent arguments of a committee which had shown that it was capable of adapting to prevailing socio-economic situations. It was astonishing, too, to hear some members complain of the danger of an increase in the contributions of Member States. Surely all would agree that it was better to make a small sacrifice than to deprive the Organization of competent and honest staff members in the higher categories. A glance at conditions in other organizations sufficed to show that the request before the Fifth Committee was in no way exorbitant. One of the members of the group of experts of the United Nations Commission on Human Rights was also a member of the European Commission of Human Rights where he received a subsistence allowance of \$100 a day. The European Commission met for at least seven days a month, so it was easy to understand that the person in question was totally unwilling to work for the United Nations in New York where the cost of living was constantly rising. Indeed, it had been asked whether, if costs continued to rise at the same rate, the decision that the Organization's Headquarters should be in New York should not be reconsidered. The Noblemaire principle had established that the salaries of the best paid national civil servants, on which the salaries of United Nations officials were based, should be adjusted to take account of the expatriation factor and differences in cost of living between Geneva and New York. In real income terms, on 1 January 1970 the salaries of United Nations officials in Geneva had exceeded the comparable salaries of United States civil servants in New York by between 12 and 23 per cent. It could be deduced therefore that the current margin more than offset the expatriation factor. After very careful study, ICSAB had rejected the idea of basing United Nations salaries on United States salaries with the addition of an expat-

riation factor. There were various reasons for that. In the first place, the Board had taken account of the fact that it was customary for national administrations, whatever the difference in the cost of living between the country of origin and the duty station, to pay an official sent on mission a remuneration and subsistence allowance. No official would willingly leave his country, especially to go to a country where the cost of living rose daily, unless he received considerable benefits. Secondly, the Board had rejected the idea of introducing a variable expatriation allowance rather than increasing salaries; it had refused to replace one anomaly by another. Thirdly, there had been frequent recommendations, by experts who were aware of the fact that United Nations officials working in their own country were overpaid in comparison to their counterparts in their national civil service, and that United Nations officials working in a foreign country were inadequately paid, in terms of total remuneration, in comparison with their compatriots working in the same foreign country, that United Nations salaries should be brought up to date, taking account of United States salaries. Fourthly, for obvious reasons, the choice of the date for making salary comparisons was important. The significance of the Board's recommendation, which represented the point of view of the only independent body with authority to hear management and staff, must be borne in mind. The Board had been forced to conclude that it could not withhold a recommendation in favour of the 90 per cent, which it finds justified by all the data, in order to deny to the 10 per cent an admitted benefit which had been found to be inherent in the international salary system. The Board had also stated that for the time being it could not but approve the principle of taking a single country as a point of reference.

40. In conclusion, he appealed to members of the Fifth Committee to grant United Nations officials a salary commensurate with the task they fulfilled. The Organization must not be placed in the position of having to recruit mediocre personnel. A review of the system might result in more selective and rational recruitment. Selection was important and so was retention of staff, and the Committee should place its trust in the Secretary-General.

41. Mr. BENDER (United States of America) said that his delegation had found in consultations outside the Fifth Committee, that a number of delegations shared the views which he had expressed in his statement at the 1388th meeting. The decision on the item before the Committee was one in which a large element of judgement was involved. In a matter which affected the interests of staff members and had significant budgetary consequences, his delegation must exercise its own judgement; nothing said in the debate had changed its views as expressed during the meeting in question.

42. Consequently, he introduced a formal proposal⁶ to the effect that the salary scales for the Professional

and higher categories be increased, without consolidation of classes of post adjustment, by 5 per cent with effect from 1 July 1971, it being understood that no further adjustment of the said salary scales would be made until such time as a thorough review of the United Nations salary system had been completed and its results approved by the General Assembly.

43. Mr. BAROODY (Saudi Arabia) introduced a procedural draft resolution,⁷ sponsored also by Colombia, Sudan and Senegal. Under the terms of the draft, the Fifth Committee would invite the Chairman of the Staff Committee of the United Nations Staff Association, as well as the Chairmen of other constituted United Nations staff committees to make statements before a final decision was taken regarding the question under consideration.

44. Mr. STARK (Under-Secretary-General for Administration and Management) said that the searching and complete re-examination of all the principles and practices involved in the United Nations salary system—and that was clearly what representatives would like to have—would take time. It might not take long to marshal a host of new ideas; what would take time was their evaluation. There was not the slightest use in submitting to the General Assembly's twenty-sixth session ideas which were either impractical or would produce anomalies even greater than now existed. A new salary system could not be approved and operational before 1972 at the earliest. One sure consideration was that simply to set aside the ICSAB recommendation or to opt for a percentage adjustment not clearly related to it would not be good for the morale of the international staff. It was regrettable that, in the current debate, so little reference should have been made to the paper (A/C.5/1303/Add.1) circulated by the Secretary-General containing the views of the staff. The Secretary-General had expressed the hope that the Fifth Committee would not feel that it should try to re-examine all the data which had already been scrutinized by ICSAB and the Advisory Committee—expert review bodies whose particular competence in the matter was fully understood by the international staff. He suggested that to depart far from the advice of those bodies might be to move into uncharted seas. The Secretary-General would find it extremely difficult to administer the Secretariat as well as he would wish if he had misgivings about the United Nations as a good employer. In that context, he hoped the Fifth Committee would make a serious effort to find a consensus within the parameters suggested by ICSAB and the Advisory Committee. It was certainly to be hoped that the international staff and their dependants would not be left in a kind of limbo.⁸

The meeting rose at 1.20 p.m.

⁷ Text subsequently issued under the symbol A/C.5/L.1050.

⁸ The text of the statement was subsequently issued as A/C.5/XXV/CRP.11.

⁶ Text subsequently issued under the symbol A/C.5/L.1049.