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Chairman: Mr. Hermod LANNUNG (Denmark).

AGENDA ITEM 65

Base salary scales and post adjustments of the staff in the professional and higher categories of the international civil service: reports of the International Civil Service Advisory Board and of the Secretary-General (A/4823 and Add.1 and 2, A/4930, A/C.5/873, A/C.5/L.685) (continued)

1. Mr. HODGES (United Kingdom) said that the Committee was faced with a particularly delicate and responsible task in considering the salaries of United Nations staff, namely, that of keeping a balance between the legitimate interests of Member States and the legitimate expectations of the staff. It would be undesirable to reduce the attractions of service in the United Nations, particularly at a time when the whole nature of the Secretariat was being questioned. However, in the last resort, the United Nations depended on the support of the ordinary people of the Member States, a great majority of whom had a standard of living considerably below that of United Nations officials. Governments must be able to defend the level of United Nations salaries to their taxpayers and it would not be in the best interests of the United Nations to foster the impression that international standards in that respect were less rigorous than those expected of national administrations.

2. His delegation based its consideration of the report of the International Civil Service Advisory Board (ICSAB) (A/4823/Add.1) and of the proposals contained in the report of the Secretary-General (A/4823) on the principle that the pay of international civil servants should bear a fair comparison with that of national civil servants in equivalent positions. It had, therefore, compared the net salary of United Nations officials with the net salary of national officials after tax, making allowance for the expatriation factor. On that basis, the net remuneration of United Nations officials in New York, for example, might be expected to be somewhat higher than that of the United States Federal Civil Service or that of comparable United Kingdom Government officials working in New York. That "contemporary" approach, involving a comparison of actual take-home pay in the United Nations and in national administrations, seemed more practical

than the "historical" approach, based on comparative movements in indices over a period of years, which had been adopted by ICSAB. For instance, table A in annex 1 to the ICSAB report (A/4823/Add.1) compared percentage movements in official salaries between 1950 and 1960 in fifteen different countries and it showed that government salaries had increased substantially during that decade. That might be taken as *prima facie* justification for the recent review of United Nations salaries, but it was not conclusive evidence that those salaries were at present inadequate. He endorsed the comment of the Advisory Committee on Administrative and Budgetary Questions and certain categories of evidence, as summarized in the ICSAB report, might not be conclusive in themselves (A/4930, para. 39). Movements in indices and percentage comparisons over the years lost much of their value unless it was assumed that the relationships had been right at the base date and that the same relationships should exist today. His delegation was reluctant to accept without further evidence the hypothesis that the relationships which had existed earlier should necessarily be maintained in 1962.

3. The only conclusive comparison was between United Nations and outside salary levels at the present time. There were only four instances in which ICSAB made a direct comparison between the net actual remuneration of staff in the United Nations and outside it. First, there was a comparison between conditions of service in the United Nations and in certain missions to the United Nations in New York (A/4823/Add.1, annex 1, table C). His delegation could not agree that that comparison was strictly appropriate, a view which was shared by the Advisory Committee (A/4930, para. 39). Leaving entertainment allowances out of account, delegations had a representational function to perform, which was not shared by the United Nations staff as a whole. It would be more appropriate to compare the position of United Nations staff with that of home civil servants seconded for administrative work overseas. That view had been shared by the Noblemaire Committee of the League of Nations in 1921, whose general approach had been endorsed by ICSAB. ICSAB argued that foreign service conditions could not be ignored because recruitment must sometimes, and more particularly in the higher ranks, be made from diplomatic services (A/4823/Add.1, para. 30). However, in the same paragraph, it stated that the whole of the secretariats should not be regarded as comparable to a diplomatic service.

4. Secondly, a comparison was made between medical officers, engineers and nurses serving under the World Health Organization and under the United States International Cooperation Administration in Latin America. There was a genuine problem in that case, but on that point he could not but endorse a point made by ICSAB, namely, that regard must be had to the normal needs of these organizations rather than the exceptional (A/4823/Add.1, para. 30). If there was a special

problem for some technical and project personnel, it might be wiser to seek a special solution than to adjust a whole range of administrative salaries.

5. Thirdly, a comparison was made between United Nations base salaries at Geneva and United States salaries at New York in October 1960, from which it was argued that the proposed increases would do no more than re-establish the relationship existing between them in June 1957. In that connexion, he drew attention to the Advisory Committee's comment, in paragraph 39 of its report (A/4930), that as far as it could discern, the relationship mentioned had not been indicated to be a relevant factor by the 1956 Salary Review Committee.

6. Fourthly, a comparison was made between the P-1 entrance point in Geneva and the entrance salary of a probationer in the Swiss Federal Civil Service. The proposed new ICSAB scale would give the United Nations candidates an advantage of \$1,200 a year, or over 30 per cent.

7. In the absence of conclusive evidence in the ICSAB report or the Secretary-General's report, the United Kingdom authorities had made some comparisons of their own. The standard of comparison adopted had been the net salaries of United Kingdom home civil servants, including the foreign allowances paid to such officials if they were working in New York. A P-2 at the maximum of the existing United Nations scale took home a net pay of \$8,275 a year, which would be increased to \$9,320 a year if the new proposals were adopted; a United Kingdom Assistant Principal would take home a maximum of \$7,515 a year. A United Nations P-4 under the present system took home \$11,875 and under the new system would earn \$13,382; a United Kingdom Principal would take home a maximum of \$10,886. Lastly, a United Nations D-2, whose present take-home pay was \$15,625, would take home \$18,011 under the new scheme; a United Kingdom Assistant Secretary would take home \$12,362, and a United Kingdom Under-Secretary \$13,448. As a general rule, existing United Nations salaries at the minimum or entrance point were at least equal and in some cases substantially higher than comparable United Kingdom salaries. At the maximum point, existing United Nations salaries were generally 10 per cent higher than comparable United Kingdom salaries for the lower grades and up to 25 per cent higher for the senior grades.

8. The United Kingdom authorities had also made a comparison between United Nations remuneration in Paris and that of the European international organizations, such as the Organization for European Economic Cooperation (OEEC). For the junior grades, roughly P-1 to P-4, existing United Nations pay was about \$1,250 to \$2,000 per annum, or 20 to 30 per cent, higher than that of the OEEC. At P-5, United Nations rates were about \$1,000, or just under 10 per cent, higher. In the higher grades, United Nations tended to be slightly higher but not significantly so.

9. By adding 20 per cent to cover the post adjustment to the percentages for United Nations salaries at Geneva set out in the table in paragraph 21 of the ICSAB report (A/4823/Add.1), the United Kingdom authorities had attempted to make a comparison between United States Government and United Nations salaries at New York. The United Nations official was more highly paid; a P-3 by 25 per cent, a P-4 by 15 per cent, a P-5 by 10 per cent, a D-1 by 15 per cent and a D-2 by 20 per cent.

10. In general, United Nations salaries seemed to be higher than outside rates for comparable jobs. In the higher grades practice varied, but United Nations rates were higher than some national rates but on a par with rates in some other international organizations. His delegation was, therefore, not wholly convinced that the general level of United Nations remuneration was too low in relation to that of comparable posts in national administrations. In any event, it felt that a further study of comparable services must be made before valid conclusions could be drawn.

11. Turning to the recruitment difficulties mentioned in paragraph 25 of the ICSAB report, he said that, although the United Nations must be able to recruit highly competent staff from all areas, the difficulties in recruitment were not confined to the question of salaries. In so far as those difficulties were financial, they could not be removed except by a larger increase in salaries than Governments would contemplate. One difficulty was the world-wide shortage of certain categories of staff. The only solution was for the United Nations to accept its fair share of the limited supply. To offer more than the market rate would merely lead to a general all-around increase in salary rates. However, where the present United Nations general salary scales did not compare favourably with outside rates for specialized staff, the United Nations might consider making special provisions for such staff.

12. Another difficulty was connected with the staff's natural expectation of reasonably secure employment and fair opportunities for promotion. That point was strongly emphasized in the Advisory Committee's report (A/4930, para. 44). The United Nations could not attract staff of the calibre it required unless it could hold out prospects of a worth-while job and a normal career, regardless of the rates of pay offered. It was impossible to over-stress the importance for the United Nations of bringing to an end the present period of uncertainty concerning the Secretariat, and of doing so in a way which did not disregard the legitimate interests of the present staff.

13. In taking up its position, the United Kingdom delegation had borne in mind the present financial position of the Organization. In the present period of financial stringency, all United Nations organs should exercise a special measure of self-restraint, of which a fair share should be accepted by the Secretariat.

14. His delegation supported the proposed consolidation of the first 10 per cent of post adjustment in the base United Nations salary scale. It endorsed the Advisory Committee's comment that the basic purpose of the post adjustment system was to achieve equalization in real emoluments at the different duty stations (A/4930, para. 34), and its support for retention of the principle of applying "minus" post adjustments.

15. His delegation was not opposed to adjustments to offset the cost of living, but did not feel that time was ripe for a general increase in the standards of United Nations remuneration. It was prepared to consider a special solution for any difficulties that might be established in connexion with the recruitment of technical personnel; it might be necessary to calculate the salaries of certain categories of specialized and project personnel on a separate basis. There might also be a case for adjusting the starting point in several United Nations scales. His delegation was prepared also to consider proposals for some increase in the minima of certain United Nations scales, with

a consequent shortening of the scales as a whole and a reduction of the overlap between scales.

16. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that he wished to comment on two points raised by the Director of Personnel at the 875th meeting. The first point concerned paragraph 39 of the Advisory Committee's report (A/4930), in which the Committee singled out for comment a particular piece of evidence considered by ICSAB. As the Director of Personnel had pointed out, that evidence was only part of a much wider body of information taken into account by ICSAB and summarized in annex 1 to its report. In order to dispel any possible misconception concerning the role played by the Advisory Committee, he wished to point out that the Administrative Committee on Co-ordination (ACC) had referred the review of the base scales to ICSAB for study and recommendation, and not to the Advisory Committee. The Committee had therefore not felt called upon to duplicate the task performed by ICSAB, as it had pointed out in paragraphs 7 and 39 of its report. It would have been impossible for the Advisory Committee to make such a study in view of the fact that the full range of data placed at ICSAB's disposal was available to the Committee in summary form only; it was also not clear how much weight ICSAB had given to individual categories of evidence. Nevertheless, the Advisory Committee had subjected the Secretary-General's proposals (A/4823 and A/C.5/873), as based on the reports of ICSAB (A/4823/Add.1) and of the Expert Committee on Post Adjustments (A/4823/Add.2), to a critical review. Therefore, in giving its reaction to that part of the evidence considered by ICSAB which related to comparable average total emoluments for members of unspecified diplomatic missions in New York (A/4823/Add.1, annex 1, table C, of the ICSAB report), the Advisory Committee had felt obliged to record its views on the relevance of such information. It had not thereby intended to cast doubt on ICSAB's general conclusions, which were based on all the evidence it had considered. The Director of Personnel himself had recognized that table C provided secondary evidence only, which supported the other data but was not sufficient by itself. In fact, the Advisory Committee, while commenting on a number of individual questions, had left the General Assembly to decide on the series of recommendations submitted by the Secretary-General.

17. The Director of Personnel had also joined issue with the Advisory Committee regarding the statement in paragraph 34 of its report that it favoured the retention of the principle of applying "minus" post adjustments, particularly as the basic purpose of the post adjustment system was to achieve equalization in real emoluments at the different duty stations. In other words, it felt that no staff member should receive higher emoluments than those justified by the cost of living at a particular duty station, even if that involved his receiving less than the base salary. He welcomed the Director of Personnel's recognition that the Advisory Committee's comment was understandable. The Director of Personnel had pointed out, however, that ICSAB held a contrary view, namely, that "minus" adjustments were not desirable, and had added that two important organizations had already decided not to apply them. The Director of Personnel had also pointed out that the retention of "minus" adjustments in the United Nations would give rise to negligible savings and would serve as an unnecessary source of irritation in the common system. As each of those

two points of view had some merit, the Advisory Committee had considered that the question of principle could not be overlooked and had thought that the decision of the General Assembly on such a delicate matter should be taken in the light of all the relevant considerations.

18. Mr. ITO (Japan) said that the Committee had first to decide whether it was appropriate to revise the base salary scale and, if so, when the revision should take effect. In considering its answer to the first question, the Committee must weigh the financial implications of the proposal in the light of the present financial position of the Organization. The base salaries of the staffs of all international organizations were governed by the financial regulations of each individual organization and were independent of the scales of pay of national civil servants. However, the salaries paid by Governments had to be taken into consideration in deciding whether or not the United Nations salary scale was adequate. In that connexion, he recalled that two-thirds of the Member States were under-developed countries with low national salary scales. It was imperative, therefore, that the United Nations scale of pay should not be extravagant. On the other hand, it was also necessary to bear in mind the difficulties experienced in the recruitment of staff, particularly specialists, and the fact that the salary scale affected the morale of the staff. His delegation felt that, while any salary scale approved for the international civil service must not be excessively high, it must be sufficiently high to attract and retain qualified staff. It therefore supported the Secretary-General's recommendations.

19. Regarding the date on which the revised scale should come into force, he said he was not convinced that the date of 1 January 1962, recommended by the Secretary-General, was appropriate. In view of the critical financial position of the United Nations and the fact that an increase in the number of established posts had been authorized, which would have heavy financial implications, it would be advisable to postpone the effective date until the burden of such extraordinary expenses as those of ONUC, for instance, had decreased. However, it should not be postponed indefinitely. He would not oppose the date of 1 January 1962, although he had some misgivings on the subject.

20. The United Nations was faced with a continuing rise in salaries and a continuing need for more staff. It was not always possible to meet both needs. Where a choice had to be made, it was more important, in his view, to increase the number of posts than to raise salaries. The proposed increase in base salaries would involve an extra expenditure of \$2.7 million for the United Nations and of nearly three times that amount for the specialized agencies and other programmes. He expressed the hope that when future reviews of salaries were made, due attention would be paid to the need to maintain a proper balance between increases in salaries and expansion of staff.

21. Mr. BENDER (United States of America) stressed the importance of the item under discussion, because of its influence on the effectiveness of the Organization, particularly on its ability to attract and retain staff with the high level of competence required to carry out the tasks of the United Nations.

22. Despite the number of bodies that had reviewed the question, his delegation was somewhat disappointed with the manner in which it had been presented to the General Assembly. Some years before, the Assembly

had adopted the view that the principal factor governing the base salaries of the international civil service was the necessity of recruiting and retaining qualified staff. Although various recruitment problems were mentioned in the different reports, that key factor had not been given the full attention it deserved. For instance, the ICSAB report devoted only a few paragraphs to it.

23. For that reason, his delegation was glad that the Advisory Committee had sought the views of the Executive Heads of the specialized agencies on the matter. The information the Advisory Committee had provided on those consultations was somewhat meagre, but it reinforced ICSAB's conclusion that there was a serious recruitment problem. It had been pointed out that the recruitment problem was more serious in the case of specialized personnel. That was certainly true to some extent, but it was also true that the work of the Professional staff was becoming increasingly specialized, so that it was difficult to make a clear distinction between those posts for which salary increases were warranted and those for which they were not.

24. A number of years had elapsed since any change in base salaries had been made, during which time the relationship between United Nations salaries and those of the principal national services and professions had become increasingly unfavourable to the United Nations staff. That fact alone indicated that the proposed increases might be warranted. All doubt on that point vanished when the increase in the responsibilities of the Professional staff in recent years was considered. Staff recruited for work in New York might find themselves at short notice in the Congo or elsewhere. The staff should receive adequate compensation for that broadening of the scope of their activities.

25. There could be no dispute about the outstanding way in which the staff had discharged their ever-increasing responsibilities. The Secretariat had continued to function well in the most difficult circumstances. All delegations knew many Secretariat officials who had given service far beyond the normal call of duty. It was not surprising that the morale of the Secretariat had been adversely affected by the fact that it had received criticism when it might have expected recognition. It was important that that morale should be restored and maintained. Considerably more than a salary increase was required for that purpose, but an increase would help to alleviate the situation. It would also help to provide the Secretary-General with the kind of staff he needed to deal with the serious problems now facing the United Nations.

26. His delegation supported the recommendations contained in the reports of ICSAB (A/4823/Add.1) and of the Expert Committee on Post Adjustments (A/4823/Add.2). Although there was something to be said for the Advisory Committee's view that "minus" post adjustments should not be abolished, he concurred in ICSAB's view that the incorporation of the Geneva post adjustments in the base salary made the retention of such adjustments impractical.

27. Mr. ZULUETA (Spain) said it was clear from the report of ICSAB that that body had given thorough study to all aspects of the question of base salary scales and post adjustments of staff in the Professional and higher categories of the international civil service and that its conclusions were well founded. The Secretary-General's proposals in document A/4823, which were based on ICSAB's recommendations, therefore seemed to his delegation to be fully

justified. The 1956 Salary Review Committee had recognized in its report (A/3209)^{1/} the need for revising salary scales in accordance with the movements of salaries outside of the Organization and there could be no doubt that salaries in both the public and private sector had changed greatly since 1950. While he realized that the adoption of the Secretary-General's proposals would entail a net increase of \$2.7 million in the budget and had expressed his apprehension about such increases in his statement in the general discussion on the budget estimates (856th meeting), in which he had emphasized the need for strict economy, he believed that the Fifth Committee could not but approve the amount now being requested. During the debate on geographical distribution, much emphasis had been placed on the requirement of the highest standards of efficiency, competence and integrity which was laid down in Article 101 of the Charter. That Article would, however, be made meaningless if, through a misguided policy of economy, the Fifth Committee were to reject the justified claims of the Secretariat. The United Nations was largely dependent on its Secretariat and it was logical that staff members should be assured of conditions of work that would enable them to carry out their functions not only with the efficiency required by Article 101, but also with a sense of satisfaction. Indeed, the Committee's recommendations concerning geographical distribution would be pointless, if the Secretariat could not recruit and retain the services of a staff meeting the high qualifications specified in the Charter. Staff members from all geographical regions would be attracted to the service of the United Nations only if adequate remuneration was offered them. Their present remuneration could hardly be considered adequate in view of the fact that the base salary scales for Professional posts had not changed since 1950. The cost of living had steadily increased since that date and the General Assembly had already attempted to alleviate the consequent burden on staff members by approving the proposal to change the post adjustment for New York from class 7 to class 8. In that connexion, he noted that, in paragraph 33 of its report (A/4930), the Advisory Committee had recognized that if conditions were to be attractive for recruitment purposes, it was desirable that remuneration should consist mainly of base salary and as little as possible of post adjustment.

28. It might be asked whether the present moment was appropriate for such an increase and, if the question had to be considered in purely financial terms and, in particular, in terms of the financial position of the United Nations, the answer would be in the negative. But since human considerations were also involved and since there had been much discussion of administrative reforms in the Secretariat, the moment was, on the contrary, particularly appropriate and the Committee should consider the effect on the morale of the staff if it rejected its request at such a time.

29. Mr. BANNIER (Netherlands) said that the proposal to change the base salary scales and the post adjustment of the staff in the Professional and higher categories of the international civil service would involve a net annual increase of \$2.7 million for the United Nations, of more than double that amount for the whole United Nations family of organizations and comparable increases for the major voluntary programmes.

^{1/}Official Records of the General Assembly, Eleventh Session, Annexes, separate fascicle.

30. In view of the magnitude of those increases, it would be theoretically desirable for the Fifth Committee, as the Committee primarily responsible for budgetary matters, to make a painstaking review in order to determine whether the change was necessary, whether the United Nations and the other organizations and programmes could adequately perform their tasks without it and whether the proposals made were reasonable and fair to the thousands of international civil servants. In that regard, he wondered whether the Secretariat could provide information on the actual number of regular and project staff in all United Nations organs. A painstaking review was in practice, however, almost impossible because many members of the Fifth Committee were not specialists on the matters involved, and it was for that reason that the Committee had before it the reports of the Salary Review Committee, the Expert Committee on Post Adjustments, ACC, ICSAB and the Advisory Committee on Administrative and Budgetary Questions—a vast body of factual and pertinent material. All it could do was to decide whether the arguments raised and the conclusions reached were sufficiently convincing for its endorsement.

31. His delegation would be inclined to accept those arguments and conclusions, if it could establish two points: that the present salary scale was too low in comparison with the cost of living and that well-qualified individuals, able and willing to serve the United Nations, were reluctant to enter or remain in its service under prevailing conditions. With regard to the first point, his delegation noted the evidence submitted by ICSAB in its report (A/4823/Add.1), particularly in table E of annex 1 and by the Expert Committee on Post Adjustments, which had given figures in paragraph 19 of its report (A/4823/Add.2) showing that the post adjustment index for New York had risen from 120 in January 1956 to 136.4 in February 1961. Price changes in other cities in which the headquarters of other United Nations agencies were situated were of the same order of magnitude and, since the 1956 salary scales had been merely sufficient to meet the cost of living, there could be no doubt that the proposal for revising the base salary scales was fully justified. Moreover, the Advisory Committee had observed that the present proposals were moderate and would afford only a partial remedy. On the first point, therefore, his delegation was entirely satisfied and felt that, if the proposals were not adopted, the standard of living of the staff would be seriously reduced and its effectiveness correspondingly impaired.

32. With regard to the second point, the difficulty of recruiting and retaining staff, the additional data given in the document prepared by the Secretariat (A/C.5/L.685) relieved him of the necessity of providing any specific examples in which recruitment had been impossible because of the inadequate conditions offered. Indeed, a reading of the document prepared by ACC for submission to ICSAB (*ibid.*, annex) would dispel any doubt about the gravity of the problem. Clearly, the present conditions of service were hampering the recruitment of international civil servants and of experts for operational programmes to such an extent that the whole work of the United Nations, particularly in technical and specialized fields, and the whole system of multilateral assistance to less developed countries would be slowed down, if not brought to a complete halt, unless those conditions were immediately improved. Failure to do so might be disastrous

in view of the growing number of tasks to be fulfilled and the many new activities that were being undertaken at the urgent request of the Economic and Social Council, the regional economic commissions and, especially, the countries in need of technical assistance.

33. There were, of course, other reasons for recruitment difficulties. Many countries, especially the developing and the newly independent countries, urgently needed all their qualified nationals for their own purposes and found it extremely difficult to spare them for the international service. In most of the economically developed countries, the home demand for experts was rapidly increasing and the discrepancy between national and international conditions of service that had existed ten years before and had made the international service highly attractive had vanished or been considerably reduced. While the decision to raise salary scales and post adjustments would impose an additional burden on national budgets, he saw no alternative to such a decision if the United Nations was not to lose in strength and effectiveness.

34. He entirely agreed with ICSAB and the Advisory Committee that conditions of employment would be more attractive if remuneration consisted mainly of base salary and as little as possible of post adjustment and he therefore supported the proposal to consolidate in the net base salary scales the existing post adjustment at Geneva. He had no strong views on the question of abolishing "minus" post adjustments and supported the Secretary-General's proposal for a revision of the staff assessment scheme as part of an over-all revision of basic conditions of employment; that proposal had been worked out in consultation with the Executive Heads of the agencies concerned and, like the Advisory Committee, he welcomed any further progress towards the achievement of a common system among the various international organizations.

35. While there would seem to be a case for applying the new arrangements retroactively to some date in 1960, he agreed with ACC that budgetary and constitutional factors should be taken into account and that the proposed changes should take effect at a future date, which should not, however, be later than 1 January 1962.

36. Mr. EL-MESSIRI (United Arab Republic) pointed out that the fulfilment of the aims of the United Nations largely depended on the well-being of the staff of the Secretariat, its instrument for the execution of international programmes. Unlike members of national civil services, members of international secretariats were drawn from all parts of the world and were usually stationed far from their home countries. Their conditions of service must not only meet the requirements of the various organizations, but must also be sufficiently flexible for application to a wide variety of staff, assignments and duty stations; they should also take account of the limited prospects for promotion to the highest posts.

37. In studying the Secretary-General's proposals (A/4823) he had taken into consideration not only the factors affecting the requirements specified in Article 101 of the Charter and the need for fair and equitable treatment of the international staff, but also the requirement of stability. A high degree of stability, which was vital to the proper functioning of international organizations, could not be secured unless conditions of service were satisfactory. The present base salary scales had remained unchanged since 1950 and ICSAB had concluded that there had been a serious

decline in the relationship between United Nations salaries and those of some of the principal national services and professions. While cost-of-living adjustments had been made during that period, they were merely partial remedies and did not affect the base scales themselves or redress the imbalance with outside salaries. With that consideration in mind ICSAB had proposed that the existing post adjustments at Geneva should be consolidated into the new base scales with effect from 1 January 1962. The ACC felt that it was undesirable for a large part of remuneration to be paid in the form of post adjustment in high-cost areas and, as the Secretary-General's report (A/4823) stated, consolidation would, in any case, become necessary at some stage and the difficulties would only increase with the passage of time.

38. The Advisory Committee had suggested in paragraph 33 of its report (A/4930) that, since the great majority of duty stations were now at or above the base level of Geneva, it would be the proper time to raise that level to a more realistic point. That Committee had also noted that the specialized agencies, which depended heavily on the services of specialized personnel, suffered most from the limitations of the present common system of emoluments, and had expressed the view that the proposed improvements would, at best, offer only a partial remedy. In discussing the difficulties of recruitment in its report on the budget estimates for 1962 (A/4814), it had said that an upward revision of salary scales would alleviate the position, but that the problem was also due to the lack of promotion opportunities in the Secretariat as a whole.

39. For the reasons he had given, his delegation supported the proposals the Secretary-General had submitted in agreement with the Executive Heads of the specialized agencies as well as his proposal that, in future, junior career staff should be promoted from P-1 to P-2 after the satisfactory completion of four rather than two years' service, although that change should not apply to present staff members. The probationary period for the confirmation of appointment should remain unchanged. His delegation also supported the Secretary-General's proposal regarding the allowance for a dependent spouse, which was supported by the Advisory Committee, and felt that the percentage of post adjustment should relate to the base salary of each grade and should not vary according to the steps in each grade, which would result in different standards of increments at different duty stations. It also supported the Advisory Committee's view that "minus" post adjustments should be retained, since it felt that their abolition would defeat the purpose of the post adjustment system.

40. Mr. MENDEZ (Philippines) noted that the Advisory Committee concurred in all the proposals made by the Secretary-General on base salary scales and post adjustments except those relating to the abolition of "minus" post adjustments and the over-all increase in net remuneration. While his delegation had great respect for the Advisory Committee and relied heavily on its technical competence, it noted that the proposals which it disputed had been based on the recommendations of two expert committees of recognized standing which had conducted detailed studies before making their recommendations and that the Advisory Committee's hesitations seemed to arise more from what it regarded as ambiguities in the reports rather than from any firm conviction that the recommendations themselves were invalid. In the absence of positive

evidence tending to contradict the findings of ICSAB and the Expert Committee on Post Adjustments, his delegation felt it would be unfair to those bodies and to the staff in general if their recommendations were summarily rejected. Moreover, while the Advisory Committee agreed in paragraph 42 of its report (A/4930) that the inadequacy of the present take-home pay had caused a serious problem in the recruitment and the retention of staff in all agencies, it had presented no alternative solution. Although it might be true that the proposed improvement in emoluments would, at best, offer only a partial remedy, that statement by itself was insufficient reason for setting aside the Secretary-General's proposal to increase present emoluments.

41. The documents before the Committee tended at times to treat staff services as a commodity subject to such market forces as supply and demand. His delegation felt, however, that the United Nations should approach staff questions from the point of view of a model employer. Moreover, it was clear from the tragic events of the recent past that what was involved in United Nations service was not only the time and professional skills of staff members, but also their very lives.

42. He hoped that the Secretary-General's proposals to abolish "minus" post adjustments and to increase the base and take-home pay of staff members would be put to the vote in the Committee and his delegation was prepared, if necessary, to move that they should be given priority over any corresponding proposals of the Advisory Committee.

43. Mr. KITTANI (Iraq) said that it was essential, in the first place, to decide what criteria should be used in determining whether an increase in the base salary scales was needed. The formula adopted by the League of Nations had been that the scales of pay for the internationally recruited staff should be established at a level based on the scales of the highest paid (home) civil service of any of the Member States, adjusted for the cost of living at the seat of the League and further adjusted for the factor of expatriation. Determination of the need for an increase was a simple matter if such a straightforward mathematical formula was used. The United Nations formula, on the other hand, was far less clear-cut. It had been summarized by ICSAB in paragraph 16 of its report (A/4823/Add.1) as "the need to have conditions of service which will attract and retain staff of a high level of competence, and in some cases of the very highest quality, from every part of the world". The need not only to attract, but also to retain such staff necessitated the adoption of appropriate salary scales and, in addition, the provision of promotion opportunities offering satisfactory career prospects.

44. His delegation had some difficulty in considering the present proposals, as it appeared that only two courses were open: either to accept the recommendations of ICSAB or to reject them. A decision on such a matter could not be taken arbitrarily and his delegation would like to have convincing evidence that the course it took was the right one. In that connexion, it was somewhat concerned to find that, although the conclusions presented by ICSAB were specific, the evidence upon which they had been based was only partly available to the Committee. Moreover, that partial evidence was not, in the view of his own delegation, entirely satisfactory. He did not know, for example, whether the evidence contained in the docu-

ments before the Committee was representative of the whole body of evidence considered by ICSAB or constituted only a small fraction of it. In the absence of adequate information for the evaluation of ICSAB's conclusions, his delegation saw no alternative but to accept its recommendations.

45. The Advisory Committee had not felt called upon to duplicate the task performed by ICSAB and had refrained from making any specific recommendations to the Fifth Committee. However, it had expressed some doubts on a number of points and those doubts were shared in part by his delegation.

46. The seemingly contradictory position taken by his delegation was largely due to the difficulty of deciding what criterion to apply in the circumstances. For many delegations, including his own, United Nations salary scales appeared at first glance to be extremely high when national comparisons were made. However, once it was recognized that national salary levels were obviously inapplicable in the United Nations, it became apparent that the United Nations scales had to meet the requirements stated in paragraph 16 of ICSAB's report.

47. His delegation criticized the use by ICSAB of evidence such as that mentioned in paragraph 19 of its report. It agreed with the Advisory Committee that such evidence was neither representative nor conclusive. Had his delegation believed that ICSAB's conclusions were based entirely on evidence of that nature, it would have felt compelled to reject the proposals now before the Committee. However, it would support the Secretary-General's proposals for several reasons and, in particular, because of the need to restore and maintain the morale of the staff.

48. With reference to the procedure for consideration of the agenda item, he proposed that the proposals to consolidate the present class 3 post adjustment at Geneva in the base salary scales and to abolish minor post adjustments should be discussed together, particularly in view of the statement made by ICSAB in the first sentence of paragraph 36 of its report.

49. The CHAIRMAN suggested that discussion of the two points should be combined but that the proposals before the Committee should be voted upon separately.

It was so decided.

50. Mr. MORALES (Colombia) said that, as a general rule, his delegation favoured the adoption by the United Nations of a policy of economy and even austerity, bearing particularly in mind the high cost of the essential development programmes being undertaken both by Member States and the United Nations. However, in recent years most countries had experienced changes that had necessitated periodic adjustments of wages and salaries in both the private and public sectors. The base salary scales of staff in the Professional and higher categories of the international civil service had remained unchanged since 1950, although the need to raise them had been emphasized by the Secretariat since 1956. The payments made under the post adjustment scheme did not offset the deficiency in the base salary scales.

51. On the basis of a study of the reports before the Committee and a realistic appraisal of the present situation, his delegation considered it necessary to support the Secretary-General's proposals.

52. Mr. HAMILTON (Director of Personnel) said that the Iraqi representative had referred to the desirability of having some criterion to determine the need for salary increases. An acceptable criterion might be based on recognition that the salary scales recommended by the Salary Review Committee in 1956 were approximately appropriate and should be adjusted upwards in line with the movement of national civil service salaries. One reason why the Salary Review Committee had not recommended an increase in the United Nations scales in 1956 was because there had then been no upward movement of the national service scales. Such an upward movement had begun shortly after the General Assembly had adopted the Salary Review Committee's recommendations. In the United Kingdom, for example, the higher levels of the Civil Service had benefited in recent years from a 30 per cent increase in real income. Modification of that country's surtax scales in 1961 had resulted in a further 20 per cent improvement in their position.

53. He would not disagree with the comparisons between the United Kingdom and United Nations scales which had been made by the United Kingdom representative. However, he felt that the United Nations P-2 and the United Kingdom Assistant Principal levels were not quite comparable. The average age of P-2 personnel in the United Nations was 33 to 34, whereas he believed the United Kingdom Assistant Principal normally expected to attain the Principal level by the age of thirty. Comparison of the United Nations P-2 level with a more senior United Kingdom level appeared appropriate. Furthermore, if only the United Kingdom salary scales for the home civil service were taken into account and if the representation element in the emoluments was excluded and the accommodation element included, the results of the comparisons made would be different.

54. The distinction between technical or project personnel and regular personnel had been more valid before 1956, when special conditions of service had existed for the former. That difference in conditions had led to such complications that all conditions of service had later been aligned and it was very difficult at present to make distinctions between the two types of posts, particularly in specialized agencies such as WHO.

55. In connexion with the Netherlands representative's remarks concerning the relationship between national and international salaries, he knew many staff members in New York felt that they would fare better in their home country even on a considerably smaller salary. The "highest" paid civil service was not necessarily the "best" paid civil service and the status which a particular job conferred was an important factor to be taken into account.

56. So far as the United Nations was concerned, the abolition of "minus" post adjustments would cost approximately \$20,000 in the first year. However, it was estimated that by the end of 1964 cost-of-living changes would have reduced the cost to nil.

57. Mr. HODGES (United Kingdom) said he had had the impression that entrants to United Nations employment at the P-1 level were normally recent graduates and that they were usually promoted fairly rapidly to the P-2 level. He was therefore surprised that the average age at that level was so high. In his references to salaries at the United Kingdom Assistant Principal level, he had quoted the maximum for that grade. The

United Kingdom emoluments he had mentioned included the accommodation element.

58. In connexion with the distinction he had drawn between specialized or project personnel and regular

staff, he had noted that most of the examples of recruitment difficulties quoted in document A/C.5/L.685 appeared to involve personnel of the former type.

The meeting rose at 5.30 p.m.