

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/3126

20 November 1968

Limited Distribution

CONTRACTING PARTIES
Twenty-Fifth Session

ADMINISTRATIVE AND FINANCIAL QUESTIONS

Interim Salary Adjustment for the Professional and Higher Categories

NOTE BY THE DIRECTOR-GENERAL

1. At its meeting on 14 November the Fifth Committee of the United Nations General Assembly approved proposals by the Secretary-General based on a recommendation of the International Civil Service Advisory Board, which was endorsed by the Advisory Committee on Administrative and Budgetary Questions, that an interim adjustment be made on 1 January 1969 in an amount of 5 per cent of gross salaries for staff in the Professional and higher categories pending a survey of world market rates which might be the keystone of future major comparative surveys.
2. The International Civil Service Advisory Board made its recommendation in the light of the lag which had developed since Professional salaries were last reviewed in 1965 based on data relative to October 1964 which showed that by 31 December 1967 the movement of outside gross salaries as measured in real terms by the international index was about 4 per cent greater than the corresponding movement of United Nations gross salaries.
3. The International Civil Service Advisory Board Report further noted that since the end of 1967 the lag shown by the index has been slowly but steadily accumulating with increasing detrimental effects on staff salaries. It would no doubt continue to accumulate further until new rates based on a study of world market rates could be applied which would be unlikely to be the case before 1971.
4. Assuming that the General Assembly will endorse the Fifth Committee's decision, the Director-General proposes that the adjustment be applied to GATT staff in the Professional and higher categories as from 1 January 1969.

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5. The Director-General further proposes that, to the extent possible, the additional expenditure to the 1969 budget, estimated at \$64,000, be financed from savings within the appropriate sections of the budget or by transfers from other sections. In case the full amount of the additional expenditure cannot be so financed the Director-General requests authority to transfer the necessary funds from Part V - Unforeseen Expenditure and to have recourse to the Working Capital Fund if necessary.

Points for decision:

Paragraph 4
Paragraph 5

NB The question of the adjustments in the salary scales for staff members in the General Service Category was dealt with by the Council in its meeting of 21 June 1968¹ (documents L/2979 and C/M/47).