

GENERAL AGREEMENT ON TARIFFS AND TRADE

MEETING BETWEEN REPRESENTATIVES OF THE STAFF AND THE CONTRACTING PARTIES

1. The third meeting between representatives of the Staff and the CONTRACTING PARTIES, under the Chairmanship of the Director-General, was held on 27 June 1986.
2. The CONTRACTING PARTIES were represented by Ambassador Chiba (Japan), Chairman of the CONTRACTING PARTIES. He was assisted by Ambassador Park (Korea), Chairman of the Council and Ambassador Hill (Jamaica), Chairman of the Budget Committee.
3. The spokesman for the Staff, Mr. J.-M. Lucq, was accompanied by Mr. Thorn, President of the Staff Council and Mr. Villa-Martin.
4. Ambassador Chiba said that, as promised, he had held consultations with a number of delegations on the two proposals put forward by the staff representatives. There seemed to be general agreement that the question of the floor rate needed to be urgently addressed and that the Budget Committee should be requested to take it up as a matter for priority attention. Ambassador Chiba indicated that the Chairman of the Budget Committee concurred with the approach. Regarding the other two proposals, particularly the one concerning pensionable remuneration, he felt a great deal of background work and reflection were required before contracting parties could take any decision.
5. Ambassador Chiba felt that the proposal concerned matters which required in depth study and technical examination. For this reason, he had set up an informal advisory group of selected delegations with a balanced membership of five or six persons. He had asked Mr. J. Feij (Netherlands) to head this group in view of his long and intimate association with the GATT, his reputation for objectivity and fairness and his technical expertise, particularly in view of his chairmanship of the Group established in 1978 to study and make recommendations to the Council on similar questions. The Group's aim would be to advise the Chairmen of the CONTRACTING PARTIES and the Budget Committee on ways of finding solutions to the problems raised by the staff.
6. Mr. Lucq welcomed the move and Mr. Feij's chairmanship but suggested that qualified staff representatives be associated in the work of the Advisory Group to ensure that the deliberations were meaningful. This was particularly necessary in view of a large part of the work being of a technical nature concerned with statistical and other details. He recalled that the earlier group established in 1978, though different in that it had

possessed official status, had been a tripartite one comprising representatives of the CONTRACTING PARTIES, the staff and the Director-General.

7. Ambassador Chiba expressed understanding for the approach and undertook to convey the views to Mr. Feij. He personally envisaged that eventually there would have to be some form of staff participation in the work of the Advisory Group but felt that it was too early to talk of precise modalities. Also, since the Group had a very informal character, he preferred to let Mr. Feij have maximum possible flexibility in conducting its work.

8. The Director-General welcomed Ambassador Chiba's initiative and the interest and sympathy shown by contracting parties for the problems faced by the Staff. He expressed sympathy for the rationale behind the suggestion that staff representatives be associated with the work of the Advisory Group. He hoped that the problems under discussion would continue to be regarded as being also of interest to the CONTRACTING PARTIES and work quickly begun to identify solutions satisfactory for all. He felt that the involvement of representatives from the administration in the group's work would help to expedite work in these areas. Even though technical and time consuming, he hoped that the discussions would not lose sight of the need for urgent solutions. In this context, the Director-General particularly appreciated the fact that the Budget Committee had been asked to look into the the proposal for a floor rate on a priority basis. He stated that the proposal would have marginal, if any, effects on the level of contributions by the contracting parties.

9. The Director-General considered the deterioration in the level of pensionable remuneration a serious and pressing matter as it constituted an erosion of the acquired rights of personnel.

10. Speaking in a more general context, the Director-General said the problems faced by the GATT staff were similar to those faced by the staff of other organizations in Geneva and for which a number of these organizations had devised their own solutions while still remaining within "the common system". It was important for the Advisory Group to have an impact on the policy-makers in national capitals who were part of the decision-making machinery in New York. On his part, he intended to raise these concerns at the Administrative Committee on Co-ordination (ACC) Meeting to be held in Geneva on 30 June 1986.

11. The Director-General informed the meeting that several delegates had recently brought up with him questions regarding personnel. He had emphasized to them the need for a coordinated approach in these areas and cautioned against the proliferation of groups and bodies with overlapping or even the same functions.

12. Ambassador Hill recalled that a considerable number of members in the Budget Committee favoured the maintenance of the common system. He believed that the GATT was part of this system and, therefore, solutions for the GATT could not be looked at in isolation from the common system. This was particularly so in the case of pensionable remuneration as the GATT staff contributions were paid into the United Nations Joint Staff Pensions Fund. He felt that there was presently a crisis in the United Nations pensions system which could not be ignored.

13. Mr. Lucq, agreeing with these remarks, stated that through their proposal, relating to pensions, the GATT staff was not asking for a break with the common system but rather a sort of supplementary pensions scheme to meet the needs of the staff.

14. Mr. Thorn stressed that the objective of the staff proposals was merely to safeguard their existing entitlements relating to salaries and pensions. It would be inequitable if the CONTRACTING PARTIES were to continue to make savings at the expense of the staff. Regarding the common system, he noted that the United Nations had itself departed from it on several occasions, for example in matters like pay increases for the General Services category and the separations grant. The need to find GATT solutions for such matters was urgent and particularly advisable since general solutions could not, for the moment, be foreseen.

15. Ambassador Hill said the problem of salaries was being examined in the Budget Committee. He informed the meeting that informal consultations held so far with delegations had revealed need for further information on specific points. He had indicated to members the need to take an urgent decision on this matter. Regarding pensions, the preference in the Budget Committee was to leave the matter to Ambassador Chiba's initiative which was an acceptable one.

16. Ambassador Hill could accept the idea of an informal advisory group looking into all these matters with the help of staff representatives. He felt that this group might look at the common system, see what other organizations had done to meet concerns similar to those raised by the GATT staff, and identify GATT specific solutions if necessary.