

UNITED NATIONS

NATIONS UNIES

WORLD HEALTH  
ORGANIZATION

ORGANISATION MONDIALE  
DE LA SANTÉ

EXECUTIVE BOARD

Sixth Session

EB6/AF/Min/5 Rev.1  
22 November 1950

ORIGINAL: ENGLISH

RESTRICTED

STANDING COMMITTEE ON ADMINISTRATION AND FINANCE

MINUTES OF THE FIFTH MEETING

Palais des Nations, Geneva

Wednesday, 7 June 1950, at 9 a.m.

CONTENTS

1. Approval of the draft first report of the Standing Committee
2. Payment of subsistence allowances to consultants and other WHO staff affected to field projects in response to governmental requests

Fifth Meeting

Wednesday, 7 June 1950, at 9 a.m.

Present:

Designating Country:

Sir Arcot MIDALIAR, Chairman

India

Dr. W. de LEON, Vice-Chairman

Philippines

Dr. C. van den BERG (alternate  
to Professor De Laet)

Netherlands

Dr. F. J. BRADY (alternate to  
Dr. Hyde)

United States of America

Mr. T. LINDSAY (alternate to  
Dr. Melville Mackenzie)

United Kingdom

Professor J. PARISOT

France

Dr. A. STAMPAR

Yugoslavia

Also present:

Lt-Col. M. JAFAR

Pakistan

Secretary: Mr. Milton P. Siegel,  
Assistant Director-General  
Department of Administration  
and Finance

1. APPROVAL OF THE DRAFT FIRST REPORT OF THE STANDING COMMITTEE

The CHAIRMAN opened discussion on the draft report of the committee.

Mr. SIEGEL, Secretary, pointed out an error in the fourth paragraph of the section, "Expenditure Level for 1951". The first lines after the indentation in that paragraph should read: ".....and invites the attention of the Executive Board to the fact that the expenditure ceiling for 1951 recommended by this committee is approximately one seventh lower than the budget ceiling established by the Third World Health Assembly."

Dr. BRADY, alternate to Dr. Hyde, pointed out, in connexion with the first paragraph of the report, that the Chairman and Vice-Chairman had not been appointed by the Executive Board but elected by the Standing Committee. It was agreed to amend the paragraph accordingly.

Referring to the first paragraph under heading "Expenditure Level for 1951" the CHAIRMAN proposed the deletion of the words "noted that the estimated expenditure for 1951 was \$6,141,398" as irrelevant. That was agreed.

The SECRETARY, recalling the statement made at the previous meeting that it would be necessary to increase the sum allocated for external audit in view of the deletion of one post of internal auditor, proposed a footnote to that effect to the second paragraph. The actual amount of the increase could not be determined without consultation with the External Auditor.

The CHAIRMAN proposed and it was agreed that the footnote should read:

"The increase in the cost of the external audit, if any, consequent on the reduction of one post of internal auditor, may be reported to the Executive Board after consultation with the External Auditor."

He further proposed that in the fourth paragraph under the same heading, dealing with grants to institutes, reference should be made to the fact that, if negotiations were not successful, and certain grants had to be paid at the former rate of exchange, their cost would be increased by approximately \$9,000. That also was agreed to.

It was decided, in reply to a request by Dr. BRADY, that the words "communicable diseases", appearing at the end of the first paragraph on page 3 should not begin with capital letters, to avoid the impression that the amount of \$14,679 was to be allotted to any specific unit of the Organization.

Dr. STAMPAR proposed a further paragraph to the resolution appearing on page 3, reading:

"FURTHER REQUESTS the Director-General (a) to examine and review the possibilities of further savings in expenditure by reducing the number of staff with the exception of those professionally trained in the field of public health and (b) not to fill vacancies."

The DIRECTOR-GENERAL felt that the Secretariat was entitled to some guidance as to what units of the Organization were considered to be over-staffed, as to what categories of staff should be reduced, as to whether the employment of certain members was to be terminated. It was not possible just to make a percentage reduction in all non-technical staff.

Replying to a statement by Dr. van den BERG, alternate to Professor De Laet, that Dr. Stampar's proposal, since it introduced a new element not discussed by the committee prior to the establishment of the report, could not properly be incorporated therein, the CHAIRMAN ruled that the proposal was not out of order but suggested it be amended to: "Requests the Director-General to examine possibilities of making further reductions of staff and report to the next session of the Standing Committee on Administration and Finance".

Dr. STAMPAR expressed himself satisfied with the Chairman's amendment.

The DIRECTOR-GENERAL pointed out that it would not be possible to make a full report to the next session of the standing committee, especially in view of the fact that one management officer's post had been deleted from the budget.

Decision: The report was adopted, as amended.<sup>1</sup>

2. PAYMENT OF SUBSISTENCE ALLOWANCES TO CONSULTANTS AND OTHER WHO STAFF AFFECTED TO FIELD PROJECTS IN RESPONSE TO GOVERNMENTAL REQUESTS

Colonel JAFAR raised the matter of the payment, by national governments, of subsistence allowances to consultants and other WHO non-local personnel engaged on field projects, expressing disagreement with the practice. He stated that certain governments, including that of Pakistan, were opposed to paying subsistence, firstly because of its cost to them (to which must be added the loss of national revenue due to the fact that such staff did not pay income tax or customs duty) and secondly because the consequently exorbitantly high salaries paid to such staff were disruptive to the local labour market. He did not himself consider the subsistence necessary in view of the fact that the staff engaged on field projects were paid salaries for the most part in excess of the local cost of living and were in general recruited specially for a project, not transferred temporarily from headquarters. He considered, therefore, that the committee should consider the matter from the national governments' point of view and ascertain what could be done to meet their objections, particularly since he was convinced that the fact that they would have to pay subsistence discouraged governments from requesting services from WHO.

<sup>1</sup> Off. Rec. World Hlth Org. 29, annex 8

The DIRECTOR-GENERAL pointed out that the present policy had been laid down as early as the International Health Conference in 1946 and reaffirmed by the subsequent World Health Assemblies. It had then been recognized that the low rates of pay prevailing in certain national health services constituted one of the main obstacles to the improvement of health in many parts of the world. The First World Health Assembly had decided that WHO personnel should be paid in accordance with the scale adopted by the United Nations. He did not suggest that the present rates of pay were ideal and stressed that the Expert Committee on Salary, Allowance and Leave Systems of the United Nations as well as the Technical Assistance Board were examining the question.

The SECRETARY said that two separate matters were involved: one, the rates of salaries and allowances to be paid to WHO staff, and, two, whether countries receiving services from WHO should pay allowances to the staff rendering such services. The second point was the only one in which Colonel Jafar was interested and which concerned national governments. He thought that the committee should remember, in connexion therewith, that the Second World Health Assembly had clearly indicated that the expenses of WHO staff in countries receiving services should be borne by such countries (Official Records No. 21, pages 262-263). It should also be noted that in the 1951 budget no provision had been made for the payment of allowances of field staff engaged on projects undertaken at governments' requests; to reverse the present procedure would mean revising the budget.

The CHAIRMAN did not think it was Colonel Jafar's intention that any change should be made with regard to existing personnel, but only that the matter should be discussed to see what modifications could be effected in the future.

Mr LINDSAY, alternate to Dr. Mackenzie, thought there had previously been a misunderstanding between the Standing Committee and the Secretariat as regards subsistence rates. What the committee at its previous session had requested was not a scale of rates drawn up for every country in the world but the division of the countries into about four categories, a suitable subsistence rate being suggested for each category.

The SECRETARY stated that the co-ordinating committees of the international organizations had discussed the matter of subsistence at great length. The Executive Board, at its fifth session, had noted the report made to the United Nations by the expert committee appointed to examine the question and had decided to await the final decision of the General Assembly of the United Nations with regard to the whole system of allowances. The matter had also been discussed in detail by the Technical Assistance Board, because of its bearing on the technical assistance programme. The Board's present policy was that local expenses, including allowances, should be paid by the governments receiving services and it did not appear likely that the policy would be reversed.

The CHAIRMAN proposed postponing discussion until the following session of the Standing Committee which could then consider, firstly, whether subsistence should be paid by governments, secondly, if so, at what rate, and thirdly, whether there could not be different rates, fixed according to local economic conditions. The Director-General could be asked to collect information on the subject meanwhile, not by making an independent enquiry, but by making available to the committee the findings of the Technical Assistance Board and other bodies

engaged in investigating the matter.

Colonel JAFAR did not consider that governments requesting services from WHO were made aware at a sufficiently early date that they would have to pay allowances to WHO staff.

The DIRECTOR-GENERAL pointed out that the agreement signed between WHO and a government requesting services was available in time for that government to be aware of its obligations before committing itself but agreed that further information could be furnished if required.

The SECRETARY added that a revised standard form of agreement was about to be sent to regional offices of WHO with an instruction that its terms should be made known to all governments in the region. That action, he thought, would obviate possible misunderstandings in the future.

Colonel JAFAR expressed himself satisfied with the action taken and also with the Chairman's proposal that the matter of subsistence should be further discussed at the next session of the committee.

Decision: The Chairman's proposal was adopted.

The meeting rose at 10 a.m.

UNITED NATIONS

NATIONS UNIES

WORLD HEALTH  
ORGANIZATION

EXECUTIVE BOARD

Sixth Session

ORGANISATION MONDIALE  
DE LA SANTÉ

EB6/AF/Min/5

7 June 1950

ORIGINAL: ENGLISH  
RESTRICTED

STANDING COMMITTEE ON ADMINISTRATION AND FINANCE

PROVISIONAL MINUTES OF THE FIFTH MEETING

Palais des Nations, Geneva

Wednesday, 7 June 1950, at 9 a.m.

CONTENTS

1. Draft report of the committee - Part I
2. Payment of subsistence to consultants and other staff affected to field projects in response to governmental requests

**Note:** Corrections to these provisional minutes should be submitted in writing to the Editor, Official Records, Division of Editorial and Reference Services, World Health Organization, Palais des Nations, Geneva, Switzerland, before 31 July 1950.

Fifth Meeting

Wednesday, 7 June 1950, at 9 a.m.

<u>Present</u>	<u>Designating Country</u>
Sir Arcot MUDALIAR, <u>Chairman</u>	India
Dr. W. de LEON, <u>Vice-Chairman</u>	Philippines
Dr. C. van den BERG (alternate to Professor De Laet)	Netherlands
Dr. F. J. BRADY (alternate to Dr. Hyde)	United States of America
Lieut. Colonel M. JAFAR	Pakistan
Mr. T. LINDSAY (alternate to Dr. Melville Mackenzie)	United Kingdom
Professor J. PARISOT	France
Dr. A. STAMPAR	Yugoslavia

Secretary: Mr. Milton P. Siegel,  
Acting Assistant Director-General  
Department of Administration and  
Finance

1. DRAFT FIRST REPORT OF THE STANDING COMMITTEE ON ADMINISTRATION AND FINANCE

The CHAIRMAN opened discussion on the draft report of the committee.

Mr. SIEGEL, Secretary, pointed out an error in the fourth paragraph of the section "Expenditure Level for 1951". The first lines after the indentation in that paragraph should read: "..... and invites the attention of the Executive Board to the fact that the expenditure ceiling for 1951 recommended by this committee is approximately one seventh lower than the budget ceiling established by the Third World Health Assembly."

Dr. BRADY, alternate to Dr. Hyde, pointed out, in connexion with the first paragraph of the report, that the Chairman and Vice-Chairman had not been appointed by the Executive Board but elected by the Standing Committee. It was agreed to amend the paragraph accordingly.

Referring to the first paragraph under heading "Expenditure Level for 1951" the CHAIRMAN proposed the deletion of the words "noted that the estimated expenditure for 1951 was \$6,141,398" as irrelevant. That was agreed.

The SECRETARY, recalling the statement made at the previous meeting that it would be necessary to increase the sum allocated for external audit in view of the deletion of one post of internal auditor, proposed a footnote to that effect to the second paragraph. The actual amount of the increase could not be determined without consultation with the External Auditor.

The CHAIRMAN proposed and it was agreed that the footnote should read:

"The increase in the cost of the external audit, if any, consequent on the reduction of one post of internal auditor, may be reported to the Executive Board after consultation with the External Auditor."

He ~~further~~ proposed that in the fourth paragraph under the same heading, dealing with grants to institutes, reference should be made to the fact that, if negotiations were not successful, and certain grants had to be paid at the former rate of exchange, their cost would be increased by approximately \$9,000. That also was agreed to.

It was decided, in reply to a request by Dr. BRADY, that the words "communicable diseases" appearing at the end of the first paragraph on page 3 should not begin with capital letters, to avoid the impression that the amount of \$14,679 was to be allotted to any specific unit of the Organization.

Dr. STAMPAR proposed a further paragraph to the resolution appearing on page 3, reading:

"FURTHER REQUESTS the Director-General (a) to examine and review the possibilities of further savings in expenditure by reducing the number of staff with the exception of those professionally trained in the field of public health and (b) not to fill vacancies."

The DIRECTOR-GENERAL felt that the Secretariat was entitled to some guidance as to what units of the Organization were considered to be over-staffed, as to what categories of staff should be reduced, as to whether the employment of certain members was to be terminated. It was not possible just to make a percentage reduction in all non-technical staff.

Replying to a statement by Dr. van den BERG, alternate to Professor De Laet, that Dr. Stampar's proposal, since it introduced a new element not discussed by the committee prior to the establishment of the report, could not properly be incorporated therein, the CHAIRMAN ruled that the proposal was not out of order but suggested it be amended to: "Requests the Director-General to examine possibilities of making further reductions of staff and report to the next session of the Standing Committee on Administration and Finance".

Dr. STAMPAR expressed himself satisfied with the Chairman's amendment.

The DIRECTOR-GENERAL pointed out that it would not be possible to make a full report to the next session of the standing committee, especially in view of the fact that one management officer's post had been deleted from the budget.

Decision: The report was adopted, as amended.

2. PAYMENT OF SUBSISTENCE ALLOWANCES TO CONSULTANTS AND OTHER WHO STAFF AFFECTED TO FIELD PROJECTS IN RESPONSE TO GOVERNMENTAL REQUESTS

Lieut-Colonel JAFAR raised the matter of the payment, by national governments, of subsistence allowances to consultants and other WHO non-local personnel engaged on field projects, expressing disagreement with the practice. He stated that certain governments, including that of Pakistan, were opposed to paying subsistence, firstly because of its cost to them (to which must be added the loss of national revenue due to the fact that such staff did not pay income tax or customs duty) and secondly because the consequently exorbitantly high salaries paid to such staff was disruptive to the local labour market. He did not himself consider the subsistence necessary in view of the fact that the staff engaged on field projects were paid salaries for the most part in excess of the local cost of living and were in general recruited specially for a project, not transferred temporarily from headquarters. He considered, therefore, that the committee should consider the matter from the national governments' point of view and ascertain what could be done to meet their objections, particularly since he was convinced that the fact that they would have to pay subsistence discouraged governments from requesting services from WHO.

The DIRECTOR-GENERAL pointed out that the present policy had been laid down as early as the International Health Conference in 1946 and reaffirmed by the subsequent World Health Assemblies. It had then been recognized that the low rates of pay prevailing in certain national health services constituted one of the main obstacles to the improvement of health in many parts of the world. The First World Health Assembly had decided that WHO personnel should be paid in accordance with the scale adopted by the United Nations. He did not suggest that the present rates of pay were ideal and stressed that the Expert Committee on Salaries, Allowances and Leave Systems of the United Nations as well as the Technical Assistance Board were examining the question.

The SECRETARY said that two separate matters were involved: one, the rates of salaries and allowances to be paid to WHO staff, and, two, whether countries receiving services from WHO should pay allowances to the staff rendering such services. The second point was the only one in which Colonel Jafar was interested and which concerned national governments. He thought that the committee should remember, in connexion therewith, that the Second World Health Assembly had clearly indicated that the expenses of WHO staff in countries receiving services should be borne by such countries (Official Records No. 21, pages 262-263). It should also be noted that in the 1951 budget no provision had been made for the payment of allowances of field staff engaged on projects undertaken at governments' requests; to reverse the present procedure would mean revising the budget.

The CHAIRMAN did not think it was Colonel Jafar's intention that any change should be made with regard to existing personnel, but only that the matter should be discussed to see what modifications could be effected in the future.

Mr. LINDSAY, alternate to Dr. Mackenzie, thought there had previously been a misunderstanding between the Standing Committee and the Secretariat as regards subsistence rates. What the committee at its previous session had requested was not a scale of rates drawn up for every country in the world but the division of the countries into about four categories, a suitable subsistence rate being suggested for each category. It had accepted the principle that national governments should pay the subsistence.

The SECRETARY stated that the co-ordinating committees of the international organizations had discussed the matter of subsistence at great length. The Executive Board, at its fifth session, had noted the report made to the United Nations by the expert committee appointed to examine the question and had decided to await the final decision of the General Assembly of the United Nations with regard to the whole system of allowances. The matter had also been discussed in detail by the Technical Assistance Board, because of its bearing on the technical assistance programme. The Board's present policy was that local expenses, including allowances, should be paid by the governments receiving services and it did not appear likely that the policy would be reversed.

The CHAIRMAN proposed postponing discussion until the following session of the Standing Committee which could then consider, firstly, whether subsistence should be paid by governments, secondly, if so, at what rate, and thirdly, whether there could not be different rates, fixed according to local economic conditions. The Director-General could be asked to collect information on the subject meanwhile, not by making an independent enquiry, but by making available to the committee the findings of the Technical Assistance Board and other bodies

engaged in investigating the matter.

Colonel JAFAR did not consider that governments requesting services from WHO were made aware at a sufficiently early date that they would have to pay allowances to WHO staff.

The DIRECTOR-GENERAL pointed out that the agreement signed between WHO and a government requesting services was available in time for that government to be aware of its obligations before committing itself but agreed that further information could be furnished if required.

The SECRETARY added that a revised standard form of agreement was about to be sent to regional offices of WHO with an instruction that its terms should be made known to all governments in the region. That action, he thought, would obviate possible misunderstandings in the future.

Colonel JAFAR expressed himself satisfied with the action taken and also with the Chairman's proposal that the matter of subsistence should be further discussed at the next session of the committee.

Decision: The Chairman's proposal was adopted.

The meeting rose at 10 a.m.