



COMMITTEE ON ADMINISTRATION, FINANCE AND LEGAL MATTERS

PROVISIONAL MINUTES OF THE THIRD MEETING

Palais des Nations, Geneva  
Monday, 14 May 1962, at 2.45 p.m.

ACTING CHAIRMAN: Mr T. J. BRADY (Ireland)

CONTENTS

	<u>Page</u>
1. Contract of the Director-General (Salary and allowances); Salaries of the Deputy Director-General, Assistant Directors- General and Regional Directors . . . . .	2
2. Status of collection of annual contributions and of advances to the Working Capital Fund . . . . .	3
3. First and second reports of the Committee . . . . .	5
4. Supplementary budget estimates for 1962 . . . . .	5
5. Report on casual income; status of Assembly Suspense Account . . . .	11
6. Assessments for 1961 and 1962 of new Members . . . . .	12

Note: Corrections to these provisional minutes should be submitted in writing to the Chief, Records Service, Room A.579, within 48 hours of their distribution.

The Committee met in private session at 2.45 p.m.  
for the consideration of items 3.18 and 3.14 of the agenda  
and resumed in public session at 3.30 p.m.

1. CONTRACT OF THE DIRECTOR-GENERAL (SALARY AND ALLOWANCES): Item 3.18 of the Agenda (Resolution EB29.R24)  
SALARIES OF THE DEPUTY DIRECTOR-GENERAL, ASSISTANT DIRECTORS-GENERAL AND REGIONAL DIRECTORS: Item 3.14 of the Agenda (Resolution EB29.R14)

The ACTING CHAIRMAN announced that the Committee, at the preceding private meeting, had approved the following two resolutions for transmission to the Health Assembly:

1. The Fifteenth World Health Assembly,

Recognizing the increase in the responsibilities of the Director-General resulting from the growth of the Organization and the development of its programme,

1. DECIDES that as from 1 January 1962 his salary shall be \$ 24 000, and his representation allowance \$ 10 000;

2. REQUESTS the Executive Board at its thirty-first session to consider the question of whether a housing allowance or suitable housing should be provided for the Director-General and to report accordingly to the Sixteenth World Health Assembly; and

3. AUTHORIZES the President of the Fifteenth World Health Assembly to sign on behalf of the Organization a supplemental agreement modifying accordingly paragraphs 1 and 2 of Article II of the contract of the Director-General.

2. The Fifteenth World Health Assembly,

ESTABLISHES with effect as from 1 January 1962 the salaries for the following ungraded posts:

- (a) for the Deputy Director-General - \$ 19 500 per annum;

- (b) for Assistant Directors-General and Regional Directors - \$ 17 900 per annum.

2. STATUS OF COLLECTION OF ANNUAL CONTRIBUTIONS AND OF ADVANCES TO THE WORKING CAPITAL FUND: Item 3.9.3 of the Agenda (Resolution EB29.R33; Official Records No. 115, Annex 15; Document A15/AFL/11)

The ACTING CHAIRMAN drew attention to the relevant documentation and asked the Secretary to introduce the item.

Mr SIEGEL, Assistant Director-General, Secretary, said that Members would have noted the statement attached to document A15/AFL/11, showing the status of collection of annual contributions and of advances to the Working Capital Fund as at 30 April 1962

Contributions received from active Members in respect of the 1962 assessments had amounted to 23.92 per cent. of the total contributions of those Members; the corresponding figure for 1961 had been 20.40 per cent.

The advances to the Working Capital Fund of seventy-four Members were fully paid, six Members were paying their additional advances in annual instalments and the advances of twenty-eight Members were unpaid; those advances were due and payable prior to 31 December 1963. One new Member had not paid its advance. There were four new Members (two of them former Associate Members) whose assessments were to be fixed by the Health Assembly.

Part 4 of the statement showed the status of those contributions for which the Health Assembly had authorized special arrangements in resolution WHA9.9, and Part 5 gave details of the arrears of the active Members, with the exception of China. On 1 January 1962 arrears for 1961 and prior years had stood at \$ 1 214 978; since that date, payments amounting to \$ 752 736 had been received.

The Executive Board, at its twenty-ninth session, had noted that, unless the arrears of certain Members were paid prior to the opening of the Fifteenth World Health Assembly, there was a possibility that Article 7 of the Constitution might be applied,

in accordance with paragraph 2 of resolution WHA8.13. In its resolution EB29.R33, the Board had urged those Members to liquidate the arrears before the opening of the current Health Assembly and, as at 30 April 1962, payment of all or part had been received from all the Members concerned except Bolivia.

The Director-General had reported to the Executive Board that he had received notification from Bolivia of arrangements to liquidate its arrears by making an annual payment, commencing in 1962, of an amount equal to the current year's contribution plus one-tenth of the total arrears outstanding at 31 December 1962. The Board, in resolution EB29.R33, recommended to the Health Assembly that those arrangements be considered to meet the provisions of resolution WHA8.13 and that no sanction be invoked against Bolivia under Article 7 of the Constitution.

Part 6 showed the unpaid contributions of China for the years prior to 1962, and Part 7 the unpaid contributions of inactive Members for the same period.

Dr van Zile HYDE, representative of the Executive Board, thought that the recommendation of the Board in regard to Bolivia was self-explanatory and needed no comment from him.

The ACTING CHAIRMAN, noting that there were no comments, submitted the following draft resolution for the Committee's consideration:

The Fifteenth World Health Assembly,

Having considered the report of the Director-General on the status of collection of contributions and of advances to the Working Capital Fund as at 30 April 1962;

Noting the collection of contributions in respect of the 1962 budget and of advances to the Working Capital Fund; and

Noting with satisfaction the payments made by Members to liquidate their arrears of contributions,

1. CALLS THE ATTENTION of Member governments to the importance of providing in their national budgets for regular payment of their annual contributions in the year in which they are due;
2. URGES those Members in arrears to liquidate these arrears in good time, thus making it unnecessary in future for the Assembly to consider, in accordance with Article 7 of the Constitution, whether or not the right of vote of such a Member should be suspended;
3. DECIDES that the arrangements made by Bolivia for payment of its arrears shall be considered as making it unnecessary to invoke the provisions of paragraph 1.2 of resolution WHA8.13; and
4. REQUESTS the Director-General to communicate this resolution to the Members concerned.

Decision: The draft resolution was approved for transmission to the Health Assembly.

3. FIRST AND SECOND REPORTS OF THE COMMITTEE (Documents A15/AFL/20 and 21)

Dr LE CUU TRUONG (Republic of Viet Nam), Rapporteur, introduced the draft first report of the Committee (document A15/AFL/20).

Decision: The draft first report was adopted.

Dr LE CUU TRUONG (Republic of Viet Nam), Rapporteur, introduced the draft second report (document A15/AFL/21).

Decision: The draft second report was adopted.

4. SUPPLEMENTARY BUDGET ESTIMATES FOR 1962: Item 3.3 of the Agenda (Official Records No. 115, Resolution EB29.R30 and Annex 14; Document A15/AFL/8)

The ACTING CHAIRMAN, after drawing attention to the relevant documentation, asked the representative of the Executive Board to introduce the item.

Dr van Zile HYDE, representative of the Executive Board, stated that the Executive Board's recommendations on the matter (resolution EB29.R30) had been based on the information submitted by the Director-General in his report to the twenty-ninth session (Official Records No. 115, Annex 14). Since that time, certain developments had taken place and the matter had been reconsidered by the Ad Hoc Committee of the Board, meeting immediately before the opening of the Health Assembly.

The Director-General's report had outlined the additional budgetary requirements for the year 1962 which had not been foreseen at the time of establishing the original budget estimates, and had included a proposal on their financing. The additional requirements arose out of increases in the salary scales for general service staff and the salary rates for temporary staff which had become effective in Geneva during 1961 and the increased travelling costs of delegates to the Health Assembly, following the increase in the Organization's membership. Those items were estimated at \$ 97 200. Other additional requirements resulted from changes in the system of salaries and allowances for internationally recruited staff and in education grant entitlement, with effect from 1 January 1962, made by virtue of the Director-General's authority in pursuance of a decision of the United Nations General Assembly at its sixteenth session (see Official Records No. 115, Annexes 8 and 9), estimated at \$ 1 522 000; and the need to make provision for an additional increase in the salary levels of general service staff in Geneva, likely to result from studies being pursued jointly at that time by the international organizations concerned, in the tentative amount of \$ 86 250. Those requirements accounted for the estimated total of \$ 1 705 450. That amount, it should be noted, covered no increase in the Organization's programme; it merely represented the additional cost of carrying out the programme approved by the Health Assembly for 1962, pursuant to the developments he had mentioned above.

The Director-General had suggested to the Executive Board that the supplementary estimates be met by using available casual income and by making a special advance from the Working Capital Fund, so as to preclude the need for making additional assessments on Members. It had been estimated that \$ 1 540 000 would be available in casual income by 31 December 1961 and, after deduction of the amount of \$ 500 000 to help finance the proposed programme and budget estimates for 1963, there would be a balance of \$ 1 040 000. The proposal had been that \$ 1 005 450 of that balance be used towards financing the supplementary estimates for 1962 and that the remaining \$ 700 000 of those estimates be met by a special advance from the Working Capital Fund, to be reimbursed by including provision therefor in the 1963 budget. That was how the matter had stood until the meeting of the Ad Hoc Committee the previous week.

The report of the Director-General to the Ad Hoc Committee appointed at the twenty-ninth session of the Executive Board (Annex I to document A15/AFL/8) showed that a reduction of \$ 5000 could be made in the estimates for representation allowances for ungraded posts, while the modification of the contract of the Director-General would entail an increase of the supplementary estimates by the amount of \$ 7400. The revision of the salary levels of general service staff in accordance with an inter-agency agreement in Geneva would require an additional budgetary provision of \$ 135 020, instead of the tentative amount of \$ 86 250 previously estimated. It should, however, be noted that the provisions of that agreement had not been put into effect by all the other agencies concerned and that the matter was still under consideration by a committee of experts, whose report was expected shortly. The decision of the Director-General to introduce the extended use of tourist/economy class travel was expected to reduce expenditure in 1962 by \$ 500 000.

In consequence of those adjustments, the supplementary estimates for 1962 proposed by the Director-General now amounted to \$ 1 256 620. Since the casual income together with the cash balance of the Assembly Suspense Account amounted to \$ 1 784 319, sufficient funds would be available from those sources to meet the supplementary estimates as well as to provide the sum of \$ 500 000 which the Director-General proposed should be used to help finance the 1963 budget, there would be no need to have recourse to obtaining an advance from the Working Capital Fund. Consequently, the Ad Hoc Committee recommended that the following resolution be adopted in place of that set forth in paragraph 2 of resolution EB29.R30:

The Fifteenth World Health Assembly,

Having considered the proposals of the Director-General and the recommendations of the Executive Board concerning supplementary budget estimates for 1962,

1. APPROVES the supplementary budget estimates for 1962;
2. DECIDES to amend the Appropriation Resolution for 1962 (resolution WHA14.43) by increasing (or decreasing) the amounts voted under paragraph I as follows:

<u>Appropriation Section</u>	<u>Purpose of Appropriation</u>	<u>Amount US\$</u>
	PART I: ORGANIZATIONAL MEETINGS	
1.	World Health Assembly	7 000
2.	Executive Board and its Committees	<u>3 950</u>
	Total - Part I	<u>10 950</u>
	PART II: OPERATING PROGRAMME	
4.	Programme Activities	967 920
5.	Regional Offices	174 763
7.	Other Statutory Staff Costs	<u>(123 823)</u>
	Total - Part II	<u>1 008 860</u>



<u>Appropriation Section</u>	<u>Purpose of Appropriation</u>	<u>Amount US\$</u>
PART III: ADMINISTRATIVE SERVICES		
8.	Administrative Services	210 312
9.	Other Statutory Staff Costs	<u>26 498</u>
Total - Part III		<u>236 810</u>
TOTAL - Parts I, II and III		<u><u>1 256 620</u></u>

3. DECIDES further to amend paragraph III of resolution WHA14.43 by increasing the amount under sub-paragraph (iii) and by adding a new sub-paragraph (iv) as follows:

(iii) the amount of \$ 475 049 representing miscellaneous income available for the purpose

(iv) the amount of \$ 781 571 available by transfer from the cash portion of the Assembly Suspense Account

Total            \$ 1 256 620

Mr KITTANI (Iraq) expressed concern over the present situation regarding the revision of general service staff salaries. He asked when the report of the committee of experts appointed to study the matter could be expected and what action the Director-General proposed to take should that report recommend either further increases in the salaries or a reduction to a level lower than that of the revised scale.

The SECRETARY said that the report of the inter-agency investigating committee should be available to all the agencies concerned within the next week or two and should therefore be available for discussion by the Executive Board at its next session, should that be necessary. It was difficult to forecast what action might have to be taken by the Director-General in the light of that report but, if further increases in the salaries were recommended, consideration would have to be given to the date of implementation and the budgetary consequences; if a lower scale were

recommended, then it was probable that adjustments would be made only at the time of the next revision of the scale; if a considerably lower scale were recommended, a different approach might be necessary, and WHO would have to consider the action of the other agencies.

Mr SAITO (Japan) asked for an explanation of the figure of \$ 133 823 under Appropriation Section 7 of the draft resolution.

The SECRETARY said that the figure represented a decrease in costs owing to the change in travel policy and involved mainly savings on home leave travel.

Dr CAYLA (France) noted with satisfaction that it was estimated that the change of travel policy would result in a saving of \$ 500 000 in 1962; he asked whether that change would entail a reduction in the 1963 budget, and, if so, what the saving would amount to.

The SECRETARY said that it was expected that the saving would continue at the same level; the estimated gain for 1963 was \$ 550 000, as indicated in the document submitted under item 2.2 of the agenda (document A15/P&B/17 or A15/AFL/9).

Mr LIVERAN (Israel) asked whether it could be assumed that WHO representatives on co-ordinating bodies would press for the adoption of a similar travel policy by the other United Nations agencies, in order to ensure that officials of the same rank from different agencies all used the same class of travel. In the interests of conformity, WHO should be prepared to make adjustments to its travel policy if necessary.

The SECRETARY said that the travel policy adopted by WHO had been communicated to all other international agencies and the Organization was prepared to discuss that policy at any appropriate inter-agency meeting. However, the matter had been raised

during the meeting in April of the Consultative Committee on Administrative Questions and attempts to obtain inter-agency agreement on a uniform travel policy had not succeeded. In that connexion, it should be remembered that the structure of the different agencies varied considerably and administrative measures which might be practicable in one would be unsuited to another.

The ACTING CHAIRMAN then put to the vote the draft resolution, recommended by the Ad Hoc Committee of the Executive Board, concerning the supplementary budget estimates for 1962 and the method of financing them. A two-thirds majority was required for adoption.

Decision: The draft resolution was unanimously adopted.

5. REPORT ON CASUAL INCOME; STATUS OF ASSEMBLY SUSPENSE ACCOUNT: Items 3.9.4 and 3.9.5 of the Agenda (Resolution WHA4.40, para. 6; Document A15/AFL/10)

On the proposal of the ACTING CHAIRMAN, items 3.9.4 and 3.9.5 of the agenda were considered together.

The SECRETARY said that it was one of the functions of the Committee on Administration, Finance and Legal Matters to examine the status of the Assembly Suspense Account in accordance with resolution WHA4.40 which established that account. A statement of the account as at 31 December 1961 would be found in Official Records No. 117, page 26, Schedule G. The report of the Director-General in document A15/AFL/10 listed the casual income available as at 30 April 1962, totalling

\$ 1 784 319, and included the recommendation of the Executive Board that \$ 500 000 of casual income be used to help finance the proposed programme and budget estimates for 1963. If the Committee wished to endorse that recommendation, it should so advise the Committee on Programme and Budget.

The ACTING CHAIRMAN proposed the following text as the draft first report of the Committee to the Committee on Programme and Budget:

Availability of Casual Income

The Committee on Administration, Finance and Legal Matters, having studied the amount of casual income available as at 30 April 1962 from assessments on new Members from previous years, miscellaneous income and the cash portion of the Assembly Suspense Account, recommends to the Committee on Programme and Budget that casual income in the amount of US\$ 500 000 be used to finance the 1963 budget.

Decision: The draft report was unanimously adopted.

6. ASSESSMENTS FOR 1961 AND 1962 OF NEW MEMBERS: Item 3.7 of the Agenda  
(Document A15/AFL/6)

The SECRETARY said that the following four states had become Members of the World Health Organization by depositing with the Secretary-General of the United Nations a formal instrument of acceptance of the WHO Constitution: Republic of the Congo (Leopoldville), Sierra Leone, Tanganyika and Mongolia. It was proposed that the assessment of the Republic of the Congo (Leopoldville) should be fixed at 0.04 per cent. based on its assessment in the United Nations for 1961, and that the assessment of the other three new Members should be fixed at the same percentage. If that were agreed, the Committee might wish to adopt the following draft resolution:

The Fifteenth World Health Assembly,

Noting that several states became Members of the Organization during 1961 and 1962 by depositing with the Secretary-General of the United Nations a formal instrument of acceptance of the WHO Constitution,

DECIDES that these Members shall be assessed as follows:

<u>Member State</u>	<u>1961</u>	<u>1962</u>
Republic of the Congo (Leopoldville)	0.04 per cent.	0.04 per cent.
Sierra Leone	0.04 per cent.	0.04 per cent.
Mongolia	-	0.04 per cent.
Tanganyika	-	0.04 per cent.

The Committee might also wish to consider whether those Members, in consideration of the fact that they were carrying out malaria programmes, should be eligible for credits in 1962 and, if it should be so decided, might wish to adopt the following draft resolution:

The Fifteenth World Health Assembly

DECIDES that, since Mongolia, the Republic of the Congo (Leopoldville), Sierra Leone and Tanganyika are carrying out malaria programmes, they are eligible for credits in 1962 in the same way as those Members listed in Schedule A attached to the Appropriation Resolution for the Financial Year 1962.

Mr SAITO (Japan) asked whether the revenue from the assessment of the new Members would be placed in the Assembly Suspense Account.

The SECRETARY said that the revenue would be considered by the next Health Assembly as casual income under the heading "Assessments against new Members".

Decision: The draft resolutions were unanimously adopted.

The meeting rose at 5.30 p.m.