



General Conference

Sixth regular session

Item 13 of the provisional agenda
(GC(VI)/190)

THE AGENCY'S REGULAR BUDGET FOR 1962

Supplementary estimate submitted by the Board of Governors

INTRODUCTION

1. Under Financial Regulation 3.04 [1] the Board of Governors is hereby submitting a supplementary estimate for the administrative expenses of the Agency during the current year.
2. At the General Conference's last session, the Board brought to its notice the likelihood of the General Assembly of the United Nations providing for increases in the emoluments of staff in the Professional and higher categories serving in the secretariats of those organizations in the United Nations family that apply a common system of such emoluments [2] . The General Assembly duly took such action in November and December 1961 [3] , and in March of the present year the Board decided that the new system of emoluments should apply to the Agency's staff in the categories in question with effect from 1 January [4] .
3. At the same time the Board was informed by the Director General of the results of a study that had been made of the salary scales for staff in the General Service and Maintenance and Operatives Service categories, as a result of which it decided that the salaries of the former category should be increased by 17% and that two new grades should be created in the latter Service.

[1] INFCIRC/8.

[2] See document GC(V)/155, paragraphs 18 and 19.

[3] See its resolutions 1658 A (XVI), which provides for raising the base salary scales and revising the system of post adjustments, and 1730 (XVI), which revises the maximum amount of the education grant.

[4] The new system is reflected in the amended text of part of the Provisional Staff Regulations contained in document INFCIRC/6/Mod.1.

THE SUPPLEMENTARY ESTIMATE

4. The cost of giving effect in 1962 to the changes outlined above is estimated as follows:

Category of staff	Cost in US dollars		
	Salaries and wages	Common staff costs	Total
Professional and higher	307 000	94 000	401 000
General Service	89 500	9 100	98 600
Maintenance and Operatives Service	18 500	2 500	21 000
TOTAL	415 000	105 600	520 600

The appropriations which the General Conference has made for the administrative expenses of the Agency in the current year [5] do not provide enough funds to defray these additional costs, and the Board is therefore submitting to the General Conference a supplementary estimate in the form of the draft resolution which is annexed hereto.

5. The Board has three observations on the draft resolution. In the first place, it will be seen from paragraph 1 thereof that it is proposed that the General Conference should make a supplementary appropriation of only US \$470 600 as against the total estimated requirements of US \$520 600. The Board expects that savings will accrue under various sections of the budget for 1962, which will reduce the additional burden on Member States by US \$50 000. In this connection the Director General has, since the beginning of the year, exercised strict economy in such matters as the filling of administrative vacancies in the Secretariat and official travel; he is also planning further economies of a like nature as the year proceeds.

6. The second observation relates to the provision in paragraph 2 of the draft resolution that the contributions of Member States to the supplementary appropriation shall be assessed on the basis of the scale of assessments for 1963. In formulating this provision, the Board has been guided by the practice adopted by other organizations of the United Nations family, where contributions in respect of a supplementary estimate are assessed on the basis of the scale established for the year following that to which the supplementary estimate itself relates.

7. Finally, the Board wishes to comment on paragraph 3 of the draft resolution which provides for flexibility in the use of the supplementary appropriation. As the General Conference is aware, there are elements for salaries and wages and for common staff costs within the two budgetary sections (1 and 2) for the General Conference and the Board respectively; and to these elements and to the main budgetary sections covering these items of expenditure (8 and 9) factors for the lag in recruiting and the lapse in replacing staff members have been applied. As a result, the total funds appropriated for these items are some US \$280 000 less than they would otherwise have been. As early as April of the current year the high values that had been assumed for these factors [6] were causing

[5] GC(V)/RES/103, part A.

[6] In document GC(V)/155, paragraph 361, it is assumed that there will be a lag factor of thirty per cent in the recruitment of new staff this year, and that replacements of existing staff will take an average of three months in the case of Professional staff and two weeks for other staff (the lapse factor).

difficulties for the Secretariat, since the actual lag in recruitment and lapse in replacement were proving smaller than had been foreseen. The distribution of the affected posts throughout the Secretariat cannot, however, be determined precisely until near the end of the year, and for this reason the Board considers it desirable for the Director General to be given the proposed latitude to apply the savings and the supplementary appropriation to the four budgetary sections in question in such a way as the needs of the situation at the end of the year may dictate.

RECOMMENDATION BY THE BOARD

8. In the light of the foregoing, the Board recommends the draft resolution below for adoption by the General Conference.

SUPPLEMENTARY BUDGETARY APPROPRIATIONS FOR 1962

The General Conference,

- (a) Having received from the Board of Governors under Financial Regulation 3.04[1] a supplementary estimate for the administrative expenses of the Agency in 1962 to cover increases in the emoluments of the Secretariat amounting to US \$520 600 and
- (b) Noting that the Board expects savings of US \$50 000 under the Regular Budget for that year [2] and has taken steps to use these savings to meet part of the increased costs,

1. Appropriates for the administrative expenses of the Agency in 1962, as a supplement to the appropriations made by resolution GC(V)/RES/103, the sum of US \$470 600;
2. Decides that this supplementary appropriation shall be financed by contributions from Member States on the basis of the scale of assessments determined by the General Conference in respect of 1963 [3] ; and
3. Authorizes the Director General to use the supplementary appropriation as may be required to meet the increased costs of the emoluments of the Secretariat in 1962 under the following four sections of the Regular Budget:

1. The General Conference;
2. The Board of Governors;
8. Salaries and wages; and
9. Common staff costs.

[1] INFCIRC/8.

[2] GC(V)/RES/103, part A.

[3] GC(VI)/RES/. . . .

