On behalf of the Staff Council, I should like to thank you, Mr. Chairman, and the members of the Council of Representatives, for having invited representatives of the staff to address you.

We are here today because, for months past, the staff has been confronted with grave problems. In view of these problems, we submitted certain proposals to the Budget Committee. To our great regret, those proposals were rejected, and we do not propose to revert to them now. In paragraphs 42 and 43 of its report, the Committee "expressed its full understanding of and sympathy with the position adopted by the staff/ and joined the Director General in recognizing that there was a problem". The Committee also went on to say that "as GATT operated within the common system, it was not possible to make a decision on a matter of this kind without taking into account its effects on other Geneva-based international organizations within the system". We also note with satisfaction that the Committee "invited the Director General to use his influence within the competent bodies to ensure that all necessary steps were taken to resolve the situation with the utmost despatch, so as to avoid further detrimental effects".

I propose to base the appeal which I am making to you on behalf of the staff, on these statements by the Budget Committee.

The Budget Committee recognized that there is a problem. The existence of this problem was also recognized, in even more precise terms, by Mr. Kurt Waldheim, the United Nations Secretary General and Chairman of the LGC when, on 28 September last, he stated before the Sixth Committee of the United Nations General Assembly, that (I quote): "The present situation is unhealthy in that - in European Duty Stations especially - the post adjustment payments represent an unduly high percentage of the total remuneration of staff. Moreover, since the post adjustment system does not provide full compensation for decreases in the purchasing power of salary and allowances, staff members suffer a loss on the occasion of each reclassification of their duty station. This particularly affects staff members without dependants.... It must be acknowledged that the salary situation is becoming increasingly serious." Attention has also been drawn to this problem by the Staff Association of the United Nations organizations based in Switzerland, which for months past have repeatedly made joint approaches and protests to the United Nations Secretary General, the bodies doing preparatory work for the session of the United Nations General Assembly and the General Assembly itself, with a view to obtaining remedial action. The problem is the erosion of salaries, allowances
and staff pensions resulting from the fall in the value of the dollar, whose stability was the cornerstone of the United Nations salary system. The problem also arises because, owing to the monetary crisis, the common system, which was intended to ensure equitable remuneration for all, regardless of duty station, now has a discriminatory effect on staff members serving outside the dollar area. Now the consequences of this distortion of the system adversely affect the great majority of international civil servants, because the headquarters of most of the organizations in the United Nations system are in Switzerland or elsewhere in Europe.

This brings me to the Budget Committee's second finding. Unfortunately, it took the view that it could not act on our proposals because GATT operates within the common system. This is true, of course, but when a system no longer meets the real requirements of the situation it becomes necessary to change it. And since decisions binding the organizations which are members of the common system can only be taken by the United Nations General Assembly, the procedure is ponderous and progress is slow.

Certain proposals concerning salaries and pensions are now before the General Assembly and we hope that it will quickly reach favourable decisions on them. But these proposals do not go to the root of the matter. They will not remove the anomalies in the present application of the common system to which I referred just now. At a mass demonstration which took place in the Palais des Nations a few weeks ago, the staff members of the United Nations organizations having their headquarters in Switzerland clearly showed their conviction that the proposed measures would leave intact the discriminatory effects of the system and would not compensate for the real losses suffered by staff members serving at duty stations outside the dollar area. Hence, the specialized agencies whose staff are victims of the present application of the system must unite their efforts to speed up the process of reform now required.

The Budget Committee invited the Director-General to use his influence within the competent bodies in the common system. Here I would like to pay a tribute to the understanding shown by the Director-General of the problems now confronting the staff. But the common system is like the rest of the world; although all are equal under the system, some are more equal than other. Consequently, if it is to be effective, the action taken by the Director-General of a small organization must have the support of its legislative organ, that is to say the Council of Representatives. In any action he undertakes within the competent bodies in the common system between now and the next General Assembly of the United Nations in 1974, the Director-General must indeed be able to rely on an explicit mandate from the CONTRACTING PARTIES, that is to say, from the Council. We should like the Council's action to take two forms: first, the permanent delegations at Geneva should inform their Governments of the effects of the common system on international officials serving in Switzerland; secondly, the Council should transmit, through the Director-General, to the competent bodies in the common system, an urgent request to hasten the reform of the system and to ensure that at least interim proposals are submitted at the next session of the United Nations General Assembly.
In conclusion, I must explain that if the staff association has found it necessary to make a direct approach to its employers, namely the CONTRACTING PARTIES, it is because the present crisis is having a grave effect on the morale of the staff, who feel that they are at the mercy of decisions taken elsewhere, outside the context in which they work. The GATT secretariat is a small one, known for its policy of budgetary austerity and -- at least we hope so -- for its efficiency. The manning table of the secretariat has been frozen for years. We are not complaining about this, but you will certainly understand that it makes the consequences of the situation I have described to you weigh all the more heavily on the staff. In making this statement on behalf of my colleagues, therefore, I am convinced that I am defending not only their interests, but also the interests of the organization.