"5. The Advisory Committee has difficulty in accepting as valid the reason advanced by the agencies for not following the post adjustment system proposed by the Salary Review Committee and adopted by the Assembly. Post adjustments are determined initially by comparing all cities with a standard — Geneva on 1 January 1956. This initial comparison involves broad judgment as well as statistics, and it can be made for any city in relation to Geneva but, obviously, should not be made for Geneva since that city is itself the yardstick for all measurements. Consequently, changes in the Geneva post adjustment should only be based on time-to-time changes in its local cost-of-living index in relation to the base date of January 1956.

"7. In the light of the decisions taken by WHO and the ILO, and having regard to paragraph 4 of resolution 1095 B (XI), the Secretary-General now represents (A/C.5/711, para. 8) that, on the grounds of equity and in the interest of preserving the common system, the Geneva staff of the United Nations should also receive class 2 post adjustment with effect from 1 June 1957 and that their future cost-of-living movement be measured from 1 January 1957.

"8. Since the Advisory Committee does not consider that the agencies have advanced valid reason for departing from the normal operation of the post adjustment system, it is not able to concur in this recommendation of the Secretary-General. The Committee believes, for the reasons stated in para. 5 above, that January 1956 should remain the date from which cost-of-living changes in Geneva should be measured and that class 2 should be granted to the United Nations staff at Geneva when there is a change of 5 points averaged over a period of nine months.
"9. However, the Advisory Committee is informed that the Geneva cost-of-living index reached a level of 105 in August 1957 (as compared with 100 at January 1956), and remained above this level during September. Such an increase of five points for only two months would not in itself entitle Geneva to a class 2 post adjustment. The General Assembly may feel, however, that the action taken by WHO and the ILO to grant class 2 rates to their staff has created an exceptional situation which might justify special treatment. Should this be the view of the General Assembly, the Advisory Committee would not oppose waiving the requirement of a nine months' average and applying a class 2 post adjustment to the United Nations staff at Geneva from 1 August 1957, the date by which the Geneva cost-of-living index first had reached a level of five points above that on the base date of January 1956.

"10. The Advisory Committee hopes that, on further consideration, the governing bodies of WHO and the ILO will decide to maintain the base date of January 1956 as the date from which cost-of-living changes for their staff members at Geneva will be measured."