Statement by the Chairman of the CONTRACTING PARTIES

I draw your attention to GATT's future policy in respect of compensating its professional officials -- not the Director-General and his two Deputies, but rather the division directors and senior counsellors, as well as their more junior colleagues, who not only add their own shoulders to the task, but also -- and most significantly -- their minds, their experience and frequently their wisdom. Clearly the high quality support we receive from the Secretariat is essential to the tasks we collectively are endeavouring to carry out in the GATT. This is a statement I make on the basis of many years of experience.

I would like to think that our own successors will continue to enjoy and benefit from this support, but I fear that this may not be the case. In fact, I have a serious concern that the kind of professionals which GATT has attracted in the past may not -- in the future -- agree to work for the compensation presently offered to them, at least not for very long.

Over the next year or so we will see important changes which will have an impact on the Secretariat and the GATT. The conclusion of the Uruguay Round will add to the responsibilities of the Secretariat. There will be new challenges and new opportunities. At the same time, the CONTRACTING PARTIES will lose to retirement a half dozen or so of GATT's most senior and most able professionals. There are, of course, many in the Secretariat who are ready to rise to these new challenges. But we should recognize that we are at a crossroads.

We should ensure that the process of renewal, which will soon be engaged in the Secretariat, is one which will serve the CONTRACTING PARTIES well over the coming years. To make this process effective, we must make sure that we are offering remuneration and conditions of service which will both attract, and keep, high quality personnel. From a number of conversations I have had over the past year, I am concerned that we are not providing such conditions at the present time.

The GATT has always had a relatively small but efficient and competent Secretariat. In my view, we should continue with that tradition. But we must be prepared to pay the necessary price for efficiency and competence.
We cannot expect to deal with this matter here at our Forty-Sixth Session. Indeed, as an official step, I shall only suggest that the CONTRACTING PARTIES take note of my remarks today and that the Council take up this matter in the new year. But in the very near future, that is in the next few months, we must -- as individual contracting parties -- come to grips with this serious problem, irrespective of any eventual restructuring of the GATT or the founding of a successor organization.

If we do not act, there will not be a wholesale desertion by GATT professionals in the near future; but one-by-one, many of them can be expected to leave the Secretariat for jobs offering more reasonable salaries and pensions -- unless, as CONTRACTING PARTIES, we collectively do something about this situation -- and soon.

Vacancy notices will continue to draw candidates in the future; but the most qualified applicants are likely to stay with the Secretariat for only a few years to gain experience (and perhaps to get some mention about GATT on their job resumes) before heading elsewhere.

If this happens -- and it is my sincere belief that this is precisely the path along which we are now proceeding -- our successors in delegations and our own governments will look back and blame us for having failed to perceive the signals and for not having acted in time.

I ask each of you in your personal capacity to reflect on my remarks; and as the CONTRACTING PARTIES, I hope that you will agree with me that the Council should take up this matter in the new year and take note of my remarks here today.