

The report on the organization of the Secretariat deals with the division of the Secretariat into departments; the supply of information concerning the work of the United Nations; the recruitment and promotion of staff; the rights and obligations of the staff (as to which provisional staff regulations were adopted); problems of taxation; the classification, salaries, and allowances of the staff; duration and termination of appointments; and retirement benefits.

On some of these questions the Assembly contented itself with presenting suggestions for the consideration of the Secretary-General; on others it issued instructions. In one form or the other, the general principles regarding the Secretariat of the United Nations laid down in Article 100 of the Charter were filled out into a series of workable administrative arrangements, full account being taken of the experience of the League of Nations and the International Labour Organization.

Taxation Equalization

Of these various matters, the most controversial proved to be that of taxation equalization.

The Assembly accepted the general principle that "exemption from national taxation for salaries and allowances paid by the Organization is indispensable to the achievement of equality among its members and equity among its personnel." It was clear, however, from statements made by the representatives of the United States of America that no promise of such tax exemption could be held out in that country—where the headquarters of the Organization were to be and which would therefore supply a large proportion of the officials—unless and until Congress should so decide. To remedy resulting inequalities of treatment among the personnel, the Assembly agreed that, pending the necessary action to be taken by members to exempt from national taxation the salaries and allowances paid out of the budget of the Organization, the Secretary-General was authorized to reimburse staff members required to pay such taxes.

A proposal that an amount corresponding to the sums deducted should be added to the contribution due to the United Nations by the taxing member was watered down into an instruction to the Secretary-General "to explore with the member concerned methods of ensuring as soon as possible the application of the principle of equality among all members."

In the Committee discussion the New Zealand representative drew attention to the fact that the Government of the United Kingdom, as provisional host of the League of Nations in 1919 and 1920, the Swiss Government as permanent host of the League of Nations and the I.L.O., and the Canadian Government as the wartime host of the I.L.O., had all accorded tax exemption. He expressed the hope that the United Nations would not retreat from decisions taken up by earlier institutions, and made a formal reservation (which is reproduced in the Rapporteur's report) that the decision to authorize the Secretary-General to compensate taxed officials is not to be regarded as a permanent commitment.