



ORGANISATION DU TRAITÉ DE L'ATLANTIQUE NORD
~~NORTH ATLANTIC TREATY ORGANIZATION~~

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To: Permanent Representatives
From: Secretary General

PROPOSALS REGARDING SALARIES, ALLOWANCES
AND SOCIAL SECURITY COVER IN BELGIUM

Earlier this year, the Council agreed on provisions to compensate staff members who might lose their jobs as a result of the relocation of SHAPE and the Council, in order to retain their services until such time as the Organization was in a position to release them. Now that the decision has been taken to relocate the Council in Brussels and with the imminent departure of SHAPE to Gasteau, it has become imperative that the Organization should be in a position to make known the conditions of employment which will be offered to staff members who are invited to follow the Organization to the new headquarters areas.

2. This problem is urgent, particularly in the case of SHAPE which is scheduled to start moving on 15th March, 1967 and whose first advance parties are likely to be established in Belgium from 1st January, and also to alleviate in general some of the uncertainties of members of the civilian staffs in both headquarters.

3. The proposals which I now place before you for salaries and allowances and social security in Belgium are made in an attempt to offer sufficient inducement to staff members to uproot themselves and to accept new contracts.

4. First, with regard to salaries and allowances, it must be remembered that the personnel concerned were recruited to work in Paris at Paris rates of pay; the Organization is now asking them to move to another country in different circumstances. In my opinion, the salary scale established for Belgium by the Co-ordinated Organizations is unsatisfactory. A study undertaken on my instructions has demonstrated that these salaries compare rather unfavourably with those applied by the European Economic Community in Brussels. In the recommendations of the 31st Report of the Co-ordinating Committee of Government Budget Experts

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dealing with the 1964 Salary Review the intention to align salaries with those of the EEC was stated(1). Therefore, I have developed proposals to adjust salaries to be used by NATO in Belgium. By the end of the month, complete salary scales will be available which, while retaining the structure of emoluments established for the Co-ordinated Organizations, give remuneration comparable to that offered by the EEC, taking account of the different statutes and structures of the two Organizations. I am convinced that this is the correct solution; in addition, it would be difficult to explain to the staff emoluments at a lower level than those offered in the same locality by another international organization consisting exclusively of countries which are also members of NATO. Furthermore, it will be appreciated that for a number of staff the move to Brussels represents a considerable extra financial burden due to the facts that they have to break letting contracts, they will be faced by a problem of families split between Brussels and Paris and that in all cases extra costs will be incurred because of the move. To cover these and similar special expenses, it is necessary to introduce ad hoc arrangements to meet these cases.

5. As concerns social security, the proposal which I am presenting provides for cover for sickness, invalidity and life insurance by one comprehensive system. While this was originally conceived with the object of ensuring equality of treatment for all staff members, irrespective of the country in which they serve, it has now become necessary that the system should be put into effect without delay for the following reasons:

- (a) a study has shown that such a system will not only be better suited to the needs of the Organization as a whole but is likely to be more economic from a budgetary point of view;
- (b) because of the impending moves to Belgium where the application to NATO staff of the present Belgian Social Security schemes would be difficult;
- (c) the need to give notice of cessation of adherence to certain national Social Security schemes in sufficient time.

It should be noted, however, that its success depends upon the co-operation of member countries in a number of provisions for their nationals. A detailed inventory of the proposed cover and estimated cost will also be available by the end of this month.

6. In conclusion, therefore, Permanent Representatives are invited:

- (1) in view of the special circumstances arising out of the decision to relocate NATO bodies, to instruct the Budget Committees to consider

(1) PO/65/288 approved by Council decision C-R(65)25

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detailed proposals for new salary scales in Belgium to be established on a comparable level with those paid in the European Economic Community;

- (2) to ask the Budget Committees to study the need for certain special allowances to overcome difficulties connected with installation;
- (3) to take note that for those elements of the Organization to be established in Belgium immediate steps will have to be taken to provide cover for sickness, invalidity and life insurance;
- (4) to accept the principle that social security cover should be provided by a comprehensive insurance policy, with a view to its extension to the whole Organization, and to ask the Budget Committees to study detailed proposals;
- (5) to note that in order to implement this system certain decisions must be taken by member countries with regard to their nationals.

(Signed) Manlio BROSIO