Nations salary, allowance and benefits system was based on a survey conducted in 1949, the General Assembly decided that this system should be reviewed to determine the adjustments which should be made in it as a result of experience since the system became effective in 1951.

The Salary Review Committee consisted of experts from the following eleven countries: Argentina, Denmark, Egypt, France, India, Japan, New Zealand, Switzerland, the United Kingdom, U.S.S.R. and the United States. (It is to be noted that at the time of naming this Committee neither Japan nor Switzerland was a member of the United Nations; Japan has since become a member). The resolution establishing this Committee invited the co-operation of the Specialized Agencies in the review to be undertaken and instructed that they be supplied with copies of the Committee's report. The United Nations, WHO, ILO, UNESCO, FAO, ICAO and WMO had, with some variations, a "common system" of salaries and allowances, and New York was the base location for the common system scales which were introduced in 1951.

Those organizations which use the "common system", group their staffs in three broad categories: (1) officers of high rank, for whom no common pay scales have been set; (2) those in the professional category and in the director group, for whom common base pay scales exist irrespective of the office in which they work; and (3) those in clerical, secretarial, custodial and similar posts who are mainly recruited locally and whose pay scales are based on the best prevailing rates for comparable jobs in outside employment in their locality. The Salary Review Committee made an exhaustive study of the many complex problems involved and made a comprehensive report. The report included such matters as the background of the present systems, the concepts of an international civil service and a common system, general principles affecting the recruitment and retention of staff, the organization and the classification of staff, base pay scales, future adjustments of salaries, dependency allowances, other benefits, the reconciliation of conditions of service under different programmes, and the machinery for dealing with various pay and personnel problems.

The Salary Review Committee then recommended that the base for the common system should be Geneva rather than New York, and that the scale of salaries being recommended be regarded as those appropriate for staff at Geneva on January 1, 1956. One reason for recommending the shift of the base to Geneva was because the cost of living there is lower than in New York; and having the latter city as a base meant (since it is in a relatively high cost-of-living area) that the adjusting of salary scales from the New York base to meet the lower costs in other areas would require minus adjustments. It therefore seemed better to select a low-cost area for base rates and then adjust to higher cost areas by "plus" adjustments, than to have a high-cost area for base rates and then be obliged to make "minus" adjustments for other places. With Geneva as the base area, the resulting changes in recommended basic pay rates for Geneva varied from nil in the lower categories to a maximum increase of only \$700 per annum in the highest common base scale rates; for New York, recommended increases varied from \$80 to \$1,400 in the highest category using the basic scale. The report of the Salary Review Committee was studied by the