

## FINANCIAL ADMINISTRATION

19. The following items of the Commission's Agenda were referred to the Committee on Administration and Finance for consideration:

Examination of Audited Financial Statements for 1985

Appointment of an External Auditor

Review of Budget for 1986

Draft Budget for 1987 and Forecast Budget for 1988

Study of Salaries and Related Allowances for Professional Staff.

20. In addition, the Chairman drew attention to Article XIX, 3 of the Convention which requires that five years after the entry into force of the Convention, the financial contributions to the Commission shall be determined on the basis of two criteria: the amount harvested by Members and equal sharing among all Members of the Commission. As the five year period ends in April 1987, it was agreed that this matter should also be discussed by the Standing Committee.

21. The Commission received the Executive Secretary's Report of the Meeting of the Standing Committee on Administration and Finance (Annex D).

Examination of Audited Financial Statements for 1985

22. The Commission signified its acceptance of the financial statements for 1985.

Appointment of an External Auditor

23. The Auditor-General for Australia was re-appointed as the Commission's external auditor to carry out audits of the Financial Statements for 1986 and 1987.

Review of the Budget for 1986

24. The Commission noted the forecast results of income and expenditure for 1986.

## Budget for 1987 and Forecast Budget for 1988

25. The Commission noted that the Budget had been presented in a form which readily distinguishes recurrent and non-recurrent expenditure and endorsed the continuation of this presentation for future budgets. In addition, it was agreed that the recurrent expenditure should provide the basis in future for determining the level of real growth from year to year.

26. The Executive Secretary drew attention to the item in the Scientific Committee's Budget concerning the proposal to contribute funds to the BIOMASS Program to support activities directly related to CCAMLR. This was the only item on which the Standing Committee had not reached agreement. The USSR Delegate held the view that the Commission's Financial Regulations do not allow for the allocation of funds to other organisations and there is, therefore, no legal basis for such direct payments.

27. After an explanation by the Chairman of the Scientific Committee, it was agreed that payments totalling no more than \$A10,000 could be made for direct participation of CCAMLR in the follow-up of the Workshops on Fish Ecology and Krill Physiology and Biochemistry (as regards krill age and growth), and in the preparations for a Workshop on Krill Acoustics. The detailed allocations and expenditure of the sum mentioned above will be decided by the Chairman of the Scientific Committee in consultation with the Secretariat.

28. The Commission adopted the budget as attached to the Executive Secretary's Report of the Meeting of the Standing Committee on Administration and Finance.

## Study of Salaries and Related Allowances for Professional Staff

29. As requested at the Fourth Meeting of the Commission, the Chairman of SCAF and the Executive Secretary presented for consideration at the fifth session, a report of a study of salaries and related allowances of the professional staff of the Commission (CCAMLR-V/6).

30. The Secretariat had distributed the Report well before the meeting as had been requested by the Commission. In addition, a number of background documents were distributed at the beginning of the Meeting as part of the study.

31. On the basis of the information presented, the Commission agreed that what required scrutiny was not the U.N. System as the basis of the Commission's pay and allowances structure, but U.N. levels at which the professional positions had originally been graded. While a number of

Members emphasised the importance of the principle that the Commission should be able to offer remuneration that will attract staff of high calibre internationally, it was also agreed that before seeking applications for future vacancies in the professional staff the Executive Secretary, in consultation with the Chairman of the Standing Committee of Administration and Finance, should carefully review and, if necessary, revise the job description of the position in question and the level at which that position had originally been graded.

32. The Executive Secretary was also asked to continue to consult with other organisations and agencies including the United Nations and the Australian Public Service Board, with a view to compiling additional information on comparability of grades and remuneration levels. It was agreed that the Committee should keep under review the salaries and allowances of the professional staff of the Commission.

#### Consideration of a New Formula for Calculating Members' Contributions in Accordance with Article XIX. 3 of the Convention

33. The Commission took note that the implementation of Article XIX. 3 of the Convention had proved a complex issue to which no long-term solution had been possible in the time available. It noted, however, that the five-year period prescribed by Article XIX. 3 ends on 7 April 1987. In order to implement Article XIX. 3 in the 1987 budget year, the Commission decided, on an interim basis only, and without prejudice to any future budgets or to the methodology to be applied for the determination of future budget contributions, that, to give effect to criteria specified in Article XIX. 3:

- a sum of \$A50,000 should be paid by the following harvesting Members:

USSR	\$A 40,000
Japan	\$A 9,000
Poland	\$A 1,000

- the balance of the total contributions for 1987 will be divided in equal shares amongst all Members of the Commission.

34. The Commission also agreed that, with the assistance of the Executive Secretary, the Chairman of SCAF should seek the views of all Commission Members with a view to circulating a paper not less than 60 days in advance of the Sixth Meeting of the Commission in the hope that this might encourage progress towards an acceptable and long-term formula for the future operation of Article XIX. 3. The paper would not seek to propose a single solution to the problems arising from

Article XIX. 3 but rather would present the various proposals put by the Commission Members, together with an illustration of the financial implications of each proposal.

35. The Commission noted that with regard to the 1987 Budget the total of Members' contributions, after deducting estimated credits, will be \$A666,084. The contributions, considering the interim formula specified above, are estimated to be as follows:

USSR	\$A 72,426
Japan \$A	41,426
Poland	\$A 33,426
Other Existing Members	\$A 32,426

36. The Chairman drew attention to the fact that at the conclusion of this meeting, New Zealand would complete its term of providing the Chairman of the Standing Committee on Administration and Finance. The Chairman of the Commission thanked the New Zealand delegate on behalf of the Commission for his efforts in guiding the discussions. The Commission was unanimous in supporting the Committee's proposal that India take over the position of Chairman of the Standing Committee on Administration and Finance for the period from the end of the Fifth Meeting until the conclusion of the Seventh Annual Meeting of the Commission.