

**ECONOMIC
AND
SOCIAL COUNCIL****CONSEIL
ECONOMIQUE
ET SOCIAL**

E/AC.15/3
10 October 1946
ENGLISH
ORIGINAL: FRENCH

SUMMARY RECORD OF THE THIRD MEETING OF THE SUB-COMMITTEE
ON THE FINANCES OF THE INTERNATIONAL REFUGEE ORGANIZATION

Held at Lake Success, New York, on 26 September 1946, at 10:30 A.M.

Present:

Chairman:	Sir G. S. Bajpai	(India)
	Mr. Riddell	(Canada)
	Mr. Yang	(China)
	Mr. Perrier	(France)
	Mr. Warren	(United States of America)
	Mr. Sen	(India)
	Mr. Colbjornsen	(Norway)
	Mr. Patino	(Peru)
	Sir George Rendel	(United Kingdom)
	Mr. Tepliakov	(U.S.S.R.)
	Mr. Mates	(Yugoslavia)

Secretariat:	Mr. Pickard	Refugees Division
	Miss Henderson	Bureau of Administrative Management and Budget

The CHAIRMAN called on Mr. TEPLIAKOV (U.S.S.R.), who protested against the inclusion, in Section 2 of the Operational Budget, Paragraph (a), Sub-Paragraphs (i) and (ii), of the words "Shanghai" and "Spain" and against the distinction made between Europe as a whole (i) and the countries listed in Sub-Paragraph (ii). He presumed that Sub-Paragraph (i) referred to Germany, Austria, and Italy.

Mr. WARREN (UNITED STATES OF AMERICA) agreed that the word "Europe" should be replaced by the words "Germany, Austria and Italy", and suggested that the two sub-paragraphs should be merged into one and that the word "Europe" should be retained.

Sir Herbert EMERSON, Director-General of the Inter-governmental Committee on Refugees, said that the persons in question were genuine victims of Nazi persecution. They took refuge in Spain and Portugal before the war and during the occupation of France. The Inter-governmental Committee on Refugees had already succeeded in assisting a considerable number of them to return to Germany and Austria, or to find permanent sanctuary in other countries. These persons therefore came within the jurisdiction of the I.R.O. and were quite rightly in this section.

The same applied to certain refugees in France, in particular the 200,000 Spanish refugees who would be in a desperate position if the relief they were receiving at present were to cease. The same also applied to the refugees from Nazi occupation in France, Belgium, Spain, etc. He emphasized that the amount of the relief budgeted for was based on an allotment reduced to its minimum.

The CHAIRMAN said that the Sub-Committee now possessed a very clear statement on the categories of persons specified in sub-paragraphs (ii) and (iii).

The delegate for the U.S.S.R. expressed astonishment that refugees from Nazi or Fascist persecution could have found protection in Spain or in Japanese-occupied Shanghai. He proposed that this assistance be discontinued until an adequate explanation had been given.

Sir Herbert EMERSON explained that a large number of Jews fleeing from Germany had crossed the nearest frontier irregularly and then had only one course of action open to them, which was to go to Shanghai where no entry visa was required. Those refugees had not chosen their place of sanctuary, and it would therefore be unjust to penalize them because they were in one country rather than in another.

The delegate for the United States said that the important point was whether those persons had reached Shanghai before the Japanese occupation.

The delegate for the U.S.S.R. accepted this explanation, but reserved his attitude until certain necessary enquiries had been made by his

Government and he had received its instructions. His only wish was to distinguish between real refugees and others.

Mr. PERRIER (FRANCE) explained that in the case of refugees from France, for example, Spain was the only country where they could flee to, and they only went there in the hope of finding the necessary means of transport and visas to reach other countries.

The CHAIRMAN asked the delegation of the U.S.S.R. if it would be satisfied if the question of retaining or omitting the words "Spain" and "Shanghai" in the various sections of the budget were deferred for the time being.

The delegate for the U.S.S.R., referring to paragraph (b) Section 2: "training and retraining", thought that this policy was likely to dissuade refugees wishing to return to their country of origin from going back. The problem of their training and retraining was a matter for their own government and did not come within the powers of the I.R.O. He therefore asked that paragraph (b) be omitted from the Budget.

In reply to a question from the delegate for Canada, Miss GIBBONS, Assistant Director of UNRRA, explained that in spite of the limited funds at UNRRA's disposal for training and retraining, some assistance had been given to refugees in this way without prejudicing the solution of the problem of repatriation.

The delegate for France was of the same opinion as Miss Gibbons and Sir Herbert Emerson, and said that the use of this method of retraining in the French occupation zone of Germany had resulted in increasing appreciably the number of repatriates.

The CHAIRMAN put the amendment proposed by the U.S.S.R. delegate to the vote.

The amendment was defeated.

The delegate for the U.S.S.R. said that he was proposing to submit to the Secretariat certain suggestions concerning the administrative and operational budgets.

In reply to a number of remarks by the delegates for Norway, China and the United States, the CHAIRMAN explained that the I.R.O. retained the right to fix the salaries and allowances of its personnel. The budget was at the present time undergoing complete revision, and would be re-submitted to the Sub-Committee at a later meeting.

The CHAIRMAN proposed that they should now pass on to consider Article X in respect of which three draft amendments were submitted to the Sub-Committee (Documents E/169-E/170-E/171). He explained that the question at issue was who was to submit the annual budget to the consideration of the Executive Committee.

Mr. COLBJORNSEN (NORWAY) said that he withdrew the amendment proposed by his delegation and that he supported the text of the amendment proposed by the U.S.S.R. delegation.

The CHAIRMAN recalled that the Sub-Committee would seem to have already agreed that the budget should be submitted by the Director General. He pointed out that the budget as a whole had to be submitted to the Executive Committee, that the decision remained with the General Council, and that as regards the definition of the majority, this was defined at the end of paragraph 1 of Article X of the Draft Constitution.

The delegate of Norway made some comments on the proposals appearing in the amendment submitted by his Delegation. Following upon a suggestion by the delegate for Yugoslavia, the Chairman asked the members of the Sub-Committee whether they intended that administrative expenses should be financed by compulsory contributions of States members of the Organization.

The delegate for the U.S.S.R. said he did not absolutely insist on the word "compulsory".

Mr. MATES (YUGOSLAVIA) asked that it should be clearly stated that administrative expenses should be allocated according to the rules laid down by the Committee on Contributions.

The question of the scope of the Sub-Committee's terms of reference was raised at this point. Were members of the the Sub-Committee not exceed their terms of reference in discussing the amounts of the contributions?

... After a long discussion, in which the delegates for Yugoslavia, the United Kingdom, Norway, the United States and the U.S.S.R. took part, the members of the Sub-Committee agreed to a proposal by the Chairman who, after summarizing the discussion, suggested that they should now consider the Norwegian amendment.

Mr. WARREN (UNITED STATES OF AMERICA) said there was no connection between the scale of contributions to the United Nations Budget and the problem of the repatriation of refugees. The members of the Sub-Committee seemed to be agreed that this matter should be referred to the Committee on Contributions of the General Assembly. In reply to the delegate for Norway, he explained that this was not a decision but a recommendation by the Council.

In response to an observation by the delegate for Yugoslavia, the CHAIRMAN suggested that, as provided for in the Rules of Procedure, paragraph 8 of the U.S.S.R. proposal should be considered since it was the one furthest removed from the original text,

Sir George RENDEL (UNITED KINGDOM) said that the refugee problem was an international one, and that the Soviet proposal, that expenses connected with the repatriation of refugees should be met by the countries receiving them, ran the risk of making the problem insoluble.

The delegate for Norway pointed out that his proposal offered a compromise likely to ensure a reasonable distribution of the expenses amongst all nations. Labour was in great demand at the present time, and it was therefore just that the countries obtaining such workers should contribute to the expenses of their repatriation and retraining. He maintained the terms of his proposal and said that unless the views stated therein were taken into account, he would be compelled to abstain from voting.

The delegate for the United States recalled that the Committee on Contributions had to take all relevant factors into consideration, and repeated that this was a problem of contributions. He agreed, however,

with the delegate for Norway that if the budget was too heavy for the I.R.O. . it ought to be reduced to more reasonable proportions so that the largest possible number of countries should be in a position to contribute to its funds.

The delegate for the U.S.S.R. said that his country was prepared to take its share in financing the administrative and operational budget but he considered it essential that:

(a) the countries benefiting from an accession of labour in the form of re-settlement of refugees should take their share in the expenses involved.

(b) the cost of transport between Germany and the countries of final destination of the refugees should be borne by Germany.

The delegate for Yugoslavia thought that the expenses of retraining did not represent an excessive burden, and in any case were provided for in a section of the Budget.

The delegate for the United Kingdom remarked that the reparations demanded from Germany were already rather high, and that if this figure went on increasing it was clear that **Germany** would never be in a position to pay her debts.

This view was not shared by the delegate for the U.S.S.R. who added that his country, which had already repatriated seven million of its nationals, was prepared to guarantee the expenses necessary for the repatriation of Soviet citizens still in Germany.

By way of comment on an argument advanced by Mr. Patino (Peru) Mr. Riddell (Canada) pointed out that the receiving countries would not benefit immediately from the accession of refugee labour, but, on the contrary, would at first have to bear the expenses involved in retraining and professional re-classification. In any case the I.R.O. should not be prevented from bearing a share of these expenses.

The CHAIRMAN proposed that paragraph 8 of the Russian proposal should be divided into two parts.

The first part was put to the vote.

This amendment was defeated by five votes to two.

The second part of the same amendment was put to the vote and was defeated by three votes to two.

The delegate of Yugoslavia proposed that the Norwegian proposal be voted on, but the delegate of Norway explained that the proposals contained in his amendment should rather be regarded as suggestions.

The meeting rose at 1:10 P.M.
