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Chairman: Brigadier-General Carlos P. ROMULO (Philippines).

Budget estimates for the financial year 1953:
(a) Budget estimates prepared by the Secretary-General (A/2125 and Add.1, A/C.5/500);
(b) Reports of the Advisory Committee on Administrative and Budgetary Questions (A/2157, A/C.5/499) (*continued*)

[Item 42]*

General discussion (*continued*)

1. Mr. HOLGUIN DE LAVALLE (Peru) congratulated the Secretary-General and his associates who had prepared the budget estimates (A/2125 and Add.1), and also the Advisory Committee on Administrative and Budgetary Questions, whose most exhaustive report (A/2157) would greatly assist the Committee in its work. His own Government, in drawing up its national budget, was animated by the desire to effect the utmost economy; and in the same way the United Nations should curtail its expenditure to the fullest extent consistent with its importance and authority.

2. While it appeared essential to continue the information work of the United Nations at its existing level, it should nevertheless not be overlooked that the Organization's prestige rested more on its achievements than on the publicity given to its various activities.

3. With regard to technical assistance, it would be wise not to exercise too much severity in examining the budget estimates, in view of the growing number of requests for assistance reaching the Technical Assistance Administration. The Peruvian delegation accepted the explanatory remarks on that subject made

* Indicates the item number on the agenda of the General Assembly.

by the Secretary-General in his statement the previous day. He himself intended to speak on certain items as they came up for discussion.

4. Mr. WILEY (United States of America) congratulated the Committee on its excellent choice of Chairman and thanked the Advisory Committee and the Board of Auditors for their work during the year. He was pleased to note that the Secretary-General had agreed with most of the reductions recommended by the Advisory Committee; he would revert in the course of the discussion to certain of the Secretary-General's counter-proposals.

5. The United Nations should be an example of efficiency, economy and simplicity to national administrations. That being so, it seemed unnecessary to maintain the Organization's existing large automobile fleet when the city of New York offered such adequate transport facilities.

6. He had been surprised to note on examining the Advisory Committee's report that the total estimated expenditure for 1953 amounted to more than \$300,000,000, although the United Nations budget in the strict sense of the term amounted to only \$47,700,000. While he recognized the importance of the work done by the specialized agencies and by various other organs such as the Technical Assistance Administration, the United Nations International Children's Emergency Fund and the United Nations Relief and Works Agency for Palestine Refugees in the Near East, he still felt that the General Assembly, which in a sense represented the taxpayers of all Member States, should exercise a restraining influence in order to prevent any inordinate inflation of the United Nations budget and thus of the budgets of all its associated bodies. It might be said that the amount of

\$300,000,000 was insignificant in comparison with the budgets of the great Powers. It was nevertheless true that the inhabitants of every country of the world, and those of the State of Wisconsin, which he represented in the United States Congress, resented the waste of a single dollar, although they would accept the heaviest sacrifices in the interests of the maintenance of peace among nations, resistance to aggression and assistance to under-developed countries. Furthermore, the programmes carried out by the various organs connected with the United Nations would cease to be international if the great Powers were virtually alone in bearing the burden of support, owing to the inordinate rise in the cost of their operation.

7. He was convinced that the Committee could have confidence in the Secretary-General, who had pledged himself to do everything possible to effect economies and increase the efficiency of the Secretariat. On the other hand, every new project should be subjected to the closest scrutiny and the Secretary-General should be asked to ensure that any essential new work was kept within the bounds of the funds and staff available. To avoid any misunderstanding, he wished to stress that his delegation would in future as in the past support any project of undoubted international merit and would do everything in its power to advance the cause of peace to which the United Nations was dedicated.

8. Lord CALDECOTE (United Kingdom) paid tribute to all those whose labours had brought the work on the Headquarters buildings to completion, and not least to the Secretary-General and his staff. The United Nations had by far the largest budget of any of the international organizations. There was no doubt that the responsibility for administering such large sums placed a heavy burden on the shoulders of the Secretary-General whose duty it was to ensure maximum efficiency and economy in the use of the funds placed at his disposal. At a time when many governments were obliged to call upon their peoples for heavy financial sacrifices, it was essential that the United Nations should stabilize its budget by overhauling its administration, putting first things first and improving the efficiency of its methods of operation.

9. The United Kingdom delegation had hoped that the benefits resulting from the reorganization of the Secretariat would have been reflected in the 1953 estimates; and that economies might have been effected in public information activities without any impairment of their general objectives. It had to be taken into account, however, that the pattern of United Nations activity was affected by the development of world events, and that accordingly there were certain sections of the budget which could not be accurately estimated in advance. Moreover, with respect to staffing and maintenance costs, the installation of the Organization in its permanent Headquarters was still too recent for the Secretary-General to have gained the necessary experience.

10. The United Kingdom delegation, although gratified to note that the increase in the 1953 budget estimates over the 1952 budget was smaller than the increase in 1952 over 1951, still felt that rather more could perhaps have been done to ensure the effective stabilization of the budget. It was therefore with the liveliest interest that it had received the proposals cir-

culated within the past few days by the Secretary-General on the reorganization of the Secretariat (A/2214). In addition, the United Kingdom Government believed that economies in the information services were still possible, and fully approved the specific reductions in the estimates which the Advisory Committee had recommended. Furthermore, in view of the enormous sums spent on the new permanent Headquarters and the need to secure their most economical use, it was essential that as many bodies as possible should hold their meetings at New York; and the high cost involved in transferring whole sections of the Secretariat overseas made it undesirable that particular United Nations bodies should meet away from Headquarters too frequently.

11. The United Kingdom delegation believed that further economies could be effected under two other headings. In the first place, the regional economic commissions might, with advantage, concentrate their resources on a smaller number of well-chosen fields of activity, because multiplication of activities involved a danger that arrears might accumulate, that work being done at Headquarters might be duplicated and that undue expenditure might be required for liaison and co-ordination. The United Kingdom Government would therefore not be prepared to support any increase in allocations to regional economic commissions if it appeared that the expenditure would be dissipated in that way. Lastly, although he recognized the usefulness of official documents and working papers, he felt that the United Nations would save much time and expense by selection and compression in the compilation of papers and by the strict avoidance of repetition of quotations and reduplication of documentary material already in existence. Moreover, the standards in publications used by the Organization were higher than those maintained by the majority of member Governments in their domestic administration.

12. In conclusion, he appealed to the Governments of the countries represented in the Committee to make the Secretary-General's task easier by reducing the pressure on him. Of the Secretary-General he asked that he should be ruthless in the preparation of the United Nations budget estimates, and hoped that he might come forward with fresh proposals tending to a further reduction in the burden of the budget.

13. Mr. JOUBLANC RIVAS (Mexico) offered his congratulations to the Chairman, Vice-Chairman and Rapporteur of the Committee. He would confine himself for the moment to a few general observations on the budget estimates for 1953, and would speak in more detail on certain specific items when the Committee came to examine the relevant sections.

14. The Mexican Government, like many other countries, was pursuing a policy of economy. Mexico had initiated a tremendous programme of development, and the construction of highways, hydro-electric stations, schools and railways absorbed the greater part of the national income. One dollar represented the daily wage of two building workers in Mexico; hence the Mexican delegation could not help noting with some concern that the aggregate budget estimates for 1953 reached the not inconsiderable total of \$300,000,000. Although certain items of expenditure were non-recurrent (the United Nations Special Committee on the Balkans, the United

Nations Commissioner in Libya, the United Nations Commissioner in Eritrea) the sums requested were still too high, particularly when it was borne in mind that an amount of some \$3,000,000 in respect of anticipated supplementary estimates would also have to be met by Member States. The Mexican delegation also reserved its right to protest at the appropriate time against the apportionment of contributions among Member States laid down by the Committee on Contributions.

15. He regretfully noted that, despite the provisions of General Assembly resolution 239 (III) requesting Member States to exempt their nationals employed by the United Nations from national income tax, the United States continued to levy national income tax on United States nationals employed by the Organization. The United Nations was thus obliged to reimburse those staff members for sums expended on that account. Between 1946 and 1952, expenditure under that head had amounted to about \$7,000,000. In 1952, it had exceeded \$1,000,000. Thus, more than 3 per cent of the Organization's budget went to this unjustifiable item of expenditure. The Mexican delegation fully shared the Advisory Committee's opinion (A/2157, para. 49), that exemption from national income tax was indispensable.

16. The Mexican Government felt, moreover, that the appropriations requested for staff salaries represented an excessively high proportion of the total budget; and in addition to base salaries there were various allowances, travel expenses and common staff costs to be considered. He intended to revert to that question later, and would confine himself for the moment to suggesting that the United Nations should fix the salary scales for personnel employed outside the United States in relation to the purchasing power of the dollar in the country concerned. The increase in the budget estimates for 1953 had been attributed partly to automatic salary increases. That might be so, but in certain cases there was an excess of staff: for example, the United Nations no longer required the services of seventeen chauffeurs now that it was established in its permanent Headquarters. Furthermore, considerable savings could be effected if the allocations for certain items (such as travel expenses, Parkway Village apartments, international school subsidy) were carefully reviewed. In addition, economy demanded that United Nations bodies should not be authorized to meet away from Headquarters unless the Governments of the host countries agreed to defray the additional expenditure entailed.

17. He would be grateful if the Secretary-General would submit fuller information on the Working Capital Fund. It was regrettable, moreover, that the budget estimates for 1953 and the report of the Advisory Committee had been transmitted to his Government only a short time before the opening of the General Assembly's session; in future could not the Secretary-General give Governments more time, so that they could study those very important documents with the attention they deserved? In conclusion, his delegation intended to support all proposals designed to reduce the Organization's expenses and stabilize its budget, without however impairing the efficiency of its operation.

18. Mr. PSCOLKA (Czechoslovakia) emphasized that his delegation had always attached great importance at all sessions of the Assembly to a thorough and detailed examination of the United Nations budget estimates. That offered the means of supervising not only the activities of the United Nations but also the use and distribution of those activities during the financial year to which the estimates related. In the course of that examination, it was necessary first of all to check the funds requested against the activities for which the money was intended. There was, however, another aspect of the budget which should be taken into account: the funds were provided out of contributions from Member States, and for some of them their contribution entailed considerable economic and financial sacrifice—which, however, they made deliberately in order to enable the United Nations to achieve its objectives.

19. The Czechoslovak delegation noted that every observation it had made with regard to the budget estimates for 1952 applied to the budget estimates for 1953. The estimates under consideration were no more in accord with the real activities of the United Nations than the previous estimates had been; yet it had to be noted, as the Advisory Committee had already noted, that expenditure still tended to increase. That perpetual upward trend in the United Nations budget was as alarming as it was dangerous and it could not in any way be justified. True, some flexibility was necessary in budget estimates, but that flexibility should not work only in one direction, solely to justify increases in expenditure. It was time to give serious consideration to the problem of stabilizing the budget. In that connexion, the USSR representative's proposal in 1951 to establish a ceiling of \$35,000,000 for the expenditure of the United Nations might well be taken up.¹

20. In addition, he emphasized that the long years of experience which now lay behind the Organization and its Secretariat should enable them to achieve better results in their work, to make less use of temporary consultants and to make a substantial reduction in the costs of administration.

21. On behalf of his delegation he reserved the right to submit certain proposals aimed at economy during the first and second readings of the budget. For the time being, he would confine himself to saying that the Czechoslovak Government could not endorse certain items of expenditure connected with United Nations organs whose activities were incompatible with the purposes of the Charter.

22. Mr. HSIA (China) wished to lay particular stress on the stabilization of the budget. It was clear that expenditure still tended to rise. However, some increase was natural, particularly in expenditure for staff because of rises in salaries. An increase of \$1,000,000 for that same item might be anticipated as a result of the approval of the cost-of-living allowance. Expenditure under other headings had increased by about 1 or 2 per cent. Once it was conceded that those increases were inevitable, discussion was pointless. The Advisory Committee had dealt with that problem very concisely in paragraph 9 of its report, in which it had made a number of suggestions which, if carried

¹ See *Official Records of the General Assembly, Sixth Session, Fifth Committee*, 286th meeting, paragraph 32.

out, would make it possible to secure a stabilized budget. In view of those facts, the Committee could not ask either the Secretary-General or the Advisory Committee to solve the problem in its stead but must assume its responsibilities. He therefore proposed that at the close of the session the Committee should take one or two meetings to consider whether or not it was possible to secure a stabilized budget, and, if so, what would be the most suitable means to achieve that objective.

23. The CHAIRMAN proposed that as the list of speakers was exhausted the general debate should be adjourned.

It was so decided.

First reading (continued)

SECTION 9. TECHNICAL ASSISTANCE ADMINISTRATION ;

SECTIONS 27, 28 AND 29. TECHNICAL PROGRAMMES

24. The CHAIRMAN proposed that the Committee should begin the first reading of section 9 (Technical Assistance Administration) and drew attention to paragraphs 126 to 143 of the Advisory Committee's report (A/2157). He thought the Committee's work would be facilitated if it dealt at the same time with sections 27, 28 and 29 (Technical programmes). Resolution 594 (VI) of the General Assembly provided that "the administrative part of the technical assistance programme financed by voluntary contributions and executed by the United Nations shall be subject to the same scrutiny on the part of the Advisory Committee on Administrative and Budgetary Questions as that applied to expenses proposed under the regular budget". That was why the 1953 estimates for section 9 covered the total administrative expenditures, regardless of the origin of funds. The Advisory Committee recommended that the appropriations requested in sections 9, 27, 28 and 29 should be approved, but thought that the estimate for total administrative expenditures (\$1,639,000) was too high and should be reduced to \$1,389,000, the amount of the reduction (\$250,000) to be available for operational expenses.

25. He invited the Chairman of the Advisory Committee to make such further observations on that subject as he deemed appropriate.

26. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) reminded the Committee that the budget for the technical assistance programme represented the equivalent of more than one-fifth of the regular budget of the United Nations, and that the problem of co-ordinating the very varied activities covered by the programme presented serious difficulties, which had not always been solved in the best possible way.

27. The Advisory Committee's opinion (A/2157, para. 134) that the organic structure of TAA appeared to reflect "a tendency towards the establishment of a central administrative and reviewing machinery disproportionate in size to the volume of field operations" was based on the fact that, assuming a programme of about \$10 million during 1953, administrative and other central costs would constitute 16 per cent of total expenditure.

28. The Advisory Committee had also referred to a certain tendency towards an excess of paper work. That reference seemed warranted by the text of the budget estimates, which stated that in 1953 the Reports Division would be required to process 2,400 monthly and 240 final reports. It was doubtless necessary for staff on missions to send in reports, but TAA should consider whether the automatic transmission of periodic reports was actually necessary.

29. The machinery utilized for the review of requests for technical assistance, under which requests were eventually approved at a meeting of Directors, seemed to have given rise to duplication, by stimulating all persons attending the meeting to examine and criticize each request. That resulted in a dispersion of responsibility, of which the Department of Economic Affairs and the Department of Social Affairs afforded an example. While recommendations made by those Departments on certain projects should be regarded as final, TAA took no decision before calling further meetings and making further reviews.

30. The Advisory Committee also considered that TAA did not make sufficient use of the secretariats of the regional economic commissions, which were often in a position to pass judgment on the merits of proposals. In addition, fuller use should be made of existing facilities for technical assistance purposes. The possible centralization in a given city of all activities of the United Nations and the specialized agencies relating to technical assistance also merited consideration.

31. To sum up, the Advisory Committee thought that it was absolutely essential to avoid establishing a faulty structure and needlessly costly procedures which it would subsequently be very difficult to change. In particular, special attention should be devoted to the reduction of administrative activities so that the largest possible amount of funds should be made available for carrying out the programme; and technical assistance operations should be co-ordinated with other activities of the United Nations.

32. Having made those few remarks he wished to emphasize the Advisory Committee's high regard for the ability the Director-General of TAA had shown in carrying out the tremendous task entrusted to him.

33. Mr. KEENLEYSIDE (Director-General of the Technical Assistance Administration) said that subject to the reservation made by the Secretary-General at the previous meeting (A/C.5/500)—namely, that the reduction of \$250,000 should constitute a goal to be striven after and not a categorical obligation—he accepted the Advisory Committee's recommendations and undertook to do everything within his power to carry them into effect. However, although it seemed possible to approach that objective, he doubted whether it could ever be achieved in full. Furthermore, account would be taken as far as possible of the comments appearing in paragraphs 134 and 135 of the Advisory Committee's report.

34. The duty incumbent on TAA to see that the financial burden on the taxpayers was not increased and to ensure that not a single dollar was spent unnecessarily might result in delays in carrying out the technical assistance programme; but in the long run recipient as well as donor governments would profit from the rigid scrutiny of all requests.

35. The cost of carrying out the programme was steadily increasing. It had risen from \$2,880,000 in 1951 (actual expenditure) to \$6,000,000 in 1952 (estimates) and to approximately \$10,000,000 in 1953 (estimates); and yet TAA had asked for the establishment at Headquarters of only twenty new posts, none of which were above the rank of First Officer. If those estimates proved inadequate, the Committee would doubtless agree to consider any request for additional funds, the reasons for which would be given at the proper time.

36. In view of the observations contained in the Advisory Committee's report, he wished to describe to the Committee some of the special problems facing his administration, which would partly explain some of those observations. Administrative expenses accounted for only 7.3 per cent of the total expenditure. It was only by adding the other indirect operational costs (which were not administrative costs) that the figure of 18 per cent was reached. In view of the nature of TAA's operations that result was encouraging. The programme of operations had the following characteristics: (a) the considerable emphasis placed on the fellowship and scholarship programme. The administrative costs for a fellow, as was known, were relatively much higher than the corresponding expenses for an expert; (b) the size of the training programme for public administration. In that field TAA was working under the instructions of the General Assembly and the Economic and Social Council, and could not limit its activities unless it received further directives; (c) the great variety of its activities as compared with the specialized activities of other agencies; (d) the high cost of recruitment. The average duration of a mission for a TAA expert was seven months, whereas in the case of the other specialized agencies, the duration of a mission was usually two years. Yet the cost of recruitment was the same in both cases.

37. In accordance with the Advisory Committee's views, TAA would attempt to simplify its organization, and would take steps to avoid recruiting personnel any earlier than was strictly necessary. In that connexion it should be pointed out, however, that TAA had experienced great difficulty in obtaining the staff it needed to ensure that projects were carried out without considerable delay.

38. If a tendency towards an excess of paper work had been noted, that was because the technical assistance programme had aroused universal interest. A comparison of the mail received by the whole Secretariat and by TAA showed that TAA received eight times as many letters per staff member as did the rest of the Secretariat. Moreover, in 1952 TAA would have received approximately 2,600 reports from mission staff members and about 3,000 reports from fellows, all of which had to be reviewed. In addition, in accordance with decisions of the General Assembly, the Economic and Social Council, the Technical Assistance Board and other agencies, TAA had to draft a considerable number of periodic reports and to supply information for the drafting of other reports or for other reasons. Lastly, under the new arrangement TAA had to supply TAB with detailed information on each project it undertook.

39. TAA was studying means by which the excess of paper work could be reduced, but the amount of such work it had to do was not entirely within its own control.

40. TAA would re-examine its organization in the light of the Advisory Committee's remarks, and hoped it would be able to achieve prompt results, especially as regards the question raised in paragraph 135 of the Advisory Committee's report. TAA would do everything in its power to achieve the objective recommended with regard to administrative costs.

41. Lord CALDECOTE (United Kingdom) proposed that the Committee should accept the statement of the Director-General of the TAA and should not fix a maximum figure for administrative costs. In any event, if the appropriations placed at the disposal of TAA were insufficient, the Director-General could be sure that the Committee would consider any supplementary requirements for technical assistance with the greatest goodwill.

42. Mr. RODRIGUEZ FABREGAT (Uruguay) said that he had been unable to take part in the general debate, as he had not had time to complete his study of the essential documents, which had reached him too late. He had, however, examined with great care the Advisory Committee's recommendations on the budget of TAA. The criticisms which appeared in the Advisory Committee's report were not unfounded, and should receive the careful consideration of TAA; and indeed the Director-General had just stated that he would give them the closest attention. With all due consideration to those facts, it should not be forgotten that the United Nations technical assistance programme—one of the most important achievements of the United Nations and perhaps of the present century—was still only in its beginnings; it was still too new to allow any judgment of its real needs or possibilities. It would therefore be dangerous at the present stage to reduce by an arbitrary amount the appropriations considered necessary for the operation of the programme. It would be wiser to run the risk of incurring some expenditure that might possibly have been avoided—which had not been proved—than to cripple or seriously hamper the implementation of a programme on which rested so many hopes for a better future for mankind.

43. He was quite confident that the Director-General of TAA would use the funds placed at his disposal with the greatest care, and would like to know whether he thought the increase in administrative costs a phenomenon peculiar to the current year or whether it was likely to recur. The Uruguayan delegation would support the appropriations requested and would oppose the Advisory Committee's recommendation for a reduction of administrative costs.

44. Mr. GANEM (France) said that from the budgetary point of view there was no difficulty or dispute—the Advisory Committee had accepted the Secretary-General's proposal regarding the budget of the TAA. There remained, however, a constitutional question to be settled, to which the Advisory Committee had referred discreetly at the end of paragraph 132 of its report—the question of control of technical assistance funds. At the present time the use of such funds, which amounted to a large sum, was left entirely to the discretion of the technical assistance services of the United

Nations and the specialized agencies, without any governmental control. There existed theoretical control, but in reality technical assistance budgets were dependent in substance on the high conscientiousness of the heads of the organizations represented in TAB. That was a temporary arrangement which might, if absolutely necessary, be continued in 1953, but it was not a sound one and must not become permanent.

45. The reduction of \$250,000 recommended by the Advisory Committee was merely an expression of opinion. The French delegation was in agreement with it, but had full confidence on that point in the Director-General of TAA.

46. Technical assistance was one of the most important achievements of the United Nations. France would take part in it to the extent of its limited means. That, however, was no reason why the traditional methods of parliamentary control should not be respected. He hoped that TAB—which in the future would benefit from the great abilities of its Executive Chairman, Mr. Owen—TAC and the Secretary-General would study means by which the technical assistance budget could be given stable constitutional foundations.

47. Mr. ISNOR (Canada) said that after reading the paragraphs of the Advisory Committee's report referring to the budget of TAA he had been tempted to vote for the reduction of \$250,000 recommended by the Committee. However, after hearing the statement which the Director-General of the TAA had just made he was ready to leave him entire discretion to use technical assistance funds as he saw fit. It was very difficult to gauge the needs and results of a programme of such scope after only two years of work. He would therefore put his trust in the Director-General of TAA and would support the appropriations requested in full.

48. The CHAIRMAN said that Mr. Keenleyside's assurances seemed to have satisfied the members of the Committee. If that was so, the discussion on the budget of the TAA might be closed and the appropriations recommended in sections 9, 27, 28 and 29 be approved subject to the Advisory Committee's observations.

49. Mr. FRIIS (Denmark) wished to know whether better co-ordination between the various organizations taking part in the Expanded Programme of Technical Assistance had been achieved in recruitment, and also asked the reason why the office for recruitment of experts had been set up in Paris and not at the Geneva Office. He agreed with the Advisory Committee as regards administrative costs, which should be reduced for the benefit of operational costs, and he supported the French representative's views on the control of technical assistance funds.

50. Mr. BRENNAN (Australia) felt that there was very little difference between the views of the Director-General of the Technical Assistance Administration and the Advisory Committee. The Committee did not recommend a reduction in the volume of technical assistance made available through TAA; on the contrary, by suggesting a reduction in administrative costs it was endeavouring to increase the funds available for operations. The Director-General of TAA had just made a very interesting statement on the Administration's work and the problems confronting it. It would be useful to know whether administrative costs were in direct

proportion to operational expenditure and varied directly with the latter.

51. As regards the excess of paper work referred to in the Advisory Committee's report, he wondered whether the Director-General could say whether governments were partly responsible for it by requesting too many reports, and whether the transmission of information to governments might perhaps be simplified without detriment to its adequacy and accuracy. The Director-General of TAA seemed to have been speaking in particular of the volume of correspondence relating to technical assistance, while in Mr. Brennan's opinion, the Advisory Committee had been referring more especially to the great number of reports which TAA received from its experts or officials and forwarded to governments. Lastly, he wondered how far the statement made by the Director-General of TAA met the Advisory Committee's views.

52. Mr. LIVERAN (Israel) asked the Chairman to explain how he intended to ask the Committee to express its opinion on the budget of TAA and the Advisory Committee's observations, including the recommendation that administrative costs should be decreased by \$250,000.

53. The CHAIRMAN replied that the Committee could vote on the appropriations requested for TAA and note the assurances given by the Director-General of that Administration in reply to the Advisory Committee's observations regarding administrative costs.

54. Mr. LIVERAN (Israel) said that his delegation noted with concern that the appropriations for TAA might be reduced on the pretext of effecting economies in administrative costs. If it was often difficult to distinguish clearly between administrative costs and operational costs, it was practically impossible to do so in the case of technical assistance. In the public administration programme, for example, what work came under administration and what under operation? Again, was the representative of TAA in a given country part of the administration of the programme or part of its operation? It was the same in many spheres of the work of TAA. Care should be taken not to jeopardize the operation of the programme by adopting a recommendation which might be interpreted as necessitating a reduction in necessary operational costs.

55. In Israel, a country which had received technical assistance since its inception and which was beginning to participate in it as a donor country, there had been no waste in carrying out the programme. In fact, the stringent administrative economies effected often compelled governments to pay such a large proportion of the administrative costs that they were unable to benefit fully from the assistance they received. An increase in that tendency might militate against the desired objective. His delegation therefore opposed any recommendation that appropriations for TAA should be reduced.

56. Mr. FENAUX (Belgium) wished to hear the reply of the Chairman of the Advisory Committee to the Australian representative's questions before the discussion was continued. The Committee had to reach a decision on section 9 of the budget and on the views expressed in paragraph 137 of the Advisory Committee's report. The question was whether those views were or were not to be met by a reduction of a given amount

in that part of the technical assistance budget which was applied to administrative expenses.

57. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) replied first to questions asked by the Australian representative. In the Advisory Committee's opinion, the excess of paper work was due to the huge number of reports drawn up by TAA. Mr. Keenleyside had tried to explain that proliferation of documents. On the other hand he had virtually agreed with all the Advisory Committee's recommendations, although he had considered that they were too harsh. He had, however, promised to bear them in mind as far as possible.

58. As regards the reduction of \$250,000, there was no question of reducing the total appropriation, as paragraph 138 of the Advisory Committee's report clearly stated.

59. In brief, no difficulty had arisen in connexion with the regular budget of TAA. The Advisory Committee accepted the proposed figures, and if the Fifth Committee approved them subject to a reservation similar to that indicated by the Chairman, the Advisory Committee would be fully satisfied.

60. Mr. KEENLEYSIDE (Director-General of the Technical Assistance Administration), replying to the Uruguayan representative, said that it was impossible, since the future development of the technical assistance programme was not known, to say whether administrative costs would increase in the future. If the programme developed as it had during the past two years a certain increase in administrative expenditure would result.

61. Replying to the Danish representative, he stated that in view of the differences between the programmes undertaken by the United Nations and the specialized agencies there had not been any close co-operation between them as regards recruitment. They had, however, consulted one another in connexion with certain experts. In eighteen months, in 1950 and 1951, the Administration had recruited 138 experts; since 1 January 1952 it had recruited 312. That appreciable increase had been made possible by the assistance of the United Nations Bureau of Personnel.

62. The Administration had opened a recruiting office for experts at Paris in order to solve the material difficulties it had encountered in trying to recruit European experts from Headquarters, and also to improve the geographical distribution of the experts recruited.

Efforts were being made to solve the similar problem which existed in the case of Asian and Australasian countries.

63. In reply to the Australian representative, he stated that administrative costs were not exactly proportional to total expenditure. The Administration, it might be noted, did not wish the volume of correspondence it received to decrease, because it saw in that correspondence a proof of the interest taken in its programme. However, it would like governments to consider the possibility of asking for fewer reports. TAA had to devote so much effort, time and money to the preparation of reports because TAC, the Economic and Social Council and the General Assembly had expressly requested such reports. Nearly 40 per cent of the time of the staff of certain units in the Administration was devoted to the preparation of reports. That was too high a percentage, but the situation could not be remedied unless TAB found a way of reducing the number of reports requested by the organs and governments concerned.

64. The CHAIRMAN put the Advisory Committee's recommendations to the vote, section by section.

The Advisory Committee's recommendation for an appropriation of \$386,700 for section 9 was approved unanimously.

The Advisory Committee's recommendation for an appropriation of \$768,500 for section 27 was approved unanimously.

The Advisory Committee's recommendation for an appropriation of \$479,400 for section 28 was approved unanimously.

The Advisory Committee's recommendation for an appropriation of \$145,000 for section 29 was approved unanimously.

65. The CHAIRMAN suggested that the Committee should approve the Advisory Committee's recommendations, in view of the assurance given by the representative of the Secretary-General that he would try to reduce administrative costs and indirect operational costs to a figure lower than that requested in the original budget estimates, in order to allocate as large as possible a proportion of the amount of \$250,000 to meet expenses directly connected with operational activities.

It was so decided.

The meeting rose at 6.20 p.m.