



Thursday, 11 November 1954,  
at 10.50 a.m.

New York

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**Chairman: Mr. Pote SARASIN (Thailand).**

*In the absence of the Chairman, Mr. M. I. Botha (Union of South Africa), Vice-Chairman, took the Chair.*

**AGENDA ITEM 38**

**Budget estimates for the financial year 1955 (A/2647 and Add.1, A/2688, A/C.5/577, A/C.5/580, A/C.5/581, A/C.5/600) (continued)**

**First reading (continued)**

SECTION 26. TECHNICAL ASSISTANCE ADMINISTRATION; SECTION 27. ECONOMIC DEVELOPMENT; SECTION 28. SOCIAL ACTIVITIES; SECTION 29. PUBLIC ADMINISTRATION

1. The CHAIRMAN observed that the Committee was about to consider the sections of the budget which were concerned with the Technical Assistance Programmes, and that it would no doubt wish to examine them all together. The estimates in Part IX of the budget represented the total contributions made from the regular budget of the United Nations towards technical assistance activities organized in pursuance of General Assembly resolutions. Under General Assembly resolution 594 (VI) the administrative costs of Technical Assistance Programmes financed by voluntary contributions and executed by the United Nations were subject to the same scrutiny on the part of the Advisory Committee as that applied to expenses proposed under the regular budget. Section 26 of the budget, therefore, related to the total administrative expenditure incurred by the United Nations in the provision of technical assistance, regardless of the origin of the funds, as did also the Advisory Committee's comments. The Advisory Committee had expressed the hope (A/2688, paragraph 228) that it would be found possible to effect a further reduction of some \$30,000 in the administrative, as distinct from the operating expenses of the Technical Assistance Administration (TAA) during the coming year, and the Secretary-General had commented on that observation in his statement at the 435th meeting of the Fifth Committee in document A/C.5/580.

2. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) recalled that in his statement made at the 435th meeting in document A/C.5/581, he had referred to the Advisory Committee's suggestion that efforts should be made to achieve a reduction of \$30,000 in the

estimate of total administrative expenditure, which, financed both from the regular budget and from extra-budgetary sources, amounted to \$1,336,000. He recalled that the administrative costs of TAA had been reduced by \$100,000 during 1953 and that it was expected that during 1954 they would be reduced by no less than \$250,000 (A/2688, paragraph 223), and he renewed his tribute to the Director-General of TAA on that score. He reminded the Committee that the Advisory Committee's suggestion of a reduction of \$30,000 should be considered against the background of its separate report on the Expanded Programme of Technical Assistance (A/2661), which contained detailed observations on the optimum proportion of administrative to total expenditure.

3. The Committee would note from paragraph 229 of the Advisory Committee's second Report (A/2688) that it had concurred in the Secretary-General's proposal that a total of \$1,779,600 should be approved as a contribution from the regular budget towards the total administrative and operational expenses of United Nations technical assistance activities.

4. The Advisory Committee was well aware of the difficulties confronting TAA, as a result of the great diversity of fields in which it had to operate, some of which were not covered by the Department of Economic and Social Affairs, with the result that a certain amount of substantive support must necessarily be sought elsewhere. The Advisory Committee felt, however, that great care should be taken to avoid creating, in an essentially administrative organization, substantive services which might not be absolutely necessary. That, indeed, was the main reason why it had pressed for a merger of TAA with the Department of Economic and Social Affairs and it was glad to note the Secretary-General's recent statement that TAA would be maintained as a separate department for the time being only.

5. Finally, he recalled with entire satisfaction the Secretary-General's assurance to the Committee some weeks earlier that the Director-General of TAA would keep the situation constantly under review and would, if it were at all feasible, make further reductions in administrative expenditure.

6. Mr. KEENLEYSIDE (Director-General of the Technical Assistance Administration) expressed his appreciation of the generous references the Chairman of the Advisory Committee had made to the efforts of TAA to carry out the recommendations made at the eighth session by the Advisory Committee (A/2403) and the Fifth Committee (A/2622); he wished it to be known that the results achieved were largely due to the industry and untiring devotion of TAA's staff, especially those in the lower and middle grades, each of whom had willingly undertaken an additional work load.

7. Referring to paragraph 227 of the Advisory Committee's report, he wished to emphasize that there were

not within the Administration, nor had there ever been, substantive establishments dealing with matters within the province of the Department of Economic and Social Affairs. The Administration was wholly an operating management unit; if it was required to deal with matters for which there was no substantive section elsewhere in the Secretariat, it engaged consultants: no substantive posts were established.

8. With regard to paragraphs 222 and 226 of the Advisory Committee's report, he said that if the 1955 programme was to remain at the 1954 level, administrative costs would continue to absorb 18 per cent of total expenditure. He would point out, however, that some part of that percentage represented indirect operational expenditure; actual administrative costs amounted to considerably less than 18 per cent. It was hoped that as a result of studies being carried out by the Technical Assistance Board (TAB), and with the assistance of the Advisory Committee, a satisfactory definition of administrative costs would shortly be reached. He would also draw attention to the fact that TAA was the only agency required to reimburse income-tax deductions on behalf of United States nationals, an item of administrative cost amounting to \$100,000 per annum.

9. When the TAA had been set up in 1950 and 1951 to deal with the operational aspect of the United Nations Technical Assistance Programmes it had been generally expected that there would be a continued and marked annual increase in the size of the Expanded Programme. It had been suggested that sums ranging from \$50 million to \$100 million might be received from Governments annually. That had not been the case. In 1954, contributions had totalled some \$25 million, of which, after deductions had been made for the reserve fund and other purposes, less than \$20 million remained for operational use by TAA and the participating agencies. The original staffing arrangements of TAA had been founded in optimism with regard to future programmes. In 1953, however, a policy of retrenchment had been introduced and administrative expenditure had fallen by over \$100,000. At the eighth session the Advisory Committee had recommended that administrative expenditure should be reduced by \$50,000 (A/2403, paragraph 113). In fact, as a result of the contraction of the whole Programme and also of internal changes in the Administration whereby individual tasks and responsibilities were increased, a total saving of some \$250,000 had been achieved in the course of the year. In view of the severity of those reductions and of the hope that more money might become available in 1955 for operational use, he saw little prospect of being able to reduce administrative expenditure any further. Indeed, it was quite possible that there might be a small rise in such costs.

10. If the total Programme were to be increased to any large extent during 1955, the present staff would not be able to deal with it as efficiently as he would desire. Nevertheless, he could assure the Committee that there would be no corresponding increase in staff, and in any case administrative costs would decline in relation to total expenditure.

11. He expressed appreciation of the Advisory Committee's general approval of TAA's arrangements for 1955 and of its proposal that the total appropriation requested should be approved.

12. Mr. ASIROGLU (Turkey) paid a tribute to TAA's important work and noted with satisfaction that TAA had substantially reduced its administrative costs by reorganizing its secretariat.

13. Referring to the various important services that TAA rendered the under-developed countries, he said that at meetings of TAB, the Technical Assistance Committee (TAC) and the Economic and Social Council, many delegations had asked that more fellowships should be granted. It had been pointed out, however, that the number of fellowships granted in 1953 had been reduced as a result of financial difficulties. If the appropriation requested for 1955 was approved, he wondered whether TAA would be able to meet the requests to which he had referred without reducing other forms of technical assistance.

14. Mr. PACHACHI (Iraq) associated himself with the tributes paid to the Director-General of TAA and his assistants for the excellent work they had done. He noted that the reduction in administrative costs had been due in part to a reduction in the technical assistance programme, a fact which caused him concern and disappointment. He fully agreed with the Director-General of TAA that any increase in 1955 in the rise of the technical assistance programme would make it very difficult, if not impossible, to reduce administrative costs further. The Iraqi Government was confident that the Director-General would continue to administer TAA in the most efficient manner possible and it fully supported the estimates submitted for sections 26, 27, 28 and 29.

15. Mr. STRAUCH (Brazil) expressed the Brazilian Government's appreciation of the excellent work done by the Director-General of TAA and his assistants.

16. He was happy to note that the Advisory Committee supported the 1955 estimates submitted by the Secretary-General for sections 26, 27, 28 and 29. That did not mean, however, that all difficulties had been solved with regard to administrative costs. In that connexion, he drew particular attention to the Advisory Committee's comments on the Expanded Programme of Technical Assistance in its first report to the ninth session (A/2661, paragraphs 5 to 11) and reserved his right to comment further on the question when that report was discussed.

17. He shared the opinion expressed in paragraph 228 of the Advisory Committee's second report (A/2688) that as a first step a reduction of \$30,000 in the 1955 estimates for the TAA might reasonably be anticipated; he was confident that the Secretary-General and the Director-General of TAA would explore every possibility of achieving that economy. He felt that further reductions might be made in the staff of TAA as the result of the survey to be carried out by the Secretary-General and that economies resulting from such reductions might be used for the operational costs of technical assistance programmes.

18. While appreciating the position taken by the Secretary-General regarding the amalgamation of TAA with the Department of Economic and Social Affairs, he supported the Advisory Committee's opinion that the continued separation of TAA was of doubtful justification, particularly with a reorganized single Department of Economic and Social Affairs directing greater attention to problems connected with the economic and social development of less developed areas. He hoped



that by such amalgamation the technical assistance programme would be strengthened and expanded.

19. Lord FAIRFAX (United Kingdom) said that his delegation had been glad to see the Advisory Committee's appreciative comment on the Director-General's review of the staffing of TAA and the resulting reorganization of work and reduction of posts. He commended the Secretary-General and the Director-General of TAA on these changes, but looked forward to further reorganization through an early merger of TAA with the Department of Economic and Social Affairs. In this way only could wasteful expenditure arising from duplication of functions be eliminated.

20. The economies effected, however, still left the ratio of administrative to operational costs—assuming the same availability of funds for 1955 as for 1954—at approximately 18 per cent, which was certainly very high as compared with the maximum of 12 per cent which the Advisory Committee laid down as reasonable after its recent review of the administration of the Expanded Technical Assistance Programme. He noted the Director-General's statement that part of the 18 per cent should be classed as operational costs and he gathered that the definition of administrative costs was under active consideration. Should it be established that part of the so-called indirect operational costs was really fully operational, that would automatically reduce the figure of administrative costs, a step which his delegation would welcome. He recognized the difficulty of making any drastic reduction of administrative costs in a very short time but he hoped that the Secretary-General would find it possible to effect the economy of \$30,000 in administrative and indirect operational costs, suggested by the Advisory Committee, in view of the substantial assistance which TAA would receive from the Department of Economic and Social Affairs and the possibility of further reductions in staff.

21. Mr. JIMENEZ (Philippines) paid a tribute to the work done by the Director-General of TAA and expressed his delegation's appreciation of TAA's contribution to the economic development of the less-developed countries. It was gratifying to see that steps had been taken by TAA to reduce administrative costs but he agreed with the view expressed in paragraph 227 of the Advisory Committee's second report that a further scaling down of such costs would, if attempted within a very short period of time, present great difficulty.

22. He was happy to note that the Advisory Committee had recommended approval of the estimates submitted by the Secretary-General for sections 26, 27, 28 and 29.

23. Mr. VAN ASCH VAN WIJCK (Netherlands) emphasized the lively interest taken by his Government in the activities of TAA and expressed its appreciation of the work done by the Director-General of TAA in improving the organization of that body and effecting economies. He hoped that the Director-General would make an effort to achieve the saving of \$30,000 suggested by the Advisory Committee. While he felt that the eventual merger of TAA with the Department of Economic and Social Affairs might be the best solution, he supported the Secretary-General's position on that subject, in view of the considerable reorganization which had already taken place in TAA.

24. Mr. LIVERAN (Israel), speaking as the representative of a Member State which had first been a recipient country only but was now also assisting other countries in the matter of technical assistance, paid a tribute to the work done by TAA, its Director-General and his associates.

25. While, generally speaking, he welcomed the reductions made and felt that efforts should be made to effect further economies, he hoped that they would not lead to a curtailment of the technical assistance programme. Referring to the difficulty of defining exactly what was meant by administrative, operational and indirect operational costs, he could not support paragraph 228 of the Advisory Committee's second report, which, while not actually proposing a reduction, suggested that a further reduction of \$30,000 might reasonably be anticipated in the 1955 estimate.

26. As the Director-General of TAA had stated, there seemed to be some legitimate doubt whether the assumptions in paragraph 227 of the Advisory Committee's second report were justified. His delegation therefore found it difficult at the present stage to say whether or not administrative costs which were not clearly defined should or should not be taken into account in that particular context.

27. He felt that a further reduction based solely on existing circumstances might prove costly in the long run and he considered that the Advisory Committee had taken the right attitude in agreeing to the estimates submitted by the Secretary-General. The Director-General of TAA deserved the Fifth Committee's confidence with regard not only to the operation of the technical assistance programme, but to all the matters to which the Fifth Committee attached importance. His delegation would therefore vote for the Secretary-General's estimate.

28. Mr. SAPRU (India) expressed his appreciation of the valuable work done by TAA, its Director-General and his associates and pointed out that the technical assistance programme had given wide publicity to the United Nations in the less-developed countries.

29. He would welcome the proposed amalgamation of TAA with the Department of Economic and Social Affairs provided it led to a greater rationalization of work without contracting the technical assistance programme. Emphasizing the great importance the less-developed countries attached to the programme, he said that his delegation would vote for the appropriation requested by the Secretary-General.

30. Mr. HALL (United States of America) associated his delegation with previous speakers who had paid a tribute to the importance of the Technical Assistance Programme and to the work done by the Secretary-General and the Director-General of TAA in the administration of that programme.

31. He expressed his appreciation, too, of the efforts made by the Director-General to reduce administrative costs, which nevertheless continued to be a matter of concern to his delegation. He emphasized that a reduction in administrative costs benefited the programme in two ways: it made additional sums available for operational expenses and it was evidence of austere administration which created confidence in contributing Governments and made it easier for those who had to appear before legislative bodies to obtain funds and support for technical assistance programmes.

32. Mr. KOSTIC (Yugoslavia), emphasizing his Government's interest in the Technical Assistance Programme, associated his delegation with the tributes paid to TAA, its Director-General and his assistants and said that he would vote in favour of the appropriations requested by the Secretary-General.

33. Mr. ZARUBIN (Union of Soviet Socialist Republics) said that his delegation attached great importance to the Technical Assistance Programme and would vote in favour of the appropriations requested by the Secretary-General, on the understanding, however, that TAA would be reorganized and amalgamated with the Department of Economic and Social Affairs.

34. Mr. ESPAÑA (Bolivia), associating himself with the tributes paid to the work done by TAA, said that he would vote for the appropriations requested by the Secretary-General.

35. Mr. MONTERO BUSTAMANTE (Uruguay) expressed his Government's appreciation of the work done by TAA, its Director-General and his assistants. He noted that the Advisory Committee had agreed to the appropriations requested by the Secretary-General; indeed, any reduction in the funds allocated to technical assistance might hamper the development of that programme in the coming year.

36. Mr. BRAVO CARO (Mexico) congratulated the Director-General of TAA and his associates on the magnificent work they had done in the less-developed countries. His delegation would vote in favour of the appropriation requested by the Secretary-General.

37. Mr. KEENLEYSIDE (Director-General of the Technical Assistance Administration) expressed his deep appreciation of the many generous remarks which had been made about the work of his department.

38. In the current year expenditure on experts was running at approximately 70 per cent of the 1953 rate, while expenditure on fellowships and scholarships was approximately 55 per cent of the 1953 level. Those figures reflected the attitude of Governments towards the technical assistance programme and the specific requests which had been received. With the present emphasis on country programming, the administration's decisions on the amount to be expended for any particular type of assistance would be governed almost exclusively by the requests of Governments.

39. The United States representative had stressed the important fact that money spent on administration necessarily decreased the funds available for operational activities. TAA bore that aspect constantly in mind and he would be loath to see any increase in its administrative costs. On the other hand he would not welcome a further decrease in administrative expenditure for 1955, because he hoped that the forthcoming conference at which Governments would pledge their contributions to the Technical Assistance Programme would prove so successful that no further reduction of staff would be required. He estimated that, in 1954, TAA had had to reject or discourage three reasonable and well justified requests for assistance for every one request which it had approved. That fact was sufficient to explain why he hoped to see an increase in technical assistance funds.

40. With a view to avoiding any possible misapprehensions concerning the Secretary-General's personnel

policy in TAA, he noted that although the number of posts in his department had been reduced from 182 in 1953 to 135 in 1955, only three staff members had been terminated, the other reductions having been absorbed by the normal turnover of staff and by transfers to other departments of the United Nations or by assignments in the field.

41. In 1955, TAA would do its utmost to satisfy the requests of Governments for assistance, while maintaining administrative costs at as low a ratio as was consistent with the proper performance of its obligations.

42. The CHAIRMAN put to the vote the Advisory Committee's recommendation of an appropriation of \$386,700 for section 26.

*The recommendation was approved unanimously on first reading.*

43. The CHAIRMAN put to the vote the Advisory Committee's recommendation of an appropriation of \$479,400 for section 27.

*The recommendation was approved unanimously on first reading.*

44. The CHAIRMAN put to the vote the Advisory Committee's recommendation of an appropriation of \$768,500 for section 28.

*The recommendation was approved unanimously on first reading.*

45. The CHAIRMAN put to the vote the Advisory Committee's recommendation of an appropriation of \$145,000 for section 29.

*The recommendation was approved unanimously on first reading.*

#### SECTION 30. TRANSFER OF THE ASSETS OF THE LEAGUE OF NATIONS TO THE UNITED NATIONS

46. The CHAIRMAN pointed out that the Advisory Committee had recommended an appropriation of \$649,500 for section 30—the same figure as that submitted by the Secretary-General—to provide for the payment during 1955 of the fifth of fifteen equal annual instalments, in accordance with General Assembly resolution 250 (III).

*The recommendation was approved unanimously on first reading.*

#### SECTION 31. AMORTIZATION OF THE HEADQUARTERS CONSTRUCTION LOAN

47. The CHAIRMAN put to the vote the Advisory Committee's recommendation of an appropriation of \$2 million for section 31—the same figure as that submitted by the Secretary-General—to meet the fifth annual instalment in the payment of the interest-free loan of \$65 million advanced by the Government of the United States towards the construction of United Nations Headquarters.

*The recommendation was approved unanimously on first reading.*

#### SECTION 32. JOINT STAFF PENSION BOARD AND UNITED NATIONS STAFF PENSION COMMITTEE

48. The CHAIRMAN said that the Advisory Committee had recommended an appropriation of \$117,600 for section 32, the same figure as that proposed by the

Secretary-General. He pointed out that approximately two-thirds of that sum was reimbursable by the Joint Staff Pension Fund under the regulations of the Fund and had been included in the estimates for miscellaneous income.

49. Mr. HALL (United States of America) had noted with interest the Advisory Committee's comments in paragraph 237. He would not at that stage raise the question of a reduction in the membership of the Joint Staff Pension Board, although he thought its composition was larger than was absolutely necessary, but he hoped that the Secretary-General could submit proposals to the tenth session of the General Assembly for a reduction either in the frequency of sessions or in the membership of the Board. It might be appropriate if the Secretary-General undertook the necessary consultations with the specialized agencies at the staff level.

50. Mr. FRIIS (Denmark) said that his delegation, which at previous sessions had expressed its concern with that question, had noted the Advisory Committee's comments on the possibility of reducing the cost of the meetings of the Board. Nevertheless the General Assembly should not, and indeed could not, take a hasty decision in a matter which would require discussion and negotiation between the Secretary-General, the specialized agencies and the Board itself. The Fifth Committee should realize, however, that the expenses of the Board exceeded the amounts shown in the United Nations budget, which did not reflect the expenditure of the specialized agencies under that head.

51. He was prepared to reserve any decision in the matter until the tenth session of the General Assembly, but he would welcome some preliminary comment on the subject from the Secretary-General's representative.

52. Mr. ANDERSEN (Secretariat) drew attention to article XXII of the regulations of the Joint Staff Pension Fund,<sup>1</sup> which related to the Board and the Standing Committee. The question of reducing the costs of the Board raised the dual problem of the possibility of decreasing the number of its members and of restricting the number of its meetings. Every organization in the Fund, with the exception of the United Nations, had three members on the Board, representing the participants, the Governing Body and the administration. As United Nations participants constituted approximately one-half of the membership of the Fund, the United Nations had been granted three representatives in each category. After some consideration on a very informal basis, of the possibility of decreasing the number of representatives, it had been decided that such action would be unwise, in that it would destroy the balance which had been established and would give the other organizations a position *vis-à-vis* the United Nations, inconsistent with the number of participants they represented.

53. The Board met only once a year, having appointed a Standing Committee, in accordance with the second paragraph of article XXII, to act on its behalf. The Committee, which met at approximately three-monthly intervals to deal with current business, was not attended by any member from outside the North American continent and as a result travel costs were fairly

low. In an effort to economize, the Standing Committee also had limited agenda meetings which dealt with routine matters and in those cases the attendance of persons from outside the New York area was usually avoided.

54. It had been suggested that the Board might meet biannually. Although that arrangement would not have been feasible hitherto, in view of the volume of important substantive business which had had to be transacted, the Secretary-General's representatives on the Board were to raise the question at the forthcoming session in 1955. While he could not predict the outcome of the Board's deliberations, it appeared from informal consultations with the members at the 1954 session that the suggestion would receive sympathetic consideration. The Secretary-General would be prepared to report on the subject at the tenth session of the General Assembly and the report of the Joint Staff Pension Board would undoubtedly contain a reference to the matter. The comments of the Advisory Committee and the Fifth Committee on the subject would be given due attention at the forthcoming session of the Board.

55. Mr. FRIIS (Denmark) thanked the Secretary-General's representative for his clear explanation, which showed that the Secretary-General had been giving serious consideration to the matter.

56. The question of the Board's composition would obviously necessitate further study. The fact that his Government had voted for the existing arrangement would not preclude it from changing its position in the light of circumstances. It might well be argued that while at the organizational stage very full representation had been necessary, a smaller body might be sufficient now that various important questions of principle had been settled and a pattern of procedure established. In considering changes, some thought could be given to the possibility of voting by proxy, should the present figure of nine representatives of the United Nations be maintained.

57. The CHAIRMAN put to the vote the Advisory Committee's recommendation of an appropriation of \$117,600 for section 32.

*The recommendation was approved on first reading by 44 votes to none, with 1 abstention.*

### SECTION 33. THE INTERNATIONAL COURT OF JUSTICE

58. The CHAIRMAN pointed out that the Advisory Committee had recommended a reduction of \$164,150 in the appropriation requested by the Secretary-General for that section; \$162,150 of that sum related to the provision in the Secretary-General's estimate for the funding of the pensions of members of the Court. The Advisory Committee had objected to that item on the purely budgetary grounds that the proposal involved too heavy an outlay at a time when strenuous efforts were being made to reduce the general costs of the Organization. He recalled that, in his opening statement at the 435th meeting on the budget estimates (A/C.5/580), the Secretary-General had said that he would very much regret a decision to defer yet again the funding of members' pensions and had pointed out that a postponement of that operation would not be a saving and

<sup>1</sup> See *Official Records of the General Assembly, Seventh Session, Supplement No. 20, resolution 680 (VII), Annex.*



would not reduce the financial commitments of the Organization.

59. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) emphasized that the Advisory Committee's views were based on purely budgetary considerations. Since the continuance of the existing arrangement would in no way impair the rights of members of the Court and since the procedure in force was that which applied to the pensions of former Secretaries-General, the Advisory Committee had felt that the only point to be considered was whether or not the additional cost involved was justified at the present time. That was a matter for the Fifth Committee to decide. He would only draw attention to the fact that with the passage of time, as the number of retired members increased, the gap between the figures representing the existing and the proposed arrangements would necessarily narrow. In that connexion members of the Committee would note that the draft resolution relating to unforeseen and extraordinary expenses (A/2688, appendix II) included an item (VI) \$26,000 for the payment of judges' pensions.

60. Mr. LOPEZ OLIVAN (Registrar of the International Court of Justice) agreed with the Chairman of the Advisory Committee that the question of the funding of members' pensions was purely financial and must therefore be decided by the Fifth Committee. The position of the Court in that respect corresponded to the views expressed by the Secretary-General in his opening statement. He had no comment to make on the \$2,000 reduction the Advisory Committee proposed in chapter IV (A/2688, paragraph 245).

61. Mr. SAPRU (India) recalled that at the second part of the first session of the General Assembly, the Joint Fifth and Sixth Committee had recommended<sup>2</sup> a scheme for the funding of judges' pensions but that no action had been taken at that time. The purpose of such an operation was clearly that of stabilizing the annual charge on the budget. In view, however, of the present policy of strict economy, he felt that the fund should not be set up at the present time. He therefore moved the approval of the Advisory Committee's recommendations.

62. Mr. VAN ASCH VAN WIJCK (Netherlands) said that his country was very happy to house the International Court. He, too, thought that it would be preferable to postpone the establishment of a pension fund for members of the Court, for the continuance of the present arrangement could make no difference to the beneficiaries, while on the other hand they could be confident that the Organization would not fail in its obligations towards them. His delegation was therefore prepared to vote for the Advisory Committee's recommendations.

63. Mr. LIVERAN (Israel) said that his delegation had no objection to the Advisory Committee's recommendations but felt that the Fifth Committee should decide whether or not the solution suggested by the Joint Fifth and Sixth Committee in 1946 was the ideal one which should be kept in mind as the ultimate goal.

If so, it should be aware that the cost of launching the scheme would increase from year to year with each postponement and that it would take correspondingly longer to reach a state of normalcy. Otherwise, it might be worth considering alternative solutions.

64. Meanwhile, the existing arrangement offered members of the Court every guarantee.

65. Mr. HAMBRO (Norway) agreed with the representative of Israel that there was reason to doubt the wisdom of setting up a fund, in spite of the recommendations of the Joint Fifth and Sixth Committee at the first session. It was unusual, to say the least, to set up a fund where so few persons were concerned and it would be difficult to obtain an actuarial computation which would indicate the best methods for meeting the Organization's financial obligations in that respect. The Registrar of the International Court might perhaps, at the next session, give the Committee the benefit of his experience; in the meanwhile, the wisest course would be to continue the present arrangement.

66. The CHAIRMAN put to the vote the Advisory Committee's recommendation of an appropriation of \$600,450 for section 33.

*The recommendation was approved on first reading by 44 votes to none, with 2 abstentions.*

#### SECTION 34. GLOBAL REDUCTION IN RESPECT OF UPGRADING OF ESTABLISHED POSTS

67. The CHAIRMAN said that in paragraphs 31 and 32 of its report (A/2688) the Advisory Committee had stated that the number of upgradings proposed in the 1955 estimates was somewhat high and it had accordingly recommended a global reduction of \$3,000 on established posts, the amount to be applied at the discretion of the Secretary-General. In his statement to the Fifth Committee (A/C.5/580), the Secretary-General had said that while he did not contest the inclusion in the budget of a new section envisaging a reduction of \$3,000 in the funds appropriated for established posts, he would ask for the Committee's understanding that in agreeing to the recommendation he would in no way be hampered in deciding, in the light of particular organizational requirements, on a suitable level for particular posts, within the limits proposed in the estimates. He had added that in any case, compared with 1954, the reorganization scheme provided not only for a reduction in the total number of posts but did not contemplate any increase in the number of posts at any given level in any Headquarters Department.

68. Mr. HALL (United States of America) supported the Advisory Committee's recommendation, because he was concerned about the gradual upward trend in United Nations salaries. The necessity for upgradings should be covered by the normal within-grade promotions and the promotion of staff to posts which fell vacant.

69. Mr. CAFIERO (Argentina) wondered where the Secretary-General proposed to apply the reduction recommended by the Advisory Committee. The analysis of upgradings in the 1955 manning tables, given in paragraph 32 of the Advisory Committee's second report, showed proposed reclassifications of established posts in the Headquarters Departments, the European Office, the Economic Commission for Latin America and the International Court of Justice. If the Secretary-

<sup>2</sup> See *Official Records of the General Assembly, Second part of first session, Joint Fifth and Sixth Committee, Annex, A/217*.

General proposed to apply any of the reduction recommended by the Advisory Committee to the Economic Commission for Latin America, the Argentine delegation would vote against the proposal.

70. Mr. ZARUBIN (Union of Soviet Socialist Republics) fully endorsed the United States representative's comments and would support the Advisory Committee's recommendation.

71. Mr. ANDERSEN (Secretariat) could not give any information on how the reduction would be distributed. The Secretary-General intended to review the proposed upgradings in the light of the comments of the Advisory Committee and the Fifth Committee. He assumed, however, that the Fifth Committee accepted the Secretary-General's understanding that in applying the reduction he would in no way be hampered in deciding on a suitable level for particular posts.

72. Mr. GANEM (France) said that he had full confidence in the Secretary-General's judgment and was sure that he would apply the reduction wisely. He would therefore support the Advisory Committee's proposal.

73. The CHAIRMAN put to the vote the recommendation of the Advisory Committee that a new section 34 should be included in the 1955 estimates,

to provide for a global reduction of \$3,000 in respect of upgradings of established posts.

*The recommendation was approved unanimously on first reading.*

74. The CHAIRMAN said that the Fifth Committee should postpone consideration of section 5 until the necessary documentation was available. As soon as the views of the Advisory Committee on the question of the use of the staff assessment were received, the Fifth Committee should proceed to consider the question of miscellaneous income.

75. Lord FAIRFAX (United Kingdom) said that his delegation intended to submit a proposal concerning accounting procedure which would involve small consequential adjustments in certain expenditure sections of the budget. To ensure sufficient time for the Committee to consider the question of miscellaneous income, he would request that the item should be taken up as soon as possible after the first reading of the expenditure sections of the budget had been concluded.

76. In reply to Mr. HALL (United States of America), Mr. ANDERSEN (Secretariat) said that the Secretary-General intended to submit to the Fifth Committee a report on the Visitors' Service but that to his knowledge no report had been requested on the operations of the Gift Centre.

The meeting rose at 1.5 p.m.