

# GENERAL ASSEMBLY

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Chairman: Sir Claude COREA (Ceylon).

## AGENDA ITEM 44

Budget estimates for the financial year 1959 (A/3825 and Corr.1, A/3860, A/3933, A/C.5/741, A/C.5/748, A/C.5/749, A/C.5/L.514) (continued)

General discussion (continued)

1. Mr. YOGASUNDRAM (Ceylon) referred to the importance of the United Nations budget to under-developed countries like Ceylon. While the United Nations had to fulfil its responsibilities, its expenditures had reached an alarming figure and the Committee had the difficult task of combining maximum economy with maximum efficiency. It was therefore essential to continue the present procedure of budget review. The Chairman of the Advisory Committee on Administrative and Budgetary Questions had said that the Advisory Committee "must be realistic" and "must not work in a vacuum" (A/C.5/749, para.10); that was an observation which could also be applied at every stage of the examination of the budget.

2. Although it was true that the United Nations budget was increasing at a disturbing rate, that was not too surprising. For the last ten years the cost of living had been steadily rising and national budgets had shown a similar tendency, even apart from defence expenditures. Some delegations had pointed out that the budget estimates for 1959 (A/3825 and Corr.1) were 30 per cent higher than for 1958; however, the two years were not really comparable since a large number of new programmes had been initiated; so far as recurrent expenditure was concerned, the increase was reasonable. His delegation was, of course, not indifferent to the growing financial burden, but it felt that the evil had to be attacked at its roots. There would be no point in making reductions in the budget which would later require the presentation of supplementary estimates; the main thing was to see that the estimated expenditure in the regular budget was covered by the funds made available at the beginning of the financial year, and that supplementary estimates were limited to expenditure dealing with the maintenance of peace

and security. The Ceylonese delegation would support any proposal to that effect.

3. As to the Japanese representative's suggestion (658th meeting), some of its aspects were not entirely within the Fifth Committee's competence in so far as the activities to be curtailed or eliminated depended on other bodies, but a specific proposal on the subject would be valuable, for it would be a source of regular savings.

4. Mr. ALWAN (Iraq) noted that the 1959 budget estimates were the largest the Fifth Committee had ever had to study. Member States had every reason to be concerned at having to support a total financial burden of approximately \$200 million. However, the increase was not wholly unexpected in view of the constant expansion of United Nations programmes and activities. His delegation was glad of that expansion, in particular where it related to the economic and social sphere; for example, it welcomed the creation of the Economic Commission for Africa, which, as the Secretary-General had said (A/C.5/748, para.9), repaired a gap in the existing network of regional economic activities. The inflation of expenditure was also due to the increase in the membership of the United Nations, but that was a welcome trend because it made the United Nations an increasingly real reflection of world opinion and strengthened the cause of peace and security. There was also the uptrend in the cost of equipment and services, but there was nothing the Secretary-General could do about that.

5. The Iraqi delegation had every confidence in the Secretary-General, who had prepared "tight" budget estimates and who constantly sought to improve the administration of the United Nations while exercising the maximum economy. Nevertheless, Member States would like to see a further reduction of expenditure through greater streamlining of the administration without interference with the normal growth of the United Nations; it should be noted that expenditure on the Secretariat accounted for approximately 75 per cent of total expenditures. The reductions recommended by the Advisory Committee were very small, for the reasons explained in paragraph 17 of its Chairman's statement (A/C.5/749), and his delegation approved them in the hope that the Secretary-General would not have to present supplementary estimates except for unforeseen and extraordinary expenses not covered by the regular budget. It would be imprudent to defer certain expenditures because, as the representative of Ireland had pointed out, that would lead to an unnecessary accumulation of expenditure and great confusion. The suggestion concerning the establishment of priorities was rather theoretical in view of the absence of criteria or standards for their classification; moreover, the Committee was not competent to deal with programmes and activities of other United Nations bodies. On that point he agreed with the representative of the United Arab Republic.

6. Mr. MANGASHA (Ethiopia) shared the concern of other delegations over the rise in expenses. The increase in 1959 over 1958 appeared to be due mainly to the efforts that had been made to maintain world peace and security. As that trend would in all probability continue, the General Assembly should establish a fair system for sharing the burden. It would hardly be wise to insist on all expenses relating to the maintenance of peace and security being accommodated within the regular budget of the United Nations; if the small under-developed countries which depended on the sale of primary commodities were asked to support such a heavy financial burden, the whole system of assessments and payment of contributions might collapse. Perhaps the proposed increase in the Working Capital Fund was, to some extent, a first sign of such a collapse. It was therefore absolutely necessary to keep requests for funds down to a reasonable level. While the maintenance of peace and security was the concern of all countries, it was, in virtue of Article 23 of the Charter, the primary responsibility of the great Powers and that should apply also in the matter of financial responsibility; on that aspect of the matter, some of the proposals that had been made were most interesting.

7. The Ethiopian delegation was somewhat apprehensive about the new form of the budget, which did not appear to offer any great advantages; it might be better to go back to the old presentation, at least in parts. His delegation shared the Advisory Committee's view concerning the organization of the administrative and financial services; inadequate co-ordination between those services was perhaps the main reason why the new form of the budget had not come up to expectations, and the changes proposed by the Advisory Committee would not involve the creation of any new post. Lastly, his delegation adhered to what it had said the year before concerning the amalgamation of the Technical Assistance Administration (TAA) and the Department of Economic and Social Affairs; on that score it was in complete agreement with the delegation of El Salvador.

8. Mr. PAREJA (Peru) associated himself with the representatives who had expressed concern at the increase in the budget of the United Nations and the resulting burden on Member States. Possibly the answer was that the budget-making procedures should be revised. Under public administrative law there were two recognized ways of preparing a budget. Some Governments began by estimating expenditure and then sought the necessary funds. That procedure was preferable in theory but it could have the practical disadvantage of failing to make an adequate distinction between necessary and unnecessary expenses; it might therefore result in the undue inflation of the budget. Peru had adopted the other method: the Budget Office fixed a maximum sum and the Government made its plans accordingly. Obviously that method was not wholly applicable to an international organization, and the Secretary-General himself had indicated that he had given up any idea of establishing a ceiling. Nevertheless, as a result of the constant increase in the budget, Member States were finding themselves in a more and more difficult position, and some of them could not meet their commitments in due time. Peru, for example, had still not been able to find enough dollars to pay the whole of its 1958 contribution.

9. In order to deal with those difficulties, the United Nations could adopt the following measures: firstly, it

could classify its various activities according to their urgency and importance. The proposal of the representative of France (661st meeting) for the inclusion in the agenda of the fourteenth session of an item on the establishment of priorities should therefore be given special attention. Secondly, in order to counteract the bureaucratic tendency pointed out by a number of representatives, more flexibility should be introduced in the administration of the staff, and the creation of new posts should be reduced to the minimum. Lastly, he recommended strict control of the Organization's finances and the adoption of a new system of budget administration which would permit the transfer of funds from one section to another. Savings could be realized in a number of spheres, and travel costs, in particular, could be reduced. Such measures should make it possible to do away with the unhealthy practice of requesting supplementary appropriations for sections of the regular budget.

10. There were other expenditures which constituted a heavy burden on the budgets of the small nations. For example, appropriations for the United Nations Emergency Force (UNEF) now amounted to almost half of each Member's contribution to the regular budget of the United Nations. It might be better to distribute such costs according to other criteria and to let them be borne by the States directly interested in the existence of UNEF. He therefore approved the Cuban delegation's proposal that UNEF's budget should be supplied by voluntary contributions.

11. The Secretary-General was asking for an increase in the Working Capital Fund (A/C.5/743). That was a vicious circle, for the increase would only magnify the financial burden of Member States which already found it difficult to meet their obligations. He therefore suggested that the proposed increase should be spread out over three years and, if possible kept down to \$1 million per year.

12. In general, he agreed that the budget estimates had been prepared with the greatest care, so that the difference between the appropriations requested by the Secretary-General and those recommended by the Advisory Committee was very small. His delegation would vote, with a few exceptions, for all the Advisory Committee's recommendations, but it would oppose the amalgamation of TAA and the Department of Economic and Social Affairs, because the autonomy of TAA was of capital importance to the under-developed countries, and particularly to those of Latin America, and because the emergency system had given good results, all of which accounted for the lack of support in the Fifth Committee for the similar proposal made the year before.

### First reading (continued)

#### SECTION 11. GENERAL EXPENSES (A/3825 AND CORR. 1, A/3860)

13. Mr. TISHCHENKO (Ukrainian Soviet Socialist Republic) confirmed the position taken by his delegation in the general discussion, and proposed that the appropriation under section 11 requested by the Secretary-General should be reduced by \$287,000, or, in other words, restored to the level of the 1958 appropriation.

14. Mr. TURNER (Controller) pointed out that, together with the supplementary appropriation, the total appropriation for the 1958 financial year amounted to

\$5,444,300, or approximately \$90,000 more than the appropriation requested in the present estimates.

The proposal of the representative of the Ukrainian Soviet Socialist Republic was rejected by 42 votes to 7, with 2 abstentions.

The Advisory Committee's recommendation (A/3860, para.180) for an appropriation of \$5,325,000 under section 11 was approved on first reading by 47 votes to 7.

#### SECTION 12. PRINTING, STATIONERY AND LIBRARY SUPPLIES (A/3825 AND CORR.1, A/3860, A/3933, A/C.5/741)

15. Mr. URQUIDI (Mexico) drew attention to paragraph 189 of the Advisory Committee's report, where it was stated that efforts to place more contracts in Mexico for Spanish printing had suffered a setback as a result of the 1957 earthquake in that country. Actually, the earthquake had not been responsible for interrupting the work and the Mexican Government would welcome action by the Secretariat to expand its programme of Spanish printing in Mexico, the more so as that would mean a substantial saving for the United Nations.

16. Mr. CZARKOWSKI (Poland) observed that the cost of printing was very high in the United States of America, and asked whether more of the work could not be done in other countries.

17. Mr. EVANS (Secretariat) said that there had been a steady increase, year by year, in the amount of United Nations printing for which contracts were placed outside the United States of America. In 1957, for the first time, more than 50 per cent of the Organization's expenditure on contractual printing had been effected in other countries.

18. In reply to a question by Mr. MANGASHA (Ethiopia), Mr. EVANS (Secretariat) explained that the estimated value of the publications produced internally by the Secretariat's own means was not taken into account in that percentage.

19. Mr. URABE (Japan) wished to know whether the Advisory Committee was prepared to present its observations on the control and limitation of documentation. In paragraph 187 of its report, the Advisory Committee had stated that it had decided to defer comment until such time as the Secretary-General and the Committee on the Control and Limitation of Documentation had submitted reports on the question. His delegation was not satisfied with the decision taken in the matter.

20. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee would give special attention to the question of the control and limitation of documentation when it reviewed the budget estimates for 1960.

The Advisory Committee's recommendation (A/3860, para. 193) for an appropriation of \$2,125,200 under section 12 was unanimously approved on first reading.

21. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee was following with the greatest interest the efforts of the Secretariat and the Publications Board to limit documentation.

#### SECTION 13. PERMANENT EQUIPMENT (A/3825 AND CORR.1, A/3860)

22. Mr. VAN ASCH VAN WIJCK (Netherlands) said he would vote for the appropriation recommended by the Advisory Committee on the understanding that the matter of the replacement of automatic air conditioning regulators and the improvement of lighting in the Palais des Nations would not be overlooked when the Advisory Committee examined the progress report it was to receive from the Secretary-General on the modernization plan.

The Advisory Committee's recommendation (A/3860, para.202) for an appropriation of \$465,000 under section 13 was unanimously approved on first reading.

The meeting rose at 12.5 p.m.