

# 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/C.5/748, A/C.5/749) (continued)**

**General discussion (continued)**

1. Mr. HICKENLOOPER (United States of America) said that although there was general agreement that the budget level was high, the United States delegation did not believe that it was too high, in view of the responsibilities that had been placed on the United Nations in recent years. By the same token, the increase forecast for 1959 was not excessive, in view of the activities which the United Nations would be expected to carry on in the coming year. Having said that, he had to caution that the budget level and the rate of increase had become such that the Secretary-General, the Advisory Committee on Administrative and Budgetary Questions and the Fifth Committee must exercise the greatest care to ensure that no unwise or unnecessary expenditures were incurred.

2. The United States delegation had full confidence in the Secretary-General and the Controller and it was certain that they would present no budget estimate that had not been most carefully prepared with a view to the greatest possible economy consistent with the efficient operation of the Organization. However, there was an Advisory Committee which spent many months in examining the estimates in order to provide the Fifth Committee with competent and objective recommendations. It was obvious that the Fifth Committee could not repeat that examination and should not spend its time in a detailed discussion of all the sections of the budget. It should, however, carefully examine the items as to which there was a difference between the views of the Secretary-General and the Advisory Committee. It should also give most serious consideration to the recommendations of the Advisory Committee and should support them, except in instances where the Secretary-General could make a clear and compelling case for his original estimates. It was the position of the United States delegation that the Advisory Committee, in recommending reductions, was not criticizing the judgement or administrative methods of the Secretary-General but was objectively appraising the same situation from another point of view and reaching a conclusion different from that of the Secretary-General.

3. His delegation was prepared, in general, to support the recommendations of the Advisory Committee in its report (A/3860). However, it retained an open mind and was prepared to hear any case which the Secretary-General might wish to put forward in defence of his estimates. At the 656th meeting the Secretary-General had asked for restoration of \$170,000 of the amount which the Advisory Committee had recommended to be cut (A/C.5/748, para. 25). With respect to the restoration of an amount of \$27,800, which the Advisory Committee had recommended (A/3860 para. 180) to be eliminated from section 11 (General expenses), the United States delegation at present agreed but still reserved its final position on that section. If it was decided that such a restoration was warranted, his delegation expected that every possible effort would be made to avoid supplementary estimates with respect to that section next year. A rise in prices should not automatically become a basis for a request for supplementary funds, since every effort should be made to carry out compensatory economies.

4. With respect to section 6 (Salaries and wages), the United States delegation felt that the recommendations of the Advisory Committee were justified. It was opposed to the establishment of twenty-one General Service posts; many of those posts might well be essential requirements for the existing regional economic commissions but it was necessary to look at the picture of the regional commissions and economic activities as a whole. In view of the fact that an economic commission was being established for Africa, it was necessary to go more slowly for the time being with respect to increasing the expenses of the other regional commissions, in order that the pace of growth in expenditure should be maintained within the financial capabilities of the Organization.

5. His delegation was not persuaded that the Advisory Committee's recommendations in respect of section 8 (A/3860, para. 53) should be rejected. The year before it had supported the request for restoration of a cut in the estimates for travel on official business, but in the present year it did not appear that the proposed cut would make impossible any travel which was really necessary. The Controller had informed the Fifth Committee (653rd meeting) that an attempt was being made to reach agreement with the specialized agencies on a modification of certain of the regulations at present in force with respect to travel: it was to be hoped that any agreement which was reached would make it possible to achieve additional economies. With respect to section 10, his delegation was prepared to withhold any judgement until it had heard the views of the High Commissioner himself. In the matter of the appropriation of \$2,000 proposed under section 1 for the payment of honoraria to the President and members of the Administrative Tribunal (A/3825, p. 5), the United States delegation was surprised that the

proposal had been made, in view of the decision arrived at by the Committee in 1957 on the matter of paying honoraria.<sup>1/</sup>

6. An increase in the level of the Working Capital Fund to \$30 million, as requested by the Secretary-General (A/C.5/743), would be fully justified. However, if the majority of the Fifth Committee believed that the resulting burden would be too great, the United States delegation would be prepared to concur in the Advisory Committee's recommendation to increase the level to \$25 million spread over two or three years (A/3939).

7. The special studies of particular areas of the Secretariat were highly useful and should be continued. The study that had been made of the Offices of the Controller and of Personnel was particularly important: it showed that the level of performance of the two Offices was high and that there was reason to compliment the responsible officials. However, there appeared to be an omission in the Advisory Committee's report. The year before, the United States delegation had placed great emphasis on the establishment in the Controller's office of a small management staff which would have as one of its principal functions the making of periodic surveys of overseas establishments and missions. It had appeared to be the Controller's intention to create such a unit, but there was no mention of it in the report. His delegation attached so much importance to the matter that it would be prepared to see the addition, if necessary, of several new posts in the Controller's office for that purpose.

8. With respect to the matter mentioned in paragraphs 256 to 258 and paragraph 295 of the Advisory Committee's report, the United States delegation, having observed the functioning of the United Nations from the outside, was led regretfully to differ with the view of the Secretary-General based on his personal experience, that the present arrangements were fully satisfactory. In the Secretary-General's opinion there was no justification for establishing a post for an official with senior status to assume over-all control of the Administrative and Financial Services. All were well aware of the exceptional abilities of the Secretary-General in the political and administrative spheres, but the combination of those two roles created too heavy a burden to be imposed on any one man, even one with the ability and devotion of the Secretary-General. The delegation of the United States therefore continued to believe that the centring of staff work on the administrative and financial services in a special senior post would be in the best interest of the United Nations. It was a matter, however, which was of course in the hands of the Secretary-General to decide.

9. Mr. SUOMELA (Finland), after congratulating the Secretary-General on the new simplified form of the budget estimates, which facilitated the work of the various delegations, observed that since his country had been admitted to the United Nations three years before, the budget had increased by 20 per cent. The Advisory Committee had recalled that in 1959 Member States would have to pay contributions totalling about \$200 million. It was thus more necessary than ever to avoid inessential expenses, and he agreed with the Secretary-General that particular attention should be

paid to the structure of the Secretariat services. He also supported the Advisory Committee's idea that an over-all study should be undertaken each year of one or two sections of the Secretariat and stated that his delegation was ready to support any reasonable proposals which would make it possible to rationalize the United Nations programmes of activities, on condition that such rationalization was not carried out at the expense of efficiency. The Secretariat must obviously be able to count on enough qualified staff to confront its many tasks.

10. Resolution 1096 (XI) provided that requests for additional appropriations for 1958 after the main budget estimates had been circulated to Member States should be limited to four specific categories of expenses; his delegation hoped that that measure would continue to be applied. It shared the view of the representative of Japan, who had stressed, at the previous meeting, the need to reduce additional requests in respect of items of the ordinary budget to a strict minimum. Other economies could be made by limiting documentation and drawing up a rational conference programme; he expressed satisfaction with the measures already taken in that field.

11. Generally speaking, the aim must be to combat by all possible means, and through concerted action by the different United Nations bodies and by delegations, the tendency of all international organizations to inflate their expenses without imperative reasons.

12. In conclusion, he expressed the hope that the Fifth Committee, together with the Secretary-General and the Advisory Committee, would examine the budget estimates for 1959 in a critical but positive spirit, so that the services could be improved and extended to a greater degree than expenses increased.

13. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions), replying to the United States representative, said that the Advisory Committee had not omitted to mention in its report the question of establishing a small group for review and inspection in the Office of the Controller. In that connexion he mentioned paragraphs 266 and 269 of the Advisory Committee's report and paragraph 45 of its report on the budget estimates for 1958<sup>2/</sup>, which was referred to in paragraph 269; he also referred to paragraph 14 of the report of the Rapporteur of the Fifth Committee to the General Assembly at the twelfth session.<sup>3/</sup> Although the Advisory Committee had not used the same terminology as the United States representative, it was nevertheless in complete agreement with him.

14. Replying to a question put by the representative of Canada at the previous meeting, regarding the last sentence of paragraph 13 of the Advisory Committee's report, he said that it was not within the Committee's competence to decide in what fields the General Assembly should review some of its older decisions and directives. The role of the Advisory Committee was to draw the attention of the Fifth Committee and the Assembly to that problem, but the Assembly and the Economic and Social Council could recommend the different organs under their authority to take the appropriate measures.

<sup>1/</sup> See Official Records of the General Assembly, Twelfth Session, Annexes, agenda item 41, document A/3766, para. 6.

<sup>2/</sup> Official Records of the General Assembly, Twelfth Session, Supplement No. 7.

<sup>3/</sup> Ibid., Annexes, agenda item 41, document A/3800.

15. Mr. BENDER (United States of America) thanked the Chairman of the Advisory Committee for the clarifications which he had just given. He noted that although the Advisory Committee's report referred to the functions of review and inspection, it did not specify that they would be fulfilled by a special "unit". He asked whether the Secretariat still intended to create such a unit.

16. Mr. TURNER (Controller) supported without reservation the remarks of the Chairman of the

Advisory Committee: neither the Advisory Committee nor the Secretariat had lost sight of the question mentioned by the United States representative. There was already a small team of officials in the Office of the Controller which had been dealing with review and inspection for several months and the Secretariat hoped ultimately to have a larger staff at its disposal for that purpose.

The meeting rose at 4.5 p.m.