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CONSEIL ECONOMIQUE ET SOCIAL

SUB-COMMITTEE ON THE FINANCES OF THE INTERNATIONAL REFUGEE ORGANIZATION

SUMMARY RECORD OF THE FIRST MEETING

Held at Lake Success, New York, on Tuesday, 24 September 1946, at 3:00 P.M.

Fresent:

Chairman: Sir G. S. Bajpai (India)

Mr. Riddell (Canada)
Mr. Yang (China)
Mr. Perier (France)
Mr. Kirpalani (India)
Mr. Colbjornsen (Norway)
Mr. Patino (Peru)
Mr. Topliakov (U.S.S.R.)

Mr. Pitblado (United Kingdom)
Mr. Warren (United States)
Mr. Mates (Yugoslavia)

Sir Herbert Emerson (Inter-governmental Committee on

Refugees)

Miss Gibbons (UNRRA)

Secretariat: Mr. Laugier (Assistant Secretary-General)

Sir Raphael Cilento (Director, Division of Refugees)

Mr. LAUGIER (ASSISTANT SECRETARY-GENERAL) opened the meeting in the absence of the Chairman of the Sub-Committee on Refugees and said that the first item on the agenda was the selection of the Chairman of the Sub-Committee on financial questions.

On the proposal of the United Kingdom representative who was supported by the delegates for Peru and the United States, Sir G. S. RAJPAI (INDIA) was elected unanimously.

After a discussion in which the delegates for Norway, Yugoslavia, United States and France took part, the CHAIRMAN decided to proceed to the consideration of Article 10 of the Draft Constitution for the I.R.O.

Mr. COLBJORNSEN (NORWAY) thought it would be very dangerous to appropriate a large operational budget to the new Organization; in his view, this would conflict with the voluntary nature of membership of the I.R.O. Article 10 should, he thought, be amended so as to induce nations to join the Organization and he proposed the insertion of a clause providing for approval of the budget by the General Assembly.

The Norwegian delegation also thought that the operational budget, together with a resettlement budget, should be financed by compulsory contributions, while retaining the voluntary nature of membership. Such a system would be a compromise between the system adopted by UNRRA and the proposal of the Financial Committee. Mr. Colbjornsen thought that a limit ought to be placed on the compulsory contribution to the I.R.O. and suggested that it should be three or four times the amount contributed to the United Nations, at rates to be fixed by the General Assembly.

The CHAIRMAN reminded the Sub-Committee that it must confine itself to the terms of reference and not discuss the principles governing the Interim Organization.

Mr. PATINO (PERU) referred to the proposals made by Czechoslovakia and Chile to the effect that a considerable portion of the I.R.O. budget should be financed through reparations.

Sir Herbert EMERSON (INTER-GOVERNMENTAL COMMITTEE ON REFUGEES) divided the funds intended for the relief of refugees into three categories:

- 1. 25 million dollars from Gnemy investments in neutral countries;
- 2. Gold, in the form of loot, discovered in Germany and Austria;
- 3. Contributions from neutral countries out of estates of deceased persons leaving no heirs.

These funds would be carmarked for two categories of refugees:

- (a) German and Austrian refugees;
- (b) Allied nationals.

Most of these were Jews. Thus 90% of these special funds were intended for Jews who, however, represented only 10 to 15% of the total number of refugees. These funds should be used not merely for maintenance in camps but also for the retraining of refugees.

This assistance, he said, would materially reduce the burdon of the I.R.O. alchough it would only apply to 15% of the persons to be included in the specific purposes.

In short, unless the reparations plan was changed by the Governments which took part in framing it, it would affect only a small number of the people with whom the I.R.O. would have to concern itself.

The CHAIRMAN, after pointing out that funds obtained from reparations would only suffice to supplement the I.R.O. budget, reverted to the discussion of Article 10.

Mr. TEPLIAKOV (U.S.S.R.) said that he had just submitted a memorandum explaining that the Constitution should clearly specify the nature of the expenditures involved, and from which contribution the funds would be drawn. He thought that the Council ought to be the body responsible for the approval of the budget after it had been considered by the Executive Committee.

Turning to Document E/Ref.Fin/23 (p. 55 of the English text) the Soviet representative expressed astonishment that the provisional budget for repatriation, which was in fact the main problem, was smaller than the resettlement budget.

Mr. COLBJORNSEN (NORWAY) said he had likewise drafted an amendment to Article 10 in confirmation of his oral statement. This amendment would be found in Document E/153.

The CHAIRMAN decided to have the two texts distributed later so as to give the Sub-Committee time to study them, and drew attention to a Czechloslovak proposal which would also have to be taken into account. Turning to item B on the agenda he asked the Sub-Committee to deal with the operational budget and, with the delegates' consent, opened the

discussion on the first part.

Mr. WARREN (UNITED STATES) reverted to the remarks made by his Soviet colleague on the statistics given on Page 25 of the English text of Document E/Ref.Fin/23 and pointed out that the figures had been based on the assumption that UNRRA would, cease operations on 31 December 1946. The extension of the functions of that body changed the situation; and Mr. LaGuardia's calculations regarding the movement of displaced persons, which were even more optimistic, were also bound to affect the provisional figures.

Mr. TURGEON (CHAIRNAN OF THE COMMITTEE ON THE FINANCES OF THE I.R.O.) said that the Committee on Finances had not by any means intended to disregard the possibilities of relatriation. Repatriation continued to be the main concern of everyone but the figure of 100,000 refugees put down for resettlement in 1947 ought to be cut down to 4 or 5,000 in the estimates. The whole plan had been drawn up in view of the presumed termination of UNRRA's work on 31 December 1946. The questions arising out of the changed situation required study and it was for the Council to decide what type of budget it desired.

As for the refugees in the Far East, he pointed out that at the present time there was not sufficient information available to enable the Sub-Committee to do more than recommend that their case should be considered.

Mr. TEPLIAKOV (U.S.S.R.) asked for further explanations on point (b), Sortion 2, Pago 30, of Document E/Ref.Fin/23, (English text) (training and retraining).

Mr. TURGEON (CHAIRMAN OF THE COMMITTEE ON THE FINANCES OF THE I.R.O.) said this point covered measures to enable the refugeos to take their share in the life of the community either in their own country or elsewhere and that those measures would not necessarily affect repatriation.

Mr. TEPLIAKOV (U.S.S.R.) reserved his attitude.

Mr. COLBJORNSEN (NORWAY) was surprised that the expenditure had been calculated in dollars.

Mr. TURGEON (CHAIRMAN OF THE COMMITTEE ON THE FINANCES OF THE I.R.O.) said that the answer to this question was to be found in the second paragraph on Page 9 of Document E/Ref.Fin/23 and that furthermore a resolution submitted by the Polish delegation provided that salaries should be adjusted.

The CHAIRMAN asked what effect the extension of UNRRA's activities would have on the maintenance budget.

Mr. WARREN (UNITED STATES) pointed out, first, that the date of 30 June 1947 was a deadline and that UNRRA might quite well hand over its functions before then if the I.R.O. was prepared to take them over and, secondly, that it was not UNRRA's duty to provide for the maintenance of displaced persons.

Miss GIBBONS (UNRRA) pointed out that any discrepancy between the estimates given by Mr. LaGuardia and those in the report was attributable to the fact that Mr. LaGuardia had induced the army to provide the Polish refugees with 60 days' rations. This assistance would not come into effect until October. The Director-General of UNRRA had also arranged for other liaison officers to be sent from Poland and was hopeful that with their help repatriation would be expedited. But calculations could not be based on hopes. The number of persons in the camps had, she thought, decreased slightly and a distinction should be made between displaced persons in the proper sense of the term and others who had infiltrated into their midst.

Sir Herbert EMERSON (INTER-GOVERNMENTAL COMMITTEE ON REFUGEES) raised the question of large-scale resettlement (E/Ref.Fin/23, Part II, p. 26 (English text)). Operations depended on various factors and he instanced the Brazilian proposal.

Transport was no obstacle. Difficulties were due to internal capacity for absorbing refugees.

Mr MALIN (INTER-GOVERNMENTAL COMMITTEE ON REFUGEES) explained that Brazil had originally intended receiving 10,000 refugees a month, beginning in October, with a view to receiving a total of about 125,000 in the course of the first year. Local enquiries had been made when it was found that the movement could not begin until December and that the total for the first year could not exceed 35,000.

While it was therefore possible to reduce the second part of the operational budget, an addition to the first part of this budget was to be anticipated.

He pointed out that other countries were prepared to follow the Brazilian example. But not more than about 1,000 persons could be received on the basis of large-scale resettlement. The remainder would consist of individuals or family units. As for the other Latin American countries, he would put the number of additional refugees they could receive at about 15,000.

Mr. DE ROZEN (FRANCE) agreed with Miss Gibbons that it was dangerous to regard repatriation from the camps too optimistically, but he did not share her view that the number of displaced persons in the camps had decreased.

In Germany alone, there were still 935,277 persons on 1 September, not including displaced persons from Austria, who numbered at least 100,000.

Moreover, UNRRA dealt only with persons in its own camps and there were others in different camps or even outside any camp.

The meeting rose at 6 p. m.