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BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1958

Statement by the Secretary-General at the
606th meeting of the Fifth Committee

Mr. Chairman, first of all, I would like to thank you most warmly for your kind and understanding words. I think that with close collaboration between the Committee as representative of the General Assembly, the Advisory Committee and the Secretariat, we will be able to guide this Organization, from the administrative and financial side, safely through all the difficulties which undoubtedly lie ahead.

Indeed, Mr. Chairman, I am happy to resume today the practice of earlier years and to be given this opportunity, at the initial stage of your budgetary deliberations, to introduce my estimates for 1958, and at the same time to offer you a brief survey of the problems which in the coming weeks are likely to have your close attention. As you will remember, at the last session I was prevented - to my great regret - from being with you at the opening of the general discussion on the budget.

On similar occasions in past years I have ventured the suggestion that a broad discussion in the Fifth Committee of the major administrative and budgetary problems of the Secretariat may prove more profitable than a detailed scrutiny of budget figures, leading perhaps to adjustments of a few thousand dollars in this or that item in the estimates. I still hold to that view, and the more so since the new form in which the estimates are now presented for the first time is peculiarly well-suited to the holding of such a discussion and - to carry the process a step further - to giving effect to the positive conclusions which should emerge.

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Nevertheless, I find it necessary today to enter in some detail into the elements of the 1958 budget. This can hardly surprise the members of the Fifth Committee, who have had an opportunity of studying, over the past two months, my budget proposals and the related recommendations of the Advisory Committee. And at the outset it is but proper, since I am unable to concur in many of those recommendations, that I should make clear that the report of the Advisory Committee contains, in my opinion, much that is constructive and much that will be helpful in the coming year to myself and to my administrative associates. This means, of course, that my dissent has largely to do with the money provisions which the Advisory Committee has recommended. The gap between what I have requested and what the Advisory Committee believes the Assembly should authorize is, I submit, too wide if both that Committee and the Secretary-General are estimating for an identical volume of United Nations activities to be carried out at an identical pace. My own field of reference has been marked out by the General Assembly and by the Councils, and I have sought to provide as frugally as possible for the proper execution of the work programmes which those bodies have laid upon me.

No one experienced in administration - and certainly not I - would question that, where the budget of an organization, be it national or international, is concerned, the pruning-knife is valuable as an adjunct in promoting orderly growth or curbing a natural tendency to proliferation. Equally, however, it may, if handled with excessive zeal, have a contrary effect. There is a point beyond which the prudent gardener will not go, knowing that, if he does so, the tree cannot flourish in a following year. He knows too that his pruning, if held within reasonable limits, will ensure that the tree will grow in stature and vitality. My thesis is that the Advisory Committee has put too sharp an edge on its pruning-knife and wielded it with far more than its customary vigour.

But, Mr. Chairman, this is a budget committee, and I should pass to the concrete figures. The budget which I have the honour to propose to you for 1958 exceeds (in round figures) the 1957 appropriation by \$3,967,000. This figure of increase includes \$1,480,000 for two special conferences which the Assembly has requested me to organize in 1958. Deducting therefore these exceptional and non-recurring items for special conferences, the figure of increase

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compared with 1957, stands at \$2,487,000, in which the Advisory Committee has recommended a reduction of \$873,000. The remaining cuts recommended by the Committee - or a total of \$179,800 - have reference to the two special conferences and, while calling for eventual comment, need not be considered in the present context.

So far, I limit myself to the initial estimates for 1958, which I presented in June last. Since that time, I have also submitted revised estimates resulting from decisions taken by the Economic and Social Council at its two sessions of 1957, to a total amount of \$159,200, which raises the figure of increase by comparison with 1957 - that is to say, the figures to which I alluded a moment ago - from \$2,487,000 to approximately \$2,646,000. On the revised estimates the Advisory Committee has recommended, in lieu of my proposal of \$159,200, an amount of \$33,500, representing a reduction of \$125,700. Consequently, and this is the sum total, the recommendation of the Advisory Committee is that the aggregate increase of \$2,646,000 should be cut back by \$999,000 to be \$1,647,000.

The budget is an expression, in financial terms, of programmes requested by Member States in the General Assembly or the Councils. The Advisory Committee has stated very clearly and pertinently that the budget review should be closely related to an understanding and appraisal of those programmes.

My present budget submission reflects the policy which I have consistently employed, of achieving the maximum degree of administrative economy compatible with the attainment of the ends which Member States, through their appointed representatives, have set. As the Chief Administrative Officer of the United Nations, I must of necessity see to it that authorized programmes are adequately executed within the requisite time-limits. The budget estimates for 1958 were framed to meet this essential requirement. It is not my view that programmes and activities, as at present authorized, can be undertaken in 1958 at a cost significantly lower than that which I have proposed.

The question of fixing priorities among the various work programmes of the Organization holds, of course, a special interest for this Committee, and notably that part of the question which concerns the translation of priorities into financial terms. Recent developments are described in several reports which I have made to the General Assembly and to the Fifth Committee. Today, therefore, I need only touch on them very briefly. The developments are related to the

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economic and social fields: these are the fields in which a rational system of priorities, if applied resolutely by the Council and its commissions and if supported consistently by Member Governments, can yield the largest dividends.

First, then, in continuance of my previous efforts to secure a greater measure of concentration upon major tasks in those fields, I presented to the recent summer session of the Economic and Social Council a series of proposals for the streamlining of the Council's programme of work. The proposals have previously been studied both by those functional commissions which met this year and by the three regional commissions. The Council approved the proposals in question, as well as the underlying guiding principles, and has requested for its summer session of 1958 a further report, which will also include additional subjects not covered by my proposals of this year.

As a second development, the Council has requested me to make a general appraisal of the scope, trend and cost of regular United Nations programmes in the economic, social and human rights fields for the period 1959 to 1964. This matter will likewise be considered by the Council in 1958.

The members of the Fifth Committee are doubtless also aware that the Co-ordination Committee of the Council endorsed certain other proposals that I put forward with reference to the financial implications of actions taken by the Council. Perhaps I might single out for mention the proposal that at the beginning of each summer session the Council should have before it a statement showing, in appropriate cases, the extent to which it would be possible for the Secretary-General, through the exercise of discretion in the timing of projects, to undertake additional projects within existing resources.

These various developments illustrate, I believe, that something is being done to underline the importance of economy in the allocation and use of the total resources that can be made available. But economy is also and primarily, a question of the number and scope of programmes that Member Governments ask the United Nations to undertake; it should not be achieved at the expense of effective performance of the major tasks which are rightly entrusted to the United Nations. It has always been my view that achievement of economy by concentration of resources upon these tasks is an objective greatly to be desired.

The largest single area of budget expenditure is directly bound up with the number of meetings of United Nations organs and with the consequent level of

meetings services. In pursuance of General Assembly resolution 694 (VII) which established a pattern of conferences for a four-year period ending in 1957, I will be submitting shortly a report on conference planning and activity. The details might be left to your subsequent review, but I would nonetheless wish to mention now certain points which have a bearing on the matter as a whole.

At the time when the conference pattern was established, the annual conference programme at Headquarters generally entailed intensive activity during two well-defined periods: the first, from March to July, covered the sessions of the Economic and Social Council and its functional commissions, and that of the Trusteeship Council, and the second, from September to December, the regular session of the General Assembly. More recently, however, substantial additions to the meetings programme have necessitated a virtually continuous activity throughout the year.

The Advisory Committee on several occasions has commented on the very serious situation disclosed by the sharp and progressive rise in the number of conferences and meetings of all kinds, and on the resulting strain on the services and facilities of the Secretariat. There is here, Mr. Chairman, a dual problem: the combined conference workload at Headquarters and Geneva now exceeds the aggregate capacity of their conference services; and there is a clear and growing tendency to transfer too many meetings to Geneva. The latter part of the problem will moreover be accentuated in 1958, when the two major conferences, outside the regular programme to which I have already referred, are to be held in Geneva. For present purposes, however, the 1958 situation, though broadly indicative of a trend, may be regarded as exceptional. The future pattern will presumably have reference to a period of not less than four or five years, and be based, as the existing one, on certain fundamental principles.

In a situation where the number of meetings at Headquarters and Geneva exceeds the combined capacity of the conference services, and where arrears of translation are in consequence accumulating, it is clearly necessary either to adjust the conference programme to the capacity of the services or to increase establishments. To maintain the present level of meetings services at the risk of serious delays in translation work is neither administratively sound nor financially advantageous: it is work which must ultimately become a charge to the budget.

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If the first of the above alternatives is preferred, namely an adjustment in the size of the conference programme, much can be done not only through the formal medium of a fixed conference pattern, but by action within the numerous bodies where the various parts of that programme originate; such action might take the form of a strict application of the following two criteria: firstly, whether the holding of a particular conference or particular session is indispensable, and - since careful planning of the conference calendar as a whole is an essential element in the flexible use of conference staff - secondly, whether the conference or session might not be scheduled within fairly wide time-limits admitting of an adjustment of the exact date to the demands upon conference services.

Arrangements on the above lines might be profitable certainly in regard to conferences and meetings which might be held to fall regularly within the programme and be governed by a new conference pattern or ad hoc conferences or meetings.

I would also like to present for your consideration one further matter. There might be advantage in the adoption of a procedure whereby the General Assembly would give formal approval, at the close of its regular session, to the programme of conferences for a following year. At the present time, the component parts of that programme are authorized under the appropriation and other resolutions, which are not, however, directly or primarily concerned with that programme. Formal action on the totality of the programme would offer opportunity for additional budgetary control as well as for ready comparison from year to year.

In the consideration of my report on this question, you will decide on the line which you wish to have followed. But I must impress upon you the fact that a continued growth of the conference programme will require, at a certain point, a reappraisal of the size of the regular establishment for conference servicing. The expedient of the use of temporary help to bridge the gap between that regular capacity and the total workload has definite limits not only from the point of view of efficiency and economy, but from the very practical angle of finding staff with the requisite qualifications who are prepared to work for short periods only.

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Mr. Chairman, may I now turn to what is undoubtedly the most important single factor in determining the level of the budget the size of the regular establishment of the Secretariat.

I would wish, however, first of all to add a brief comment on organization. No significant change in the organization of the Secretariat is proposed in the 1958 estimates, but, as you know, it is my intention to submit to the General Assembly, during the course of the present session, a report on the structure of the Secretariat at the top level, and the emoluments to be paid to officials at this level. There are still details of my report on this question to be worked out, and I hope that the Committee will allow me to defer my specific comments until another time. In any event this question is one which can readily be discussed as a separate matter.

I felt last year, it would be appropriate for me, in anticipation of the more formal study to be undertaken at the current session, to include in the Introduction to my Annual Report (A/3137/Add.1) a brief evaluation of the situation as it then appeared to me. I would just like to say now that the experience of the past year has served very much to confirm and strengthen the considerations which were uppermost in my mind when I presented my views on this particular question to the last session of the General Assembly. The presentation of the problem in the Introduction to last year's Report to the General Assembly thus does provide the framework within which I will present definite proposals this year.

Turning now to the budget, you will have noted that provision is made in Section 6 of the estimates for the salaries and wages of all departments and offices of the Secretariat, with the exception of seven special offices or services, which are covered by other Sections.

For departments and offices covered in Section 6 of my initial budget estimates for 1958, I have requested a total of 3,822 posts. As compared with the authorized 1957 establishment, this represents a net addition of sixty-four posts - twenty-five in the Professional category and thirty-nine in the General Service category. While these sixty-four posts, which are new, are spread throughout the Secretariat, approximately half the additional posts requested are attributable to language and related documentation needs, which have

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increased as a result both of the enlarged membership of the Organization and of a marked upward trend in the number of meetings. Some thirteen of the new posts, almost entirely in the General Service category, represent a formalization of existing ad hoc arrangements and do not by themselves give rise to a net increase in over-all costs.

The Advisory Committee has recommended in paragraph 99 of its budget report (A/3624) that the over-all 1958 establishment covered by Section 6 should be limited to a total of not more than 3,807 posts. A reduction of some fifteen posts is thus envisaged. The Committee further recommends that the Secretary-General should submit to the General Assembly prior to the conclusion of its twelfth session a revised consolidated manning-table to account with such decisions as are taken by the Assembly with regard to the over-all number of staff and the monetary provisions for their salaries and wages.

Section 6 as a whole covers the provisions for established posts, overtime and night differential, and temporary assistance and consultants. As compared with the approved 1957 levels, the total increase in the 1958 estimates for these purposes is \$1,103,950.

The Advisory Committee has recommended a total reduction of \$400,000 in the estimates for Section 6 as a whole, and while the Committee indicates possible areas of retrenchment, it believes that the actual distribution of the reduction must be left to the Secretary-General.

The 1958 estimates for temporary assistance and consultants appear to me to show a reasonable stability, both in comparison with the 1957 initial appropriation and the 1956 expenditure level. Furthermore, if the fact that in 1958 a new provision of \$25,000 for outside contractual translation is taken into account, it is fair, I think, to assume that these particular estimates were framed with all possible economy in mind. Members of the Committee will be aware that expenditures for temporary staff and consultants are now subject to rigorous internal central control.

The estimates for overtime and night differential show an increase of some \$40,000. But the total requested for 1958 is much below the total which will have to be expended in 1957 for this very purpose. I believe it is well to remember that work in this building goes on twenty-four hours a day, and at frequent periods

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the volume of work performed "round-the-clock" is extremely heavy. Indeed, with the rigorous time-limits set for the production of official records, there is no alternative to this course. While every endeavour must be made, and indeed is made, to curtail expenditures for overtime and night differential, it will be apparent that circumstances such as those to which I have just referred inevitably arise and, in turn, entail sizable expenditures.

It may be evident from what I have just said that although I am requested to spread the proposed \$400,000 reduction over the Section as a whole, it is in the established posts provision, where the biggest increase occurs, and it is likely also to be in that item that the major portion of a reduction of the order proposed would have to be found.

Members will have noted that for the reasons stated in my budget foreword, I had prepared the estimate for the established posts section assuming an adjustment for turnover in 1958 of 3 per cent as against a deduction of 4 per cent upon which the established posts estimates for 1957 were calculated. The Advisory Committee, however, suggests that a reduction of 4 per cent should continue to be applied to the 1958 estimates as was the case in 1957. The difference involved on a purely arithmetical calculation of the turnover adjustment figures is of the order of \$271,000, out of a total of \$400,000. A significant proportion of the reduction of \$400,000 recommended by the Advisory Committee might thus appear to be bound up in this matter.

The amount of the proposed reduction substantially exceeds the estimated cost of all of the new posts provided for in the estimates. My understanding, however, is that the Advisory Committee itself has concurred in an increase in the total establishment above its 1957 level.

I do not understand the intention to be to limit the cost of the basic establishment to a prescribed total amount substantially less than the cost of the agreed manning-table. If such were the case, I would find such a proposal highly disturbing. It would run counter to established practices. In my view, however, - and that is much more serious - it would equally run counter to the legal basis upon which a career secretariat has been founded and brought into being since it would cut across the system which the General Assembly itself has established for the administration of the staff.

Unless the General Assembly provides in full for the total cost of the manning-table it authorizes, I could not accept responsibility for the

administration of the staff regulations in their present form. I put this matter unequivocally before the Fifth Committee so that there should be no doubt about it.

Obviously, I would have no basis to contest a reasonable turnover deduction being applied to the amount appropriated for established posts if in the event that savings under that heading do not in fact materialize, it is understood that I would then return to the Assembly next year and ask for the difference to be made up in supplementary estimates. This indeed is what happened last year and I shall make similar proposals to you as far as 1957 is concerned. Under these circumstances, it is obvious that if the turnover deduction should be unduly out of line, there is no question of any savings but only of a deferment of expenditure from one budget to another.

I recognize that with a view to the greatest possible economy, the main task of those responsible for the Secretariat is to see to it that the personnel resources are so utilized and co-ordinated as to provide for the highest efficiency. The Advisory Committee rightly points out the possibilities open to the Secretary-General on the free interchangeability of staff and improved procedures of administrative management, and underlines the necessity with the establishment of United Nations offices or missions in some thirty-four locations in various parts of the world to keep organizational and administrative problems under constant review within the Secretariat to avoid any decrease in efficiency or wasteful expenditure. I am impressed by the Advisory Committee's recommendation of a strengthening of the continuous review and control of the management of the administrative and financial aspects of the activities of all offices and for the control of the utilization of the staff resources in the Secretariat as a whole. I refer in this context to the recommendation contained in paragraph 45 of the Advisory Committee's report for the establishment of a small but capable staff, who would be entrusted with these duties. I hope that when the Fifth Committee reaches its detailed examination of the estimates, it will give its favourable consideration to this recommendation. It has my full support. Equally, of course, do I hope that the Committee will see fit to provide the necessary resources to accomplish it.

I am happy to note that the Advisory Committee agrees with the assumption made in paragraph 25 of my Budget Foreword, that the provisions of General Assembly resolution 1096 (XI) concerning the submission of revised estimates would not preclude the Secretary-General from proposing at any time such

additional appropriations as might be needed for the adjustment of salary rates in the General Service category and Manual Worker categories. This would be pursuant to annex I, paragraph 7 of the Staff Regulations. With this understanding, I could not take exception to the reduction of the estimates by an amount of \$41,000 relating to an increase in the rates of pay for Manual Workers at New York, which could be requested as from 1 January 1958 if present trends continue.

Turning now to the question of public information activities, I appreciate the fact that the Advisory Committee has frankly recognized the difficulties to which I called attention in my budget document - namely that, due largely to factors beyond the Secretariat's control, it has not proved possible to make any appreciable progress towards the target ceiling for over-all DPI expenditures which the Committee had earlier recommended. I trust, however, it will be accepted as evidence of our good faith that in compliance with the expressed wish of Member Governments, the activities of the Department have been so planned for 1958 as to permit the opening of five new information centres in new Member countries without any new net addition to the budget in respect of staff or other expenses.

It is evident, nevertheless, that the Advisory Committee remains seriously concerned at the relative level of public information costs. While reaffirming its view that these should be progressively reduced to some predetermined ceiling figure - a limit of \$4.5 million covering both direct and indirect expenditures has been suggested - the Committee has come to the conclusion, and I quote from paragraph 36 of its report "that further progress towards a regulation of these activities would be greatly assisted by a thorough investigation of the Organization's responsibilities in this field and of the manner in which they are implemented. Such an inquiry would be directed to a determination as to whether the available resources are exploited to the maximum possible extent to meet essential programmes, properly formulated in accordance with a valid system of priorities."

In view of the emphasis which this proposal gives to administrative and executive implementation, it may be appropriate to recall the fact that the Charter specifically reserves this responsibility to the Secretary-General as the Chief Administrative Officer of the Organization. Subject to this important reservation, I have no objection to an appraisal being undertaken of existing

information programmes and activities, in the light of which the Assembly's budgetary decisions can in the future be more rationally taken. We have, fortunately, certain recent precedents which show how objectives of the kind which I believe the Advisory Committee has in mind can be achieved while proceeding in a manner consistent with basic Charter provisions. I refer, in this connexion, to the arrangements made by the General Assembly with respect to the Advisory Committee on the Peaceful Uses of Atomic Energy and to the Committee established under resolution 1001 (ES-1) which advises the Secretary-General on UNEF matters. Should Members see advantage in a similar arrangement in the field of public information activities, I, for my part, would welcome such an opportunity to profit from the advice and observations of Member Governments.

Concerning the composition and appointment of such an Advisory Group, there are two further observations I would like to offer. In the first place, though I recognize the desirability of such a group being limited in membership, if it is to function effectively, I believe that a somewhat larger membership than three (as proposed by the Advisory Committee) would be essential if an adequate balance is to be secured both in terms of expertise, and of knowledge of the widely varying problems and needs of the different geographical regions. In the second place, I would also deem it essential, following the precedents I have cited, that its members (albeit that they are appointed to serve in an expert capacity) should be representatives of Governments who would be designated, for this purpose, by the General Assembly itself.

I have felt it necessary to point up these basic and important issues. I feel, however, although I hesitate to detain the Committee too long, that I should comment very briefly upon a few questions with which the Fifth Committee will be dealing as a part of its budget review.

I will attempt no more at this stage than a brief observation on these matters. Later on, when the Committee takes its examination of them, the fullest additional information will be given to the Committee on my behalf.

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In Section 2, "Special Meetings and Conferences", the Advisory Committee recommends a reduction in my estimate of \$179,800. Of this amount a sum of \$150,000 relates to the Second International Conference on the Peaceful Uses of Atomic Energy. I do not consider that the observations contained in paragraph 71 of the Advisory Committee's report lend themselves to implementation in a practical sense. All Members of the Advisory Committee on Peaceful Uses of Atomic Energy have put great emphasis, with regard to both Conferences, on the publication in the Conference Proceedings, as provided in Rule C of the Conference Rules of Procedure, of all of the scientific papers submitted, subject to the sole condition that their subjects conform to the purpose of the Conference as defined in resolution 912 (X) of the General Assembly. The papers, when prepared, are submitted to the Conference not by individuals but by the participating Governments. In a sense, therefore, they have an official character. All of the Governments invited to the second Conference have already been informed that all papers submitted will be published in accordance with Rule C, since the Rules of Procedure for the Conference, as adopted by the Advisory Committee, were included in the invitation to the Conference as a condition of Conference participation. As the Proceedings of the first Conference indicate, the papers submitted are uniformly of high scientific quality and there is no serious problem of duplication. This is because a process of selection and guidance operates even before the papers are written through the efforts put forth by the Conference Secretary-General and his team of Scientific Secretaries to have all aspects of the subjects on the programme covered and to avoid repetition. The same procedure is being followed for the second Conference.

I should also state that the programme for the second Conference is broader and fuller than was the case for the first one. There may well be more papers, and more participants. It is not possible to be precise about the estimates at this stage. But the actual cost of the first Conference is a sound gauge and it is unwise to assume that the second Conference can be conducted for substantially less than the first one - if the same standard of service is to be maintained.

Assuming that the experience gained during the first Conference would be applied to the utmost to confine expenditure to the minimum, I presented an estimate of \$2,000,000 for the next conference against the previous expenditure level of \$2,347,000. I have, however, undertaken to consult the Advisory Committee

on Administrative and Budgetary Questions as early as practicable during 1958 regarding the actual level of the estimates. Any reduction, therefore, in the provisional estimates submitted must, in my opinion, be based on assumptions which can in fact be realized.

Regarding the proposed reduction of \$140,000 in Section 7, "Common Staff Costs", I believe it will be appropriate for the Committee's action to follow upon its decision on established posts. For the most part expenditure falling under this Section is statutory, and there is not much possibility of "savings" being achieved in the normal sense of that word.

Regarding the specific comments on the Interne Programme, I should state that I have under active consideration certain proposals which I may wish to present a little later on, and these proposals could result in some reduction in the level of my estimates for 1958 with the possibility of larger savings thereafter.

While not wishing to burden the Committee, at this stage, with a detailed discussion of individual budget Sections, I am bound to voice the strongest possible reservation concerning the views expressed and the recommendations made by the Advisory Committee on travel for official business. I have no objection to consolidating the estimates as suggested by the Advisory Committee. I do not, however, believe that such a further consolidation will, per se, lead to any economy; it will tend rather to blur the proper assignment of funds proposed in the light of resolutions taken by the Assembly, its Councils, Commissions or Committees. The Committee recommends a reduction of \$30,000 - or approximately 9 per cent - in the estimates submitted because it feels that the amount of travel carried out at different levels of the Secretariat is excessive.

This conclusion, Mr. Chairman, is for me to say, directly contrary, not to any subjective feeling on my part, but to a very conscious and objective knowledge of the facts. I am prepared to justify and defend my travel budget at the appropriate time; and in doing so I think I will be able to show that we have here a most essential activity of the United Nations carried out on the most responsible level. For the moment I wish merely to state that my past five years experience as Secretary-General has convinced me that in this matter of official travel, we have as consistently as unwisely under-budgetted in terms of the Organization's

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real and essential needs. In no instance, however, other than that of the information centres where there is a \$2,900 provision for new centres, are the amounts requested for 1958 any higher than those appropriated by the Assembly last year after extensive and detailed review of the estimates submitted.

Apart from the special provision for my own travel, two-thirds of the total funds requested is assigned to travel of staff stationed away from Headquarters on trips which have a very significant bearing upon the success of our programmes in the economic and social field in under-developed countries and upon the progress of public understanding of what this Organization does and stands for. There are no junkets, I can assure you. Several of these proposed items are the result of specific provisions made by the General Assembly at its previous session. Much of this travel is of a data-gathering and fact-finding nature and therefore requires the assignment of staff at technical professional levels as well as at the more senior grades.

I cannot, therefore, voluntarily accept any reduction without seriously retarding field programmes which, by their very nature, cannot be carried out without on-the-spot visits in the areas where distances are great and travel costs high. Of the remaining one-third, the major portion is assigned to travel of staff in the Departments of Economic and Social Affairs, and in this regard, I must frankly state that I have found the provision for travel on official business for this year sadly inadequate; I have been obliged in the face of increasing responsibilities of the staff and rising transportation costs, to turn down some very necessary travel assignments of my staff at Headquarters. Nevertheless, I have deliberately kept the amount intended for Headquarters travel at its 1957 figure.

In Section 13 "Common Services", an over-all reduction of \$60,000 is recommended, with particular reference being made to the level of expenditure in public information activities. Members of the Committee may be well aware that in this particular area of expenditure we are more than ever subject to rising wage rates and costs of materials, supplies and services. While it may prove possible to confine expenditures on some specific item, a reduced total appropriation of the order envisaged cannot be made in my view without the risk of incurring a deficit on the Section as a whole. I was obliged to request sizable supplementary provisions for Common Services expenditures during 1956, and will need to the same this year.

The Advisory Committee's principal recommendation affecting Section 15 "Permanent Equipment", is for the elimination of the provision of \$160,000 for the construction of a television studio and recording centre. Members of the Committee will recollect that a similar proposal was put forward last year, but due to the lateness of its submission was postponed for further study. If the facility I have requested is not established, then the production of television programmes will be unduly hampered, with possible increases in cost of the programmes, on the one hand, and certain reductions in revenue, on the other. Additionally, the operation of the production and processing centre in its existing location will be at a lower level of efficiency than would obtain if the new facilities were to be provided.

Mr. Chairman, I shall attempt, by way of concluding this initial statement, to sum up my general position on the problems of the 1958 budget estimates, bearing in mind the report that has been submitted thereon by the Advisory Committee. I believe it will be clear from what has already been said that I am in no position to agree that the budget requests for 1958 have been other than carefully and conservatively estimated and responsibly put forward. That is not, of course, to argue that under no circumstances should the initial or supplementary estimates be reduced. I am, on the contrary, more than ready to concede that if Member Governments are prepared to say that this or that specific programme or project can be eliminated, modified or delayed or this or that delegation or meeting service or facility can be dispensed with or furnished on a more limited and modest basis, appropriate readjustments in related budgetary needs can undoubtedly be effected; that is to say, I wish to direct your attention to the question of substance from the question of financial form.

What I cannot undertake to do is to meet a continuously increasing volume of programme and servicing demands without some very modest augmentation of resources. Though I do not suggest that any such augmentation need be in any way proportionate, the fact cannot be ignored that an increase in membership of some 37 per cent, as has occurred within the past two years, has an inescapable impact on the Organization's minimal budgetary requirements. I hope, moreover, the fact will not be overlooked that if new Members mean extra expense, they also mean extra revenue. On the basis of the best forecast that can be made

at this time, the aggregate 1958 assessment against the sixty States who were Members in 1955 will be no more than, and may well be somewhat less than the aggregate amount of their corresponding 1956 assessments, and that on the basis of my initial budget submission, together with a liberal allowance for 1957 supplementaries which are still to be presented.

I do not ask, and certainly do not expect, that all Members will find it possible to agree with me on all these points, and especially on those where my judgement may unfortunately differ from that of your Advisory Committee. I only ask that the 1958 budgetary situation be viewed in its true perspective, that it be recognized there are limits to the absorbtive capacity of even the most flexible and dedicated Secretariat, and that whatever decisions you may reach concerning the level of any particular appropriation, they be taken with a full knowledge and acceptance of their practical consequences. With these understandings, I am well content to rest my case, for the time being - knowing that the Fifth Committee has never failed to see that essential United Nations needs are adequately provided for.

Finally, Mr. Chairman, I should like to assure you and all members of the Fifth Committee that I am most anxious, whenever possible, to be present at your deliberations. But if, as I fear, my attendance may prove to be intermittent - since, as you know, meetings of main committees necessarily overlap - I shall at least inform myself regularly of the detailed progress of your work. Perhaps I may be permitted to add the request that when the Committee wishes to put special questions to the Secretary-General, prior notice may, if possible, be given.
