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**Chairman:** Mr. David SILVEIRA DA MOTA  
(Brazil).

AGENDA ITEM 74

**Budget estimates for the financial year 1970 (*continued*)**  
**(A/7606, A/7608, A/7710, A/C.5/1230, A/C.5/1231 and**  
**Corr.1 and 2, A/C.5/1233, A/C.5/1234, A/C.5/L.990)**

*General discussion (continued)*

1. Mr. ALIASUREN (Mongolia) said that the ability of the United Nations to carry out its duties under the Charter greatly depended on the soundness and efficiency of its financial and administrative practices. The need to improve the budgetary and administrative affairs of the Organization assumed added importance with the approach of its twenty-fifth anniversary.

2. The initial budget estimates for 1970 came to a total of \$164 million, representing an increase of \$9.2 million over the budget for 1969. The revised estimates would raise the figure and increase even further the financial burden on Member States. His delegation shared the concern of others at the excessive growth of United Nations expenditure. It was in favour of budget expansion only where it was essential for the conduct of effective work in the economic and social spheres and particularly for the strengthening of international security.

3. The cost of maintaining the Secretariat accounted for 60 per cent of the estimates for 1970. The United Nations must find ways of reducing the expenditure involved and of checking the steady unjustified increase in personnel. Despite the position taken by the Advisory Committee on Administrative and Budgetary Questions, the Secretary-General was asking for 308 new posts for 1970 over and above the 150 vacancies existing in 1969.

4. It had been said that the rising expenditure on personnel was due to the inflation in the United States of America and the mounting cost of living in New York. Those factors should not be permitted to affect United Nations budgets. The Secretariat should reach a negotiated

settlement with the host country whereby economic conditions in the United States would not have financial consequences for other Member States. It should also seek to make more efficient use of the existing establishment and raise the productivity of staff.

5. His delegation was concerned at the growing number and duration of certain conferences and meetings and felt that preparatory work, including the timely distribution of documents, should be improved so that conferences and meetings would be more efficient.

6. As at previous sessions, his delegation opposed the requests for funds in connexion with the United Nations Memorial Cemetery in Korea, the so-called United Nations Commission for the Unification and Rehabilitation of Korea and certain other illegal activities. That Commission, established in violation of the Charter, served solely the interests of the United States. Moreover, the expenditure approved for the Commission was becoming a source of income to the South Korean puppet régime. It was high time to eliminate the items in question from the United Nations budget.

7. Mr. ESFANDIARY (Iran) expressed his delegation's sorrow at the untimely death of Mr. Mongi Slim of Tunisia.

8. The budget of the United Nations seemed to be experiencing the effects of the recent decline in the Organization's role in the maintenance of international peace and security. That could be seen from the current financial position, the efforts to introduce a budget ceiling and certain provisions of the estimates for 1970. It was essential that Member States should endeavour to strengthen the peace-building activities of the United Nations and to bolster the collective effort to eliminate the chronic problems of hunger, disease, ignorance and national underdevelopment. The United Nations must also continue to grapple with such truly international problems as air pollution, the exploration of the sea-bed and ocean floor, and space research.

9. Viewed in that context, the rate of growth of the United Nations budget—entailing for 1970 an addition of only 2 per cent for new activities—could not justifiably cause concern. Indeed the expressions of concern seemed indicative of the trend identified in the report of the Pearson Commission<sup>1</sup> as flagging international support for development. It was his earnest hope that that trend would be checked before the international development machinery deteriorated.

<sup>1</sup> Report prepared at the request of IBRD by the Commission on International Development under the chairmanship of Mr. Lester B. Pearson: *Partners in Development* (New York, Praeger Publishers, Inc., 1969).

10. Growth of the work programme was a healthy sign. His delegation believed, however, that existing resources could produce better results if improved procedures and better management techniques were applied. In that connexion, his delegation attached great importance to the implementation of the recommendations of the *Ad Hoc* Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies. At the same time, the whole question of improving programme formulation and co-ordination should be kept under review, and he welcomed the recommendation of the Enlarged Committee for Programme and Co-ordination for the establishment of a permanent programme committee of the Economic and Social Council; if established, it should have clear terms of reference and well-defined responsibilities. He was confident that the current co-ordination difficulties would soon give way to full co-ordination and co-operation between administrative and investigating bodies.

11. He supported the Advisory Committee's recommendations, including those on staff requirements for 1970, but he questioned the assumption that the manpower survey would necessarily lead to a reduction in staff. The survey, which had been launched in a systematic and efficient manner, might usefully examine whether the functions and objectives of the various departments fully corresponded to the relevant decisions of the programme-formulating bodies.

12. Mr. NASSER-ZIAYEE (Afghanistan) expressed his delegation's condolences to the Tunisian delegation in connexion with the death of Mr. Mongi Slim.

13. While pleased to note the efforts made by the Secretary-General, his delegation felt compelled once again to register its great concern regarding the growth of United Nations expenditure. It supported the reduction in gross expenditure recommended by the Advisory Committee, on the understanding that it would not have an adverse effect on United Nations programmes of assistance to developing countries, especially programmes in the fields of human rights and economic and social development; it was glad that the Secretary-General did not consider the proposed reductions to be significant.

14. Section 18 of the budget, relating to the Office of the United Nations High Commissioner for Refugees, had special significance for his delegation from the humanitarian standpoint. His delegation had already at the 1304th and 1311th meetings clarified its position on section 12, chapter I, and section 17, chapter III. In its opinion expenditure under section 10, for General expenses, should be more closely watched with a view to keeping costs at the lowest possible level.

15. The increase in United Nations staff should be closely controlled, especially in view of the existing vacancies. In the recruitment of new staff, particularly at the middle and higher levels, more consideration should be given to candidates from under-represented countries. The claim of efficiency must never be used as a pretext for recruiting persons from over-represented countries. His delegation believed that recruitment should be on a fixed-term basis and subject to the approval of the Government concerned.

16. Observing that public information about the United Nations was disseminated mostly in European languages, he

suggested that the Office of Public Information should give more attention to disseminating information in the indigenous languages of developing countries, for the benefit of their people. There was a definite need to strengthen the activities of the Office of Public Information, so that it could become a more effective instrument for publicizing the work of the United Nations.

17. His delegation would give its general support to the budget estimates for 1970.

18. Mr. BENKIRANE (Morocco) said that he would not enter into details concerning the budget estimates for 1970. Noting that the financial position of the United Nations remained disquieting, he pledged his delegation's full co-operation in seeking a solution of the financial difficulties without detriment to activities in the area of economic and social development. At the same time, every effort should be made to see that the resources made available to the United Nations were wisely, efficiently and properly used.

19. No arbitrary restraints should be imposed on the budget, because the United Nations was called upon to cope with pressing and crucial problems whose solution could not be deferred. That was not to say that the budget should not be shared and used in the most equitable manner. Certainly overlapping and duplication of activities must be avoided. But the primary consideration that would guide his delegation in its actions in the Fifth Committee was the provision of adequate financing to enable the Organization to play its full role.

20. Mr. LAVERDE (Colombia) said that the significant increase in the budget estimates for 1970 reflected the increased membership of the Organization and its manifold activities in various parts of the world. The Secretary-General's concern about the Organization's financial situation and the administrative difficulties which he faced—as evidenced in his statement at the 1299th meeting (A/C.5/1233)—was understandable because the growth of the Organization implied a growth in expenses and made it almost impossible to satisfy all its needs, given the way in which it was financed. Notwithstanding the Secretariat's efforts, the Organization was clearly suffering from the unchecked growth of bureaucracy. The executive function should be simplified and training for general service personnel provided, so that they could perform specialist functions, thus overcoming the difficulties of recruiting technical personnel. It was paradoxical that, at a time when millions of people throughout the world were unemployed, the United Nations lacked the staff to implement its programmes. It was to be hoped that the recommendations of the expert study instituted by the Secretary-General would offer solutions to the complex problems involved.

21. His delegation favoured the introduction of electronic data-processing methods in view of their successful application in the private sector. In addition, a committee should be established to study the distribution of documentation to Member States with a view to reducing its volume. The microfilming of documents would result in considerable savings. The Secretary-General had also referred to the financial difficulties connected with the translation into the official languages of a backlog of 85,000 pages. Universities

and educational institutes might be encouraged, by means of prizes and competitions, to translate some of the existing backlog, thereby effecting savings and disseminating knowledge of the United Nations. The results could be evaluated by a committee.

22. With regard to the question of equitable geographical distribution, it would be useful if the details given in the staff listing prepared by the Secretariat could be expanded to indicate the monthly salaries of all staff members, thus providing delegations with a clearer picture of the actual situation.

23. His delegation had noted the explanations by the Chairman of the Advisory Committee (A/C.5/1234) with regard to the reduction of the budget estimates for the financial year 1970 and the concurrence of that Committee in the establishment of additional established and provisional posts as requested by the Secretary-General and had no difficulty in accepting the Advisory Committee's recommendations. It would, however, welcome clarification of paragraph 80 of the Advisory Committee's main report (A/7608) with regard to the question of duplication as it affected the Board of Auditors. In that connexion, he drew attention to the specific functions of the Board, as defined in the annex to the Financial Regulations of the United Nations.

24. His Government's interest in strengthening the Organization, making it universal and enabling it to fulfil the objectives of the Second United Nations Development Decade had been demonstrated in the statement by the President of the Republic of Colombia in the Security Council on 16 June 1969.<sup>2</sup> The Minister for External Relations of Colombia, addressing the General Assembly on 26 September 1969 (1768th plenary meeting), had referred to the need to revise the United Nations Charter in the light of changing conditions in the world. With a view to the formulation of an objective strategy for the Second Development Decade, his delegation had introduced a draft resolution (A/C.2/L.1060) in the Second Committee. He had referred to those statements and that draft resolution because he was convinced that the Fifth Committee, precisely because it dealt with budgetary matters, should be aware of what the Organization had been, was and would be. Unless the Fifth Committee was informed, it would not be in a position to analyse expenditure, propose solutions and reach decisions with full knowledge of the facts, given the magnitude of the budgetary proposals, with any certainty that it was working for the success and development of the United Nations and the consolidation of peace.

25. Mr. KITI (Kenya) offered condolences to the Tunisian delegation on the death of Mr. Mongi Slim.

26. His delegation had made a detailed study of the budget estimates for the financial year 1970 and the Advisory Committee's comments thereon. Two schools of thought had emerged during the debate on those estimates: one—"alarmed" at the rate of expansion of the budget—advocated the imposition of a budget ceiling; the other regarded the budget as a reflection of the Organization's needs and opposed a budget ceiling because those needs

varied from year to year. His delegation supported the latter view. It was unwise, impractical and very dangerous to fix an arbitrary ceiling on the rate of expansion for a given year. Consideration of the supplementary estimates for 1969 had shown that some supplementary appropriations were essential for the maintenance of peace and security. Only when the Organization ceased to be engaged in the latter task would it be possible to impose an arbitrary ceiling on expenditure. His delegation, however, regarded the budget estimates as a means to an end and fully agreed with the Secretary-General's remarks in paragraph 17 of his foreword to the budget estimates for 1970 (A/7606) that the preparation of budget estimates was no more than an attempt to reflect in financial terms the level of resources regarded necessary to carry out the tasks entrusted to the Organization. The most important consideration was whether the resources requested were necessary for the fulfilment of those tasks.

27. When the United Nations had been founded, the then Member States had taken cognizance of the effects of the Second World War in formulating programmes and procedures. Now, bearing in mind that approximately half of the current number of Member States had only recently emerged from the scourge of colonialism, it was his delegation's view that the time had come to re-examine the Organization's programme and to adjust the budget estimates accordingly. On the eve of the Second Development Decade, his delegation was looking forward to considerably greater programme expansion and regretted that only 2 per cent of the 6 per cent increase in the estimates for 1970 was to be devoted to that purpose. It hoped that account would be taken of the needs of the developing countries in the preparation of the planning estimate and that the Secretary-General would re-examine ECA requirements in the light of recent decisions to expand its programmes.

28. His delegation shared the concern expressed by many previous speakers with regard to the appropriation requested under section 3 and would have preferred the maintenance of the staff level approved in the budget for 1969. However, it was fully prepared to support the Advisory Committee's recommendation, on the understanding that the assurances given by the Secretary-General in the first, second and sixth sentences of paragraph 13 of his foreword to the budget estimates would be respected and that, should the need arise to utilize additional staff resources, a full account would be given of additional credits used to provide them.

29. Recruitment for the higher echelons of the Secretariat was a matter of great concern to many developing countries. While it did not advocate the lowering of standards, his delegation felt that there was a tendency to consider applicants from developing countries as inexperienced and therefore fit for the lower echelons only. If the image of the United Nations was to be truly international, its highest civil servants must be drawn from all parts of the world. While it welcomed the Secretary-General's assurance that recruitment into the higher echelons would be weighted in favour of the developing countries, his delegation requested the Secretary-General to submit figures on the number of staff so recruited in 1970 to the General Assembly at its twenty-fifth session. The tendency to recruit from developed countries extended even to steno-

<sup>2</sup> See *Official Records of the Security Council, Twenty-fourth Year, Supplement for April, May and June 1969*, document S/9259.

graphers and he hoped that it would be corrected. In addition, the salaries of lower category staff members should be reviewed.

30. Part V, relating to technical programmes, was important in that it fulfilled the moral obligation of Member States to improve the economic and social standards of the deprived and complemented bilateral technical aid.

31. His delegation's views on the Office of Public Information and the question of conferences had been adequately expressed by previous speakers. It would, however, stress the importance of the most economical use of the United Nations meagre resources and reduction of duplication and waste, and looked forward to reports from bodies working to improve the management of the Organization.

32. With regard to the expansion of accommodation at Headquarters, it would be well to start thinking in terms of decentralization. The cost of building and maintenance in developing countries was, in most cases, lower than in developed States. He supported the suggestion of the representative of Barbados that the question of decentralizing some of the Organization's activities and transferring them to the developing countries should be examined.

33. His delegation hoped that, on the eve of the Organization's twenty-fifth anniversary, Member States would re-dedicate themselves to the ideals which it embodied, the Fifth Committee would re-examine the tasks of the United Nations and devise better budgetary procedures and that the hardening of views during the current session would give way to improved understanding.

*First reading (continued)\* (A/C.5/L.990)*

SECTION 3. SALARIES AND WAGES (A/7606, A/7608, A/7710, A/C.5/1231 AND CORR.1 AND 2)

34. The CHAIRMAN recalled that the Secretary-General, in the budget estimates for the financial year 1970 (A/7606), had proposed an amount of \$73,907,000 under section 3. The Advisory Committee on Administrative and Budgetary Questions, in its main report (A/7608, para. 158), had recommended that that amount should be reduced to \$73,407,000. The Secretary-General had also submitted revised estimates under that section amounting to \$167,800 (A/C.5/1231 and Corr.1 and 2) and the Advisory Committee had recommended (A/7710, para. 16) that that amount should be reduced to \$138,000. The total amount recommended by the Advisory Committee under section 3 was therefore \$73,545,000.

35. Mr. BANNIER (Chairman of the Advisory Committee on Administrative and Budgetary Questions) recalled that, in his initial statement to the Fifth Committee (A/C.5/1234), he had explained why the Advisory Committee had recommended a reduction in the credits for staff resources requested by the Secretary-General for 1970. In so doing, it had taken account of material submitted to it by the Committee for Programme and Co-ordination on the work programmes of the various sectors in the economic, social and human rights fields. It had also acknowledged the improved recruitment situation, although it still believed

that the number of vacancies had a greater influence on any proposed new staffing resources than the budget estimates indicated.

36. The Advisory Committee's concurrence with regard to the 30 new established posts requested under section 3 and its recommendation for the approval of some 83 per cent of the credit requested for provisional posts, recognized both the responsible manner in which the Secretary-General had responded to observations made in the Fifth Committee at the twenty-third session and its own concern that there should be no undue delay in implementing the priority programmes requested by Member States. In that connexion, he recalled the concern felt by the Advisory Committee the previous year with regard to staff utilization and employment and its call<sup>3</sup> for a management survey of staff resources. That survey was now in hand and, pending its results, the Secretary-General had decided to request a credit for provisional staff resources rather than request substantial additions to the permanent establishment. In giving its approval in principle to that temporary departure from the normal method of budgeting and justification for additional staff resources, the Advisory Committee had been guided by the Secretary-General's assurances as to the criteria to be applied in allocating the posts. It had suggested, however, that it should receive from the Secretary-General at its summer session in 1970 a report on the use made of the provisional posts as of 1 June 1970 and a further report effective 30 September 1970.

37. The other factors which the Advisory Committee had taken into account in arriving at its recommendations with regard to section 3 were explained in detail in its main report. The Committee's recommendations should provide sufficient staffing resources for carrying out the essential programmes of the Organization.

38. Mr. WEI (China) observed that section 3 was the kernel of the budget estimates, not only because it was the largest item in the budget, but also because it affected expenditures under many other sections as well. Total expenses for personnel, services and equipment under all sections accounted for more than 80 per cent of the budget. It was therefore clear that the sharp increase in the budget in recent years was primarily due to the rapid rise in staff costs. The increase in the staff and its costs was out of all proportion to the increase in United Nations membership. In ten years membership had increased by 53.7 per cent, staff had increased by 120 per cent and the total budget had increased by 157 per cent. Rising expenditure therefore followed a curve much closer to that of increasing staff than to that of increasing membership. The Fifth Committee should watch that trend closely and see to it that the growth in personnel expenses arose from justifiable needs and not from irrational demands. His delegation was not against the expansion of programmes intended for the benefit of developing countries, but it did not favour an excessive enlargement of the staff in the various secretariats. It could not believe that the rapid increase in personnel had really contributed to the achievements of the Organization; nor was it sure that the expansion of the staff was fully justified and that existing resources had been fully and efficiently utilized. He quoted comments made by the

\* Resumed from the 1311th meeting.

<sup>3</sup> See *Official Records of the General Assembly, Twenty-third Session, Supplement No. 7*, para. 50.

Advisory Committee in several of its reports to the General Assembly in past sessions, emphasizing the need to ensure the optimum effectiveness of existing Secretariat staff before providing additional posts. It seemed from those remarks that there was a management problem in the Secretariat because staff resources had grown too large and were not being used to the best advantage. His delegation believed that the programme activities of the Organization could be satisfactorily carried out, without any curtailment, if prudent use was made of the manpower already available. It also believed that effective programme expansion must be based on a solid foundation of efficient management.

39. The desk-by-desk survey was a very important measure designed to uncover the deficiencies of the Organization and improve its staff resources. Discipline, control and efficient co-ordination were other means of improving the performance of the administrative machinery. His delegation agreed with the Secretary-General that pending the completion of the survey, it would not be prudent to increase the authorized permanent establishment of the Secretariat in 1970, and that efforts should first be made to utilize more completely the current authorized establishment. His delegation felt that when the survey was completed the General Assembly should give consideration to establishing an annual percentage increase in United Nations expenses, linked to the average annual percentage increase in national income of a representative group of countries. It would help the Secretary-General to plan the annual expansion of the Organization's activities in accordance with decisions of the General Assembly, would enable the programme-formulating bodies to adjust their programmes to keep pace with the growth of the Organization and would assist national legislatures in budgeting their estimated contributions to the United Nations.

40. Since most of the areas for which established posts were requested had been the subject of recent internal studies and reviews, it would be helpful if the Secretary-General would provide the Fifth Committee with the results of those studies and reviews, together with the results of the staff survey in the departments already covered. Furthermore, his delegation hoped that the Secretary-General would exercise strict control in 1970 over unbudgeted appropriations, so that he would be able not only to meet personnel expenses for the 1970 programmes but also to achieve further economies under section 3.

41. In conclusion he wished to draw the Secretary-General's attention to the salary differences penalizing the Chinese calligraphers: in his delegation's view the latter were entitled to the same treatment as the members of the typing pools of the other languages, because they performed the same functions. To put the Chinese calligraphers on an unequal footing would be to create an impression of discrimination in the very Organization that upheld the equal rights of all peoples. The financial implications of the matter were insignificant—a few thousand dollars a year—and his delegation hoped that that amount could be absorbed in section 3 in the future.

42. Mr. BYKOV (Ukrainian Soviet Socialist Republic) said that the main reason for the rapid and continual growth of the budget in recent years was the constant expansion of the Organization's administrative machinery. It was apparent that many Member States, notably the major contribu-

tors, did not approve of that expansion. They pointed out quite properly that the continued increase in the number of Secretariat staff led to burdensome expenses and was not consistent with their desire for an administration that was both efficient and relatively economical. He asked whether the efficiency of the United Nations could not be improved and its activities broadened by a more rational use of existing staff and resources, rather than by a further enlargement of the Secretariat. The work of the *Ad Hoc* Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies and the Committee on the Reorganization of the Secretariat had shown that there was considerable scope for better utilization of existing staff. At the twenty-third session many delegations—including his own—had made practical proposals for limiting the inordinate growth of expenses under sections 3 and 4 and had criticized the members of the Secretariat who determined staff requirements. Nevertheless, expenditure on staff for 1970 had again been planned in a mechanical way without due regard to existing resources. Increases in staff were supposed to be made for the purpose of implementing agreed programmes, but he doubted the need for any increase when there were still substantial untapped reserves within the existing staff.

43. His delegation was puzzled by the request for additional staff to service conferences and provide documentation and could not support it because the recommendations of the *Ad Hoc* Committee of Experts and various decisions of the General Assembly had been clearly against it. The estimates currently before the Committee gave cause for much concern; they were tantamount to a refusal on the part of the Secretariat to keep the promise it had made the previous year to avoid substantial increases in personnel. A request for 308 additional posts did represent a substantial increase, and it was made at a time when there were still posts left vacant from 1968 and work was in progress to discover even more unused resources. If the Fifth Committee approved the Secretary-General's request, 1,226 new posts would have been added in three years to a total staff of more than 8,000. That was surely excessive. His delegation could not support the recommendation made by the Advisory Committee, which often expressed doubts about the size of staff increases but took only half-measures to limit them. His delegation considered that the Secretary-General's request could be reduced to the 234 provisional posts without detriment to programmes. It noted, however, that many delegations, especially those of developing countries, understood the request for more staff to be connected with the need for preparatory work for the Second Development Decade.

44. His delegation also attached much importance to that Decade and therefore proposed that the Fifth Committee should state in its report to the General Assembly on the budget estimates for 1970 that it had decided to approve, in addition to the staff costs for 1969, the appropriations recommended by the Advisory Committee under sections 3 and 4 of the budget estimates for 1970 only in the amounts necessary for the recruitment of staff for new permanent and provisional posts in the Department of Economic and Social Affairs and the regional economic commissions of the United Nations. The implementation of that proposal<sup>4</sup>

<sup>4</sup> The text of the proposal was subsequently circulated as document A/C.5/L.993.

would mean an increase in both permanent and temporary staff; his delegation did not think it desirable, but would support it to meet the wishes of the developing countries. In so doing, however, his delegation wished to stress that the United Nations should improve its efficiency and rationalize the work of the Secretariat by making better use of staff resources and economizing wherever possible, and that repeated increases in staff in all departments were certainly not justified. He hoped that his delegation's proposal, which had been based on those considerations, would be carefully studied and understood.

45. Mr. VIEIRA (Brazil) said that his delegation approved the Advisory Committee's recommendation (A/7608, para. 157) for a reduction of \$120,000 in the credit requested by the Secretary-General under section 3 for the financing of provisional posts. Some members, as in the past, had expressed concern at the suggestions made by others to restrict the resources made available to the Secretary-General. Those suggestions were often repre-

sented as a rational response to the desire for administrative and budgetary discipline and were based on the assumption that the desk-by-desk survey would reveal a need for the curtailment of resources. It should be remembered, however, that as the Secretary-General had said, there might well be areas of the Secretariat where, by improvements in present working methods and procedures and by some reorganization of priorities, economies could be achieved, but on the other hand it might be that the survey would show that in other areas there were some deficiencies in the present staffing which should be remedied. His delegation believed in the importance of the survey but felt, first, that it should not be carried out in haste because it might have a profound influence on the work of the United Nations, and secondly, that it should not be used as an excuse for restricting unduly the staff resources which the Secretary-General required in order to carry out the tasks entrusted to him.

*The meeting rose at 12.45 p.m.*