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Chairman: Mr. G. G. TCHERNOUCHTENKO
(Byelorussian Soviet Socialist Republic).

AGENDA ITEM 73

Supplementary estimates for the financial year 1968
(continued) (A/7242, A/7258)

1. Mr. GINDEEL (Sudan) said that in the view of his delegation the only remedy to the problem of supplementary estimates as dealt with in the two reports before the Committee was to be found in the implementation of the recommendations on long-term planning and programming contained in the second report^{1/} of the Ad Hoc Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies, and of paragraph 6 of General Assembly resolution 2370 (XXII) concerning an appropriate definition of "unforeseen and extraordinary expenses".

2. With reference to the report of the Advisory Committee on Administrative and Budgetary Questions (A/7258), he asked the Controller to comment on the remarks in paragraph 10 to the effect that some of the over-expenditure of \$740,000 could have been

avoided. Also, he would like to know if the reductions recommended by the Advisory Committee were to be made in specific areas, and if so how they should be apportioned. If they were not related to specific areas, the recommendations would seem to be quite arbitrary and would place an unfair burden on the Secretary-General, particularly since the financial year in question was almost over.

3. Mr. KELSO (Australia) said that in discussing the agenda item under consideration, he would have preferred to have before him the recommendation of the Advisory Committee concerning an appropriate definition of "unforeseen and extraordinary expenses", as requested in General Assembly resolution 2370 (XXII), because that would have given a greater sense of direction to the Committee's deliberations. During the twenty-second session, his delegation had expressed the view that the concept of unforeseen and extraordinary expenditure should be strictly interpreted and had supported suggestions that it should be defined in a restrictive manner. It had taken that position not because it was categorically opposed to the concept of supplementary estimates. On the contrary, it felt that it was essential, in the interests of sound administration, to have a consolidated revision of expenditure estimates at least once during a fiscal year, particularly for so complex an institution as the United Nations. Such a revision served to show where estimates approved at the beginning of the year were likely to exceed or fall short of actual expenditure, and enabled the Secretary-General and his administrative staff to recommend the various adjustments required to bring the estimates into line with the actual pattern of spending. Proposals for increases in estimates already approved should be fully substantiated. Members had to be assured that every proposal for a revision of expenditure, whether upwards or downwards, had been subjected to the most careful scrutiny. That applied as much to savings and transfers as it did to increases; unduly large savings could be just as indicative of unsatisfactory policy implementation or estimating procedure and administration as expenditure in excess of approved estimates.

4. The size of the proposed increases in the supplementary estimates (A/7242) and some of the information and comments submitted together with the proposals gave his delegation cause for concern. With reference to the anticipated additional expenditure under section 3, his delegation was inclined to feel that the Committee should not approve estimates unless it was satisfied that its action was based on all the relevant information and probabilities. The Committee might have been over-optimistic about the possibilities of achieving economies when, at the

^{1/} Official Records of the General Assembly, Twenty-first Session, Annexes, agenda item 80, document A/6343.

twenty-second session, it had considered the staffing estimates for 1968. He would like to have seen a separate comment from the Advisory Committee on the over-expenditure envisaged in respect of common staff costs under section 4.

5. With regard to special missions, it was startling to read in paragraph 23 of the Advisory Committee's report that the four members of the Ad Hoc Working Group of Experts on Infringement of Trade Union Rights had been accompanied by no less than thirteen members of the Secretariat. On the question of fees for experts, his delegation considered that the procedure had been correctly stated by the Advisory Committee in paragraph 24 of its report.

6. If the Fifth Committee was to be able to do its work thoroughly it was essential that its members should be adequately informed about administrative arrangements for special missions, including the number of participants, their travel itineraries and the number of supporting staff accompanying them. Virtually none of that information was given in the Secretary-General's report on the supplementary estimates for section 17 which covered nine different missions.

7. His delegation was disturbed by the implications of the revisions of the UNCTAD and UNIDO estimates, under sections 20 and 21, respectively, although there were substantial total reductions. As far as UNCTAD was concerned, the magnitude of the under-expenditure under section 20, chapters II and III, cast some doubt on the process whereby the initial estimates had been arrived at. In the case of UNIDO, the pattern of under- and over-expenditure and suggested transfers between chapters was bewildering, and the net effect was that the final allocations of expenditure among the chapters of section 21 bore little relationship to the estimates approved at the twenty-second session of the Assembly. The administrative performance of both UNCTAD and UNIDO were of concern to all Member States, as the first United Nations Development Decade neared its end and the policies and techniques in respect of the second decade were being considered. The Australian Minister for External Affairs, in his statement before the General Assembly on 9 October (1687th plenary meeting) had emphasized how concerned he was that the world volume of assistance should not decline because of disillusionment about external aid on the part of certain major developed countries, and that assistance should be provided and applied in the most effective way. Clearly, unless confidence in an efficient performance of two such bodies as UNCTAD and UNIDO could be sustained, the attitudes of all Governments would be adversely affected. His delegation felt that it could speak frankly on those questions because it had important interests in common with the developing countries: most of its exports comprised agricultural and mineral products. Moreover, Australia's contributions to foreign aid had been rising faster than its national income over the past few years. Perhaps the Secretariat could be asked to consider bringing the relevant paragraphs in the reports of the Secretary-General and the Advisory Committee to the attention of the governing bodies of UNCTAD and UNIDO.

8. He expressed appreciation of the Controller's suggestions—at the 1235th meeting—of ways in which

the cuts in the supplementary estimates recommended by the Advisory Committee could be applied to individual sections. He supported the recommended cuts, but would have welcomed an indication from the Advisory Committee as to where they should be applied.

9. Mr. ZODDA (Italy) said that he would like to comment on what his delegation regarded as the most important points emerging from the study of the Secretary-General's report (A/7242). The requested increase was considerable, even taking into account the increase in income. The increase under section 3 was unavoidable, since it was necessitated by fluctuations in the cost of living and inflation. However, his delegation shared the opinion of the Advisory Committee that the requests put forward under chapters II, III and IV could have been avoided. He hoped that the estimated expenditure for the purchase of television equipment under section 8 would be compensated by the increased revenue it would eventually produce. Among the many items of section 10 expenditures which were constantly rising, his delegation was surprised to note an increase of \$6,000 in taxi expenses at Headquarters during the twenty-second session of the Assembly. One of the largest increases was to be found under Section 17, concerning special missions. While the work of those missions was aimed at the achievement of some of the most important goals of the United Nations, the relevant allocations were so conspicuous that every possible step should be taken to keep expenditure under that heading within the limits originally estimated.

10. It was regrettable that by the time the Committee examined proposals for supplementary estimates, the expenses to be approved had in many cases already been incurred. Although unforeseen developments requiring additional expenditure were likely to arise in any given year, it would be a good administrative rule to adhere as rigidly as possible to the original estimates and to offset increased expenditure for one item by corresponding reductions in the estimates for others; the Working Capital Fund should be used only in exceptional circumstances. He welcomed the indication that there had been a considerable reduction under section 2. It was to be hoped that further progress would be made towards the elimination or at least reduction of all expenses that were not strictly necessary.

11. His delegation would vote in favour of the recommendations made by the Advisory Committee in its report (A/7258).

12. Mr. MARTYANOV (Byelorussian Soviet Socialist Republic), noting that many speakers had expressed surprise at the fact that supplementary estimates should be submitted for expenditures already incurred, recalled that the practice had been criticized at earlier sessions of the General Assembly and that the Ad Hoc Committee of Experts had recommended reducing the supplementary estimates to a minimum. The record budget for 1968 imposed a heavy burden on Member States, yet they were now being asked to increase it by more than \$1.6 million. In the view of his delegation, more economical use of the regular budget, stricter control to eliminate over-expenditure under all sections of the estimates and rational plan-

ning of expenditure should make it possible to cover most of the additional expenses of the United Nations without calling for supplementary appropriations. On the other hand, the suggestion concerning transfers from one budget section to another was contrary to the Financial Regulations of the United Nations and could only complicate matters further. The process of bringing order into the Organization's financial affairs would be greatly facilitated by the formulation of a definition of "unforeseen and extraordinary expenditures". Whatever the formulation, it should not cover large supplementary appropriations such as those requested for 1968.

13. In the view of his delegation, it would be impossible to describe as unforeseen or extraordinary the expenditures under section 10, which for the most part related to ordinary forms of United Nations activity and for which provision had been made in the initial estimates. Similarly, he was not satisfied with the explanations concerning additional expenditure under sections 5, 9 and 18. The magnitude of the over- and under-expenditure under sections 20 and 21, for UNCTAD and UNIDO showed that the Secretariat needed to be more precise in estimating the amounts that would be required for the maintenance of those important bodies.

14. His delegation considered that the reduction of \$270,000 recommended by the Advisory Committee was not sufficient. He recalled in that connexion that a similar situation had existed in 1967. At the twenty-second session of the General Assembly the Advisory Committee had called for a reduction of \$275,000 in the supplementary estimates, bringing the total to \$2.7 million. Yet, as indicated in the annex to the Secretary-General's report on budget performance for the year 1967 (A/7125), total expenditures and obligations as at 31 December 1967 compared to appropriations for the financial year 1967 left a final balance of \$1,597,187. That demonstrated that unnecessary supplementary appropriations were being requested and inadequate measures were being taken to reduce unnecessary expenditure.

15. He noted with regret that the supplementary estimates still called for appropriations to finance measures carried out in violation of the United Nations Charter, such as the continuance of the United Nations Commission for the Unification and Rehabilitation of Korea, the United Nations Memorial Cemetery in Korea and payments on the United Nations bond issue.

16. In conclusion, he wished to reaffirm with respect to the 1968 budget as a whole the position of principle taken by his delegation at the twenty-second session. That position remained unchanged, and his delegation would accordingly be unable to support the supplementary estimates, which contained a number of expenditures that were superfluous and contrary to the Charter.

17. Mr. ELIAV (Israel) said his delegation wished to associate itself in general with the conclusions and recommendations contained in the report of the Advisory Committee and that it intended to vote in favour of the relevant draft resolution. The fact that expenditure in excess of original appropriations was incurred should not cause too much concern. The

United Nations was a dynamic organization with worldwide responsibilities and it was not surprising that unforeseen and extraordinary expenditures should be incurred each year. What was disturbing was the fact that the bulk of the increases related to administrative expenditure, as indicated by the fact that there had been no changes in the sections dealing with substantive action in such fields as economic and social development, public administration, human rights and narcotic drugs control. Another indication was the increase of \$20,000 under section 12: for assistance in cases of natural disaster. The Secretary-General had been authorized to spend up to \$100,000 on such items, and there had unfortunately been many other occasions in 1968 on which those funds might have been used. In the same section there was an increase of \$5,000 for prizes for outstanding achievements in the field of human rights. He wondered what effect the juxtaposition of those two figures would have on the image of the United Nations which Members would like to project. His delegation would therefore associate itself with those who had expressed hope that the Advisory Committee's report on the question of defining "unforeseen and extraordinary expenses" would be available shortly and that the Fifth Committee would have ample opportunity to discuss the matter and take the necessary action envisaged in General Assembly resolution 2370 (XXII).

18. Temporary assistance was a prominent and perennial item in the supplementary estimates and it might be advisable to have the problem examined by efficiency experts with a view to achieving economies by such means as the establishment of reserve pools of Professional and General Service workers and part-time employment on a permanent basis.

19. Lastly, he asked if it might not be possible in future to revise certain items in the budget estimates in the light of under- and over-expenditure during the current year. There was a time lag of four to five months between the submission of the budget estimates for the next year and the discussion of the additional expenses for the current year. In revising the estimates, an effort should be made to profit from the experience gained during the current year, thereby perhaps obviating the necessity to discuss unforeseen and extraordinary expenses again the following year.

20. Mr. DILER (Turkey) said it was clear from the two reports before the Committee that the supplementary appropriations requested related either to unforeseen and extraordinary expenses authorized by the General Assembly in its resolutions 2364 (XXII) and 2034 (XX), or expenditures foreseen during the twenty-second session of the Assembly but not provided for and unavoidable expenditures due to inflationary pressures. In the circumstances, the Secretary-General could not have done much more than effect economies by adjustments between budget items and by postponement of certain expenditures, and that was what he had done. It was not always easy to control expenditures in a growing organization responsible for an increasing number of activities in all fields, and it was not fair to place the full burden of responsibility on the Secretariat for increasing expenditures resulting from those expanded activities. On the other hand, his delegation was in favour of disciplined

budgetary practices in the interests of maintaining the financial stability of the Organization. It therefore concurred in the Ad Hoc Committee's recommendations concerning such matters as the deployment of resources and adjustments between budget items. Similarly, it associated itself with those speakers who had expressed concern regarding unjustified over-expenditure, and it endorsed the recommendations of the Advisory Committee.

21. Mr. WILTSHIRE (Trinidad and Tobago) said that in examining the two documents before the Committee, his delegation had a vivid recollection of the debate which had taken place during the twenty-second session of the General Assembly concerning the adequacy of the provisions recommended for implementing the approved work programme, particularly in the economic and social fields. Moreover, his delegation had participated in the 1968 meetings of the Committee for Programme and Co-ordination, when priorities and the implementation of the work programme in the economic and social fields had been examined. It was against that background that his delegation viewed the whole question of supplementary estimates for the financial year 1968. It did not fully understand the recurrence of surpluses at the end of each financial year when there were shortfalls in essential economic and social programmes, and it hoped that improvements could be made in procedures which would help to eliminate that anomaly in future years. At the twenty-second session (1188th meeting) his delegation had expressed doubt that the approved work programme could be carried out within the limits proposed by the Advisory Committee and had analysed several sectors of the programme in order to illustrate the crippling effect which could result from acceptance in their entirety of the reductions proposed by the Advisory Committee for the budget estimates for 1968. Many other delegations had accepted those reductions on the assurance that the approved work programmes, particularly those having high priority, would not thereby be jeopardized. On the initiative of the Afro-Asian group of delegations,^{2/} the Fifth Committee had ultimately accepted a compromise by recording in its report to the General Assembly both the concern expressed and the assurances given, as well as the wish that the Secretary-General should be enabled to implement the work programme. During the debate on the issue, many speakers had held that if the Advisory Committee's expectations should prove to be false, the Secretary-General could have recourse to the Advisory Committee and the Fifth Committee for supplementary estimates.

22. He did not think the increases under section 3 of the budget were excessive. On the contrary, his delegation was only too well aware of the extent to which high-priority programmes had suffered in 1968 as a result of the Secretary-General's failure to allocate supplementary resources to them during the course of the year.

23. To illustrate how moderate were the amounts of supplementary resources requested for various programmes, he referred to statements made by

Directors before the Committee for Programme and Co-ordination during its second session, in April, May and June 1968. One after another they had revealed the extent to which their programmes had been affected by the 1968 budget cuts. The facts, as told to that committee, were revealed in its report.^{3/} The report reaffirmed in paragraph 171, for example, that housing, building and planning should enjoy a high priority and expressed the view in paragraph 173 that several projects in that area which had been deferred for lack of resources should be restored to category I. Those projects had in fact been restored by the Economic and Social Council at its forty-fourth session to category I for immediate implementation. Similar examples of programmes affected by cuts could be found in the Economic Commission for Latin America and the Fiscal and Financial Branch at Headquarters, as well as in the fields of population and of science and technology. By and large those were programmes for which the Secretary-General, in his concern to keep down the over-all level of the supplementary estimates, had not requested additional resources, even though they clearly demonstrated that the Advisory Committee's expectations that priority programmes would not be adversely affected by its recommendations were unfounded.

24. His delegation did not understand the position taken by the Advisory Committee in the last part of paragraph 17 of its report (A/7258). No one had argued that reductions made by the General Assembly in the number of established posts initially requested by the Secretary-General constituted by themselves a justification for exceeding approved appropriations. But situations resulting from such reductions could certainly constitute such a justification. It was surprising that the Advisory Committee's report contained no reference to the pledges given in the Fifth Committee the previous year and recalled in the Secretary-General's report (A/7242, para. 33). His delegation did not object to the Advisory Committee's recommendation that there should be a cut in the supplementary estimates, particularly since, as the United Kingdom representative had made clear at the 1235th meeting, there was frequently an over-all surplus in the budget when the financial year closed. He agreed with the representative of Pakistan that the recommended cut should preferably be an over-all reduction (see 1236th meeting), so as to prevent any further restriction of the economic and social programmes of the Organization in the remainder of the year.

25. As the representative of Pakistan had said, the rules on unforeseen and extraordinary expenditure raised a very complex problem. He hoped that any definition of that type of expenditure which was formulated for the purpose of limiting disbursements under that authority would be accompanied by a comprehensive proposal for dealing with the complicated realities of budgetary administration and the uncertainties of forecasting that it involved. Any improvements which could be made by refining the existing rules and procedures would be welcome, but his delegation hoped that a sufficient degree of flexi-

^{2/} *Ibid.*, Twenty-second Session, Annexes, agenda item 74, document A/7014, para. 97.

^{3/} Official Records of the Economic and Social Council, Forty-fifth Session, Supplement No. 9.

bility would be left to enable the Secretary-General to administer the system adequately and fulfil the objectives of the United Nations.

26. Mr. CASTELLANOS ARRIETA (El Salvador) noted with regard to appropriations over and above those approved by the General Assembly for 1968, that there had been extraordinary expenditure in 1968, such as that occasioned by the resumed twenty-second session of the General Assembly. The supplementary estimates also provided for unforeseen expenditure. Some of it had already been incurred, and on that part no recommendations could be made. His delegation was in agreement, however, with the recommendation of the Advisory Committee that the supplementary estimates should be reduced by \$270,000. It was concerned to note that supplementary estimates were now being submitted every year, and hoped that in future expenditure would correspond to the appropriations authorized by the General Assembly. It would vote in favour of the Advisory Committee's recommendations.

27. Mr. EL-BAHI (Libya) expressed appreciation of the high quality of the Secretary-General's report. His delegation was prepared to accept all the increases proposed in the 1968 budget, but supported the observations made by the Advisory Committee in paragraphs 10 and 11 of its report that part of the over-expenditure shown in the budget estimates for 1968 should have been avoided and that part of the anticipated under-expenditure resulting from the postponement of certain activities until 1969 could not be regarded as savings. Over-expenditure caused by inflation and increased expenses was acceptable, however. His delegation had no objection to the increased expenditure shown under sections 3 and 8, but it should not have been omitted from the appropriations approved under General Assembly resolution 2363 (XXII) because it could have been foreseen. His delegation recommended that in future the budgetary estimates should be worked out with greater precision and made to include reserves for unforeseen and extraordinary expenses.

28. Mr. TURNER (Controller) wished first of all to recall what had taken place in the Fifth Committee a year before. The Fifth Committee and the Advisory Committee had imposed a cut of \$5.6 million on the estimates for 1968, the largest in the history of the United Nations. The Secretary-General and his representatives had not formally contested the various reductions, but had expressed reservations about the practicability of some of them. Some were reasonable and could be made, but it had been suggested to the Fifth Committee that certain others did not constitute sound financial practice because they simply invited supplementary estimates, and to a certain extent that had proved to be true. For example, the Committee had recommended that the turnover reduction be increased to \$2.4 million. At the same time the Secretary-General had been asked for assurances that the cuts would not be allowed to impede the execution of important priority programmes, particularly in the human rights field. The Chairman of the Advisory Committee had given those assurances because he had not considered that the reductions would necessarily have that effect in any case. The Secretariat

had been directed to administer the global manning table as efficiently as possible, making the best use of the vacancy situation, to enable the programmes to continue; and it had done so. But it had proved impossible to achieve the desired turnover reduction. The Australian representative had asked why the Secretariat had not estimated more accurately the cost of home leave entitlements in 1968; it had estimated it accurately, but the Fifth Committee had cut the estimate drastically and now a supplementary appropriation of \$50,000 was required. When the Secretariat reduced estimates it did so on the basis of careful and reasonable calculations, which was not always the case with other bodies. Under-budgeting and over-budgeting alike were unsound practice. Neither the Secretariat nor the Fifth Committee was guiltless in either respect—the Secretariat perhaps tended to err on the side of over-budgeting and the Fifth Committee on the side of under-budgeting. If supplementary estimates were to be kept to a minimum, they must both proceed rationally and be certain that what they asked for was in accordance with the facts. Many difficulties would be avoided each year if that principle was observed.

29. It had been noted that the analysis given in the report of the Advisory Committee (A/7258) shed more light on the problem than in previous years. Thus, for example, the Fifth Committee had been told that an expenditure of \$470,000 in respect of requirements which were known during the twenty-second session of the General Assembly had not been provided for in the revised estimates for 1968. The Advisory Committee was right, and the Secretariat had already admitted to the errors which had caused the under-budgeting. No provision had been made, first, for an increase in field service salaries, and secondly, for the hiring of verbatim reporters and other staff for the First Committee at the twenty-third session. To avoid such mistakes in future the Secretariat could, if the Fifth Committee so wished, produce a list at the end of the twenty-third session of all conceivable requirements for 1969. The Fifth Committee would of course reject such a list, and rightly; but at least the Secretariat would not be accused a year later of having failed to exercise a reasonable measure of foresight. He sympathized with the representatives who were concerned that, despite the apparently frequent need for supplementary estimates, there was often a budgetary surplus at the end of the year. The aim was in fact to end the year with a modest balance. For the financial year 1967 there had been the embarrassment of a \$1.6 million surplus; but it had been forgotten that \$1.2 million of that came from UNCTAD and UNIDO and was non-recurrent. The actual balance was therefore relatively very small. Why then was it claimed—for example, by the Indian representative at the 1236th meeting—that the Secretariat had done a poor job in estimating requirements? He agreed that it might appear safe to reduce the supplementary estimates and had suggested that part of the reduction might be applied to section 3, but he was uneasy about it. If the last drop was squeezed out of the estimates at the beginning, so to speak, it would not be surprising if they were dehydrated at the end. The Secretariat was conscious that errors had been made, al-

though not on its side alone; discipline in the United Nations was after all collective. It had not been an easy year, and if after a thorough investigation of the supplementary estimates as submitted, the Advisory Committee could take issue only with a total expenditure of \$270,000, that did not seem to indicate any very serious budgetary indiscipline of mismanagement. Perhaps, in the circumstances, it showed a not unrespectable record of performance.

30. One of the minor points raised in the Fifth Committee had been the question of UNIDO's premises in Vienna. That Organization had moved into those premises early in 1968, and when the estimates were being prepared there was no basis for reaching realistic decisions as to the costs that would be incurred under the chapters which had given rise to objections: equipment and maintenance of premises, for instance. The Australian delegation had reminded the Committee that the United Nations was indebted to the Government of Austria for providing the premises free of charge. The Secretariat had told the Fifth Committee and the Advisory Committee that the estimates under those chapters were guesswork; it was confident of remaining within the sectional budget but could not guarantee that inter-chapter adjustments would not be required. There should be no difficulty in understanding that.

31. Another point raised had concerned the Ad Hoc Working Group of Experts on Infringement of Trade Union Rights, established by the Commission on Human Rights, its accompanying staff and the payment of its fees. There was no relationship between the size of a body and the supporting staff it needed; the translation, interpretation and précis-writing services were the same for a body of any size. Until the Fifth Committee and the General Assembly laid down rules saying that such bodies should not have all the services they asked for, those services had to be provided as economically as possible. With regard to fees, the Secretary-General had written to the Chairman of the Advisory Committee in June 1968 stating that he proposed to initiate a special re-examination of current internal practices in the light of the special problems with regard to remuneration which were arising with increasing frequency. It might also be necessary, he had said, to consider the position of groups of experts or special rapporteurs appointed by organs or subsidiary organs and who could not be considered to be specifically covered by the existing General Assembly decisions on payment of travel, subsistence and honoraria, which related solely to members of organs and subsidiary organs. He had added that he intended in due course to report fully on his conclusions to the Advisory Committee and as appropriate to the General Assembly. It had been said that the supplementary estimates, particularly section 17, were not as explicit as they might be. All details of travel expenses, fees and the like had been given to the Advisory Committee when the Secretary-General was seeking its concurrence to enter into commitments to meet the unforeseen and extraordinary expenses under resolution 2364 (XXII) of the General Assembly; he was sure that the Fifth Committee had confidence in the Advisory Committee's scrutiny of the details.

32. The suggestions made by the representatives of Pakistan and the Netherlands regarding the procedure for the apportionment of the \$270,000 reduction were interesting, but he thought the procedure he had himself proposed was the most rational. Delay could cause problems; it was unlikely that more adequate information would be available in one or two months' time than was already available. In the meantime authority was needed to incur commitments under the budget in excess of those already authorized. It would therefore be better to follow traditional practice and vote on the draft report section by section as in the past.

33. Mr. BANNIER (Chairman of the Advisory Committee on Administrative and Budgetary Questions) observed that some of delegations had said—and the Controller had implied—that the reductions in the budget estimates for 1968 that the Advisory Committee had recommended had perhaps led to the need for larger supplementary estimates for the current year than might have been expected. It was true that the Advisory Committee might have been over-optimistic in some instances about possible savings and reductions. The Advisory Committee did not work on the assumption that it had to provide for all emergencies; its duty was to estimate what was needed for the United Nations and what contributions could reasonably be expected from Member States. It had to use its judgement and save money where it could. He was not saying that the Advisory Committee made its assessments on an arbitrary basis, however.

34. The representative of Trinidad and Tobago had referred to statements made in the Committee for Programme and Co-ordination by representatives of the Secretariat, particularly those responsible for specific units, in which they had said that they were unable to implement their programmes as planned and blamed the failure on the reductions made by the Advisory Committee. He did not feel that such allegations could fairly be made. When a programme could not be implemented there were usually several reasons, such as staff shortages, delays and the like; it was unlikely that in every case the sole reason was lack of funds due to the reductions recommended by the Advisory Committee. He wished to point out, moreover, that whereas the units which were unable to implement their programmes brought the matter before the Committee for Programme and Co-ordination, those which were able to do so and save money did not advertise the fact. Both sides of the picture were important. When the Advisory Committee recommended a substantial reduction, that inevitably meant a reduction in the manning table, which had to be applied by the Secretary-General wherever possible. The Secretary-General used his best judgement and applied the reduction according to the priorities, but programmes did not have fixed price tags and priorities were not constant. While there might be a lack of funds in certain areas, there were surpluses and full implementation elsewhere; a balance had to be achieved, and only the Secretary-General could do that. He did not believe that the Secretary-General had failed to implement all the priority programmes for which he had assumed responsibility.

35. The previous year there had been some disagreement about turnover. The Advisory Committee had wished to raise it from 5 per cent to 6 per cent for existing staff, and it had proved impossible to achieve that target. In the estimates for 1969 the turnover factor for new recruits had been raised by the Secretary-General from 40 per cent to 50 per cent. The Controller had referred to the global manning table and the need to manage it flexibly; the Secretary-General did so, as was his duty. The United Nations did not consist of separate units each with its own entitlements to staff; that would have entailed numerous manning tables and the situation would have become unmanageable. The concept of a consolidated manning table was as valid today as it had been in 1959, when it had been established.

36. Several speakers had referred to the question of the Ad Hoc Working Group of Experts established by the Commission on Human Rights and the relationship between the number of members and the size of the supporting staff. He agreed that there was no hard and fast rule to say how many staff were needed. The Advisory Committee had not fully approved the demands, and had in fact expressed the opinion, in its reply to the Secretary-General, that a substantial reduction could be effected in the temporary assistance and translation requirements. Ideally, perhaps, a large staff was necessary, but the members of the Working Group should take account of budgetary requirements and make the necessary accommodation.

37. The Advisory Committee itself had not been in a position to suggest a section-by-section the distribution of the recommended global reduction of \$270,000, and he understood that it was equally difficult for the Secretary-General and the Controller to indicate precisely where the recommended reduction might be applied. As the figure of \$270,000 was not excessive, and as there might be some slight end-of-year surpluses in sections where savings were already anticipated, there seemed to be two possible alternatives. Either the proposed reductions could be applied arbitrarily to sections for which the original estimates had been revised upwards, or the Committee could wait until December to receive more precise information on budget performance from the Controller. The Advisory Committee itself had no particular preference for either alternative; but, as the Controller had said that he would not in all probability be able to offer more precise information in December, it was prepared to concur with the Controller's suggestion that the recommended reduction should be spread over sections 3, 4, 20 and 21. At the same time, it was fully aware that such an arrangement might necessitate certain transfers at the end of the year. When he had agreed to the deletion of the word "prior" from operative paragraph 2 of part A of the draft resolution (A/7242, annex), he had been thinking solely of year-end transfers, and not of transfers during the year.

38. Mr. WILTSHIRE (Trinidad and Tobago), referring to his earlier statement and the comments of the Chairman of the Advisory Committee, said that it would not be possible to obtain a clear picture of the precise effect of budgetary considerations on United Nations activities in various fields until the

report on budgetary performance for 1968 was available. Nevertheless, in the areas that he had cited the Committee for Programme and Co-ordination had accepted that budgetary restrictions were the cause of the failure to implement certain programmes.

39. In the meantime, however, he wished to correct the impression that the Committee for Programme and Co-ordination believed that the only way of accelerating the implementation of programmes was to recruit more staff. In fact, after painstaking efforts to identify causes of delay in the implementation of programmes, that Committee had recognized that in some fields delays were due to factors other than financial considerations. What it had wished to stress, however, was that when a specific area of activities had been selected as a priority area, the arbitrary operation of financial considerations should not be allowed to impede the expansion of activities in that area.

40. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) said that, if the Committee was to follow the usual practice of voting on the supplementary estimates section by section, it would be essential for delegations to know before voting how the reduction recommended by the Advisory Committee was to be applied sectionally.

41. Mr. TURNER (Controller) recalled that at the 1235th meeting he had proposed that the global reduction of \$270,000 should be applied as follows: \$160,000 to section 3, \$40,000 to section 4, \$35,000 to section 20 and \$35,000 to section 21.

42. At the same meeting the Soviet representative had said that the supplementary estimates might be reduced by a global amount of \$450,000-\$500,000. If the Soviet delegation wished to make a formal proposal to that effect, he would at once, suggest how a global reduction of \$450,000 should be applied section by section.

43. Mr. TARDOS (Hungary) asked whether the preceding statement meant that the Controller was prepared to accept a global reduction of \$450,000.

44. Mr. TURNER (Controller) said that he himself was opposed to a global reduction even of \$270,000, not to speak of \$450,000. On the other hand, if the Committee decided that the supplementary estimates should be reduced by a global amount of \$450,000, he would make some suggestions on the way in which that global reduction could be applied sectionally.

45. Mr. PALAMARCHUK (Union of Soviet Socialist Republics) said that his delegation was not making any formal proposal. It had merely asked for additional information before the supplementary estimates were put to the vote.

Draft resolution on the supplementary estimates for the financial year 1968 (A/7242, annex)

46. The CHAIRMAN invited the Committee to examine the draft resolution on the supplementary estimates for the financial year 1968 appearing in the annex to document A/7242. He drew the Committee's attention to part A of the draft resolution and invited it to consider and vote on the supplementary estimates section by section.

SECTION 1. TRAVEL AND OTHER EXPENSES OF REPRESENTATIVES AND MEMBERS OF COMMISSIONS, COMMITTEES AND OTHER SUBSIDIARY BODIES

The appropriation of \$1,270,700 for section 1 was approved without objection.

SECTION 2. SPECIAL MEETINGS AND CONFERENCES

The revised appropriation of \$2,385,300 for section 2 was approved by 69 votes to none.

SECTION 3. SALARIES AND WAGES

47. The CHAIRMAN said that, subject to the reservations made by the Controller in his statement at the Committee's 1235th meeting, an amount of \$160,000 of the global reduction of \$270,000 recommended by the Advisory Committee might be applied to section 3. The new revised estimate for the section would therefore amount to \$60,523,000.

48. Mr. MSELLE (United Republic of Tanzania) recalled that, during the general discussion at the twenty-second session on the budget estimates for the financial year 1968, his delegation had said (1149th meeting) that it was not opposed to increased appropriations for recruiting additional staff to carry out work programmes approved by the General Assembly. Though it still maintained that position, it was not in favour of indiscriminate increases in the staff of the Secretariat. In large organizations, increases in staff were not always accompanied by commensurate increases in output.

49. His delegation would not oppose the revised estimate for section 3, with the reduction recommended by the Advisory Committee, but would be glad to have some explanation of the salary and post adjustment changes referred to in paragraph 3.2 of the Secretary-General's report. In particular, he wondered what principle was applied in revising the post adjustment rates.

50. Mr. TURNER (Controller) said that salary and post adjustment changes were made in accordance with a policy and procedure approved by the General Assembly several years previously after a comprehensive review of the question by a special governmental committee. Post adjustment changes were governed by moves in certain statistical indices in the countries in which the various duty stations were situated. In New York, revisions in the post adjustment were based on information published by the United States Bureau of Labor Statistics and reflected changes in the cost of living in the United States of America.

51. Adjustments in the salaries of Professional staff members were made after periodic reviews by the International Civil Service Advisory Board which reported its views to the governing bodies of the various organizations—that is, in the case of the United Nations, to the General Assembly.

52. Salary rates for staff members in the General Service category were based on the principle of the best prevailing rate in the countries in which duty stations were situated. In accordance with the Staff

Rules and Regulations, which had been approved by the General Assembly, changes in General Service salaries could be made at the discretion of the Secretary-General, subject to budgetary availabilities.

53. Mrs. SORIANO (Philippines) thought that, if the supplementary estimate for section 3 was to be reduced at all, it should be reduced by the smallest amount possible, since a large reduction would tend to slow down the work of the Organization. Some economies could, perhaps, be effected under chapters II and III of section 3 by recruiting more permanent staff members and thereby reducing the need for temporary assistance for meetings.

54. Her delegation was deeply concerned at the fact that the volume of documentation produced for the General Assembly's twenty-second session had amounted to 13 million page units, and that expenditure had been incurred for packing and moving documents for storage in warehouses. In the past, the General Assembly had frequently stressed the need for fiscal discipline by the Secretariat. If delegations themselves were to exercise a corresponding restraint, expenditure on the processing and storage of documentation might be reduced considerably.

55. Mr. WILTSHIRE (Trinidad and Tobago) noted that of the proposed increase of \$1,262,200 in the estimates for section 3, \$954,200 was due to circumstances beyond the Secretary-General's control—such as revisions in post adjustment—and that the recommended reduction of \$160,000 would have to be applied within the limits of the remaining \$308,000, which included provisions for temporary assistance in important areas.

56. He would not oppose the recommendation to reduce the revised estimate, but he wished to seek an assurance that the reduction would not affect the work programmes of the United Nations. At the twenty-second session, the Secretary-General himself had said^{4/} that the work of preparing the Repertory of Practice of United Nations Organs would be adversely affected by reductions in the budget. At the same session, the Fifth Committee had placed great stress on personnel recruitment. The proposed increase in the staff of the Office of Personnel would speed up recruitment procedures, and it would be regrettable if recruitment were now to be slowed down again by an excessive reduction in the estimate for section 3. Furthermore, as the Committee for Programme and Co-ordination regarded the International Computer Centre as a matter of the highest priority, he earnestly hoped that the proposed reduction would not impede its work.

57. Mr. TURNER (Controller) assured the representative of Trinidad and Tobago that the application of the recommended reduction was not likely to impede the implementation of any essential programme. It would certainly not have any effect on recruitment or on plans concerning the International Computer Centre.

58. Under certain chapters of section 3, there might in fact be some under-expenditure. For instance, the Office of Personnel was encountering serious diffi-

^{4/} See Official Records of the General Assembly, Twenty-second Session, Annexes, agenda item 74, document A/C.5/1127, para. 18.

culties in recruiting temporary staff for the General Assembly's present session and before the end of the year, some permanent staff members might leave the Secretariat and not be replaced immediately. In that event, the Secretary-General could be more liberal in exercising his year-end transfer authority.

59. Mrs. SORIANO (Philippines) asked why it was difficult to recruit temporary staff for the General Assembly's sessions.

60. Mr. TURNER (Controller) said that unfortunately conditions for temporary employment in the typing and reproduction units—the units for which most temporary staff were recruited for the General Assembly's sessions—were not favourable enough to attract a large number of applicants from the local labour market.

61. Mr. GINDEEL (Sudan) did not understand how the proposed reduction of \$160,000 could be applied in the remaining two and a half months of the financial year. However it might be applied, it should not be allowed to affect the implementation of current work programmes.

62. Mr. TURNER (Controller) said that it would be wrong to imagine that the Committee's discussion of the supplementary estimates was being conducted ex post facto. A considerable proportion of the funds referred to in the Secretary-General's supplementary estimates had not yet been committed, and many adjustments could still be made before the end of 1968.

The revised appropriation of \$60,523,000 for section 3 was approved by 68 votes to 7, with 2 absences.

SECTION 4. COMMON STAFF COSTS

63. The CHAIRMAN said that the Secretary-General's estimated requirements for section 4 amounted to \$14,028,000, an increase of \$259,000. Subject to the reservations made by the Controller, the new revised estimate could be considered to be \$13,988,000, taking into account the application of a reduction of \$40,000 as part of the Advisory Committee's recommendation.

The revised appropriation of \$13,988,000 for section 4 was approved by 67 votes to none, with 8 abstentions.

SECTION 5. TRAVEL OF STAFF

The revised appropriation of \$2,228,500 for section 5 was approved by 68 votes to none, with 8 abstentions.

SECTION 6. PAYMENTS UNDER ANNEX I, PARAGRAPHS 2 AND 3, OF THE STAFF REGULATIONS; HOSPITALITY

The revised appropriation of \$130,000 for section 6 was approved by 74 votes to none.

SECTION 7. BUILDINGS AND IMPROVEMENTS TO PREMISES

The revised appropriation of \$4,828,200 for section 7 was approved by 74 votes to none.

SECTION 8. PERMANENT EQUIPMENT

The revised appropriation of \$775,900 for section 8 was approved by 73 votes to none.

SECTION 9. MAINTENANCE, OPERATION AND RENTAL OF PREMISES

The revised appropriation of \$4,231,500 was approved by 70 votes to none, with 4 abstentions.

SECTION 10. GENERAL EXPENSES

The revised appropriation of \$5,867,000 for section 10 was approved by 64 votes to none, with 8 abstentions.

SECTION 11. PRINTING

The revised appropriation of \$1,583,400 for section 11 was approved by 71 votes to none.

The meeting rose at 6.15 p.m.