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Official Records



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

## AGENDA ITEM 74

Budget estimates for the financial year 1969 (continued)  
(A/7125, A/7205, A/7207, A/7236, A/7255, A/7280,  
A/C.5/1169 and Corr.1, A/C.5/1175-1179, A/C.5/  
L.943)

### General discussion (continued)

1. Mr. TARASOV (Union of Soviet Socialist Republics) recalled that at the twenty-second session of the General Assembly the Secretariat's budgetary policy had been severely criticized by several delegations which had stressed the need for strict discipline in the expenditure of funds contributed by Member States and had called for effective measures to prevent excessive increases in the budget estimates. Unfortunately, in spite of all those criticisms, the problems of past years were still unsolved and were merely being carried over into 1969. It was clear from the initial estimates that the Secretariat had not taken any effective steps to reduce administrative expenditure, to use existing staff more rationally or to implement the recommendations of the Ad Hoc Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies.<sup>1/</sup> Indeed, it had not even tried to do so. The Secretary-General himself had stated in paragraph 2 of his foreword to the budget estimates for the financial year 1969 (A/7205) that, in determining the level of requirements for that year, he had followed essentially the same policy which had guided him in the preparation of the annual estimates for past years.

2. Several delegations were deeply concerned at the increasing financial burden which Member States were being asked to bear. During the five years 1963 to

1968, the regular budget of the Organization had increased by 50 per cent; and, if allowance were made for items included on a pro memoria basis and for additional expenditure resulting from decisions taken at the current session, the estimates for 1969 would be at least \$10 million higher, than appropriations for 1968.

3. The United Nations was, of course, a growing organism. Although it was basically an instrument of peaceful political co-operation, its activities had extended into many spheres, and the developing countries in particular were anxious to use the possibilities it offered for solving their economic and financial problems. As a result, the Secretariat had a great deal of responsible work to undertake; but at the same time it was showing increasing signs of structural imbalance. Some recently established units were beginning to eclipse the basic substantive departments responsible for the maintenance of international peace and security. There was a tendency to believe that problems could be solved not by improved working methods, but by constant and excessive increases in the size of the staff. The Fifth Committee and the General Assembly had frequently recommended that the cumbersome structure of the Secretariat should be simplified, that unessential units, particularly in the economic and social field, should be abolished, that efficiency should be increased by redistributing staff members between departments and that the staff of departments with a diminishing workload should be reduced. However, no genuine progress in any of those directions had yet been made. The estimate under section 3 for salaries and wages alone amounted to \$64.8 million, \$5.6 million more than the corresponding appropriation for 1968. Total estimates for expenditure on staff amounted to \$82.7 million, or 60 per cent of the entire budget.

4. His delegation wondered why the Budget Division had taken the liberty of disregarding the demand of Member States for budgetary discipline, economies and rationalization. If the present trend was not reversed, the Secretariat would be transformed into a "self-propagating" machine, working in its own interests and not for the Organization. The only effective way of reversing the trend was for the Fifth Committee to establish a set of strict financial regulations governing expenditure on staff.

5. The constant growth of the Secretariat had some particularly unpleasant political, as well as financial, aspects. As the Secretariat increased in size, it tended more and more to impose its own opinions and decisions on the Organization and even to offer its own interpretations of the United Nations Charter. The ultimate effects of such a development were easy to

<sup>1/</sup> See Official Records of the General Assembly, Twenty-first Session, Annexes, agenda item 80, document A/6343.

foresee. The work of the United Nations would be directed not by the collective efforts of States but by individual officials, and the Secretariat would come to regard itself as a kind of supranational body entitled to issue directives to Governments of Member States.

6. In the early years of the Organization, the Western Powers had been able to count on an automatic majority in the General Assembly and other United Nations bodies. Recently, however, with the increase in the number of independent States from Africa and Asia, they had found it more difficult to impose their policies on inter-governmental bodies, and in the search for new ways of strengthening their influence on the United Nations, they were trying to enlarge the responsibilities of the Secretariat, in which their representatives occupied nearly all the senior posts. Financial policy in regard to the Secretariat should therefore be based not only on considerations of economy but also on strict observance of the principle of equitable geographical distribution of posts, and control of the Secretariat should not be concentrated in the hands of representatives of a single group of countries.

7. Notwithstanding the many General Assembly resolutions calling for equitable geographical distribution of posts in the Secretariat, no substantial progress had been made in that direction. In recruitment procedures, preference was still given to the nationals of Western countries, and the situation regarding recruitment from the Soviet Union and other under-represented countries was still unsatisfactory. The Secretariat could not equitably discharge its responsibilities under the Charter, unless it consisted of representatives from countries with different social and legal systems.

8. His delegation was looking forward with interest to the Secretary-General's report on the possibility of including Russian among the working languages of the principal organs of the United Nations. Russian was now being used to an ever-increasing extent as an instrument of international communication on political, scientific and cultural matters, and was the working and diplomatic language of a group of countries with a total population of about 300 million, which together contributed more than 20 per cent of the total United Nations budget. His delegation would shortly submit a draft resolution calling for the inclusion of Russian among the working languages of all principal organs of the United Nations, including the Secretariat.

9. The recommendation of the International Civil Service Advisory Board to the effect that the salaries of staff members in the Professional category and above should be increased by 5 per cent (see A/7236, annex I, para. 29) was completely unjustifiable, since existing salaries were high enough and a further rise would only place an additional burden on Member States. The ICSAB proposal would result in an increase of \$2.4 million in net expenditure by the United Nations in 1969 alone. The salaries of staff members at Headquarters had already been increased by 5 per cent since June 1967, and by a further 5 per cent in July 1968, in order to take account of the rising cost of living; it would be wrong to envisage a further increase for any other reason.

10. The reductions recommended by the Advisory Committee on Administrative and Budgetary Questions in the estimate for salaries and wages for the United Nations, UNCTAD and UNIDO were totally inadequate. The time had come to study the possibility of reducing the staff of all three Secretariats or at least, to agree that the staff for 1969 should be frozen at the level for 1968.

11. As the Committee of Experts to consider the Reorganization of the Secretariat of the United Nations had recently completed its work, a decision on the proposed salary increase should be deferred until that Committee's report had been issued. The experts might come to the conclusion that some of the Secretariat's resources were not fully utilized, and might submit proposals for rationalizing the Secretariat's work. His delegation hoped that the report of the experts, together with the Secretary-General's comments, would be distributed as soon as possible. It also believed that the Fifth Committee should not approve the increased estimates for salaries and wages until the Secretary-General had undertaken a survey of the deployment and utilization of staff.

12. He noted that under section 12, out of a total estimate of nearly \$9 million, \$8.7 million was required for expenditure in connexion with the United Nations bond issue. Appropriations had also been requested for the United Nations Memorial Cemetery in Korea and the United Nations Commission for the Unification and Rehabilitation of Korea. As he had stated in the discussion on the supplementary estimates for 1968, his delegation categorically objected to appropriations for undertakings which violated the United Nations Charter. The Soviet Union believed that all illegal accretions from the "cold war" period should now be eliminated from the budget, and it would not contribute to appropriations for the purposes he had just mentioned.

13. With regard to the technical programmes under part V, his delegation maintained its position that technical assistance activities should not be financed from the regular budget of the United Nations. Article 17 of the Charter made it clear that the United Nations budget was intended exclusively for administrative purposes; technical assistance should be offered on a voluntary basis. The Soviet Union, for its part, was assisting the developing countries in their development efforts, particularly in the implementation of their industrialization plans. The Second World War, which had enriched certain Western countries, had cost the Soviet State 1,890 thousand million roubles; but despite the tremendous cost of its national development programmes, the Soviet Union was prepared to go on providing technical assistance in the form of experts, materials and equipment to the developing countries, and to help them train their national technical personnel. However, it believed that all assistance, including aid under United Nations economic co-operation programmes, should be provided strictly out of voluntary funds and that no appropriations for that purpose should be included in the regular budget.

14. Though his delegation appreciated the complexity of the Advisory Committee's task, it could not agree with the recommendation (A/7207, para. 4) that the

initial estimates for 1969 should be reduced by only \$2.2 million. As the estimate of \$2.7 million for the recruitment of additional Secretariat staff (A/7205, table 3.2) could be eliminated entirely, with proportionate reductions in the estimate for section 4, the total reduction could amount to \$4.5 million.

15. At the 1237th meeting the Controller had expressed the view that the Advisory Committee and the Fifth Committee itself had departed from sound financial practice in reducing the estimates for 1968 by \$5.6 million, and had suggested that it was wrong for the Advisory Committee to reduce the estimates prepared by the Secretariat. Some delegations, too, had criticized the Advisory Committee's practice of recommending reductions. However, the views expressed by the Controller were contrary to the existing procedure for reviewing the United Nations budget, and could be refuted by a simple arithmetical calculation. While the Advisory Committee had recommended a reduction in the estimates for 1968 of \$5.6 million, the supplementary estimates for 1968 had amounted to only \$1.6 million. It was clear, therefore, that for 1968 the Controller had requested at least \$4 million more than had actually been spent. The budget estimates for 1969, with all the pro memoria items, seemed to have been prepared on the same basis.

16. Some speakers had alleged that reductions in the budget estimates for 1968 had impaired the implementation of certain programmes, but no definite evidence had been adduced to prove that any practical measures in the economic, social or other field had really been affected by the Advisory Committee's reductions. Unfounded statements of that kind were designed only to create an atmosphere of permissiveness and to undermine financial discipline. His delegation did not believe that the reductions recommended by the Advisory Committee would have an adverse effect on any programme. On the contrary, it was convinced that the Advisory Committee was still adopting too liberal an approach to the budget estimates and should make even greater efforts to prevent wasteful expenditure of funds contributed by Member States, often at heavy cost to their national programmes.

17. For all those reasons, his delegation would be unable to support the budget estimates in their present form.

18. The deficit to be covered by voluntary contributions had been calculated by the Ad Hoc Committee of Experts in its first report<sup>2/</sup> in 1966 at \$31.9 million but, in a statement by the Secretariat (A/C.5/1176) at the 1238th meeting, it had been asserted that the deficit now amounted to \$47 to 48 million. His delegation wished to assert categorically that the Secretariat had no right on its own initiative to extend the consensus of 1 September 1965<sup>3/</sup> to shortfalls which had occurred since the consensus had been reached.

#### First reading (continued) (A/C.5/L.943)

#### SECTION 8. PERMANENT EQUIPMENT (A/7215, A/7207)

19. The CHAIRMAN stated that the Secretary-General, in his budget estimates for the financial year

<sup>2/</sup> Ibid., document A/6289, para. 34.

<sup>3/</sup> Ibid., Nineteenth Session, Plenary Meetings, 1331st meetings, paras. 3 and 4.

1969 (A/7205), had proposed an amount of \$770,200 for section 8. The Advisory Committee, in its main report (A/7207, para. 209), had recommended an appropriation of \$735,200, a reduction of \$35,000.

20. Mr. BANNIER (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the proposed reduction applied to a large extent to chapter I, since the Advisory Committee believed that it should be possible to make a substantial reduction in the over-all acquisition programme for furniture and fixtures proposed for 1969, and also to a lesser extent, to chapter II and III. The proposed reduction of \$35,000 was a reduction of only 5 per cent, and the Advisory Committee was sure that it could easily be achieved.

21. Mr. TARASOV (Union of Soviet Socialist Republics) said that his delegation, in the light of its earlier statement regarding the undesirability of further increases in staff, could not approve the estimate under chapter I which was to provide furniture for new staff members. Accordingly it would abstain in the vote on section 8.

22. Mr. GINDEEL (Sudan) suggested that, since section 8 included an estimate for furniture intended for new staff to be recruited under section 3, it would be appropriate to defer consideration of section 8 until the Committee had considered section 3.

23. The CHAIRMAN said that if the representative of Sudan insisted that no decision be taken on section 8 at the current meeting, the Committee could decide to discuss it later. There would, however, be a second reading of the section, and problems involving other sections could be brought up and considered at that time.

24. Mr. GINDEEL (Sudan) said that he had raised the point only to draw the Committee's attention to it. His delegation did not wish to propose formally that consideration of section 8 be deferred.

25. Mr. TARDOS (Hungary) observed that the amount to be spent on the acquisition of additional equipment (\$308,300) was a relatively small proportion of the total compared with the amount required for the replacement of old equipment (\$461,900). He asked whether the Secretariat could provide information on the cost of all the equipment involved, and whether it could submit a planned replacement programme for the Committee's consideration in the estimates for 1970.

26. Mr. VAUGHAN (Assistant Secretary-General, Office of General Services) said that the Secretariat did in fact present such a programme each year to the Advisory Committee; it could be referred to the Fifth Committee if the Fifth Committee so wished, but it contained a very large volume of documentation. Replacement programmes were drawn up to cover periods of 3, 5 and 10 years, but unfortunately they had fallen behind schedule in the past few years as a result of reductions imposed on the initial estimates.

27. Mr. TARDOS (Hungary) said that the Fifth Committee would not need to see the complete replacement programme; and indication of the value of the equipment would be enough. From the remarks of the Assistant Secretary-General it seemed that there were

grounds for adopting a long-term or a medium-term plan which, once approved, would be allowed to go forward and would probably be more advantageous for the Secretariat and the Member States alike than the present system.

28. Mr. ELIAV (Israel) drew attention to the fact that the revised estimate of expenditure for 1968 under section 8 greatly exceeded the original appropriation; an increase of \$170,400 was anticipated. He hoped that a similar supplementary estimate would not be required in 1969.

29. Mr. TURNER (Controller) said that the over-expenditure had been accounted for entirely by the purchase of one item, namely a colour television camera, and the amount spent had been offset by increased revenue and had been amortized over a short period. The purchase had been made with the concurrence of the Advisory Committee.

*The recommendation of the Advisory Committee (A/7207, para. 209) for an appropriation in the amount of \$735,200 under section 8 was approved on first reading by 77 votes to none, with 7 abstentions.*

#### SECTION 9. MAINTENANCE, OPERATION AND RENTAL OF PREMISES (A/7205, A/7207)

30. The CHAIRMAN stated that the Secretary-General, in the budget estimate (A/7205) had proposed an initial appropriation in the amount of \$4,296,000. The Advisory Committee, in its main report (A/7207, para. 222) had recommended a reduction of \$36,000, leaving an amount of \$4,260,000.

31. Mr. BANNIER (Chairman of the Advisory Committee on Administrative and Budgetary Questions) observed that section 9 always presented a problem because of its lack of flexibility. Most of the charges involved related to items covered by contractual arrangements and were therefore subject to only limited administrative control. The Advisory Committee nevertheless considered that it should be possible to effect some savings, particularly under chapter III. It therefore recommended a reduction of \$36,000, or less than 1 per cent of the total estimate.

*The recommendation of the Advisory Committee (A/7207, para. 222) for an appropriation in the amount of \$4,260,000 under section 9 was approved on first reading by 84 votes to none.*

#### SECTION 10. GENERAL EXPENSES (A/7205, A/7207, A/7255, A/C.5/1169 AND CORR.1)

32. The CHAIRMAN stated that the Secretary-General, in his budget estimates for 1969 (A/7205), had proposed an amount of \$6,013,800 for that section in 1969. The Advisory Committee in its main report (A/7207, para. 245) had recommended that a reduction of \$63,000 be made in that figure, leaving an appropriation of \$5,950,800. In the report (A/C.5/1169 and Corr.1) containing the revised estimates resulting from decisions taken by the Economic and Social Council at its forty-fourth and forty-fifth sessions, the Secretary-General had proposed an additional credit for 1969 in the amount of \$4,800. In its related report (A/7255), the Advisory Committee had recommended against provision of that amount. The total appropriation for section 10 for 1969 as recommended

by the Advisory Committee was therefore in the amount of \$5,950,800.

33. Mr. BANNIER (Chairman of the Advisory Committee on Administrative and Budgetary Questions) observed that the Secretary-General's estimate of over \$6 million represented an increase of \$386,800 over the original appropriation for 1968 and an increase of \$146,800 over the revised estimate. That figure was made up of increases of varying size under all the chapters of the section. The Advisory Committee recognized the signal efforts of the Secretary-General to exercise strict control over the use of funds in that section, but it was still concerned at the growing expenditure under chapter III and to some extent under chapter IV. Chapter II also gave cause for concern notably with regard to the International Computing Centre. In that connexion the Advisory Committee had suggested that the Secretary-General should submit a report in depth on the operations of the Centre and their total financial implications in terms of both expenditure and revenue. The Advisory Committee still considered that savings could be effected under section 10 if strict administrative controls were applied and general expenditure was kept under review throughout the year. Accordingly, it had taken a more liberal approach than before and recommended a small reduction, part of which would be applied to chapter III and the remainder spread primarily over chapters II and V.

34. Mr. BYKOV (Ukrainian Soviet Socialist Republic) said that his delegation was very uneasy about the increasing expenditure under section 10, which was not one of the most important sections of the budget. There was general agreement in the Fifth Committee about the need for strict economy in the budget estimates in the interests of better financial administration in the Organization. But whenever the question of taking practical decisions to reduce expenditure arose the Committee became hesitant. The Chairman of the Advisory Committee had just spoken of "a more liberal approach"; evidently there was a fear, which was quite unwarranted, that any reduction in the original estimates might impair the effectiveness of the United Nations work. Every year efforts were made to reduce expenditure under various sections, and every year expenditure under those same sections continued to rise. The Fifth Committee could not simply continue to increase the financial burden on Member States, for their financial resources were not limitless. There must be a less liberal approach to the use of resources, and the Secretariat must learn to be consistently economical. That applied particularly to sections like section 10, where \$386,800 represented an increase of almost 7 per cent over the original appropriation for 1968, an increase so large as to suggest wastefulness. The Advisory Committee had been able to recommend a reduction of \$63,000, but it was apparent from its report that larger reductions should be possible. In paragraphs 235, 237, 239, 240 and 242 of its main report it had stated that the Secretariat should be able to achieve greater savings in the use of communications, data-processing equipment, public information services, for instance. Reference was made also to strict administrative controls designed to effect savings under other chapters of the section. The Chairman of

the Advisory Committee, in his comments, had stressed his concern at the growing expenditure, and the Ukrainian delegation shared that concern.

35. It was obvious from the report of the Advisory Committee that general savings under section 10 could be greater than \$63,000. Why then had a larger figure not been mentioned? Why was the Advisory Committee afraid to propose concrete measures even when it did not doubt the expediency of such measures? The reason was that some members of that Committee were always apprehensive of over-stepping the limit of their advisory functions, and that was a mistake. The problem could be solved only by a thorough rationalization, by economizing at every opportunity, and only the Advisory Committee could assess those opportunities and make appropriate recommendations. His delegation considered the reduction proposed by the Advisory Committee under section 10 to be altogether insufficient and would therefore abstain in the vote.

*The recommendations of the Advisory Committee (A/7207, para. 245 and A/7255, para. 12) for an appropriation in the amount of \$5,950,800 under section 10 was approved on first reading by 78 votes to none, with 9 abstentions.*

#### SECTION 11. PRINTING (A/7205, A/7207)

36. Mr. BANNIER (Chairman of the Advisory Committee on Administrative and Budgetary Questions) pointed out that the estimate submitted by the Secretary-General (A/7205) was \$1,817,000. The Advisory Committee, in its main report (A/7207, para. 253), recommended an appropriation of \$1,667,000—a reduction of \$150,000. Nevertheless, the appropriation would still be \$43,000 more than the one for 1968, which had itself been reduced in the supplementary estimates by a further \$41,000. It was gratifying to note that the capacity of the internal reproduction services had increased and would continue to do so as a result of the installation of the additional composition equipment requested by the Secretary-General. The increase of \$181,200 under chapter I for Official Records was less welcome. The Advisory Committee recommended a reduction of \$75,000 under that chapter and hoped that it would be possible for the Secretary-General to impose stricter control over the ever-increasing length of the records.

37. Mr. RIHA (Czechoslovakia) said that the estimate submitted for 1969 represented an increase of \$192,600 over the appropriation for 1968. The greatest portion of the increase was for Official Records, under chapter I. The Advisory Committee had observed with concern in paragraph 249 of its main report that, despite the adoption of General Assembly resolution 2292 (XXII) on publications and documentation of the United Nations, the Secretary-General foresaw a substantial increase in the length of the records of the General Assembly and the Security Council, and their Commissions and Committees. If that was the case, it meant that resolution 2292 (XXII), of which Czechoslovakia had been one of the sponsors, had not been particularly effective.

38. A comparison of the budget estimates for 1968 and 1969 revealed that the number of text pages in English for records of meetings were the same. The

number of pages would rise in 1969 from 1,892 to 1,980 for annexes and from 1,954 to 1,966 for supplements, in the case of the General Assembly. The estimated number of pages for the work of the Security Council depended on the number of meetings, which General Assembly resolution 2292 (XXII) could in no way influence. The 1969 estimates for the Economic and Social Council showed no change for records of meetings. Annexes would be reduced from 660 to 620 pages and supplements from 1,084 to 986 pages. The records and annexes of the Trusteeship Council would be 30 pages more than for 1968. There would be no changes for the number of pages of documents of the International Law Commission; the Repertory of Practice of United Nations Organs could be influenced only indirectly by resolution 2292 (XXII), since it was published in pursuance of General Assembly resolutions 796 (VIII), 992 (X), 1136 (XXII), and 1756 (XVII).

39. An analysis of those figures must lead to the conclusion that there had been no substantial increase in the number of pages of records of meetings under chapter I. On the other hand, the considerable reduction which the members had expected and continued to expect, had not been brought about. The Economic and Social Council was the only principal organ of the United Nations which had paid any great attention to the problem. By its resolution 1379 (XLV), it had requested subsidiary organs which had not yet dispensed with summary records to consider doing so at their next sessions. He appreciated the request of the Council, which was fully in accord with the recommendation contained in sub-paragraph (c) of the annex to General Assembly resolution 2292 (XXII), although it would not influence chapter V of section 11. The Council, in the same resolution, had further requested the Secretary-General to consider ways and means of reducing the cost of producing the summary records of the organs of the Council, where such records were deemed to be essential. His delegation felt that the General Assembly should make a similar request, covering the records of all organs of the United Nations as well as supplements and annexes. Such an approach would strengthen General Assembly resolution 2292 (XXII).

40. Mr. SILVEIRA DA MOTA (Brazil) noted that about 69 per cent of the total printing expenditure for 1969 would be incurred in areas outside Headquarters. He was pleased to see that efforts would continue to be made to assign contractual printing on the widest possible geographic basis. He hoped that it would be assigned especially to developing areas and asked for information on the present situation.

41. Mr. NOSEK (Under-Secretary-General for Conference Services) replied that contractual printing was carried out in thirty-five countries and the Territory of Hong Kong, in addition to the United States of America. The figures for 1967 showed that 37.34 per cent was done in the United States, 14.19 per cent in Canada, 10.65 per cent in Belgium, 10.05 per cent in France, 1.58 per cent in the Netherlands, 9.13 per cent in Switzerland, 6.73 per cent in the Union of Soviet Socialist Republics, 1.05 per cent in the United Kingdom, 1.06 per cent in other European countries,

2.49 per cent in Africa and the Middle East, 3.76 per cent in Asia and 1.97 per cent in Latin America.

*The recommendation of the Advisory Committee (A/7207, para. 253) for an appropriation in the amount*

*of \$1,667,000 under section 11 was approved on first reading by 83 votes to none.*

*The meeting rose at 12.45 p.m.*