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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. AGÜERO (Chile) observed that great and increasingly rapid changes had taken place in the world during the past twenty-five years. The developed countries had attained economic abundance and high productive capacity, although in most of them poverty was still much in evidence. The United Nations had been in existence for almost a quarter of a century, and it was time to pause and review the experience and knowledge it had gained. The future called for new ideas, practical solutions, creative ability and a certain amount of daring. Preparations were now being made for the Second United Nations Development Decade, and his delegation, having studied the part of the report of the Economic and Social Council that dealt with that subject (A/7603, chap. I), wished to stress the need to co-operate in pursuit of the goals set by the Council, including, in particular, a greater annual increase in agricultural production and industrial development. As noted in paragraph 1 of that report, the concept of development was now viewed in its broadest political, social and economic context. More resources, an acceleration in the progress of productivity, a more adequate international effort and the mobilization of considerable political will in both developed and developing countries would be required if worth-while progress was to be made during the Decade.

2. He noted that the initial budget estimates for the financial year 1970 (A/7606) amounted to \$164,123,200, but that additional requests might increase the figure to \$165,000,000, excluding any costs for possible new construction at Santiago, Chile, and at Headquarters. However, the Advisory Committee on Administrative and Budgetary Questions, in its related report (A/7608), had recommended a reduction of \$1,256,600. He also noted the estimates of income.

3. The Secretary-General had requested appropriations for a total of 308 new posts for 1970, including a credit from

which to finance 234 provisional posts, which was a departure from the usual practice. The Secretary-General had stated that, in making that request, he had borne in mind the scheduling of the staff utilization survey and the current difficulty of filling vacant posts.

4. It had been estimated that the increase in the budget for 1970 was of the order of 6 per cent, of which only 2 per cent provided for either new programmes or a moderate expansion in existing activities and services. It should also be noted that the initial estimates did not include provision for expenses arising from decisions which had not yet been taken by the Economic and Social Council at the time when the estimates had been presented to the Advisory Committee. His delegation trusted that the Secretary-General would submit appropriate reports on those matters.

5. It would also be interested to see the report on the problem of accommodation at Headquarters which was to be produced in response to the General Assembly's request in its resolution 2487 (XXIII) and the detailed plans and specifications for office accommodation at Geneva, where a construction project costing \$22 million was being carried out, and at Santiago, where work on a new building had been suspended because the plans were reported to be inadequate to meet requirements.

6. His delegation hoped that the Secretary-General would suggest a planning estimate for the year 1971, in accordance with General Assembly resolution 2370 (XXII): it felt that that procedure would improve the budgetary practices of the United Nations and enable Member States to know the background to the budget in good time and make practical suggestions.

7. His delegation noted with approval the recommendations made by the Committee on Conferences. He drew attention to the fact that the Economic and Social Council, in its resolution 1460 (XLVII), of 8 August 1969, had requested the Secretary-General to submit a study showing the respective trends over the past five years in the number and length of conferences and meetings held in the economic and social field and in the field of human rights, particularly in regard to staffing and costs. His delegation agreed with the General Assembly's reaffirmation—by its resolution 2478 (XXIII)—of the general principle that, with certain exceptions, United Nations bodies should plan to meet at their respective established headquarters, but that they might be held elsewhere when a Government issuing an invitation for a session to be held within its territory had agreed to defray the actual additional costs. In his delegation's view, the Committee on Conferences, which was currently operating on an experimental basis, should be allowed to continue its functions.

8. Mr. LOURENÇO (Portugal) said that the budget estimates had a bearing not only on the efficient working of the United Nations, but also on the national budgets of, in particular, the smaller countries such as his own, which had to husband their resources carefully to meet the needs of their own national development programmes, with which the greater part of the Organization's activities were linked. His delegation, therefore, always gave close attention to the discussion of the budget estimates, and was happy to note that the suggestions and comments which it and others had made at the twenty-third session had been taken into account in the preparation of the budget estimates for 1970. In particular, the new estimates were accompanied, wherever necessary, by more detailed information and tables, which made the task of the Fifth Committee considerably easier. He noted, however, that the Secretary-General had acknowledged, in his foreword to the budget estimates, that the estimates were subject to possible revision in due course as a result of decisions to be taken by the Economic and Social Council at its forty-sixth and forty-seventh sessions or by the General Assembly at its twenty-fourth session. His delegation was also pleased to see that the *pro memoria* provisions, which had been so strongly criticized at the preceding session, had been eliminated.

9. His delegation noted that the total gross estimates for 1970, after the reduction recommended by the Advisory Committee, represented an increase of some 6 per cent over the gross expenditure approved for 1969 before the approval at the 1304th meeting, of the supplementary estimates. It appeared that 2 per cent of the increase provided for either new programmes or a modest expansion in certain existing activities and services. In present economic conditions such an increase might well appear insignificant, and there were Member States which felt that a higher rate of increase in the budget would make the Organization better able to achieve its aims and objectives. Some even seemed to think that programmes should be expanded without regard for sound and rational economic management. His country for one did not pursue a policy of accepting foreign aid and loans indiscriminately and, since its contribution to the United Nations budget must therefore come from its own modest resources, it was naturally anxious to guard against extravagance and waste in any sector. Much had been done in recent years to keep the expenses of the Organization within reasonable bounds, but his delegation was still concerned about the continual growth of the budget and felt that it would be well to bear in mind, in making plans for the future, that even wealthy countries could not, or would not, go beyond certain limits. There was much wisdom in "making haste slowly"; that which was built gradually, on solid foundations, was of more lasting value.

10. From an analysis of the mass of information placed before the Committee, it could be seen that by far the greater portion of the increase in the budget estimates for 1970 was caused by current inflationary trends, and obviously even the 2 per cent which was to pay for the expansion of programmes and other activities would not be unaffected by inflation. Many of the new and expanded activities for which the Secretary-General had requested resources were related, to a greater or lesser extent, to the prime objective of the United Nations, namely, the main-

tenance of international peace and security, and his delegation felt that such requests should be granted without question. The Secretary-General had also since disclosed that recent decisions of the Economic and Social Council would entail additions to the budget estimates totalling about \$708,000. It was to be hoped that the amount in question would be sensibly used so as to avoid needless expenditure by subsidiary bodies and keep total expenses to a minimum without detriment to the efficiency of the Organization. It was still possible, of course, that supplementary estimates for 1970 might have to be submitted at the twenty-fifth session. In that connexion, his delegation hoped that a more precise definition of the term "unforeseen and extraordinary expenses" could be formulated for the guidance of all concerned.

11. To meet anticipated staffing requirements for 1970, the Secretary-General had requested 74 new established posts and a credit from which to finance 234 provisional posts, making a total of 308 additional posts. With regard to the 234 provisional posts, however, the Secretary-General had given an assurance that in the employment of additional staff he would follow certain criteria which had been formulated in detail by the Advisory Committee in paragraph 36 of its main report (A/7608). His delegation noted that work on a survey of utilization and deployment of staff had just begun and would not be completed until 1971. It accepted as valid the reasons offered by the Secretary-General for the delay, and felt that until at least part of the survey had been completed the requirements for 1970 should not be too closely questioned. The Advisory Committee had studied those requirements in detail and had expressed the hope that, in the allocation of the provisional posts, each and every request, regardless of its source, would receive the closest possible scrutiny in the light of demonstrated needs. In addition, the Advisory Committee had suggested that it should receive from the Secretary-General at its summer session in 1970 a report on the use that had been made of the provisional posts as of 1 June 1970 and at its autumn session a further report, effective 30 September 1970. His delegation concurred with the views expressed by the Advisory Committee on that subject and would support its recommendations.

12. It was still a matter of concern that the situation with regard to equitable geographical distribution in the recruitment of staff had not improved sufficiently, despite repeated appeals from Member States. Some countries had received preferential treatment in the past and were consequently over-represented in the establishment, while nationals of other countries could secure posts only with the greatest difficulty. His delegation wished that fairer treatment could be given to countries like Portugal, which had small quotas assigned to them, although it recognized that the Secretary-General experienced—as he had said in paragraph 11 of his foreword to the budget estimates for 1970—perennial difficulties in the recruitment of qualified staff.

13. His delegation had reservations about certain sections of the budget, but would make its comments on them at the appropriate stage of the debate.

14. Mr. TARDOS (Hungary) observed that the total cost to his country of membership in the United Nations family

of organizations amounted to approximately \$4 million; it was therefore understandable that his delegation wished to know whether or not the money was being efficiently used. The budget estimates of the United Nations and the specialized agencies for 1970 totalled nearly \$400 million, which was more than the annual budget of many Member States, and the spending of such a sum was a great responsibility for all the organs concerned.

15. In the past few years many Member States had expressed their concern at the increasing size of the budget estimates of the United Nations. His delegation agreed with the Secretary-General's comments, in the introduction (A/7601/Add.1, para. 20) to his annual report on the work of the Organization that it would seem inappropriate to try to control growth in programmes through limitations on the level of the budget, and that the emphasis should rather be on improving the programme formulation processes, on establishing concrete objectives for United Nations action and on translating the latter into long-term and medium-term programmes, for which in turn budgetary provisions could be made. Furthermore, his delegation felt that tighter budgetary discipline might make it possible to expand the programmes with, at most, only a small increase in the appropriations, and agreed with the Advisory Committee that "more attention should be given to evaluating completed and existing programmes and projects and the staff resources which were and would become available for redeployment" (A/7608, para. 34). The decision-making bodies should be enabled to take the work programme and capacities of particular departments of the Secretariat into account when assigning new tasks to them, and the departments concerned should be allowed to suggest changes in priorities which would enable them to meet the demands made upon them more promptly and efficiently. He added that the Secretariat sometimes claimed travel expenses in connexion with work which could have been carried out by correspondence.

16. The expansion of programmes did not necessarily entail an increase in the budget estimates, and conversely, where efficiency was lacking, increased estimates did not always mean that programmes were being expanded. To ensure efficiency it was essential that programmes should be co-ordinated as far as possible; in the past few years efforts had been made to fulfil that requirement with regard to both the programme-formulating organs and the budgetary and administrative bodies. His delegation would be interested to see the outcome of the recommendations of the Enlarged Committee for Programme and Co-ordination for the unification of co-ordination, and was also looking forward to the co-ordination of the activities of the bodies dealing with co-ordination. The process of co-ordination could give rise to conflicts—for example, on the question of priorities—between the programme-formulating organs and the various departments of the Secretariat, or between the United Nations and the specialized agencies. The national agencies concerned with the various international organizations also suffered as a result, because often they were not duly informed of decisions taken in the General Assembly. It was to remedy that situation that the Assembly, in its resolution 2475 A (XXII) had appealed to Member States to ensure co-ordination within their national representation on the organs of the United Nations system, and it was desirable that Governments should give effect to that resolution.

17. Regarding the pattern of conferences, his delegation considered that, although conferences were an important element in the work of the United Nations, it was more appropriate to emphasize good preparation and organization than to increase the number and length of conferences. Governments found it increasingly difficult to participate in all of them, and the conference services of the Secretariat had reached the limit of their capacity. During the current session a decision would have to be taken on the future of the Committee on Conferences. That Committee had not lived up to his delegation's expectations, mainly owing to its limited terms of reference. If the General Assembly decided to prolong the mandate of that Committee, it should first of all adopt a resolution stating that no organ, except for the bodies directly concerned with the maintenance of international peace and security, should be allowed to increase, beyond a fixed percentage, the number of meetings allocated to it in the calendar of conferences; secondly, the Committee on Conferences should be authorized to schedule the place of every proposed conference or session in its calendar according to the capacity of the conference services and with a view to meeting as far as possible the requirements of the various organs.

18. Commenting on the machinery for the approval of the budget estimates, he observed that the reports and recommendations of the Advisory Committee were of great assistance to the Fifth Committee, but in numerous instances the former did not offer adequate justification for the reductions it proposed. The reasons it gave could sometimes justify reductions half as large or twice as large as those actually proposed.

19. The budget estimates for 1970 seemed to his delegation to be more realistic than those of previous years. In the past, the estimates had shown an average annual increase of 10 per cent, whereas the estimates for 1970 showed an increase of only 6 per cent. That was nevertheless a substantial amount, considering that certain items had yet to be included. Moreover, although his delegation was inclined to accept the Advisory Committee's view that the part of the budget increase available for programme expansion was higher than the 2 per cent indicated by the Secretary-General, it found it alarming that 4 per cent out of the 6 per cent should be needed to maintain the existing establishment. Inflation in the United States of America was increasing at a considerably more rapid pace than in a number of other countries, and it would therefore be ethically justifiable that the Organization should receive reimbursement for the cost of inflation from the United States, where most of the money was spent, instead of shifting part of the burden onto the other Member States.

20. He welcomed the improvement in the structural arrangement of the budget estimates and the elimination of *pro memoria* items, as a result of which the initial estimates provided a clearer picture of total anticipated expenditures.

21. Salaries and common staff costs were important items, not only because they accounted for more than 70 per cent of the gross estimates, but also because it was in the planning and implementation of those budget items that the greatest factors of uncertainty were to be found. He had been pleased to see that work on the reorganization of the Secretariat had begun, and he looked forward with

interest, to the relevant reports and recommendations. Along with an assessment of the work of the substantive departments, a survey should be made of the utilization of the studies and other papers which the departments produced. In the estimates for 1970 the Secretary-General, referring to the reorganization of the Secretariat, requested a lump sum for the purposes of employing staff on a provisional basis. His delegation held that the allocation of a lump sum would introduce further factors of uncertainty in planning and spending under the sections concerned. The procedure would give the Secretary-General an entirely free hand in enlarging the staff. There were several alternative methods of meeting the new requirements. If the recruitment delay factor was eliminated, 120 additional persons would be immediately available to the Secretary-General in 1970. Indeed, it might be best not to plan a turnover factor—which resulted, *inter alia*, in requests for new posts—but to treat the effects of turnover as miscellaneous income. Another possible method was the temporary redeployment of staff within the Secretariat. He recalled in that connexion, the Advisory Committee's reference, in paragraph 38 of its main report (A/7608) to an unevenness in the intensity of the use of posts within the total staff available to the Secretary-General.

22. No satisfactory answer had been given to the comment on the system of promotion in the Secretariat which his delegation had made at the twenty-second and twenty-third sessions (1183rd and 1243rd meetings). It appeared from the budget estimates that the system of promotion from the General Service category to the Professional category by a reclassification of posts would continue. His delegation was firmly opposed to that form of promotion.

23. The subjects on which reports had been prepared by the Joint Inspection Unit were indicated in the Advisory Committee's report. If Member States could obtain the reports themselves, they would be able to assess the inspection activity on its merits. He endorsed the Advisory Committee's view that the reports together with the comments of the executive head of the organization concerned should be transmitted to its governing body in not more than three months.

24. On the question of budgetary discipline, his delegation regretted to note a repetition of the practice whereby purchases which had not been planned because of negligence had been included in the supplementary estimates for 1969. One example had been the purchase of a colour television camera in 1967, and at the current session the cost of purchasing additional colour television equipment had similarly been included in the supplementary estimates. Such practices raised the questions of misleading presentations to the Advisory Committee and of personal responsibility. By such acts, the Secretariat underestimated the critical sense of the General Assembly.

25. His delegation hoped to receive an answer to the question it had asked at the twenty-third session, namely, whether the damage caused to United Nations property by Israel in 1967 had been definitely assessed or whether there was any progress in respect of the compensation to be paid.

26. Mr. BOYE (Senegal) said that, while all delegations noted and sometimes deplored the steady rise in the level of

the budget, the increase was not in itself disturbing or surprising. The fact that the United Nations was still expanding should be an indication of its vitality and its responsiveness to the hopes of the peoples of the world. The questions that needed to be examined were what really justified the constant increase and what direction the budgetary policy of the Organization was taking at a time when the First United Nations Development Decade was coming to a disappointing end and the Second Development Decade was taking shape under uncertain conditions.

27. In deciding its position on the Advisory Committee's recommendations, his delegation would keep in mind the importance of safeguarding priority programmes already approved or in process of execution, and especially those designed to promote economic and social progress. It would also hope to ensure that activities directed against *apartheid* and all forms of racial discrimination continued to have the necessary resources. It welcomed the fact that the Advisory Committee, in considering the estimates, had made use of the report of the Committee for Programme and Co-ordination concerning the activities of the United Nations in the economic, social and human rights fields.

28. Under the estimates for 1970, 234 provisional and 74 new established posts were being requested. Pending receipt of the report and conclusions of the manpower utilization survey, it might be useful to set ceilings, on the basis of a weighted growth rate, for the personnel categories most subject to fluctuation.

29. More generally, studies setting priorities in the economic and social sectors might be further developed with a view to the eventual fixing of a growth rate. Such an exercise was admittedly complicated and would entail the establishment of a budget policy covering the whole of the activities of the United Nations family of organizations, and effective control at the various levels.

30. In regard to two of the items causing increasing expenditure—conferences and documentation—he welcomed the efforts of the Committee on Conferences and the Secretariat and suggested that they should be continued in the light of priorities to be defined in the economic, social and human rights sectors.

31. Mr. SERUP (Denmark) noted that, of the 5.94 per cent increase in the initial estimates for 1970 over the initial appropriation for 1969, only 2 per cent related to new programmes or the expansion of existing ones. If the 5.94 per cent figure was compared with the percentage increases from 1969 to 1970 in the appropriations of other organizations in the United Nations system, it would be seen that it was the second lowest, and increases considerably higher than 5.94 per cent could be found in many current national budgets. Within the United Nations itself, the current increase was the lowest since 1965. Those facts indicated that the concern expressed by some Member States at the growing rate of expenditure had been taken into account by the Secretary-General and that he had made commendable efforts to keep the budget within reasonable limits. His delegation held that the United Nations was a living organism of a political nature and that it would therefore be neither right nor feasible to establish a ceiling or limitation on the level of the budget. It agreed

with the Secretary-General that the emphasis should rather be on improving the programme formulation processes.

32. His delegation had closely studied the Advisory Committee's report on the budget estimates and was in general agreement with the opinions expressed in it. He had noted the Secretary-General's declared intention to see that the Secretariat's work programmes for 1970 were carried out to the fullest extent possible within the budgetary limits which the Advisory Committee had recommended. He had noted with particular interest the Secretary-General's statement (A/C.5/1233, para. 30) regarding the embarrassment and grave concern he felt with respect to the legacy of UNEF and ONUC when claims for reimbursement from certain Governments—including that of Denmark—were being deferred year after year. It was, indeed, a sad reflection on the many words spoken in support of the United Nations that more voluntary contributions were not forthcoming to remedy that situation.

33. His delegation attached considerable importance to the Secretariat manpower utilization survey which had been called for at the preceding session. It felt that full utilization of all available manpower was essential, and was glad to know that the work on the survey was progressing and could be expected to be completed by the end of 1971.

34. He shared the Advisory Committee's concern at the waste of time and resources resulting from lack of co-ordination in the work of investigating units. He hoped that the Advisory Committee might submit to the Assembly at its twenty-fifth session a comparative study of the terms of reference of all investigating units—whether internal review groups set up by the Secretary-General or *ad hoc* committees established by the General Assembly—together with recommendations for delineating the activities of the various units in order to avoid overlapping.

35. He welcomed the progress made in the matter of dispensing with summary and verbatim records and the saving achieved in the printing of official records as a result of recommendations regarding the printing of supplements.

36. The budget for 1970 would have a very special place in the annals of the United Nations because that year would be the twenty-fifth anniversary of the Organization and the beginning of the Second United Nations Development Decade, which the Secretary-General had asked should also be designated a Disarmament Decade (A/7601/Add.1, para. 42). He accordingly suggested that the budget estimates for 1970 should be viewed not merely in technical and strictly financial terms.

37. Mr. FERNANDEZ MAROTO (Spain) said that the steadily increasing expenditure of the United Nations had now reached the considerable figure of \$164,123,200 in the initial estimates for 1970. In budgets, as in biology, normal growth was a sign of health and vitality, but excessive growth was thought to be deleterious in both areas. It particularly needed watching when, as in the United Nations, increasing budgets aroused very great concern, which his delegation shared. Efforts must continue towards the goal of more efficient and productive use of available resources.

38. While various documents concerning the budget for 1970 had been made available, he regretted that delegations had not yet received volume II of the budget estimates, containing the information annexes. Annex I was particularly important because it outlined budget expenditures for a number of successive years. The information annexes should be made available to delegations at the same time as the estimates themselves, before the debate on the estimates began. His delegation would address itself to those annexes later, if necessary.

39. He was glad to see that the estimates did not contain *pro memoria* provisions and thus gave a more precise idea of anticipated expenditure. In view of the total level of expenditure proposed and the increase of nearly 6 per cent over the appropriations for 1969, the reduction of \$1,256,600 recommended by the Advisory Committee—only 0.77 per cent of the gross figure—seemed to his delegation a minimum, and it would be prepared to support any further reasonable reductions that might be considered possible.

40. His delegation was not convinced of the need to establish any new posts before the completion of the manpower utilization and deployment survey. As to the special credit requested to finance 234 provisional posts, it was more than likely, despite the restrictive conditions proposed for the use of that credit, that the provisional item would become permanent, as usually happened in budgetary matters. He therefore would favour as large a reduction in the requested credit as was possible.

41. In view of the recent decline in the income of some of the revenue-producing activities of the United Nations, added importance attached to the study which the Secretary-General was to make on possibilities for increasing the income of existing activities and for initiating new revenue-producing activities. He hoped that the Secretariat would indeed have some useful suggestions to make on the subject.

42. Progress in implementing the recommendations of the *Ad Hoc* Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies had been partial and slow. His delegation looked forward to seeing the report on the subject by the Advisory Committee and took note of the comment (A/C.5/1234, para. 25) that the recommendations which remained to be implemented were the more intractable ones and that a less rigid approach to some of them might be appropriate; he hoped that the Advisory Committee's report would indicate which recommendations were involved and what the particular difficulties were.

43. His delegation hoped that the Organization had not reached the point where the proliferation of bodies concerned with co-ordination matters itself created a need for co-ordination, and it trusted that steps would be taken, including any necessary institutional changes, to avoid overlapping and duplication.

44. An organization as large as the United Nations must rationalize its administrative procedures, and that could be achieved only through the introduction of modern methods which were being increasingly used and were gaining in

importance, such as computers, budget programming and planning techniques, and operational research. Such methods must, however, be applied in a sober and efficient manner befitting the United Nations, and with maximum administrative and budgetary discipline.

45. Mr. YUNUS (Pakistan) said that the level of the United Nations budget had become a more important issue than the budget itself. The Secretary-General had indicated that, in preparing the estimates for 1970, he had taken account of the concern expressed by Member States with regard to the growing level of the budget. The Advisory Committee had drawn attention in its main report (A/7608) to the increasing total of contributions, voluntary and assessed, required of Member States, while the richer countries had criticized what was described as a record level of expenditure by the Organization. Nevertheless, table 1 in the Advisory Committee's report showed that there was nothing unusual in the rate of growth of the budget and that there had been a similar or even faster rate of increase in the budgets of almost all other international organizations.

46. Obviously, a budget must increase even if a given level of activity was to be maintained; frozen expenditure figures must entail a decline in work programmes. The concern to which the Secretary-General and the Advisory Committee had referred must therefore relate to the rate at which the budget had grown. If that was the case, the rate of growth should be thoroughly examined and the existing doubts either confirmed or dispelled. The growth in the budget in real terms over, say, the past twenty-five years should be determined statistically and the Secretary-General should be requested to prepare a report on the subject for consideration at the twenty-fifth session of the General Assembly. The report should indicate the growth rate of as many national budgets as possible and the relationship of assessed contributions to those national budgets over the period covered by the report. If the report showed that most national budgets had grown at a higher rate than that of the United Nations, that the percentage of national budgets represented by assessed contributions had actually decreased, and that the growth of the United Nations budget in real terms was less than had been assumed, the expressions of concern would be proved groundless and perhaps inadvisable. The need for such a report was clear; it would place the question of contributions in its proper perspective, and Governments and their taxpayers might well be more willing to contribute when they knew that their share in accordance with their capacity to pay was neither excessive nor unjustified.

47. A budget aimed at programme expansion of 2 per cent or a little more could hardly inspire confidence among delegations which regarded the Organization as the principal instrument of international co-operation and progress. Indeed, if so conservative a budget was to be criticized as excessive, the fate of the planning estimate for 1971 could only be anticipated with apprehension. He wondered whether the Secretary-General would again adapt his approach to the concern of the richer countries at the rising level of the budget, whether the Advisory Committee would again, for 1971, cost the projections to show the over-all effect on the aggregate amount of money which would be required by the United Nations system, and

whether certain Member States would say that the planning estimate for 1971 reflected a philosophy of expansion. It would be unfortunate if such attitudes prevailed. The developing countries themselves had not sought to institute planning estimates because of their fears—which were increasingly justified—that the whole exercise had been prompted by the desire of certain States to enforce a rigid budgetary policy. Proposals, at the twenty-second session, that the Organization's activities should be based on a fixed rate of growth and that a ceiling should be imposed on its budget had been transformed, because of widespread opposition, into proposals for a budget forecast which would be binding upon the Secretary-General and the programme-formulating bodies. The proposed forecast was to have been made quite rigid by a new definition of unforeseen and extraordinary expenses. After the Fifth Committee had found those proposals unacceptable, the idea of planning estimates had been introduced, accompanied by formal and informal assurances that they would not restrict the Secretary-General and would indeed be an inducement to the programme-formulating bodies to commence long-term planning of their activities.

48. The first planning estimate was now due for submission to the General Assembly, and there had been rather ominous indications in the Committee for Programme and Co-ordination of the attitude of certain States. The discredited issues of growth rate and budgetary ceiling were being raised in the form of questions as to the willingness of Member States to continue to be bound by Article 17 of the United Nations Charter. There were reports of confidential memoranda addressed to the Secretary-General in that connexion. If such was to be the atmosphere in which the planning estimate for 1971 was to be discussed, the outcome would probably be a further division, in the Fifth Committee and other forums, between the developed and developing countries. The joining of the issue on the eve of the Second United Nations Development Decade and of the Organization's twenty-fifth anniversary could only be described as lamentable. Whatever the outcome of the impending confrontation, however, his delegation wished to record in the strongest terms its firm support for the Secretary-General's decision to maintain the independence of his position in formulating the budget estimates for 1970. Although undoubtedly influenced by the so-called "confidential memoranda", the Secretary-General had not altogether disregarded the will of the overwhelming majority of Member States. Nevertheless, his delegation anticipated that the idea of a fixed growth rate and a budgetary ceiling would be thoroughly discredited during the current session.

49. He might add that the notion that the smaller countries approved United Nations budgets without serious thought because their contributions were minuscule should be dispelled once for all. A comparison of the percentage of the total dollar earnings of Member States with assessed contributions to the budget should be made. For the majority of States, whose dollar earnings were negligible, contributions were a relatively heavier burden. If the assessed contributions were placed in their proper perspective, it would be seen how great was the actual national effort involved in meeting financial obligations for the operational costs of the United Nations. All were aware of the extent to which even traditional attitudes towards such contributions could be transformed if they did not have to be paid in dollars.

50. There had been a tendency of late to cast doubt on the efficacy, and even the advisability, of international action in the social, economic and human rights fields. It had been suggested that such action should be sought in the bilateral or non-governmental sectors. That was an extraordinary trend, which completely undermined the very basis of the Charter. The Second World War had shown that mankind had a common destiny and that one area of the world could not advance if another lagged behind. The Secretary-General had repeatedly drawn attention to the threat of violence inherent in the persistence of economic disparity between the developed and the developing countries. There must be no doubt about the vital importance of ensuring the success of international action to solve the world's social and economic problems. If the new horizons opened by advances in science and technology were to be made the exclusive province of a few States, as had happened in the case of the mastery of sea routes by a few maritime Powers, the world would undergo another harrowing experience comparable to that of colonialism. Had the colonial Powers really benefited in the long term from their policy of reserving to themselves the benefits of their technological superiority? The Committee should not be misled by figures and terminology which reflected a certain reluctance to allow the Organization to grow into a powerful and effective instrument of international co-operation and progress.

51. It must also be asked whether the alleged loss of confidence in the Organization by world public opinion was really due to such phenomena as excessive documentation and waste of financial resources or whether the crisis of confidence through which the United Nations was passing was not, rather, caused by the refusal of certain States to comply with resolutions of the United Nations affecting the lives of millions in Asia and Africa and by an increasing tendency on the part of certain others to regard the overwhelming majority of Member States as acting in a mechanical or even thoughtless fashion. The problems of duplication and waste could probably never be overcome, but did that mean that the United Nations would never regain the confidence of the peoples of the world? An affirmative response from the Fifth Committee would be nothing less than catastrophic for the Organization. Shortcomings such as excessive documentation and the proliferation of co-ordinating organs must obviously be rectified, but the Committee should attach to them only such importance as they deserved. They must not be allowed to confuse the larger issues, and budgetary cuts should not be regarded as a panacea. The United Nations was simply a reflection of the collective image of its members. If the Organization was at fault, each Member must ask how much it had contributed to the failure. Remedial action must first be taken in national capitals.

52. The Advisory Committee had indicated, in paragraph 34 of its main report, that the man-months system employed to calculate staffing requirements could not provide an absolute measure of manpower and related requirements; yet it had failed to suggest an alternative. It was still not clear whether the Advisory Committee wished the Secretary-General to continue to present staffing requirements in terms of man-months. Those requirements would be calculated either on the basis of the fixed manpower strength of individual units or on the basis of the

consolidated manning table. Yet the man-months system was a concomitant of the consolidated manning table; the Advisory Committee had merely indicated the difficulty without proposing that the system should be discontinued.

53. As to the staffing requirements for 1970, he fully agreed with the representative of Nigeria, who had pointed out, at the 1305th meeting, that the comments of the Advisory Committee were based on the assumption that the current desk-by-desk survey was certain to lead to staff reductions. That was not necessarily the case. The decision of the Fifth Committee at the twenty-third session had also been governed by similar considerations, and the Advisory Committee had referred to that decision in order to justify its own doubts regarding the need for additional staff as requested by the Secretary-General. The survey could not yet have yielded results sufficient to alter the Secretary-General's staffing scheme and was, in any case, a highly complex operation. His own country had had extensive experience of the reorganization of all its national services. A basic guideline which had emerged from that enterprise was that the real aim of organization was not merely to effect economy but also to ensure efficiency. The structure of Pakistan's public services had been expanded as a result of the reorganization, and it had proved impossible to reduce the budget. It would be surprising if the desk-by-desk survey yielded any different result.

54. His delegation had no objection to the Advisory Committee's proposal, in paragraph 43 of its report, regarding a review to be made by the Secretary-General of the use made of provisional posts; the review would ensure proper utilization of available resources.

55. The financial health of the Organization was clearly deteriorating. The Working Capital Fund provided to cope with the time lag between the assessment of contributions and payment by Member States had been almost exhausted to make up for unpaid assessments. The Secretary-General had for some time been using funds placed with him in trust to finance day-to-day needs. The result would inevitably be the unauthorized commitment of funds-in-trust towards meeting operational costs. The situation which would exist when that occurred had been foreshadowed in the Secretary-General's statement that no further liquidation of outstanding dues was possible under the special accounts of UNEF and ONUC. The net result was that a number of Governments were left with bills that might never be paid. Could the same situation be allowed to arise in the case of the Working Capital Fund and the funds-in-trust? The credit and the very existence of the Organization were at stake. It was a question calling for enlightened statesmanship at the highest level in the major contributing countries, and one which clearly required a political decision. Until such a decision was forthcoming, Member States should ensure that their assessed contributions were paid as soon as possible after the commencement of the financial year and that dues which were being held over were paid.

56. There could be no retreat from the recommendations of the *Ad Hoc* Committee of Experts to Examine the Finances of the United Nations and the Specialized Agencies. Whatever problems of co-ordination were encountered in the implementation of that Committee's valuable

report should be fully discussed. In the meantime, the Advisory Committee, the Joint Inspection Unit and the Board of Auditors should keep each other informed of their working plans and co-operate in avoiding duplication and, in particular, conflicting recommendations.

57. He emphasized the importance of revitalizing the activities of the Office of Public Information, and noted that many delegations had expressed disappointment at the lack of information on that point. He was therefore gratified that the Assistant Secretary-General for Public Information was to address the Committee.

58. Mr. HALL (Jamaica) said that his delegation had been somewhat disturbed by recent continuing attempts of certain delegations, particularly of developed countries, to impose an arbitrary ceiling on the United Nations budget. Such an approach would probably result in a decrease, in real terms, of the Organization's work programmes. A fixed total budget, coupled with increasing administrative costs and rises in the price of equipment, for example, would naturally result in a decrease in expenditure, expressed in real terms. The current budget estimates had increased by only 6 per cent over the budget for 1969, and if the estimates were deflated to take account of price increases that percentage would be significantly less. He proposed that the Secretariat should prepare, for submission along with future budget estimates, a financial statement showing the estimates deflated by price increases during the preceding year, thus placing the whole question in its proper perspective. As the representatives of India and Pakistan had suggested, a comprehensive report on the growth of the budget in real terms could usefully be submitted to the General Assembly at its twenty-fifth session. The report should cover a ten-year period, the base year being 1960.

59. If the development strategy for the Second United Nations Development Decade was to be implemented, increased expenditure by the United Nations system was logically to be expected, given the needs of the developing countries as a whole. Instead of concerning themselves with the question of the advisability of imposing an arbitrary ceiling on the budget, delegations should be more concerned with the coordination of the activities of the various United Nations organizations. There had been a proliferation of committees established to deal with the matter but, instead of dealing with the problems of overlapping and duplication in the work of such organizations, they had concentrated primarily on budgetary questions. In that connexion, his delegation looked forward to discussion of the question of the reorganized Committee for Programme and Co-ordination. His delegation had certain reservations with regard to the question of planning estimates for the United Nations budget. The preparation of such estimates could be a valuable exercise, provided that all agreed in advance that the estimates would be highly flexible. Unfortunately, however, some delegations regarded them as rigid, with the result that there was a danger of serious divergences of view.

60. The question of staffing requirements had been a controversial issue for some time, and in that connexion he looked forward to the results of the current desk-by-desk survey. Not being prepared to prejudge the latter, his delegation supported the Secretary-General's request—as amended by the Advisory Committee—for additional staff, particularly the provisional posts to be utilized as required in the implementation of United Nations programmes.

The meeting rose at 12.55 p.m.