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Chairman: Mr. Jan Paul BANNIER
(Netherlands).

*In the absence of the Chairman, Mr. Morris (Liberia),
Vice-Chairman, took the Chair.*

AGENDA ITEM 62

Budget estimates for the financial year 1963 (A/5121 and Corr.1, A/5179, A/5205, A/5207, A/5243, A/5263, A/5267, A/5272 and Corr.1, A/5280, A/5299, A/5309, A/5312, A/5331, A/5336, A/C.5/919, A/C.5/923 and Add.1, A/C.5/925, A/C.5/926, A/C.5/928, A/C.5/930, A/C.5/931 and Corr.1, A/C.5/935, A/C.5/937, A/C.5/942, A/C.5/945, A/C.5/946, A/C.5/949, A/C.5/950, A/C.5/951, A/C.5/953, A/C.5/955, A/C.5/956, A/C.5/L.726, A/C.5/L.730, A/C.5/L.734, A/C.5/L.736, A/C.5/L.743, A/C.5/L.748, A/C.5/L.756, A/C.5/L.758, A/C.5/L.759) (*continued*)*

Working Capital Fund (A/5331, A/C.5/951)

1. Mr. SOKIRKIN (Union of Soviet Socialist Republics) noted that the Secretary-General proposed in his report (A/C.5/951, para. 12) that for 1963 the Working Capital Fund should be established at \$40 to \$50 million representing an increase of \$15 or \$25 million. Member States already had very heavy financial burdens to bear under the regular budgets of the United Nations and the specialized agencies. He was surprised that the Secretary-General should have waited until the closing weeks of the session to propose such a large increase. Delegations no longer had time to study the case for the Secretary-General's proposals in detail or to consult the competent departments of their Governments. The General Assembly could not be asked to take a decision in haste on a question of such importance.

2. In support of his proposals the Secretary-General pointed out that total budget disbursements had grown from \$27.9 million in 1947 to approximately \$82 million in 1962. After examining the data supplied by the Secretary-General on the situation of the Working Capital Fund, the Advisory Committee on Administrative and Budgetary Questions had acknowledged in its report (A/5331), that the amount of the Fund had changed very little since the establishment of the Organization, while the gross budget appropriate

tions had increased from \$19.4 to \$82.1 million. The Advisory Committee had pointed out that the Working Capital Fund had nevertheless proved adequate for many years after 1945. Moreover, it should not be forgotten that since 1958 the General Assembly had authorized the Secretary-General to draw cash from special funds and accounts. It had therefore done what was necessary to meet the cash requirements normally covered by the Working Capital Fund. It should also be noted that the highest disbursement made from the Working Capital Fund to cover the expenses incurred under the regular budget did not exceed \$22 million.

3. The Secretary-General had argued that the cash balance of the Fund should be kept at all times at a level sufficient to meet the maximum commitments that he might make in respect of unforeseen and extraordinary expenses, i.e., \$10 million. The Advisory Committee, however, had observed that such unforeseen and extraordinary expenses had not involved a substantial call on the Working Capital Fund itself in the first half of the year. In fact such expenses had never exceeded \$600,000 a year. Consequently there was no justification for the substantial increase requested by the Secretary-General. Generally speaking, his delegation saw no need to establish a relationship between those expenses and the Working Capital Fund. At the sixteenth session it had voted against the resolution on unforeseen and extraordinary expenses because it had felt that the Secretary-General was not entitled to use United Nations funds to finance peace-keeping operations. In empowering him to do so, the Assembly had disregarded the role conferred on the Security Council under the Charter.

4. The Secretary-General stated that, if the Organization's financial solvency and integrity were to be assured, a decision by the General Assembly substantially increasing the Working Capital Fund could no longer be deferred. In reality the Organization was completely solvent so far as the regular budget was concerned, for the great majority of Member States paid their contributions in time. What was more disturbing was to see that the Working Capital Fund was being used improperly, as the table given in paragraph 5 of the Advisory Committee's report showed.

5. He was convinced that, if there was a real desire to ensure the solvency of the Organization, an effort must be made to reduce expenditure instead of asking Member States to pay larger and larger contributions. His delegation could approve neither the Secretary-General's nor the Advisory Committee's proposals, and would oppose any increase in the Working Capital Fund for 1963.

6. Mr. HODGES (United Kingdom) regretted that the report of the Secretary-General and that of the

*/ Resumed from the 966th meeting.

Advisory Committee had reached delegations only a very short time before the opening of discussion on the Working Capital Fund. That was the more regrettable in that, as the USSR representative had pointed out, the proposed increase was of a size which called for reflection. If the Secretary-General's proposals were adopted, Member States would shortly have to find considerable advances, over and above the contributions required of them under the regular budgets of the United Nations and the specialized agencies and their voluntary contributions.

7. As the USSR representative had also pointed out, the Working Capital Fund had been used for purposes other than those connected with the regular budget. There had been no irregularity, however, for the Secretary-General had acted in accordance with General Assembly resolutions. At all events, the increase in the Working Capital Fund should be only a temporary one, for the Assembly was perhaps about to examine ways and means of solving the Organization's financial problems. Moreover, the Advisory Committee believed that the difficulties could be met to some extent by a renewed effort to persuade Member States, where appropriate, to liquidate regular budget arrears as soon as possible and to pay contributions earlier in the year. He agreed with the Advisory Committee that, in the present circumstances, such an effort would appear likely to have a greater chance of success than earlier efforts which had been made. He therefore thought that any increase in the Working Capital Fund should be temporary, pending a further review of the problem at the eighteenth session.

8. As to the amount of the Working Capital Fund for 1963, he thought that the Secretary-General had perhaps overestimated the outlays resulting from unpaid contributions from previous years; it was to be hoped that the situation would show some improvement. Moreover, he was not convinced by the figure of \$8 million for the minimum cash balances to be maintained in the Organization's bank accounts. The Secretary-General seemed to take the view that the Working Capital Fund should be sufficient to deal simultaneously with all the eventualities he foresaw; but such a need was unlikely to arise. Having regard to the situation of the Working Capital Fund over the past ten years, he considered that the amount of the Fund might need to be raised for 1963 to \$35 million only, subject to review at the eighteenth session, and thereafter reduced if the Organization's financial situation improved.

9. Mr. CURTIS (Australia) also observed that many delegations, including his own, had been unable to make a thorough study of the relevant documents. The Secretary-General's proposals were likely to have major practical consequences for Member States. It was the considered view of the Secretary-General that the Fund no longer met the essential requirements for which it had been established. It should be noted that the Secretary-General based his arguments exclusively on expenditure under the regular budget. Although the level of the Fund represented a smaller percentage of the gross regular budget from year to year, disbursements from it had grown more or less in proportion to total budget expenditure. The time-lag in the payment of contributions had also made matters worse. It was therefore correct to say that the level of the Working Capital Fund had not kept pace with the increase in the expenses of the Organization. His delegation also recognized that the

Working Capital Fund should be sufficient to cover unforeseen and extraordinary expenses, that the cash balance of the Fund should be kept sufficiently high to meet commitments incurred by the Secretary-General with the concurrence of the Advisory Committee when the General Assembly was in session and that a minimum balance must be maintained in the Organization's bank accounts. His delegation therefore agreed that the Working Capital Fund should be increased.

10. It must be recognized that the amount of the increase could not be calculated entirely on a mathematical basis. Furthermore, there were several strains on the Organization's finances which might continue in the immediate future. For that reason and having regard to the arguments put forward by the Secretary-General, his delegation was prepared to agree that the amount of the Working Capital Fund should be increased to not more than \$40 million for 1963, pending a further review of the problem at the eighteenth session. It hoped that the Secretary-General would do his utmost to persuade Member States to liquidate their budget arrears and pay their contributions earlier in the year, and that he would report to the General Assembly, at its eighteenth session, on the efforts he had made to that end.

11. Mr. BENDER (United States of America) considered that the Secretary-General had shown courage in stating that a substantial increase in the Working Capital Fund was necessary when he was fully conscious that many Member States would not welcome that prospect.

12. In paragraph 11 of his foreword to the budget estimates for the financial year 1963 (A/5205) the Secretary-General had warned Member States that he was considering the possibility of a "substantial increase in the size of the Working Capital Fund". Despite that warning, many States must have been surprised at the magnitude of the proposed increase. The United States Government, on the other hand, had realized the need for such an increase since 1958 and was only surprised that the Organization had managed to continue its activities during the past five years without it.

13. It would be difficult to challenge the reasons given by the Secretary-General in support of the increase: the increase in the regular budget, which had risen from \$51 million in 1958 to \$74 million in 1962, was known to all, and it was obvious that there was a direct relationship between the amount of the budget and that of the Working Capital Fund. Furthermore, it was obvious that the Organization had to maintain minimum balances in its various bank accounts, at any rate if it wished to maintain its present level of activity.

14. Some delegations seemed to think that since the Secretary-General was authorized, under the resolution on unforeseen and extraordinary expenses, to commit funds up to a maximum amount of \$10 million, he did not need actual cash to cover commitments. But, in fact, it was only through the Working Capital Fund that the Secretary-General could find the funds necessary to meet those commitments, since he could not always wait until Member States had paid their contributions to the United Nations in respect of the supplementary appropriations. That was merely an eventuality, but it had to be allowed for, since the Organization's primary purpose was to maintain

peace and security. It was true that, according to the table in paragraph 5 of the Advisory Committee's report (A/5331), the funds borrowed from the Working Capital Fund for UNEF and ONUC at no time exceeded \$10.7 million in 1961, but that merely meant that there had been no further cash available in the Working Capital Fund because of other expenditures financed from the Fund; it would thus be wrong to assume that such expenditures would never exceed that sum.

15. The Secretary-General had pointed out that the situation would be greatly improved if arrears of contributions were settled promptly and if the current year's assessments were paid sooner. Nevertheless, while the situation remained what it was, the Working Capital Fund had to be large enough to cover those arrears of contributions.

16. The Secretary-General had pointed out that, despite repeated requests by the Secretariat, very few Governments had changed the date of payment of their contributions. That was not surprising, since the financial years of Governments did not necessarily coincide with that of the United Nations and it would be difficult for Governments to change their budgetary systems to meet the financial convenience of the United Nations or to please those who would prefer to avoid an increase in the Working Capital Fund. The United States delegation therefore did not think that it would be possible to make great progress in that direction, but it was not opposed to the Secretary-General or the General Assembly asking Member States to give further consideration to the problem.

17. The Secretary-General had based his request on considerations which affected the regular budget alone. Many other important reasons for increasing the Working Capital Fund could be found if the peace-keeping operations were also taken into consideration.

18. The Advisory Committee had taken a very conservative attitude by recommending that the increase requested by the Secretary-General should be limited, which in no way meant that it was in disagreement with him. The United States delegation would therefore vote in favour of increasing the Working Capital Fund for 1963 to \$40 million.

19. Mr. NOLAN (Ireland) unreservedly supported the Secretary-General's request that the Working Capital Fund should be fixed at \$40 million or \$50 million and somewhat regretted that the Advisory Committee had decided to recommend the lower of those two figures. If delegations were really concerned at the Organization's financial crisis, they should be in favour of an even larger increase in the Working Capital Fund, the purpose of which was to enable the Organization to function pending the receipt of contributions.

20. The Irish delegation had already made known its views on that subject during the general debate and the Irish Minister for External Affairs, speaking in the General Assembly (1142nd plenary meeting), had advocated three measures to overcome the financial crisis: first, that Member States should pay their contributions more promptly, advice which unfortunately had not been followed; secondly, that the amount of the Working Capital Fund should be increased from time to time—which was exactly what the Secretary-General was asking; thirdly, that the Secretary-General should be authorized to borrow, during any given year, sufficient funds to cover the

total financial implications of all the decisions taken by the General Assembly during the year.

21. The Irish delegation would have preferred to establish the Working Capital Fund at a higher figure than \$40 million, but it would support the Advisory Committee's proposal, on the understanding that it merely represented a first step towards a general financial reorganization.

22. Mr. GANEM (France) welcomed the fact that the problem had raised no issues of principle: everyone recognized the need for the existence of the Working Capital Fund and opinions differed only on its amount. The Advisory Committee had recalled that it was mainly in May, June and July that the United Nations found itself in a difficult cash situation and had to draw on the Working Capital Fund. That was due to delays in the payment of contributions, delays which often occurred for constitutional reasons. The United Kingdom's fiscal year, for instance, began on 1 April, and that of the United States on 1 July. With the exception of 1960 and 1962 the Government of the Soviet Union had paid its contribution in December. France had long paid its contributions in instalments, but for the past two years had been paying its full contribution in March or April. It was worth noting that the specialized agencies were better off in that respect than the United Nations, doubtless because, in every capital, there was a government department which had a special interest in those agencies and brought pressure to bear on the Treasury to ensure that payments were not delayed. In that connexion, he considered that all the United Nations financial and personnel departments should again be placed under a single senior official with the rank of Under-Secretary, who would thus be in a better position to negotiate directly with the Governments of Member States.

23. It had proved possible to correct some anomalies. For instance, the United Nations had in the past made a payment of some \$2 million to the United States Government towards the amortization of the Headquarters construction loan at the beginning of July, each year, whereas, fifteen days later, the United States Government paid its contributions to the United Nations. He understood that the annual instalments would henceforth be deducted from the amount of the contribution paid by the Government of the United States, which seemed more logical.

24. Since 1958, the Secretary-General had been authorized to borrow from the funds in his custody. As the Secretary-General had rightly pointed out, however, that was not a good solution. The request for an increase in the Working Capital Fund therefore appeared to be entirely justified.

25. However, 1963 would not seem to be the most propitious year for such an increase. The Working Group which was to be set up shortly to study the financing of peace-keeping operations would no doubt suggest certain improvements in financial procedures. Net expenditures in 1963 would amount to \$80 million, a figure which would rise to \$95 million with the proposed increase in the Working Capital Fund. Yet the net amount of the 1962 contributions was only \$68 million. The contributions of Member States would thus have to be increased by nearly 40 per cent, which was a very large increase. Furthermore, the legislatures of the various Member States had, as yet, made no financial provision for the increase in the Working

Capital Fund since they did not know what the amount would be. In 1962, only eight States had paid their full contributions before March and sixteen or seventeen States before April. That proportion was unlikely to rise if contributions were increased by 40 per cent.

26. For all those reasons, the French delegation was prepared to approve any proposal for the establishment of the Fund at somewhere between \$25 million and \$40 million—if possible, closer to \$25 million than \$40 million—but could not support the Advisory Committee's proposal.

27. Mr. FEKKES (Netherlands) said that although his Government had never viewed the possibility of an increase in the Working Capital Fund with any enthusiasm, he would none the less support the Advisory Committee's recommendation, since the situation regarding the collection of contributions was deteriorating. It was to comply with resolutions adopted by the General Assembly that the Secretary-General drew on the Working Capital Fund and he obviously had to be in a position to meet the cash needs of the Organization. If it was necessary for the Assembly to adopt a resolution on increasing the Working Capital Fund, he would be ready to join other delegations in submitting such a proposal.

28. Mr. SOLTYSIAK (Poland) said that he was well aware that the expansion of United Nations activities in all fields necessarily involved an increase in expenditure, but he considered, like many other delegations, that the time had come to bring total expenditure in line with available resources.

29. The Secretary-General had admitted that many Member States were already experiencing difficulties in simultaneously meeting their obligations under the regular budgets of the United Nations and its specialized agencies and making their contributions to voluntary programmes, and that a large increase in the Working Capital Fund could at present only have the effect of adding to their difficulties. The Secretary-General had nevertheless considered it necessary to ask for an increase in the Working Capital Fund, in spite of the fact that the financial burdens of Member States were already enormous, as the budget of all the agencies of the United Nations would amount to about \$350 million; that of the United Nations alone amounted to nearly \$100 million, which meant that the contributions of Member States to the regular budget of the Organization would already be increased by 21 per cent. The representative of France had pointed out that contributions would be increased by 40 per cent if the level of the Working Capital Fund was raised to \$40 million.

30. If the payment of the contributions of Member States was becoming increasingly unsatisfactory and if those contributions were being received increasingly late in the year, it was precisely because the size of the budget was steadily increasing at the rate of 10 to 15 per cent each year. Governments could not simultaneously meet the needs of economic and social development at home and pay their contributions to the Organization. In such circumstances, no purpose would be served by increasing the Working Capital Fund; the effect would not be to increase income, but the total of unpaid contributions. It was the practice of spending, every year, sums greater than the total appropriations approved for the year which led to an excessive increase in expenditure and alarming delays in the payment of contributions.

31. The Polish delegation, which considered that a Working Capital Fund of \$25 million was sufficient to meet the cash needs of the United Nations, could not support the recommendation of the Advisory Committee that the level of the Fund should be increased to \$40 million.

32. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that one delegation had disagreed with the Advisory Committee for reasons of principle and because it considered the recommended level to be too high while another delegation had deplored the fact that the proposed level was not high enough. He therefore thought it necessary to draw attention to a number of facts.

33. It was true that the total amount drawn from the Working Capital Fund to cover regular budgetary expenditure as at the end of June had averaged \$18.78 million over the last ten years, and \$20.9 million over the last five years, with a maximum withdrawal of \$22.1 million in 1962. It was also true that unforeseen and extraordinary expenses (excluding UNEF and ONUC in 1961 and 1962) had not so far involved a substantial call on the Working Capital Fund itself in the first half of the year. But the Advisory Committee could not overlook the fact that the Secretary-General must be in a position to meet such liabilities, if the need arose, in accordance with the resolutions adopted by the General Assembly on unforeseen and extraordinary expenses. Obviously, if it wished, the General Assembly could amend paragraph 3 of the resolution on unforeseen and extraordinary expenses, under which the Secretary-General was authorized to advance from the Working Capital Fund a sum not exceeding \$10 million to meet commitments resulting from a decision of the Security Council. If the resolution was thus amended, the Secretary-General would not need to ask for such a large increase in the Working Capital Fund. The Advisory Committee could not, however, take such a responsibility upon itself or assume that the Security Council would not have to take any decisions concerning the maintenance of peace and security which would oblige the Secretary-General to enter into commitments for that purpose under the resolution on unforeseen and extraordinary expenses.

34. The Advisory Committee was well aware that the General Assembly had raised the level of the Working Capital Fund from \$22 million to \$23.5 million in 1959, and that it had authorized the Secretary-General to borrow cash from special funds and accounts in his custody. Such borrowings had had to be made to meet payroll and other legal obligations on which the United Nations would have had to default without recourse to such an expedient. It would be more and more difficult, however, to make such borrowings in the future, largely because of the acceleration of the Special Fund's operations.

35. The Advisory Committee was also well aware that the Secretary-General had already made efforts to secure the liquidation of arrears and the prompt payment of current contributions to the regular budget. If the Secretary-General continued his efforts, he might perhaps obtain better results than in the past, but at all events such results would not be spectacular.

36. The Advisory Committee, like the Secretary-General, fully appreciated that many Member States were already experiencing difficulties in simultaneously meeting their obligations under the regular

budget to the United Nations and its specialized agencies and other contributions to the voluntary programmes, and that a large increase in the Working Capital Fund at the present time would only present an added difficulty. Nevertheless, in the absence of a satisfactory alternative, the Advisory Committee had been obliged to recommend an increase in the Working Capital Fund. It had not taken that decision lightly, but it had considered that it was its duty to support the Secretary-General's request because, unless the size of the Working Capital Fund was increased, there was a danger of the Secretary-General being unable to meet payroll and other legal obligations. The Advisory Committee had first considered fixing the level of the Working Capital Fund at \$35 million, then at \$45 million, but had finally decided in favour of a level of \$40 million, recommending that that figure should be approved only for 1963.

37. The Advisory Committee recommended, at the same time, that the Secretary-General should explore all possible avenues to secure the liquidation of arrears and the early payment of current contributions in respect of the regular budget and that he should report on his efforts to the General Assembly at its eighteenth session. Favourable developments might take place in the meantime.

38. Mr. TURNER (Controller) said he first wished to emphasize that, as the representative of the United States had already observed, the Secretary-General had announced his intention of requesting a considerable increase in the size of the Working Capital Fund six months earlier, and had mentioned the question again at the 917th meeting of the Committee (A/C.5/925). During the debate on the budget estimates for the financial year 1963, a number of delegations had commented on the matter and had said that they felt an increase in the Working Capital Fund to \$40 or \$50 million for 1963 was necessary and justified. It therefore seemed to him that all Governments had had time to consider the question and take up a position.

39. Although some delegations had expressed the view that the Secretary-General's report did not contain adequate justification for his request, his own feeling was that the report gave a very clear picture of the situation and contained irrefutable arguments in support of the Secretary-General's proposal.

40. It was a fact that the difficulties which the Secretary-General encountered could not all be evaluated with mathematical precision, that some of the Organization's cash requirements could not be foreseen, and that an element of judgement necessarily entered into the matter. That was precisely why the Secretary-General had not specified an exact figure but had merely indicated an order of magnitude for the increase which he was requesting. He would certainly not dispute the recommendation of the Advisory Committee, which had recommended the minimum figure indicated, although it would have been wiser, in his opinion, to raise the level of the Working Capital Fund to \$50 million. The Secretary-General felt that a decision to fix it at a level of less than \$40 million would certainly be extremely dangerous.

41. Although, as the United Kingdom representative had pointed out, the cash needs which the Working Capital Fund was intended to cover did not all arise at one and the same time, it should not be forgotten that the rate at which funds were disbursed exceeded

the rate at which they were received. A large proportion of current contributions were still outstanding on the first of June each year.

42. Moreover, because of the increasing geographical spread of its activities, the United Nations had to maintain minimum balances in a hundred or so banks throughout the world. A minimum cash balance of \$8 million a month would not cover the Organization's normal expenditures for a week or two. The Secretary-General was doing all he could to make things easier for Governments, and had agreed to accept certain payments in currencies other than United States dollars, such as sterling. If the Secretary-General had not agreed to that solution, the United Nations would not have to maintain such large accounts in London banks.

43. In his report, the Secretary-General recognized the need for further systematic efforts to secure the liquidation of arrears and the prompt payment of current contributions to the regular budget, but spectacular results should not be expected from such efforts, and it was for that reason that the Secretary-General considered it essential to request an increase in the size of the Working Capital Fund. As the representative of the United States had pointed out, a large number of Governments could not pay their contributions earlier in the year for constitutional reasons, but the praiseworthy efforts made in that direction by the United Kingdom Government could serve as an example to many other countries.

44. The Advisory Committee and several delegations had said that the requested increase should be granted for one year only, and that the question should be re-examined at the eighteenth session. It was the regular practice for the Assembly to fix each year the level of the Fund for the next financial year. Clearly, however, what the Advisory Committee wanted was that the Secretary-General should prepare for the eighteenth session as he had done for the current session, an analytical survey of the question and the results of the efforts he had made in the meantime to recover the arrears and collect the current contributions promptly.

45. Delegations must fully realize that, even if the Working Capital Fund were fixed at \$40 million, there would not be a margin of \$10 million to cover the unforeseen and extraordinary expenses which might result from a decision of the Security Council relating to the maintenance of peace and security. If expenditure were committed under that heading, there must be sufficient funds to cover it.

46. From the table in paragraph 5 of the Advisory Committee's report, it appeared that a Working Capital Fund of \$25 million had been sufficient to meet all requirements; but in fact that table did not reflect the full cash requirements of the United Nations over the past two years. The cash requirements had been fully satisfied solely because the Secretary-General had been authorized to draw on the special funds and accounts in his safe-keeping.

47. In reply to the representative of France, he explained that the payment of interest on the Headquarters construction loan granted by the United States Government had always been made on 1 July of each year in compliance with the agreement concluded with that Government, although the United States contribution to the United Nations was paid later.

48. If the amount of the Working Capital Fund were raised to \$40 million, the financial burden on Member States calculated on the gross total of the 1963 budget would be increased not by 40 but by about 30 per cent. As it was hoped, however, that no additional assessments would have to be paid at the same time for peace-keeping operations, the total bill presented to Governments at the beginning of January 1963 would probably be less than that of the previous year.

49. The Secretary-General had been anxious not to prejudge the Assembly's provision for the future financing of peace-keeping operations, and had based his request for an increase in the Working Capital Fund solely on his cash requirements for the regular expenses of the United Nations.

50. The Secretary-General was well aware of the burden which an increase in the Working Capital Fund might lay on States with a limited capacity to pay; but he had felt bound to take the necessary steps to make the United Nations solvent and financially independent as rapidly as possible.

51. Mr. HODGES (United Kingdom) thanked the Controller for fully appreciating his Government's efforts

to expedite the payment of its contributions; he was sure that the Controller had not meant to imply that the payments in sterling made by the United Kingdom and other States created any difficulties for the United Nations.

52. It was true that the Secretary-General had said in paragraph 11 of his foreword to the budget estimates for 1963 that he meant to request an increase in the Working Capital Fund; but it was difficult for Governments to form an opinion on the subject without having precise figures or knowing the Secretary-General's reasons.

53. Having heard the Chairman of the Advisory Committee and the Controller, he was prepared to accept the idea of raising the amount of the Working Capital Fund to \$40 million for 1963, on condition that the question should be reconsidered at the eighteenth session and that the Secretary-General should meanwhile thoroughly explore every means of recovering the arrears and collecting the current contributions more promptly.

The meeting rose at 6.5 p.m.