FIFTH COMMITTEE 704th

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Page

CONTENTS

ted by the Fourth Committee in document A/3959/ Add.1 on agenda item 39 (a) (concluded) 293Financial implications of the draft resolution submitted by the Fourth Committee in document A/C.4/L.573 on agenda item 36 (c)		
Financial implications of the draft resolution submitted by the Fourth Committee in document A/C.4/L.573 on agenda item 36 (c). 293 Financial implications of the draft resolution submitted by the First Committee in document A/4037 on agenda item 25. 294 Agenda item 55: Public information activities of the United Nations: report of the Committee of Experts on United Nations: report of the Committee of Experts on United Nations: report of the Committee of Experts on United Nations Public Information, and comments and recommendations thereon by the Secretary-General (concluded) Draft report of the Fifth Committee to the General Assembly. 294 Agenda item 43: Supplementary estimates for the financial year 1958 (concluded) Draft report of the Fifth Committee to the General Assembly. 295 Agenda item 44: Budget estimates for the financial year 1959 (continued) 295 Second reading (continued) 296 297 Draft resolution relating to unforeseen and extraordinary expenses. 297 Draft resolution relating to the Working Capital 298		293
Financial implications of the draft resolution submitted by the First Committee in document A/4037 on agenda item 25	Financial implications of the draft resolution submitted by the Fourth Committee in document $A/C.4/L.573$	
Agenda item 55: Public information activities of the United Nations: report of the Committee of Experts on United Nations tions Public Information, and comments and recommendations thereon by the Secretary-General (concluded) Draft report of the Fifth Committee to the General Assembly	Financial implications of the draft resolution submitted by the First Committee in document A/4037 on agenda	
Public information activities of the United Nations: report of the Committee of Experts on United Na- tions Public Information, and comments and rec- ommendations thereon by the Secretary-General (concluded) Draft report of the Fifth Committee to the General Assembly	item 25	294
report of the Committee of Experts on United Na- tions Public Information, and comments and rec- ommendations thereon by the Secretary-General (concluded) Draft report of the Fifth Committee to the General Assembly	0	
Draft report of the Fifth Committee to the General Assembly	report of the Committee of Experts on United Na- tions Public Information, and comments and rec- ommendations thereon by the Secretary-General	
Assembly 294 Agenda item 43: Supplementary estimates for the financial year 1958 (concluded) Draft report of the Fifth Committee to the General Assembly Agenda item 44: Budget estimates for the financial year 1959 (continued) Second reading (continued) 295 Second reading (continued) 296 Estimates of income. 297 Draft resolution relating to unforeseen and extraordinary expenses. 298 Draft resolution relating to the Working Capital 298		
Supplementary estimates for the financial year 1958 (concluded) Draft report of the Fifth Committee to the General Assembly		294
(concluded) Draft report of the Fifth Committee to the General Assembly	Agenda item 43:	
Assembly 295 Agenda item 44: Budget estimates for the financial year 1959 (con- tinued) 295 Second reading (continued) 295 Second reading (continued) 296 Estimates of income. 297 Draft resolution relating to unforeseen and ex- traordinary expenses 298 Draft resolution relating to the Working Capital 298	(concluded)	
Agenda item 44: Budget estimates for the financial year 1959 (con- tinued)		
Budget estimates for the financial year 1959 (con- tinued) 295 Second reading (continued) 296 Estimates of income. 297 Draft resolution relating to unforeseen and ex- traordinary expenses. 298 Draft resolution relating to the Working Capital 298	Assembly	295
tinued) 295 Second reading (continued) 296 Estimates of income. 297 Draft resolution relating to unforeseen and ex- traordinary expenses. 298 Draft resolution relating to the Working Capital		
Second reading (continued) 296 Estimates of income. 297 Draft resolution relating to unforeseen and ex- traordinary expenses. 298 Draft resolution relating to the Working Capital		205
Estimates of income		
Draft resolution relating to unforeseen and ex- traordinary expenses	Estimates of income.	
Draft resolution relating to the Working Capital		
		298
r und for the financial year 1959 298		20.0
	r unu for the financial year 1959	298

Chairman: Sir Claude COREA (Ceylon).

FINANCIAL IMPLICATIONS OF THE DRAFT RESO-LUTION SUBMITTED BY THE FOURTH COMMIT-TEE IN DOCUMENT A/3959/ADD.1 ON AGENDA ITEM 38 (a)* (A/3998, A/C.5/761) (concluded)

1. The CHAIRMAN proposed that the Fifth Committee should decide to inform the General Assembly that the adoption of the draft resolution submitted by the Fourth Committee in its report (A/3959/Add.1) would entail an additional outlay of \$15,800.

The proposal was adopted by 48 votes to none, with 2 abstentions.

2. The CHAIRMAN invited the Committee to take a decision on the proposal read out by the United States representative at the 703rd meeting.

At the request of the representative of India, a vote was taken by roll-call.

Ethiopia, having been drawn by lot by the Chairman, was called upon to vote first.

<u>In favour</u>: Finland, France, Ireland, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Sweden, Union of South Africa, United Kingdom of Great Britain and Northern Ireland, United States of America, Australia, Austria, Belgium, Canada, China, Costa Rica, Denmark.

Against: Ethiopia, Ghana, Greece, Guatemala, Haiti, Hungary, India, Indonesia, Iraq, Liberia, Mexico, Pakistan, Philippines, Poland, Romania, Tunisia, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Arab Republic, Uruguay, Yugoslavia, Afghanistan, Albania, Byelorussian Soviet Socialist Republic, Ceylon, Czechoslovakia.

<u>Abstaining</u>: Federation of Malaya, Iran, Turkey, Venezuela, Argentina, Brazil, Burma, Cambodia, Chile, Dominican Republic.

The United States proposal was rejected by 26 votes to 20, with 10 abstentions.

3. The CHAIRMAN said that the Fifth Committee's recommendation would accordingly be transmitted to the General Assembly in the form adopted for the first proposal.

4. Mr. MARTIN (Union of South Africa) said that his delegation had not taken part in the discussion on the substance of the question in the Fourth Committee, but he had voted in favour of the United States proposal, the purpose of which was to limit expenses and to conform to established usage.

5. Mr. GEORGIEV (Bulgaria) said that, if he had taken part in the vote, he would have voted against the United States proposal.

FINANCIAL IMPLICATIONS OF THE DRAFT RESO-LUTION SUBMITTED BY THE FOURTH COMMIT-TEE IN DOCUMENT A/C.4/L.573 ON AGENDA ITEM 36 (\underline{c})** (A/4058, A/C.5/773)

6. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the report of the Advisory Committee on Administrative and Budgetary Questions (A/4058).

7. The CHAIRMAN proposed that the Fifth Committee should decide to inform the General Assembly that the adoption of the draft resolution proposed by the Fourth Committee (A/C.4/L.573) would entail an outlay of \$3,400 for printing the reports in question in 1959, and that the additional cost would be met from the appropriations approved for printing.

The proposal was adopted by 53 votes to none with 5 abstentions.

^{*}Question of South West Africa:

 $^{(\}underline{a})$ Report of the Good Offices Committee on South West Africa.

^{**}Information from Non-Self-Governing Territories transmitted under Article 73 e of the Charter: reports of the Secretary-General and of the Committee on Information from Non-Self-Governing Territories:

⁽c) General questions relating to the transmission and examination of information.

FINANCIAL IMPLICATIONS OF THE DRAFT RESO-LUTION SUBMITTED BY THE FIRST COMMITTEE IN DOCUMENT A/4037 ON AGENDA ITEM 25*** (A/3864/ADD.1, A/4059)

8. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the report of the Advisory Committee (A/4059).

9. Mr. MARSCHIK (Austria) said that he had very carefully studied the report of the Secretary-General on the strengthening and widening of scientific activities in the field of the effects of atomic radiation (A/3864), and, more particularly, the summary of the financial implications (A/3864/Add.1).

10. The Secretary-General was asking for an appropriation of \$226,000 for the financial year 1959, consisting of \$176,000 to enable the United Nations Scientific Committee on the Effects of Atomic Radiation to continue its work and a lump sum of \$50,000 to strengthen and widen its activities. As the Secretary-General had subsequently accepted a reduction of that estimate to \$213,000 he wondered whether the reduction would have any effect on the lump-sum provision of \$50,000.

11. It appeared from the Secretary-General's statement at the 1012th meeting of the First Committee that the character of the Scientific Committee could not be changed, that, if the Scientific Committee should think it desirable to hold a congress or a conference, it would make a proposal to the General Assembly to that effect, and, lastly, that the Secretary-General did not favour the establishment of an international monitoring service or of an international laboratory.

12. The Austrian delegation accordingly wondered what costs the requested appropriation of 50,000 was actually intended to cover. He would therefore be grateful to the Secretariat and to the Chairman of the Advisory Committee if they could give some information on the matter; and he would also like to know whether the proposed reduction of the appropriation to \$175,000 would affect the inclusion of a lump sum of \$50,000 in section 1 of the budget estimates (A/3825 and Corr.1).

13. Mr. APPLEYARD (Secretary of the Scientific Committee on the Effects of Atomic Radiation) said that the Secretary-General could not forecast in detail how the Scientific Committee would carry out the General Assembly's instructions. It was evident from the Secretary-General's report and the speech he had made in the First Committee that, in order to obtain all the desired results, the Scientific Committee would have to have a certain degree of flexibility; it was nevertheless possible to foresee the main lines of its programme.

14. The Scientific Committee would probably wish to strengthen and widen its activities and it would continue to make use of the services of non-governmental organizations that specialized in certain technical and scientific fields. Besides an analysis of existing studies and of the present situation, the Scientific Committee would doubtless need studies made by specialized groups with a view to recommending whether a particular task should be undertaken within the framework of the United Nations or outside it.

15. The Committee would, of course, make use of the services of the International Atomic Energy Agency and of some specialized agencies whenever that was possible. Nevertheless, having regard to the wide range of questions which the Committee had to deal with and the fact that its programme of work for 1959 should not be fixed too rigidly, the Secretary-General considered that the inclusion of a lump sum in the budget would be the best way of facilitating the Committee's work during the coming year.

16. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions), replying to the representative of Austria, observed that the Advisory Committee had recommended an appropriation of \$175,000, which was \$38,000 less than the amount requested by the Secretary-General. The reduction in the lump-sum provision requested would amount to \$25,000, and had been possible thanks to the circumstances which the representative of Austria himself had indicated. It might be noted, moreover, that the Secretary-General's proposal in that connexion was not an absolutely firm one. The balance of the reduction, which amounted to \$13,000, had been made for the reason given in paragraph 5 of the Committee's report.

17. Mr. MARSCHIK (Austria) said that, in the light of the various details provided and of the assurances which had been given, he would vote for the Advisory Committee's proposal.

18. The CHAIRMAN proposed that the Committee should inform the General Assembly that the adoption of the First Committee's draft resolution (A/4037, para. 10) would entail an outlay of \$175,000.

The proposal was adopted unanimously.

19. The CHAIRMAN proposed that the Committee should authorize the Rapporteur to submit its report to the General Assembly direct.

It was so decided.

AGENDA ITEM 55

Public information activities of the United Nations: report of the Committee of Experts on United Nations Public Information, and comments and recommendations thereon by the Secretary-General (<u>concluded</u>)^{1/}

DRAFT REPORT OF THE FIFTH COMMITTEE TO THE GENERAL ASSEMBLY (A/C.5/L.555)

20. Mr. QUIJANO (Argentina), Rapporteur, submitted the Committee's draft report (A/C.5/L.555).

21. Mr. GEORGIEV (Bulgaria) wished to make some observations on paragraph 34 of the draft report, in which it was stated that "the considerations contained in the joint draft resolution were wholly consistent with the basic principles for public information", as though that were a matter of acknowledged fact. That, however, was not the case: as the summary record of the 693rd meeting made clear, the Bulgarian delegation had withdrawn its amendments on the understanding

^{***}Effects of atomic radiation:

⁽a) Report of the United Nations Scientific Committee on the Effects of Atomic Radiation;

⁽b) Report of the Secretary-General on the strengthening and widening of scientific activities in this field.

¹/ Resumed from the 693rd meeting.

that the Rapporteur would state in his report that, in the general opinion of the Committee, the resolutions mentioned in the third paragraph of the preamble should be taken into account when the sixth paragraph of the preamble was put into effect. The point he had wished to make was that, in interpreting the fourth and sixth preambular paragraphs, account should be taken of the General Assembly resolutions referred to in the third preambular paragraph of the Fifth Committee's draft resolution (A/C.5/L.555, para. 35).

22. Mr. QUIJANO (Argentina), Rapporteur, said he was prepared to amend the paragraph in question in the light of the summary record.

23. Mr. SOKIRKIN (Union of Soviet Socialist Republics) pointed out that, while the Soviet delegation and other delegations had criticized the Secretary-General in connexion with the public information activities of the United Nations, that was not mentioned in the draft report. The activities in question often had the appearance of propaganda for United States foreign policy, and he requested that that should be mentioned in the draft report.

24. Mr. QUIJANO (Argentina), Rapporteur, said that he had endeavoured to take those criticisms into account, as could be seen from paragraph 16 of the draft report. He was nevertheless prepared to amend the paragraph in question to meet the Soviet representative's request; but he could not substantially alter it, as that would not be consistent with accepted practice.

25. Mr. SOKIRKIN (Union of Soviet Socialist Republics) said he merely wished the paragraph to be amended in the sense he had indicated.

The draft report was adopted, as amended.

AGENDA ITEM 43

Supplementary estimates for the financial year 1958 (concluded) 2/

DRAFT REPORT OF THE FIFTH COMMITTEE TO THE GENERAL ASSEMBLY (A/C.5/L.559)

26. Mr. QUIJANO (Argentina), Rapporteur, submitted the draft report of the Fifth Committee (A/C.5/L.559).

The draft report was adopted.

AGENDA ITEM 44

Budget estimates for the financial year 1959 (A/3825 and Corr.1, A/3860, A/4057, A/C.5/748, A/C.5/749, A/C.5/772, A/C.5/L.557, A/C.5/L.560) (continued)

27. In reply to a question put by the representative of Romania at the 696th meeting, Mr. STAVROPOULOS (Legal Counsel) made a statement. 3/

28. Mr. BENDER (United States of America) said that his Government was prepared to examine, with the Secretary-General, the questions raised by the Legal Counsel. He wished, however, to point out a few of the factors to be considered before concluding that a change in the existing situation might be possible or desirable. First, it was important to know exactly what was the tax situation at the various offices of the United Nations and of other international bodies in all countries of the world. Further, there must be a well-thought-out approach to the matter of tax exemption. The Legal Counsel had said that the bar and the restaurant were for an official purpose of the United Nations and were not intended for profit; on the other hand, tax exemption on beverages sold in the bar and dining room had been referred to by some as a means of increasing the Organization's income. It was necessary to decide whether an exemption was sought to facilitate the functioning of the United Nations or merely to increase its revenue.

29. The United Nations Gift Centre presented additional problems. First, it was possible to question the propriety of operating such a commercial enterprise at Headquarters. Further, the United Nations did not run the Gift Centre. Finally, the question here was one of taxation affecting individual persons, most of whom were United States citizens.

30. Lastly, he pointed out that United Nations Headquarters did not enjoy extra-territorial rights in the accepted meaning of the term. Section 7 of the Agreement between the United Nations and the United States of America regarding the Headquarters of the United Nations (General Assembly resolution 169 B (II)) laid it down that, except as otherwise provided in the Agreement, the federal, state and local law of the United States should apply within the Headquarters district. There was no provision in the Agreement for exemption from taxation. Section 8, it was true, provided that the United Nations might make regulations for the purpose of establishing in the Headquarters district conditions necessary for the full execution of its functions. Any regulations proposed by the United Nations with respect to taxation would give rise to the question of whether they were really necessary for the full execution of its functions.

31. Mr. GEORGIEV (Bulgaria) said that the Legal Counsel's statement raised some very complex problems deserving of careful study, from both the legal and the financial point of view. To facilitate that study, his delegation proposed that the Secretariat should prepare for the fourteenth session a report on the total amount of duties and taxes the United Nations had paid in the various countries since its establishment. The General Assembly would thus be able to take a decision in full knowledge of the facts.

32. Mr. STAVROPOULOS (Legal Counsel) pointed out that the United Nations as such paid no duties or taxes.

33. Mr. TURNER (Controller) confirmed the Legal Counsel's statement and added the following details: equipment and supplies procured by the Organization for official use at Headquarters were purchased on a tax-free basis. In the case of merchandise purchased for resale, e.g. liquor, cigarettes, etc., sold in the lounges or dining room, and goods sold through the souvenir shop and Gift Centre, the situation was more complicated. An attempt had been made to estimate the amounts of various taxes paid directly or indirectly in respect of such merchandise for 1957. That information had been furnished to the Advisory Committee at its request. If the members of the Committee wished, those estimates could be reproduced as an annex to the statement made by the Legal Counsel at the current meeting.

^{2/} Resumed from the 701st meeting.

^{3/} The complete text of the statement made by the Legal Counsel was distributed as document A/C.5/774 and appears in the <u>Official Records of the General Assembly</u>, <u>Thirteenth</u> <u>Session</u>, <u>Annexes</u>, agenda item 44.

The meeting was suspended at 4.55 p.m. and resumed at 6.55 p.m.

Second reading (A/4057, A/C.5/772) (continued) $\frac{4}{2}$

34. Mr. TURNER (Controller) informed the Committee that the adoption of the recommendations concerning the United Nations Scientific Committee on the Effects of Atomic Radiation (A/3864/Add.1) had increased the appropriations under section 1 (Travel of representatives, members of commissions and committees) by \$69,000, bringing them to \$882,500,

35. In reply to a question by Mr. NUÑEZ (Panama), Mr. TURNER (Controller) said that the figures shown in the estimate of assessment of contributions of Member States for the financial year 1959 (A/C.5/L.560) would have to be corrected to take into account any decisions that might be taken on some sections which had had their second reading postponed.

The estimate of \$882,500 for section 1 was approved unanimously.

36. The CHAIRMAN pointed out that the estimate of \$45,000 for the second United Nations conference on the law of the sea under section 2 (special meetings and conferences) was not necessary, since the General Assembly had just decided (resolution 1307 (XIII)) that that conference would be held in 1960.

37. Mr. URABE (Japan) noted that paragraph 80 of the Advisory Committee's report (A/3860) indicated that the General Assembly might perhaps wish to defer the United Nations Conference on the Elimination or Reduction of Statelessness, having regard to the heavy and extraordinary expenditures falling in 1958 and 1959. His delegation would support any formal proposal to that effect.

38. Mr. OPRESCU (Romania) formally proposed that the estimate in section 2 should be reduced by \$43,500 on account of that conference.

39. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) recalled that, in considering the possibility of deferring the conference to a later date, the Advisory Committee had based itself solely on the need to revise the order of priority in view of the new and urgent expenses which had considerably increased the financial commitments of the Member States. The Committee had no objection to the postponement of the conference until the following year.

The Romanian proposal was adopted by 31 votes to 11, with 12 abstentions.

40. Mr. TURNER (Controller) requested that the decision, which had just been taken and which amended a decision the General Assembly had taken at its ninth session (resolution 896 (IX)), should be clearly shown in the Fifth Committee's report to the General Assembly. He regretted that that decision had been taken at the end of the session and had not been more carefully considered.

The estimate of \$1,500,000 for section 2 was approved by 46 votes to none, with 9 abstentions.

41. Mr. TURNER (Controller) pointed out that, as a result of the decisions taken by the Committee at the present meeting, the following items should be added to

 $\frac{4}{\text{Resumed from the 701st meeting.}}$

the estimate for section 6 (salaries and wages): first, the sum of \$87,200 to cover the common staff costs of the United Nations Scientific Committee on the Effects of Atomic Radiation; secondly, the sum of \$13,300 to cover the costs resulting from the application of the draft resolution concerning agenda item 39 (a) adopted by the Fourth Committee at its 777th meeting. The total estimate for section 6 amounted therefore to \$30,802,700.

42. Mr. HILLIS (United Kingdom) asked for a separate vote on each item under section 6.

The basic estimate of \$30,677,200 in section 6 (Salaries and wages) was approved by 47 votes to none, with 10 abstentions.

The estimate of \$20,000 in section 6 for the implementation of Economic and Social Council resolution 690 C (XXVI) was approved by 54 votes to none, with 2 abstentions.

The estimate of \$5,000 in section 6 for the implementation of the draft resolution adopted by the Third Committee relating to the recommendations concerning international respect for the right of peoples and nations to self-determination was approved by 46 votes to 3, with 8 abstentions.

The estimate of \$87,200 in section 6 for the continuation of the United Nations Scientific Committee on the Effects of Atomic Radiation was approved unanimously.

The estimate of \$13,300 in section 6 for the implementation of the draft resolution adopted by the Fourth Committee relating to the verbatim record of the Committee's debate on the report of the Good Offices Committee on South West Africa was approved by 29 votes to 18, with 10 abstentions.

The total estimate of \$30,802,700 for section 6 was approved by 35 votes to none, with 21 abstentions.

43. Mr. HILLIS (United Kingdom) asked for a separate vote to be taken on the estimates for a subsidy for the United Nations International School under section 7 (Common staff costs).

44. Mr. URQUIDI (Mexico) asked for a separate vote to be taken on the estimate for the implementation of Economic and Social Council resolution 690 C (XXVI) under the same section.

45. The CHAIRMAN said that, in the circumstances, he would put the four estimates in section 7 to the vote separately.

The basic estimate of 6,280,000 in section 7 (Common staff costs) was approved by 46 votes to 1, with 9 abstentions.

The estimate of \$5,000 in section 7 for the implementation of Economic and Social Council resolution 690 C (XXVI) was approved by 53 votes to none, with 3 abstentions.

The estimate of \$32,700 in section 7 for a subsidy to the United Nations International School was approved by 46 votes to 7, with 3 abstentions.

The estimate of 95,000 in section 7 for pensionable remuneration was approved by 45 votes to none, with 9 abstentions.

46. In reply to a comment by Mr. SOKIRKIN (Union of Soviet Socialist Republics), Mr. TURNER (Controller)

pointed out that the reduction recommended by the Advisory Committee and accepted by the Fifth Committee at the present meeting with regard to the estimate for the strengthening and widening of scientific activities in the field of atomic radiation had no effect on the estimate of \$18,800 in section 7, which concerned only common staff expenses.

The estimate of \$18,800 in section 7 for activities in the field of atomic radiation was approved unanimously.

								section		
appro	oved	by 41	votes	s to	none,	with	15	abstentio	ns	•

47. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) introduced the Advisory Committee's report (A/4057) concerning section 13 (Permanent equipment).

48. Mr. SOKIRKIN (Union of Soviet Socialist Republics) observed that, wherever it might be necessary to replace certain pieces of machinery in the category of public information equipment—something which the Fifth Committee was not in a position to determine, since it was a purely technical matter—it should be done without exceeding the limits of the appropriation for the Office of Public Information. His delegation could not, therefore, vote in favour of the estimate of \$27,220 for that purpose.

The estimate of \$27,220 in section 13 for the acquisition of additional public information equipment was approved by 45 votes to none, with 10 abstentions.

The total estimate of \$697,220 for section 13 was approved 45 votes to none, with 10 abstentions.

The total estimate for the financial year 1959 of \$60,758,620 was approved by 42 votes to none, with 12 abstentions.

49. Mr. SOKIRKIN (Union of Soviet Socialist Republics) explained that his delegation had abstained in the last vote, because some of the amounts provided in the budget were intended for programmes or bodies the adoption or establishment of which was not in accordance with the provisions of the Charter of the United Nations. Moreover, there was no need for most of the bodies or programmes in question and the large sums allotted to them could be more usefully applied to economic aid, technical assistance and the development of under-developed countries, all very important activities for which insufficient appropriations had been made.

ESTIMATES OF INCOME

50. Mr. TURNER (Controller) stated that the Secretary-General had, for the time being, abandoned the plan provided for in his draft budget to alter the arrangement for the management of the Gift Centre. That decision should not, however, entail any change in the figure of \$5,317,880 representing estimated income other than staff assessment.

51. With regard to income from staff assessment, the figure of 6,082,800, shown in document A/C.5/772, did not take into account income from staff assessment in the case of the United Nations Observation Group in Lebanon and the operations in Jordan; hence, it could now be increased by \$40,200, bringing it to a total of 6,123,000.

52. Replying to a question by Mr. GEORGIEV (Bulgaria), Mr. TURNER (Controller) repeated that the Secretary-General had taken into account the necessary provisions to ensure that the decision not to alter the arrangement for the management of the Gift Centre should not effect estimates of income. He explained in that connexion that the final conclusion to be reached by the Secretary-General concerning the management of the Gift Centre would be the subject of a report by the Advisory Committee and of consultations with it in 1959.

53. Mr. GEORGIEV (Bulgaria) recalled that, at its 667th meeting, the Fifth Committee had voted in favour of the recommendations in paragraphs 224-252 of the report of the Advisory Committee (A/3860) and, consequently, for paragraph 244, in which the Advisory Committee noted that the management arrangement in respect of the United Nations Gift Centre had been reviewed. That meant that the Fifth Committee, basing itself on the observations which the Advisory Committee had been making for three years, had taken a decision: namely, to transfer the management of the Gift Centre from the United Nations Co-operative, Inc., to the appropriate services within the Secretariat. That being the case, the Secretary-General's attitude was surprising to the Bulgarian delegation. The Gift Centre was of considerable importance to Member States in that it was not a purely commercial activity, but represented the arts of the various countries of the world. It was inadmissible that the interests of Member States should be overlooked in order that the private interests of a group of employees might be served. The management of the Gift Centre should be entrusted to the appropriate services within the Secretariat which, in carrying out their task, should be advised by a committee composed of representatives of Member States. He regretted that the Secretary-General's attitude should be at variance with the decision taken by the Committee; such situations were bound to have serious consequences in the long run and gave rise to justified misgivings concerning the functioning of the Secretariat.

54. His delegation hoped that, at the next session, the Secretariat would submit a report showing the type of articles sold in the Gift Centre, the parts of the world from which they came and the way in which they were acquired, as also the total sales; it should likewise show the balance sheet of the United Nations Cooperative, Inc., in order that the total amount it received from the Gift Centre could be seen. Finally, he would like the Advisory Committee to restate its views on the matter in greater detail.

55. Mr. AGHNIDES (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that it would be difficult for him to reply immediately to the question put by the Bulgarian representative, but that he hoped to be in a position to do so at the next meeting.

The estimate of \$5,317,880 for income other than staff assessment was approved unanimously.

The estimate of \$6,123,000 for income from staff assessment was approved unanimously.

56. The CHAIRMAN said that the draft appropriation resolution for the financial year 1959 would appear in the Committee's draft report and would be put to the vote when that draft report was adopted.

DRAFT RESOLUTION RELATING TO UNFORESEEN AND EXTRAORDINARY EXPENSES (A/3860, chap. I, appendix II, A/C.5/L.557, para. 1)

57. The CHAIRMAN said that the text of the draft resolution on unforeseen and extraordinary expenses for the financial year 1959 appeared in the third report of the Advisory Committee to the General Assembly (A/3860, chap. I, appendix II). In accordance with the decision taken by the Fifth Committee, at its 701st meeting, on the recommendation of the Advisory Committee (A/4035, para. 8), the figure of \$25,000 shown in paragraph 1 (c) should be replaced by the figure of \$45,000.

The draft resolution of the Advisory Committee, as amended, was approved unanimously.

DRAFT RESOLUTION RELATING TO THE WORKING CAPITAL FUND (A/C.5/L.557)

58. The CHAIRMAN informed the Committee that the Advisory Committee had approved the draft resolution submitted by the Secretary-General on the Working Capital Fund for 1959 (A/C.5/L.557).

The draft resolution was approved by 38 votes to 8, with 2 abstentions.

The meeting rose at 8.20 p.m.