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BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1962

Report of the Fifth Committee

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Annexes

Draft resolutions recommended by the Fifth Committee

1. Under agenda item 54 the Fifth Committee considered the budget estimates of the United Nations for the financial year 1962 as well as certain related items.[1/] The Committee recommends a gross appropriation for 1962 of $82,144,740 and an estimate for income (other than income derived from staff assessment) of $5,391,800. The net expenditure for 1962 is thus estimated at $76,752,940.

2. As regards the Working Capital Fund, the Committee recommends that the level of the Fund should be maintained for 1962 at the level of $25 million, as approved for the current year.

3. The Committee further recommends a 1962 estimate for staff assessment income of $8,670,250 for transfer in the course of 1962 to the Tax Equalization Fund from which credits are distributed to Member States in accordance with General Assembly resolution 973 (X) of 15 December 1955.

4. For its examination of the budget proposed for 1962, the Committee had before it, as basic documents, the budget estimates submitted by the Secretary-General (A/4770) and the related report of the Advisory Committee on Administrative and Budgetary Questions (A/4814). In addition, revised estimates for a number of appropriation sections were considered on the basis of additional reports of the Secretary-General and the Advisory Committee.

5. The Fifth Committee acknowledges with appreciation the valuable contribution which the Advisory Committee has made through its expert consideration of a large number of items. The Committee is grateful also for the assistance rendered throughout the session by the Chairman of that Committee, who, in accordance with past practice, was invited to take a continuous part in the deliberations.

1/ Separate reports have been submitted under agenda item 54 on the following matters:

- Comprehensive review of the question of the payment of honoraria to members serving on organs and subsidiary organs of the United Nations in an individual, personal capacity (A/5005).
- The United Nations financial position and prospects (A/5076).

Chapter I

INTRODUCTION AND GENERAL DISCUSSION

6. The general discussion on the budget estimates for 1962 was held at fourteen meetings between 6 October and 1 November 1961. These meetings fell in the period between the death of the Secretary-General on 18 September and the appointment of his successor on 3 November 1961. Two topics predominated throughout the meetings. The first concerned the filling of the vacant post of the Secretary-General and embraced the related question of the structure and organization of the Secretariat. The second topic was the geographical distribution of the staff of the Secretariat, which, as an agenda item of the current session, is the subject of a separate report to the General Assembly (A/....). The views of delegations on the two topics are summarized in the Official Records of the Committee, and the present report is accordingly limited, very largely, to the strictly budgetary aspects of the discussion.

7. Numerous references were made, in the course of the general discussion, to the progressive increases in the regular budget that had occurred in the period 1956 to 1962, as illustrated by the following figures:

Total gross budget
(in millions of US dollars)

1956	1957	1958	1959	1960	1961	1962
actual expenses					appropriations	estimates
50.50	53.17	62.50	61.94	65.77	72.96	73.53

8. It was recognized by a number of representatives that in submitting initial estimates for 1962 that exceeded the 1961 appropriations by so slight a margin as 0.77 per cent, the Secretary-General had in fact achieved "the twin objectives of securing, on the one hand, a level of expenditure for 1962 which is as close as possible to that approved for 1961, yet, on the other, making the necessary provision to meet the expanding work programmes required by decisions of the principal organs, the enlarged conference activity and other unavoidable cost

increases."[2] While revisions of the 1962 estimates necessitated by decisions taken after the submission of the estimates might raise the figure of increase by some $7 million or conceivably by more, the Secretary-General's discretion and freedom of action were severely limited; the revisions were attributable largely to actions taken by the Councils or the Main Committees of the General Assembly; the responsibility of Members in that respect could not be overemphasized, and it was neither fair nor reasonable for delegations to ascribe to the Secretariat responsibility for the direct financial consequences of their own decisions. Other factors of increase, such as cost-of-living rises or statutory salary increments, were likewise not within the Secretary-General's control.

9. Beyond these considerations, which in the main had to do with the respective competence of United Nations organs - the General Assembly, the Councils Secretary-General - several delegations expressed the opinion that a fixed level of expenditure was not desirable, even if it could be imposed, in a growing and dynamic organization which was asked to undertake an increasing number of tasks in ever widening fields of responsibility. Nevertheless, there remained the harsh fact that the necessary contributions had not been and still were not forthcoming to finance the authorized United Nations activities as a whole, with the result that, even at the present level of activity, the Organization might face a financial bankruptcy.

10. Over the past five years, the gross total of the United Nations budget had increased by nearly 50 per cent to approximately $73 million, and the total costs of the United Nations family of organizations might amount in 1962 to between $450 and $500 million. The financing of expenditure of that order entailed a real sacrifice on the part of all Member States, large and small - on the part of countries striving to mobilize their resources for the development of their own economies, and even on the part of countries which, while shouldering the major burden of United Nations and agency contributions, were also anxious to support their own programmes of technical assistance in many parts of the world. It was true that, in comparison with the annual cost of armaments or space

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2/ Official Records of the General Assembly, Sixteenth Session, Supplement No. 5, (document A/4770, Foreword, para. 5).

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exploration, $500 million was not a large sum; it was, however, substantial in relation to the sums available for economic and social development and other constructive purposes.

11. Because of the progressive expansion of activities, it was the duty of the Committee closely to scrutinize each new programme and new item of expenditure in order to make sure that the increasing calls on the limited resources of the Member States were fully justified in every case. That duty would arise even if the financial position of the Organization were well assured. The desperate situation of the moment obviously called - far more imperatively - for a policy of retrenchment and austerity, for, if the United Nations continued to incur commitments not fully matched by revenue, it would either suffer a financial collapse which, in dashing the hopes of all mankind, would do incalculable harm, or it would be reduced to the status of a pensioner dependent on the charity of its richer Members - a status far removed from the Charter principles of the collective responsibility of Members and their sovereign equality.

12. Severe criticism of the Secretariat was expressed by some delegations on the ground that it had failed to maintain an attitude of impartiality and observe the Charter of the United Nations and the Financial Regulations. The Secretariat had circumvented the exclusive prerogative of the Security Council to decide on the allocation of funds for peace-keeping operations. Under Article 11 of the Charter, any question relating to the maintenace of international peace and security, including the question of the financing of operations for that purpose, must be referred to the Security Council on the administrative and financial implications of proposals under consideration in the Council. The Council had been excluded from decisions on the financing and staffing of political missions, on the extension of the terms of such missions, and on the allocation of funds for an ensuing financial year. As a result, a number of missions established many years before were continuing to spend funds without doing any work.

13. An equally unsatisfactory situation prevailed in regard to the financing of operations under the regular United Nations programme of technical assistance. Decisions on the execution of such programmes were taken by the General Assembly and the programmes were financed from the regular budget. There was, however, no provision in the Charter empowering either the General Assembly or any other body

to take decisions imposing obligations of that nature on all Member States. Such programmes should be financed from an operational budget or a special fund established by agreement among Member States.

14. Where administrative expenditure was concerned, the Secretariat had failed, in the opinion of these delegations, to exercise the proper degree of control. A number of superfluous posts had been established at high levels, and unwarranted expenditure was incurred on consultants, official travel and other items. As a result of its administrative laxity, the budget had risen from $47 million in 1955 to $73 million in 1961, while for 1962 a further increase of some $10 million was in prospect. A reform of the financial and budgetary system was urgently called for, first, in order to preclude the use of United Nations funds in furtherance of the political aims of any group of Member States, and, secondly, in order to ensure the strictest economy and control over expenditure.

15. The Soviet Union delegation accordingly proposed the adoption of the following measures:

(a) First, operational expenditure - for example, expenses connected with the maintenance of international peace and security and with technical assistance - should be excluded from the regular budget of the United Nations, which would thus cover only the administrative expenses necessary to maintain the Secretariat and the activities of the various organs of the United Nations, and to provide for the upkeep of premises at Headquarters and other offices;

(b) Secondly, the annual administrative budget should be stabilized at a given level; deviations from the level would be authorized only in exceptional circumstances and by express decision of the General Assembly;

(c) Thirdly, in the financing of peace-keeping operations, the provisions of the Charter, and in particular Articles 11, 43 and 48 should be strictly observed; in other words, the Security Council must consider and adopt decisions in matters relating to the maintenance of international peace and security, including the provision of the necessary funds. The General Assembly could consider and approve such expenditure only after an affirmative decision of the Security Council. In regard to Council decisions involving the expenditure of funds, the Secretariat, in compliance with article 13.1 of the Financial Regulations, must submit to the Council a report on the administrative and

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financial implications. In addition, before the close of each financial year, the Secretariat should submit to the Council reports indicating the cost of continuing in the ensuing year any measures previously authorized by the Council;

(d) Fourthly, the apportionment of the cost of providing technical assistance to the less developed countries, and of executing the various programmes in the economic, social and kindred fields must be the subject of a special agreement among the Member States prepared to do their part in the financing of the activities. Such a system would permit of a considerable expansion of the United Nations programmes of technical assistance, for, by correcting the existing unsatisfactory situation, it would remove an obstacle to the full participation of a number of Member States.

16. Other delegations, dissenting from the foregoing views (paras. 7 to 10 above), considered Article 17 (2) of the Charter to be conclusive on the question of the expenses of the Organization and the method of their apportionment. In any event, as the complaints came from a group of Members which includes States represented on the Security Council, they should surely have been ventilated, long since, in the Council itself. While inability to pay could be understood, refusal to do so by those who were able could not.

17. Delegations addressing themselves to the question of priorities fully agreed with the Chairman of the Advisory Committee that the application of priorities could only be given reality if Members themselves kept the need for economy in the forefront of their minds (A/C.5/882, para. 14). The view was expressed that, although much progress - for which the Secretariat deserved great credit - had been made in recent years in the application of priorities, much still remained to be done. The Secretary-General's analysis of expenditure for the years 1956 - 1961 by main fields of activity (A/C.5/870) showed that, while there had been a considerable expansion of priority programmes during that period in the economic and social fields, the increase in other programmes had been to some extent restrained. The process of compensation between those two categories of programmes should be carried further. Properly understood, the application of priorities did not consist solely in controlling expansion in sectors of low or declining importance. In a dynamic organization it was essential to make positive reductions and thus release resources from sectors where the work programme was declining in

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absolute or in relative terms; it was, in other words, essential that the distribution of resources within the budget totals should be vigilantly but flexibly controlled. In fact, however, there had been no decline in any of the main fields of expenditure between 1956 and 1961. Even in the Trusteeship Department, in spite of the accession to independence of so many countries in recent years, expenditure had risen slightly. Yet, the process of emancipation had itself been responsible, in large part, for the welcome increase in the economic and social programmes of the United Nations, and, to that extent, the increase should be matched by a compensatory decline in other sectors.

18. Some delegations considered that the Economic and Social Council could clearly do more in establishing priorities in the fields that lay within its competence. Thus, it had in part reversed the trend towards biennial sessions of its functional commissions despite the evidence that the holding of annual sessions, far from offering advantage, might actually hamper the effective execution of programmes. To cite another example - in the field of human rights, the Council might reasonably give priority to the holding of high-level seminars in preference to the unproductive practice of compiling detailed legal studies. In general, the Council appeared to pay too little attention to rule 34 (3) of its rules of procedure, under which it was required to indicate, whenever appropriate, the priority or degree of urgency which attached to projects, and to specify the projects that might be deferred, modified or eliminated. That requirement had scarcely been observed in practice and the Council had so far given no indication of the items in its work programme which might be deferred until such time as suitable provision could be included in the main budget estimates.

19. These delegations felt that the Secretariat also might be more zealous in applying the system of priorities to the economic and social fields, for whereas the 1962 estimates disclosed a progressive improvement in the co-ordination of efforts, in keeping with the resolutions of the General Assembly and the Council, the record as regards the system of priorities was less satisfactory: there was in fact little evidence that older and less valuable projects were being discontinued, or even that they were being identified and assigned to a lower order of priority. Furthermore, although the Secretary-General had drawn the

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Council's attention at its thirty-second session to General Assembly resolution 1449 (XIV) concerning the deferment of new projects, he had done so only at a late stage and somewhat unobtrusively. He had also failed to submit an analysis of the budget estimates by main fields of activity during the session. The Secretariat had likewise neglected to submit a written report on the concentration of activities; its oral observations had contained no suggestions for specific action by the Council.

20. A number of delegations offered critical comment on the present structure and form of the budget estimates. They contended that there was scope for a pruning of the estimates since they contained items which were not specifically estimates of expenditure or income. For example, the proposal to establish additional permanent or temporary posts did not, in their opinion, accord with accepted rules of budgetary procedure. The establishment of such posts should be the subject of specific resolutions of the General Assembly, while the estimates themselves should merely reflect the financial consequences of such decisions. Moreover, no single criterion appeared to be in force for the classification of expenditure. Expenditure, for example, under Part V was classified according to a functional criterion; under Part VII, according to the criterion of administrative units. Logically, it would be a sounder practice to apply the criterion of administrative units to the whole budget and to assign a secondary place to other criteria. Furthermore, no distinction was made in the budget between administrative and operational expenditure in spite of the fact that such a distinction was indispensably required for determining the method of financing and the appropriate scale of assessment. In general, the improvement of the Organization's Financial Regulations could do much to solve its financial difficulties. The virtually automatic approval of supplementary and revised estimates, the establishment of new posts in the budget, the unrestricted transfer of credits within budget sections, and the somewhat liberal provisions that governed unforeseen expenditures were all factors conducing to a lack of budgetary discipline which must be avoided if the Organization was to regain a sound financial basis.

21. Other representatives pointed out that the majority of the Committee had hitherto been satisfied with the structure of the budget and by the continuing

refinement of the form of presentation, which comprised moreover a progressive increase, from year to year, in the volume of information furnished to the Member States. It was also to be noted that although new posts were not specifically authorized in a General Assembly resolution, the Secretary-General was required to submit at each session, together with his budget estimates, a comprehensive and binding manning-table for all established posts; that constituted a very adequate measure of budgetary control which could hardly be improved by the submission of an ad hoc resolution of the Assembly.

22. The representative of the Secretary-General pointed out that the present form of the budget, to which many references had been made, was the result of a decision taken in 1959 to extend for a two-year period an experiment initiated in 1958. During the entire period of the experiment there had been consultations with the Advisory Committee and, as a result, additional tables had been incorporated in the budget, for the information of the Members. The present form permitted greater flexibility in the use of staff and thus ensured the maximum possible use of the total resources of the Secretariat. The modest increase in the number of Professional posts during the past six years and the efforts made to limit requests for additional posts in 1962 testified to the effectiveness of the current form of budget presentation.

23. The budget should not, however, be merely a collection of estimates for specific purposes. It should also be so designed as to facilitate the review and control of expenditure by the General Assembly, while enabling the Secretary-General to make the most flexible use of the resources authorized under each section. The 1961 and 1962 budgets, he submitted, went far in meeting those criteria. They included, first of all, estimates for the execution of work programmes in the established offices of the United Nations. Those were followed by estimates covering work programmes in the field, and at the end came the estimates for special offices. But in the final analysis, the level of the combined estimates depended primarily on the level of the authorized programmes. In consequence, whereas the estimates for the established offices were more susceptible to control, and indeed represented the more stable portion of the total budget, the estimates for technical programmes and field missions were necessarily subject to wider fluctuation. Reference had also been made to

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the possible separation of operational expenses from the regular budget; that question raised considerations which went far beyond those of a purely technical or budgetary character. If, on the other hand, it was desired to stabilize the "administrative budget", it would be necessary, in the first place, to determine an appropriate level for administrative expenses. Taking the current level of expenses as the only logical point of departure, one might reasonably contend that the administrative budget could not be cut below the present level unless, at the same time, there was a corresponding reduction in the level of programmes. Any decision to that effect would have to be taken by organs whose ruling would not be open to question. The responsibility for establishing priorities for programmes or services rested with the Member States, and the Secretariat should not be called upon to exercise that kind of final judgement.

Section 18 - Special missions

24. The Committee gave much attention, in connexion with the first reading of section 18, Special missions,[3/] to the matters raised in paragraph 259 of the Advisory Committee's budget report (A/4814), the text of which is reproduced below:

> "In examining the estimates for the special missions provided for in this section, the Advisory Committee has borne in mind that these operations owe their existence to decisions of the Security Council and the General Assembly. Pending a decision by the appropriate organ that a mission should be discontinued or that the scope of its functions should be changed, it is the responsibility of the Secretary-General to ensure that each mission is maintained at a level commensurate with the adequate fulfilment of the purposes for which it was set up. Within this framework, the Advisory Committee has always felt free to scrutinize and comment upon the Secretary-General's proposals with a view to ensuring that the activities concerned were being administered in the most economical and effective manner. To the same end, the Committee would point to the need, especially in the case of missions which have been in existence for some time and are likely to continue, for a periodic review of administrative and organizational requirements in the light of developing circumstances."

3/ At the 854th, 864th and 868th meetings of the Committee.

25. Some delegations, while concurring in the observations of the Advisory Committee, felt that they did not go far enough. It was the practice of the Secretariat - these delegations contended - to determine the composition of, and exercise a general control over, the special missions that had been established by the General Assembly or the Security Council. The Secretariat had moreover a tendency to perpetuate missions that had been set up in the distant past, at times in violation of the Charter; apart from the latter consideration, some of the missions, though perhaps necessary at the date of their establishment, no longer served a useful purpose or functioned actively. It was therefore a clear responsibility of the Secretariat to draw attention to the continuing cost of such missions and to refrain from automatically proposing recurring annual appropriations calculated to keep them indefinitely in existence. The Committee should serve notice that further appropriations would not be recommended for any of the special missions unless the parent organs confirmed the need for continuing the missions, redefined their scope and functions, and specified their anticipated duration. The Secretariat, for its part, had failed in the patent duty of reporting to the Security Council or the General Assembly on the scope of the activities of the missions and submitting estimates of the related expenditure.

26. Other speakers taking part in the discussion considered that, while some economies under section 18 might conceivably be possible, the Secretariat could not properly be held responsible for the perpetuation of any of the special missions. Unless and until instructed to the contrary, the Secretariat had no option but to assume that there was a continuing need for missions instituted by the policy-making organs of the United Nations. Any member of the Security Council could at any time propose action to wind up a mission which it regarded as no longer necessary, and any Member State could take similar action in the General Assembly. By the annual submission of budget estimates, the Secretariat kept the Assembly and, through it, the Security Council fully informed of the continuing costs of the missions; the financial implications of the missions were therefore known to the appropriating authority. It was exclusively for the Members which had created the missions to take any policy decisions that were, in their opinion, appropriate in the circumstances.

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27. The representative of the Secretary-General pointed out that the Secretariat's initiative in the matter was a very limited one. Pending a decision by the competent organ that a particular mission should be discontinued or the scope of its functions changed, it was the responsibility of the Secretary-General to ensure its adequate maintenance and servicing. While the original resolutions of the General Assembly or the Security Council were in some cases not as explicit as was desirable - and thus left a certain latitude to the Secretariat in determining what was an adequate level - the Secretariat had no authority to initiate fundamental political actions. The responsibility that did devolve upon the Secretariat, within limitations, was to see that there was due regard to economy and efficiency in the operation of the missions. It was not correct to say that the Secretariat defined the nature and scope of the operation or determined the budgetary provision that should be made. It merely made budgetary proposals to the General Assembly; the Advisory Committee had much to say, and the Fifth Committee everything, about such proposals.

28. At the 864th meeting, the Czechoslovak representative proposed the following text for inclusion in the Fifth Committee's report on the 1962 budget estimates:

> "The Fifth Committee endorses the observations of the Advisory Committee on Administrative and Budgetary Questions contained in paragraph 259 of its ninth report to the General Assembly at its sixteenth session (A/4814), and emphasizes:
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> (a) That the appropriate organs which established the missions for which provision is included in section 18 should review the scope and functions as well as the need for continuation of these missions, and
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> (b) That pending such examination, the Secretariat should review the administrative and organizational requirements of these missions in the light of developing circumstances."

29. At the 868th meeting, the Czechoslovak representative explained that in drafting paragraph (b) of its proposal (A/C.5/L.679), his delegation had not intended to assign to the Secretariat tasks which fell outside its province, but to call for the preparation by the Secretariat of the necessary background papers of a technical character. To obviate any possible ambiguity, he was prepared to substitute the following text:

> "(b) The Fifth Committee further requests the Secretary-General to bring this decision to the attention of the competent organs."

30. Other representatives saw difficulty in retaining the proposed draft text (A/C.5/L.679) even in its revised form. Paragraph (a) did not reflect the tenor of the Advisory Committee's observations (A/4814, para. 259), which were based on the premise that the parent organs were aware of what had to be done. The Fifth Committee clearly had no authority to take political decisions, and it was likewise not entitled, on the pretext of pursuing economy, to request any organ to take a political decision. It would be preferable simply to quote the entire text of paragraph 259 of the Advisory Committee's report as representing the views of the Fifth Committee. Concurring in that suggestion, the representative of Czechoslovakia withdrew his proposal.

31. Some delegations nevertheless felt that it would be within the Fifth Committee's competence to adopt a variant of paragraph (a) and "express the hope that the appropriate organs which established the missions for which provision is included in section 18 might keep under review the scope and functions, as well as the need for continuation, of these missions".

32. Subject to what is said above, it was the consensus of the Committee that the observations of the Advisory Committee in paragraph 259 of its report (A/4814) should be endorsed, and that due regard should be paid by the appropriate organs to the administrative and budgetary considerations set out therein, as well as to the discussion of the matter held in the Committee.

Chapter II

UNITED NATIONS PREMISES

A. Meeting-room facilities at Headquarters

33. The question of providing adequate meeting-room facilities at Headquarters which had engaged the Committee's attention at the previous session, was again considered at the 877th meeting on 10 November 1961.

34. In document A/C.5/889 the Secretary-General submitted a factual report on the work done since January 1961 in enlarging the seating accommodation in the Plenary Hall, the Main Committee rooms and the Economic and Social Council Chamber. The report indicated that, by means of purely temporary changes, it was now possible to seat in each of those meeting rooms 106 delegations as compared with the previous maximum of 100 delegations. As regards the further action which the growing membership of the Organization demanded,[4/] it was explained that the possibility of adding to the seating capacity in the meeting rooms by means of temporary installations had been virtually exhausted: in the Main Committee rooms, not only was there no scope for any similar installations on the floor area, but a serious question of cost arose in connexion with a possible expansion of the rooms by means of basic structural alterations; in the case of the Economic and Social Council Chamber a further enlargement of the temporary seating capacity - for use as a Main Committee room - was totally precluded; in the case of the Plenary Hall, some addition to the seating capacity by means of temporary installations might still be envisaged. It was, however, unquestionable that both as regards the latter meeting room and as regards Conference Rooms 1, 2, 3 and 4, any such temporary addition could be achieved only at the expense of the present standards of comfort and efficiency, and through a reduction in the accommodation available to the Press and the public.

35. In a related report (A/4949, paras. 6 and 7), the Advisory Committee suggested that it would be prudent, in view of the serious cash position, once

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4/ On 17 October 1961, date of the Secretary-General's report, the number of Members stood at 101; it had risen by 17 December 1961, date of the present report, to 104.

again to defer the permanent expansion programme[5/] and to turn instead to one or both of the following temporary expedients:

(a) In the Main Committee rooms and the Economic and Social Council Chamber, a seating capacity of 108 could be achieved within the existing facilities - if Member States would temporarily forego their claim to accommodation for a representative on the floor area combined with a seat reserved on the podium for the member of their delegation elected to serve as Vice-Chairman or as Rapporteur. In the Plenary Hall, further temporary installations at some $5,000 per additional delegation, could be arranged;

(b) It should be possible to achieve a limited further expansion, at reasonable cost, of the existing seating capacity for 106 delegations on the floor area of Main Committee Rooms 1, 2, 3 and 4 and in the Plenary Hall, though not in the Economic and Social Council Chamber; any such temporary arrangements would entail some sacrifice of present standards of accommodation and give rise to a number of technical, though not insuperable, difficulties.

36. Members taking part in the discussion were agreed that, in spite of the risk of inconvenience and even discomfort to delegations, a heavy capital outlay for the improvement of facilities could not be justified in 1962. Most delegations favoured the first of the provisional expedients recommended by the Advisory Committee (para. 3 (a) above); they recognized that, on the one hand, there was an element of risk in providing accommodation for only 106 delegations, or - in certain circumstances - a maximum of 108 delegations, at the seventeenth session but that, on the other hand, the Advisory Committee's recommendation to defer for one year the permanent expansion programme was entirely reasonable. They were accordingly ready to accept the inconvenience that might be caused by new provisional arrangements designed to allow more delegations to be seated.

37. Representatives of the Secretary-General pointed out that delegations had already adapted themselves to arrangements which fell below the original standards of comfort, and that even provisional alterations entailed considerable expense. The experts who had been consulted were of the opinion that it would hardly be possible to accommodate more than 106 delegations in the conference

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5/ Official Records of the General Assembly, Fifteenth Session, Annexes, agenda item 50, document A/C.5/848.

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rooms; in addition, safety and fire hazards had to be taken into account. But whatever solution was adopted, the Secretariat would not be in a position to provide sufficiently accurate cost estimates in the immediate future. In those circumstances, the wisest course might be to provide that any necessary expenditure should be treated, under the customary annual resolution, as an unforeseen or extraordinary item.

Decision of the Committee

38. The Committee agreed, without objection, to accept the suggestion of the Advisory Committee in paragraph 7 of its report (A/4949) to defer the implementation of the permanent expansion programme for one more year by recourse to the temporary expedients outlined in paragraphs 6 (a) and 6 (b) of that report. It further agreed that any expenditure needed to be incurred in the meanwhile for the provisional enlargement of meeting-room facilities should be subject to the provisions of paragraph 1 of the 1962 resolution on unforeseen and extraordinary expenses.

B. Modernization of the Palais des Nations

39. At its 857th meeting, the Committee approved, without objection, a proposal submitted by the Secretary-General (A/C.5/877, paras. 13-17), with the concurrence of the Advisory Committee (A/4918, para. 15), for an additional appropriation of $210,000, under section 7 of the 1962 estimates, for the programme of modernization of the Palais des Nations.

40. Under the terms of General Assembly resolution 1447 (XIV) of 5 December 1959 the total cost of the programme was approved at the figure of $1,790,000, comprising (a) $590,000 for improvements to the conference rooms and ancillary services at the Palais des Nations, and (b) $1,200,000 for the modernization of the Assembly Hall block.

41. The Secretary-General's report (A/C.5/877) indicated that project (a) above had been virtually completed, within the target cost figure of $590,000, but that as regards project (b) - modernization of the Assembly Hall block - the figure of $1,200,000 was likely to fall short of total requirements by $291,000. Of the latter amount, $81,000 had already been committed, with the concurrence of the

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Advisory Committee for work undertaken in 1961, leaving a balance of $210,000 to be appropriated - under the Secretary-General's proposal - for 1962.

42. The main factors giving rise to the increased requirement of $291,000 were, in summary, the following:

(a) The necessity to speed up all phases of the construction work on the Assembly Hall and to effect certain temporary installations in order to be ready in time for the opening of the Conference of the International Labour Organisation in June 1961 ($25,000);

(b) Unforeseen difficulties encountered in undertaking construction work, such as the need to excavate through hard rock and masonry in order to relocate and reconstruct air-conditioning and electrical ducts ($90,000);

(c) Increased costs for labour and materials since the estimates were approved ($80,000);

(d) The adjustment and revision of original construction plans, the need for which only became apparent as work progressed ($90,000).

Recommendation of the Committee

43. The decision of the Fifth Committee (para. 1 above) is embodied in a draft resolution (attached as Annex IV to the present report) which the Committee recommends to the General Assembly for adoption.

C. Construction of the United Nations Building in Santiago, Chile

44. At the 857th meeting, the Committee considered a report of the Secretary-General (A/C.5/887) setting forth the development that had taken place in the previous twelve months in the construction of the United Nations Building in Santiago, Chile.

45. The main features of the report were:

(a) In order to complete the project within the expenditure authorization of $1,550,000 (General Assembly resolution 1407 (XIV) of 1 December 1959), it had proved necessary to reduce the office space standards as well as the space originally earmarked for certain common services. However, no reduction was contemplated in the conference facilities;

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(b) Most of the administrative procedures to give effect to the various tax exemptions granted by the Government of Chile had been agreed upon. A saving of some $97,000 was anticipated from that source; and

(c) Under the revised construction schedule, the Building was expected to be ready for occupancy during the last quarter of 1963, rather than in the summer of that year.

46. Representatives spoke with appreciation of the generous assistance which the Chilean Government had continued to extend towards the successful completion of a United Nations project of high importance.

47. The Committee took note of the Secretary-General's report (A/C.5/887).

Chapter III

UNITED NATIONS CONFERENCE ON THE APPLICATION OF SCIENCE AND TECHNOLOGY FOR THE BENEFIT OF THE LESS DEVELOPED AREAS

48. At the 855th meeting, the Fifth Committee considered, under section 2 of the 1962 estimates, the reports of the Secretary-General (A/C.5/878) and the Advisory Committee on Administrative and Budgetary Questions (A/4919) on the subject of the United Nations Conference on the Application of Science and Technology for the Benefit of the Less Developed Areas.

49. In resolution 834 (XXXII) of 3 August 1961, the Economic and Social Council decided that the Conference should be held in Geneva, if possible in August 1962, for not more than twelve days.

50. The Secretary-General tentatively estimated the total costs of the Conference at $2,404,900 (A/C.5/878, para. 10; annexes)[6/] distributed as follows, by financial year:

1961	1962	1963
$	$	$
185,000	1,761,900	458,000

51. Under the recommendation of the Advisory Committee (A/4919, para. 22), the total expenditure for the Conference would be limited to $2,000,000, to be distributed over the three financial years (1961-1963) at the discretion of the Secretary-General. The reduction of $404,900 was made up of two elements:

(a) $284,900 under section 2, in respect of the Conference estimates proper; and

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6/ The estimates were based on certain assumptions regarding (a) the languages in which the papers would be submitted, and (b) the translation of the two main categories of papers (A/C.5/878, para. 8; A/4919, para. 9). The alternative arrangements, which neither the Secretary-General nor the Advisory Committee recommended, would entail an additional expenditure of $1,830,000 (A/C.5/878, para. 11; annex, part IV).

(b) $120,000, representing the amount recommended by the Advisory Committee for transfer from the Conference budget (section 2) to section 7 of the 1962 budget.[7]

52. The Advisory Committee suggested that, in view of the tentative nature of the Secretary-General's estimates, the Committee should be kept informed of developments as the planning of the Conference progressed, and that, specifically, it might review the situation at its first session in 1962 and, as appropriate, make further recommendations.

Discussion in the Committee

53. Almost all the representatives who spoke in the course of the discussion welcomed the decision of the Economic and Social Council. The proposed Conference would undoubtedly prove a decisive event in the history of the United Nations. The benefits that would flow from the meetings of scientists and technologists and the guiding principles that they would serve to establish would help the less developed countries to accelerate their progress in coming years by applying many of the latest advances in the technical fields to the solution of their economic and social problems. The more advanced countries would also draw advantage from the Conference through a better knowledge and understanding of the needs of the former countries. It was gratifying that the decision of the Council had been unanimous and that the executive heads of the specialized agencies had evinced the keenest interest and pledged their full support.

54. The Committee addressed itself largely to two main points: the first concerned the timing of the Conference; the second, the scope and volume of its publications. As regards the former point, the queries of representatives had

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7/ The Secretary-General had proposed an amount of $130,000 ($50,000 for 1961; $80,000 for 1962) for the provision of office space for the Conference (A/C.5/878, annex, part I, para. 6; part II, paras. 15-21). The Advisory Committee recommended (A/4918, paras. 18, 19; A/4919, para. 14 (c)) that only the cost of temporary office accommodation for the Conference ($10,000) should be charged to the Conference budget (section 2), and that the balance of $120,000, as representing provision for a permanent asset (twenty-six permanent office units in the Palais des Nations) should be transferred to section 7 of the 1962 estimates.

to do with the year of the quarter of the year in which the Conference might be held to best advantage. It was thus suggested that, while the Council preferred the date of August 1962 - the earliest possible date, it still remained for consideration whether that date was feasible (a) from the point of view of the Secretariat, and (b) from the point of view of the Governments which, however anxious to give all possible assistance, had to cope with problems of the administrative machinery. The question arose whether the scientists and technical experts would really have time to draft their papers and whether the Secretariat, for its part, would be able to translate and reproduce them in time for careful study on the part of the participants.

55. The representative of the Secretary-General said that August 1962 had originally seemed to be the most suitable date for the Conference. A date later in that year could not be fitted into the conference programme without exceeding the appropriation; additional staff would have to be recruited in lieu of the Headquarters staff who, though available in August, would be engaged, as from mid-September, on General Assembly work. At least three, and possibly four, major conferences were planned for 1963, and it had not been thought desirable or indeed feasible to add to so heavy a programme. It had also been felt that the proceedings of any conference held in 1963 would not in fact be published until 1964 and some members of the Scientific Advisory Committee, as well as the representatives of some Governments, had suggested to the Secretary-General that that would constitute somewhat too long a delay.

56. The Secretary-General's representative added that he presumed that the Secretariat was not asked to express a view as to which would be the best date - that would be a matter for the General Assembly to decide - but had been requested to indicate whether, from an administrative point of view, the proposed date of August 1962 was feasible. On the basis of the experience gained from previous conferences of a similar type, the organization of the Conference by August 1962 was possible given the fullest co-operation of Governments. The provisional agenda would be communicated to Governments by about the middle of November, the definitive agenda by about the middle of December 1961, at which point the Secretariat would be in a position to invite Governments to appoint experts to participate in the Conference. To allow time for their processing, the papers

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to be submitted to the Conference should reach the Secretariat early in April: that would afford the authors a three-month interval for drafting - an interval thought to be adequate for experts of the eminence of those upon whose services Governments would undoubtedly call. It was also relevant that, as the total number of papers had been fixed in advance, the papers to be submitted by any one country would likewise be limited. Finally, in reply to a question, the Secretary-General's representative stated that if the Conference were to be postponed until 1963, it would be preferable to consider a date falling within the first quarter rather in the latter part of the year. However, that might, after examination, be found to necessitate some upward revision in the budget since that part of the staff which would be drawn from Headquarters officials on home leave in Europe and on duty with the summer session of the Economic and Social Council would not then be available in Europe, and would have to be replaced by staff expressly recruited for the Conference.

57. A number of delegations, while entertaining some doubts regarding the choice of August 1962, agreed that in that matter the desires of the interested countries should be taken into account; the latter appeared to be most anxious for the Conference to be held at the earliest date consistent with its proper preparation.

58. On the subject of the Conference publications, the balance of opinion favoured the programme recommended by the Secretary-General and the Advisory Committee, which fulfilled the most economical standard compatible with the effective performance of the work of the Conference. It would not be right to spend an additional $1.8 million on the translation and reproduction in extenso of all of the 500 papers in all the working languages, even though, as other delegations pointed out, they would hold out much interest to the less developed countries. The Secretariat might, however, as suggested by the Advisory Committee (A/4919, para. 21), investigate the possibility of associating a commercial house with the publication of a part of the Conference proceedings.

59. The representative of the Secretary-General said that, if the Committee approved an appropriation of $2 million for the Conference, the Secretariat would naturally consider itself bound not to exceed that figure; as regards the number of papers, however, 500 was no more than a tentative estimate. It might in fact prove possible to accept a larger number of papers within the budgetary limit. There was reason to hope that many Governments would provide the text of their

papers in at least two languages as many of them had done in the case of the two Conferences on the Utilization of Atomic Energy for Peaceful Purposes.

Decision of the Committee

60. By 77 votes to none, with 1 abstention, the Committee approved the recommendation of the Advisory Committee (A/4919, para. 22) for an appropriation of $2,000,000 for the Conference on the Application of Science and Technology for the Benefit of the Less Developed Areas. It also approved the following distribution by financial year:

1961:	$135,000
1962:	$1,407,000
1963:	$458,000

Chapter IV

SALARIES OF JUDGES OF THE INTERNATIONAL COURT OF JUSTICE

61. At its 891st and 893rd meetings, held on 28 November and 1 December 1961, the Fifth Committee considered a report of the Secretary-General (A/C.5/876), submitting statistical and other data concerning the salaries of the members of the International Court of Justice. After observing that "it seems evident that the United Nations, no less than the Governments of Member States, must from time to time review the salaries of its judges", and that "the Secretary-General therefore believes that it is his duty to bring certain relevant data to the attention of the General Assembly, for such action as it deems fit", the Secretary-General expressed the hope that the data "may be sufficient to enable the General Assembly to form an opinion as to what action would be reasonable in the circumstances".

62. In a related report (A/4981) the Advisory Committee on Administrative and Budgetary Questions outlined three possible approaches which might afford guidance to the General Assembly in the event of its concluding that an increase in the salaries of the members of the Court was called for. Expressed in monetary terms, the alternative approaches represented increases in the annual salaries from $20,000 to the following respective amounts:

Approach (a)	$27,700
Approach (b)	26,528
Approach (c)	25,000

63. Subject to the decision of principle to be taken by the General Assembly, the Advisory Committee expressed its preference for the third method of adjustment ((c) above) with a pro rata increase in the special allowances payable to the President, Vice-Presidents and ad hoc judges (excluding subsistence allowances).

64. It was pointed out that the salaries of the members of the Court had initially been fixed at a level designed to ensure their complete independence and to reflect the fact that judicial salaries in national courts were somewhat higher than those granted to the equivalent ranks of the civil service. The stability of judicial courts should be matched by the stability of judges' salaries, and it seemed therefore inadvisable to link the salaries of the members

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of the International Court to a fluctuating circumstance such as the cost of living. Judicial salaries should be adjusted as infrequently as possible, perhaps not more than once in every ten years. On that ground, the salaries of the members of the Court should be fixed at a figure higher than a strict mathematical calculation might perhaps warrant.

65. The United States representative said that it was his Government's firm policy to support any measures calculated to strengthen the International Court of Justice and maintain its prestige as the principal judicial organ of the United Nations. The guiding principles for determining the salaries of its members, as laid down in the report of the Executive Committee to the Preparatory Commission (PC/EX/113/Rev.1, Part II, chapter V, C), were, first, that the salaries should be such as to render the office of judge acceptable to the most eminent of the persons qualified, in accordance with Article 2 of the Statute, to hold office - they should therefore not be lower than those they would receive in their own countries; secondly, that the salaries should be such as to guarantee the absolute independence of the judges; and thirdly, that the real value of the salaries should not be less than that of the salaries received by the judges of the Permanent Court of International Justice during the period 1936 to 1939. As the present salaries of the members of the Court had been fixed eleven years ago, they were no longer in harmony with the guiding principles. His delegation therefore proposed that the Committee should, in accordance with the conditional suggestions of the Advisory Committee (A/4981, paras. 13 (c) and 14), recommend an increase in the salaries from $20,000 to $25,000 per annum, together with a pro rata increase in the special allowances payable to the President, Vice-Presidents and ad hoc judges (exclusive of subsistence allowances).

66. The representative of Pakistan submitted that, in considering the question, the Committee might wish to take account of several imponderables. In the first place, most, if not all, of the members of the Court had to live away from their own countries - in which they might still be maintaining a home - and, because they were appointed for a limited term of office, they often found it necessary to live in hotels, at some sacrifice of comfort and money. Secondly, because of the way in which the work of the Court was organized, with vacations in the summer and at Christmas time, most of the judges made two trips to the home country

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during the year, one of them at their own expense. Thirdly, no extra allowance for rent or transport was included in their emoluments. For those reasons - and because the new scale was intended to remain in force for a number of years and might be eroded by further cost-of-living increases - the alternative set out in paragraph 13 (b) of the Advisory Committee's report (A/4981) seemed preferable. His delegation accordingly proposed that the salaries of the members of the Court should be raised to $26,528 per annum; that the President should receive a special allowance of $6,400 per annum; and that the Vice-Presidents should receive an allowance of $40 a day for every day that they acted as President, up to a total of $4,000 per annum. His delegation also proposed that the daily allowance (inclusive of subsistence allowance) for ad hoc judges should be calculated as 1/365th of whatever new salary the General Assembly might approve for a member of the Court. Under the United States proposal, the subsistence allowance being excluded from the calculation of the pro rata increase, the ad hoc judges would receive less than the members of the Court, whereas, under existing provisions, the emoluments of the two categories of judges were identical. Provided that parity of treatment was maintained, the apportionment of the daily emoluments of the ad hoc judges - as between compensatory allowance and subsistence allowance - was of secondary importance.[8/]

67. A number of members taking part in the discussion supported the United States proposal (para. 5 above); however, several members, while favouring the main part of that proposal, to the effect that the salaries should be raised to $25,000, concurred in the second part of the Pakistan proposal relating to the allowances for the ad hoc judges.

68. The United States representative accepted, as an amendment to his proposal the second part of the Pakistan proposal regarding the ad hoc judges.

69. The representative of Pakistan withdrew his proposal (para. 6 above).

Financial implications

70. The adoption of the draft resolution recommended by the Committee (para. 12 below) would give rise to an additional annual expenditure estimated at

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8/ In the draft resolution attached to the present report the amount of $68 has been apportioned as follows: compensatory allowance, $45; subsistence allowance, $23.

about $77,000. The comparable estimates for the alternative methods of adjustment (para. 2 above) are:

Alternative (a)	$115,500
Alternative (b)	98,000

Decision and recommendation of the Fifth Committee

71. At the 893rd meeting, the Committee unanimously adopted the United States proposal, as amended.

72. The Fifth Committee accordingly recommends to the General Assembly the adoption of the draft resolution contained in annex V to the present report.

Chapter V

POST CLASSIFICATION FOR GENEVA

73. At its 900th meeting, on 12 December 1961, the Committee considered a report of the Secretary-General (A/C.5/903 and Corr.1) proposing that the post classification for Geneva should be raised, as from 1 November 1961, from class 3 to class 4 within the existing post adjustment system; and, as from 1 January 1962, from class 0 to class 1 within the new system due to come into force on the latter date. The financial implications were estimated at $16,400 in 1961, and at $128,400 in 1962. However, as regards the former year, the Secretary-General was prepared to meet the costs of the increase within the supplementary estimates already approved for 1961.

74. The Secretary-General's proposal was supported by the following explanatory data (A/C.5/903, paras. 2-4):

(a) The special cost-of-living index for international officials in Geneva was based on a weighted list of goods and services approved by the Expert Committee on Post Adjustments (ECPA). It had been prepared after consultation between the Swiss Federal Statistical Office and the statistical services of the United Nations and the International Labour Office. Because the official Swiss figure for movement of rentals was not suitable for international officials, the index included a special rent component based on data gathered, from the officials themselves, twice a year, in March and September. In consequence, a complete index figure could be obtained only for those two months; it became available in May and November;

(b) Information had been received from the ILO to the effect that the special index, which stood at 114.3 in March 1961 (the nine-month average then being 112.2), had reached 118.2 in September (a nine-month average of 115.7).

(c) On 1 January 1961, the United Nations "official" rate of exchange was reduced from 4.34 francs to the dollar to 4.30, with the result that while the net emoluments of the staff (in Swiss francs) were reduced by approximately 1 per cent, the cost-of-living index figure rose by the same approximate percentage.

75. In reporting on the Secretary-General's proposal, the Advisory Committee pointed out (A/5014, paras. 5, 7-9) that:

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(a) The Director-General of WHO, having authority to change the classification by administrative action, had introduced class 4 as from 1 November 1961, for the reason that WHO does not apply such changes retroactively; and that, on the other hand, the Governing Body of the ILO had approved in November 1961 a change in the Geneva post classification from class 3 to class 4 in the old system with effect from 1 September 1961, and from class 0 to class 1 in the new system with effect from 1 January 1962; and

(b) Although the plan for the special index had been approved by ECPA and subsequently by the ACC, neither of those bodies had examined in detail the actual resulting figures compiled by the ILO and the Swiss Federal Office of Statistics.

76. The Advisory Committee added the opinion that the budgetary consequences of the adoption of the special index were so serious that prior review by the General Assembly would have been advisable.

77. In spite of its reservations as to the timing of the procedures that had been followed, the Advisory Committee, taking account of the fact that the main Geneva-based agencies had already moved to a higher post classification, refrained from recommending any modification in the Secretary-General's proposal.

78. Discussion in the Committee turned largely on two points. It was felt, in the first place, that a proposal having considerable financial implications should not be presented at so late a date, just before the close of the session, and so soon after the General Assembly's approval of a salary increase, ranging from 7 to 17 per cent, for the Professional and higher categories of staff. In the second place, the disparity in the procedures followed in the various organizations for making changes of classification was a source of concern to a number of delegations. Thus, in WHO the Director-General was empowered to make such changes by his own administrative decision, whereas in the case of the ILO the decision had been taken by the Governing Body, which had no true equivalent either in WHO or in the United Nations; finally, in the last-named organization such proposals - at least as regards the principal duty stations - were normally referred for decision to the General Assembly. It should be possible to unify procedures in the organizations adhering to the common salary system, for co-operation was implicit in the existence of such a system. It would be useful

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if the Advisory Committee could study the possibility of arrangements being devised under which, in organizations applying the common system, changes in the post adjustment system would be given effect to administratively at the same time and in the same manner by all.

79. Other representatives pointed out that co-ordination was no less desirable at the legislative than at the administrative level. The responsibility for insisting on uniformity of procedures and concerted action rested, in largest part, with the representatives of Member States in the legislative bodies of the organization.

80. As regards the specific proposal before the Committee, several representatives suggested that it would not be right to penalize the United Nations staff at Geneva - by withholding the change from class 3 to class 4.

81. The representative of the Secretary-General said that the application of any post adjustment system involving a number of organizations was necessarily complicated, and decisions could not easily be synchronized. Cost-of-living increases had already occurred at Geneva and decisions had been taken accordingly. The questions raised by the Advisory Committee on Administrative and Budgetary Questions and in the Fifth Committee would, however, be the subject of review by the ECPA at its next session, and the results thereof would be available to the General Assembly next year.

Decision of the Committee

82. The Fifth Committee approved, by 50 votes to none, with 9 abstentions, the Secretary-General's proposal (A/C.5.903, para. 8).

VI. BUDGET APPROPRIATIONS FOR 1962: FIRST READING AND SECOND READING

First reading of the budget estimates and subsequent actions

83. For its first reading of the 1962 budget estimates, the Fifth Committee had before it the initial estimates submitted by the Secretary-General (A/4770) and the report of the Advisory Committee thereon (A/4814). The statements made by the Controller (A/C.5/881) and the Chairman of the Advisory Committee (A/C.5/882) at the 849th meeting of the Committee had also contained references to particular sections of the budget. Further the first reading of the budget sections included consideration of the following revised estimates submitted by the Secretary-General, on which the Advisory Committee had reported separately:

(a) Decisions of the Economic and Social Council - documents A/C.5/874; A/4910: sections 1, 3, 4, 5, 8 and 11, and income section 1;

(b) Decisions of the Economic and Social Council: United Nations Conference on the Application of Science and Technology for the Benefit of Less Developed Areas - documents A/C.5/878, A/4919: sections 2 and 7 and income section 1;

(c) Modernization of the Palais des Nations - documents A/C.5/877, A/4918: section 7.

84. The following table sets out the first reading decisions of the Fifth Committee on the expenditure and income sections and indicates the meetings of the Committee at which the sections were considered in first reading. Except where indicated otherwise, the action of the Committee related to the initial estimates; in all cases the amounts were those recommended by the Advisory Committee.

Section	Meeting	Amount	Yes	No	Abstentions
		$			
1. Travel and other expenses of representatives, members of commissions and committees and other subsidiary bodies	850	1,094,200[a/]	68	0	1
2. Special meetings and conferences	855	1,487,000[b/]	Unanimous		

Footnotes on page 34.

Section	Meeting	Amount	Yes	No	Abstentions
		$			
3. Salaries and wages	858, 859 861	37,146,000[a/c/]	60	9	2
4. Common staff costs	861	8,683,200[a/]	62	9	1
5. Travel of staff	857	2,060,000[a/]	Unanimous		
6. Payments under annex I, paragraphs 2 and 3, of the Staff Regulations; Hospitality	857	100,000	Unanimous		
7. Buildings and improvements to premises	857	4,364,500[b/d/]	Unanimous		
8. Permanent equipment	851	438,500[a/]	Unanimous		
9. Maintenance, operation and rental of premises	851	3,450,000	Unanimous		
10. General expenses	851	3,650,000	Unanimous		
11. Printing	854	1,233,650[a/]	Unanimous		
12. Special expenses	857	74,600	58	6	2
13. Economic development	854	1,110,000	58	0	9
14. Social activities	854	1,520,000	57	0	9
15. Human rights activities	854	100,000	58	0	9
16. Public administration	854	1,150,000	58	0	9
17. Narcotic drugs control	854	75,000	58	0	9
18. Special missions	854, 855, 864, 868	2,408,650	56	9	0
19. United Nations Field Service	855	1,350,000	60	9	1
20. Office of the United Nations High Commissioner for Refugees	864	2,330,000	64	0	11
21. International Court of Justice	864	805,800	Unanimous		
Income sections					
1. Staff assessment income	861	7,460,000[a/b/]	Unanimous		
2. Funds provided from extra-budgetary accounts	861	1,666,800	Unanimous		

Footnotes on page 34.

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Income sections	Meeting	Amount	Yes	No	Abstentions
		$			
3. General income	861	1,400,000	Unanimous		
4. Sale of United Nations postage stamps	861	1,275,000	Unanimous		
5. Sale of publications	861	375,000	Unanimous		
6. Services to visitors and catering services	861	675,000	Unanimous		

85. The official records of the Committee's meetings indicated above contain the views expressed by members of the Committee on the estimates for the various sections, as well as further information provided to the Committee by the Chairman of the Advisory Committee and by representatives of the Secretary-General. It is not attempted here to reflect those discussions; there are included, however, under part I of this report certain considerations of a more general nature which arose during the first reading.

86. The first reading decisions of the Committee were affected by its subsequent consideration of revised estimates for certain sections and by its recommendations on other items on its agenda:

(a) Revised estimates for section 1 resulting from the admission of new Member States (A/C.5/898, A/4995);

(b) Enlargement of the Advisory Committee on Administrative and Budgetary Questions (agenda item 94, A/4973);

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a/ Includes revised estimates resulting from decisions of the Economic and Social Council (A/C.5/874; A/4910).

b/ Includes revised estimates resulting from decisions of the Economic and Social Council: United Nations Conference on the Application of Science and Technology for the Benefit of the Less Developed Areas (A/C.5/878; A/4919).

c/ On a separate vote of 56 to none with 14 abstentions, the Committee, at its 861st meeting, approved the provision, within this total amount, of $10,000 for preparatory expenses for the Conference on Travel and Tourism (A/C.5/874, para. 12; A/4910, para. 15).

d/ Includes revised estimates for modernization of the Palais des Nations (A/C.5/877; A/4918).

(c) Revised estimates for section 2 in respect of International Commodity Conferences (A/C.5/894, A/4965);

(d) Base salary scales and post adjustments of staff in the professional and higher categories of the international civil service (agenda item 65, A/4977);

(e) Revised estimates in respect of increased Geneva general service and manual worker salary scales approved in connexion with the supplementary estimates for 1961 (A/C.5/884, A/4924);

(f) Post classification at Geneva (A/C.5/903 and Corr.1 English only, A/5014, part V of the present report);

(g) Other personnel questions: Amendment of Staff Regulation 3.2 - Education Grant (agenda item 64 (c), A/....);

(h) United Nations International School (agenda item 67, A/....);

(i) Revised estimates for sections 13, 14 and 16 for reappropriation of unspent balances from 1961 appropriations (A/C.5/906, A/5025);

(j) Salaries of Judges of the International Court of Justice (A/C.5/876, A/4981), part III of the present report).

87. Further, under rule 154 of the rules of procedure of the General Assembly, the Fifth Committee reported to the General Assembly on the financial implications of draft resolutions recommended by other main Committees, the adoption of some of which would result in additional budgetary requirements for 1962. The agenda items in connexion with which such reports were made together with the document numbers of those reports are listed hereunder:

(a) Enlargement of the International Law Commission (A/4946) [77];

(b) Report of the Economic and Social Council; Economic development of under-developed countries (A/5008) [12 and 28];

(c) Racial Discrimination in Non-Self-Governing Territories (A/4999) [41];

(d) Report of the International Law Commission on the work of its thirteenth session (A/5020) [69];

(e) Dissemination of information on the United Nations in Non-Self-Governing Territories (A/4961) [42];

(f) Question of the Future of Ruanda-Urundi (A/4932) [49].

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The items (d), (e) and (f) did not involve adjustments to the amounts to be appropriated for 1962.

88. The effect on the amounts for the various sections of the budget of the actions indicated in the two preceding paragraphs was summarized in a paper submitted to the Committee for the second reading of the estimates (A/C.5/908).

Second reading of the budget estimates

89. On the basis of the note (A/C.5/908) referred to above, the Committee, at its 902nd meeting, voted on the estimates in second reading. Under section 12, special expenses, on a separate vote requested by the representative of the USSR, the Committee approved the amount of $74,600 for Chapter I by 57 votes to 10.

90. The result of the second reading decisions of the Committee was as follows:

Section		Recommended Appropriation	Yes	No	Abstentions
		United States dollars			
1	Travel and other expenses of representatives, members of commissions and committees, and other subsidiary bodies	1,155,240		Unanimous	
2	Special meetings and conferences	1,532,000		Unanimous	
3	Salaries and wages	40,722,050	45	10	0
4	Common staff costs	9,396,650	45	0	10
5	Travel of staff	2,065,000		Unanimous	
6	Payments under Annex I, paragraphs 2 and 3, of the Staff Regulations: Hospitality	100,000		Unanimous	
7	Buildings and improvements to premises	4,364,500		Unanimous	
8	Permanent equipment	438,500		Unanimous	
9	Maintenance, operation and rental of premises	3,450,000		Unanimous	
10	General expenses	3,655,000		Unanimous	

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Section		Recommended Appropriation	Yes	No	Abstentions
		United States dollars			
11	Printing	1,233,650		Unanimous	
12	Special expenses	144,600	57	0	10
13	Economic development	2,135,000	57	0	10
14	Social activities	2,105,000	58	0	10
15	Human rights activities	100,000	60	0	10
16	Public administration	1,945,000	60	0	10
17	Narcotic drugs control	75,000	61	0	10
18	Special missions	2,444,650	60	10	0
19	United Nations Field Service	1,357,000	61	10	0
20	Office of the United Nations High Commissioner for Refugees	2,525,800	58	0	13
21	International Court of Justice	926,600		Unanimous	
Income Section					
1	Staff assessment income	8,670,250		Unanimous	
2	Funds provided from extra-budgetary accounts	1,666,800		Unanimous	
3	General income	1,400,000		Unanimous	
4	Sale of United Nations postage stamps	1,275,000		Unanimous	
5	Sale of publications	375,000		Unanimous	
6	Services to visitors and catering	675,000		Unanimous	

91. In connexion with the income estimates it was pointed out that a number of delegations had raised the question of taxes paid by the United Nations in different countries where offices of the Organization are located. It was recalled that requests for clarification of this question had been made repeatedly at the thirteenth, fourteenth, fifteenth sessions and the present session of the General Assembly, and although some information had been given on certain aspects of the problem, the Committee should have a comprehensive report thereon. The Committee agreed, on a proposal by the representative of Poland, that its report

should include a request to the Secretariat that detailed information concerning the application of all kinds of taxes to the United Nations in all countries where United Nations offices are located should be submitted to the General Assembly at its seventeenth session.

92. The representative of the Secretary-General drew the attention of the Committee to the fact, noted in document A/C.5/908, that there were still some items before other Committees of the Assembly and the plenary, the action on which might involve adjustments in the amounts which the Committee had approved. Other decisions taken or pending might involve expenditures in 1962 which could not be estimated with precision and which the Secretary-General proposed to meet, with the prior concurrence of the Advisory Committee, under the resolution relating to unforeseen and extraordinary expenses for 1962.

93. The decision of the Committee under section 3 provided for a consolidated manning table for 1962 for the various departments and units for which provision was included in that section as follows (the establishment proposed by the Secretary-General with the reduction of 10 Professional posts and five General Service posts recommended by the Advisory Committee):

Established posts for departments and offices at Headquarters; the European Office, Geneva; information centres; the secretariats of the Economic Commissions for Africa, for Asia and the Far East, and for Latin America; the joint secretariat of the Permanent Central Opium Board and the Drug Supervisory Body; the Joint Staff Pension Board and the United Nations Staff Pension Committee; and revenue producing activities

Category and level		Total
I.	Secretary-General	1
	Under-Secretary	18
	Director	29
	Principal officer	80
	Total	128
II.	Professional	
	Senior officer	207
	First officer	434
	Second officer	624
	Associate and assistant officer	412
	Total	1,805

Category and level	Total
III. General Service[a]	
Principal or highest level	200
Other levels	1,979
Total	2,179
Grand Total	3,984

a/ Exclusive of local level posts mainly at information centres, ECA, ECAFE and ECLA for which a budgetary credit is provided (approximately 596 posts).

Chapter VII

DRAFT RESOLUTIONS

Draft Budget resolution

94. At its 906th meeting the Committee adopted the draft budget resolution for the financial year 1962, voting as follows:

	Yes	No	Abstentions
Total of the expenditure sections - $81,957,240	48	9	0
Part A of the draft resolution	50	9	0
Part B of the draft resolution	Unanimous		
Paragraph 1 (c) of Part C of the draft resolution - separate vote requested by the USSR	53	9	0
Part C of the draft resolution	53	9	0

95. The total of the expenditure sections included provision for the financial implications of the following draft resolutions recommended by other Main Committees, on which the Fifth Committee had reported separately to the General Assembly:

(a) Report of the Economic and Social Council, Human rights activities (12) (A/5046) - $40,000;

(b) Question of South West Africa (47a) - $46,000;

(c) Report of the Committee on Peaceful Uses of Outer Space (21) (A/5051) - no specific provision.

96. Subsequently, the Fifth Committee reported on further draft resolutions having financial implications:

(a) Permanent sovereignty over natural resources (87) (A/5061) - $10,000;

(b) Economic development of under-developed countries: Questions relating to science and technology (28 and 30) (A/5052) - no specific provision;

(c) Question of South West Africa (47(a)) (A/5050) - $50,000.

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97. Lastly, at its 910th meeting held on 19 December 1961, the Committee considered the financial implications of a resumption of the sixteenth session as recommended by the General Committee in its Fourth Report (A/5053). On the basis of a report by the Secretary-General (A/C.5/915) and an oral report of the Advisory Committee, the Fifth Committee decided, without objection, to inform the General Assembly that if the proposals of the General Committee were approved, additional costs in the amount of $127,500 would arise in 1962.

98. The provisions referred to in the last two paragraphs have been included in the draft budget resolution for 1962, contained in Annex I to the present report, which the Fifth Committee recommends for adoption by the General Assembly.

Draft resolution relating to unforeseen and extraordinary expenses

99. At its 910th meeting, the Committee approved by 46 votes to 10, the draft resolution relating to unforeseen and extraordinary expenses contained in Appendix II of Chapter I of the report of the Advisory Committee (A/4814). The Fifth Committee accordingly recommends to the General Assembly the adoption of the draft resolution contained in Annex II to the present report.

Draft resolution relating to the Working Capital Fund

100. At its 910th meeting, the Committee approved, by 51 votes to none, with 10 abstentions, the draft resolution relating to the Working Capital Fund contained in Appendix III to Chapter I of the report of the Advisory Committee (A/4814) with certain suggestions for draft amendments made by the representative of the Secretary-General. The Fifth Committee accordingly recommends to the General Assembly the adoption of the draft resolution contained in Annex III to the present report.

ANNEX I

DRAFT BUDGET RESOLUTION FOR THE FINANCIAL YEAR 1962

A

BUDGET APPROPRIATIONS FOR THE FINANCIAL YEAR 1962

The General Assembly

Resolves that for the financial year 1962:

1. Appropriations totalling $US82,144,740 are hereby voted for the following purposes:

UNITED NATIONS

PART I. Sessions of the General Assembly, the Councils, commissions and committees; special meetings and conferences

Section		Amount in US Dollars	
1.	Travel and other expenses of representatives members of commissions, committees and other subsidiary bodies	1,155,240	
2.	Special meetings and conferences	1,532,000	
	TOTAL, PART I		2,687,240

PART II. Staff costs and related expenses

Section			
3.	Salaries and wages	40,765,550	
4.	Common staff costs	9,399,650	
5.	Travel of staff	2,065,000	
6.	Payments under annex I, paragraphs 2 and 3, of the Staff Regulations; Hospitality	100,000	
	TOTAL, PART II		52,330,200

PART III. Buildings, equipment and common services

Section			
7.	Buildings and improvements to premises	4,364,500	
8.	Permanent equipment	438,500	
9.	Maintenance, operation and rental of premises . . .	3,458,200	
10.	General expenses	3,684,800	
11.	Printing	1,286,650	
	TOTAL, PART III		13,232,650

UNITED NATIONS (continued)

		Amount in US Dollars	
PART IV.	Special expenses		
Section			
12.	Special expenses	194,600	
	TOTAL, PART IV		194,000
PART V.	Technical programmes		
Section			
13.	Economic development	2,135,000	
14.	Social activities	2,105,000	
15.	Human rights activities	140,000	
16.	Public administration	1,945,000	
17.	Narcotic drugs control	75,000	
	TOTAL, PART V		6,400,000
PART VI.	Special missions and related activities		
Section			
18.	Special missions	2,490,650	
19.	United Nations Field Service	1,357,000	
	TOTAL, PART VI		3,847,650
PART VII.	Office of the United Nations High Commissioner for Refugees		
Section			
20.	Office of the United Nations High Commissioner for Refugees	2,525,800	
	TOTAL, PART VII		2,525,800

INTERNATIONAL COURT OF JUSTICE

PART VIII.	International Court of Justice		
Section			
21.	International Court of Justice	926,600	
	TOTAL, PART VIII		926,600
	GRAND TOTAL		82,144,740

2. The Secretary-General is authorized:

(a) To administer as a unit the provisions under sections 1, 3 and 5 in a total amount of $117,900 relating to the Permanent Central Opium Board and the Drug Supervisory Body;

(b) To transfer credits between sections of the budget with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions;

3. The appropriations under sections 1, 3, 4 and 5 in a total amount of $248,400 relating to the United Nations Joint Staff Pension Board and the United Nations Staff Pension Committee shall be administered in accordance with article XXVII of the Regulations of the United Nations Joint Staff Pension Fund;

4. In addition to the appropriations under paragraph 1 above, an amount of $17,500 is hereby appropriated from the income of the Library Endowment Fund for the purchase of books, periodicals, maps and library equipment and such other expenses of the Library at the Palais des Nations as are in accordance with the objects and provisions of the endowment.

B

INCOME ESTIMATES FOR THE FINANCIAL YEAR 1962

The General Assembly

Resolves that for the financial year 1962:

1. Estimates of income other than assessments on Member States totalling $US14,062,050 are approved as follows:

		Amount in US Dollars	
PART I.	Income from staff assessment		
Section			
1.	Staff assessment income	8,670,250	
	TOTAL, PART I		8,670,250
PART II.	Other income		
Section			
2.	Funds provided from extra-budgetary accounts .	1,666,800	
3.	General income	1,400,000	
4.	Sale of United Nations postage stamps	1,275,000	
5.	Sale of publications	375,000	
6.	Services to visitors and catering services . .	675,000	
	TOTAL, PART II		5,391,800
	GRAND TOTAL		14,062,050

2. The income from staff assessment shall be credited to the Tax Equalization Fund in accordance with the provisions of General Assembly resolution 973 (X) of 15 December 1955;

3. Direct expenses of the United Nations Postal Administration, services to visitors, catering and related services and the sale of publications, not provided for under the budget appropriations, may be charged against the income derived from those activities.

C

FINANCING OF APPROPRIATIONS FOR THE FINANCIAL YEAR 1962

The General Assembly

Resolves that for the financial year 1962:

1. Budget appropriations totalling $US82,144,740 decreased by revised appropriations for 1961 totalling $1,320,000 shall be financed as follows, in accordance with regulations 5.1 and 5.2 of the Financial Regulations of the United Nations:

(a) As to $5,391,800, by income other than staff assessment approved under resolution B above;

(b) As to $1,308,823, by the balance on surplus account for the financial year 1960;

(c) As to $74,124,117, by assessment on Member States in accordance with the General Assembly resolution on the scale of assessments for 1962;

2. There shall be set off against the assessment on Member States:

(a) Their respective shares in the Tax Equalization Fund, subject to the provisions of General Assembly resolution 973 (X) of 15 December 1955, comprising:

(i) $8,670,250 being the estimated staff assessment income for 1962;

(ii) $172,117 being the excess of staff assessment income for 1960 over estimated income;

(b) Their credits in respect of the transfer of the League of Nations assets, in accordance with General Assembly resolution 250 (III) of 11 December 1948.

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ANNEX II

DRAFT RESOLUTION RELATING TO UNFORESEEN AND EXTRAORDINARY EXPENSES

The General Assembly

1. Authorizes the Secretary-General, with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions and subject to the Financial Regulations of the United Nations and the provisions of paragraph 3 of the present resolution, to enter into commitments to meet unforeseen and extraordinary expenses in the financial year 1962, provided that the concurrence of the Advisory Committee shall not be necessary for:

(a) Such commitments, not exceeding a total of $2 million, as the Secretary-General certifies relate to the maintenance of peace and security;

(b) Such commitments as the President of the International Court of Justice certifies relate to expenses occasioned by:

(i) The designation of ad hoc Judges (Statute, Article 31), not exceeding a total of $30,000;

(ii) The appointment of assessors (Statute, Article 30), or the calling of witnesses and the appointment of experts (Statute, Article 50), not exceeding a total of $25,000;

(iii) The holding of sessions of the Court away from The Hague (Statute, Article 22), not exceeding a total of $75,000;

(c) Such commitments not exceeding a total of $25,000 as may be authorized by the Secretary-General in accordance with paragraph 4 of General Assembly resolution 1202 (XII) of 13 December 1957 relating to the pattern of conferences;

2. Resolves that the Secretary-General shall report to the Advisory Committee on Administrative and Budgetary Questions and to the General Assembly at its seventeenth session, all commitments made under the provisions of the present resolution, together with the circumstances relating thereto, and shall submit supplementary estimates to the Assembly in respect of such commitments.

3. Decides that if, as a result of a decision of the Security Council, commitments relating to the maintenance of peace and security should arise in an estimated total exceeding $10 million before the next regular session of the General Assembly, a special session of the General Assembly shall be convened by the Secretary-General to consider the matter.

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ANNEX III

DRAFT RESOLUTION RELATING TO THE WORKING CAPITAL FUND

The General Assembly

Resolves that:

1. The Working Capital Fund shall be established for the year ending 31 December 1962 at an amount of $US25 million, derived:

(a) As to $23,920,842, from cash advances by Members in accordance with the provisions of paragraphs 2 and 3 of the present resolution;

(b) As to $1,079,158, by transfer from surplus account as follows:

(i) $551,170 being the balance of surplus account as at 31 December 1957 not applied against Members' assessments in accordance with General Assembly resolution 1340 (XIII) of 13 December 1958;

(ii) $527,988 being the balance of surplus account as at 31 December 1958, not applied against Members' assessments in accordance with General Assembly resolution 1445 (XIV) of 5 December 1959;

2. Members shall make cash advances to the Working Capital Fund as required under paragraph 1 (a) above in accordance with the scale adopted by the General Assembly for contributions of Members to the budget for the financial year 1962;

3. There shall be set off against this allocation of advances the amounts paid by Members to the Working Capital Fund for the financial year 1961 under General Assembly resolution 1586 (XV) of 20 December 1960, provided that, should such advance paid by any Member to the Working Capital Fund for the financial year 1961 exceed the amount of that Member's advance under the provisions of paragraph 2 above, the excess shall be set off against the amount of contributions payable by that Member in respect of the budget for the financial year 1962;

4. The Secretary-General is authorized to advance from the Working Capital Fund:

(a) Such sums as may be necessary to finance budgetary appropriations pending receipt of contributions; sums so advanced shall be reimbursed as soon as receipts from contributions are available for the purpose;

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(b) Such sums as may be necessary to finance commitments which may be duly authorized under the provisions of the resolutions approved by the General Assembly and in particular the resolution relating to unforeseen and extraordinary expenses; the Secretary-General shall make provision in the budget estimates for reimbursing the Working Capital Fund;

(c) Such sums as, together with net sums outstanding for the same purpose, do not exceed $125,000, to continue the revolving fund to finance miscellaneous self-liquidating purchases and activities; advances in excess of the total $125,000 may be made with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions;

(d) With the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions, such sums as may be required to finance payments of advance insurance premiums where the period of insurance extends beyond the end of the financial year in which payment is made; the Secretary-General shall make provision in the budget estimates of each year, during the life of the related policies, to cover the charges applicable to each such year;

(e) Such sums as may be necessary to enable the Tax Equalization Fund to meet current commitments pending accumulation of credits, such advances shall be repaid as soon as credits are available in the Tax Equalization Fund.

(f) Such sums, not to exceed $100,000 during the period 1961 to 1964, as may be necessary to finance awards made for the international encouragement of scientific research into the control of cancerous diseases, pursuant to General Assembly resolution 1398 (XIV) of 20 November 1959; the Secretary-General shall make provision in the annual budget estimates for reimbursing the Working Capital Fund;

5. Should the provisions in paragraph 1 above prove inadequate to meet the purposes normally related to the Working Capital Fund, the Secretary-General is authorized to utilize in 1962, under the conditions approved in General Assembly resolution 1448 (XIV) of 5 December 1959, cash from special funds and accounts in his custody or the proceeds of loans authorized by the General Assembly.

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ANNEX IV

DRAFT RESOLUTION RELATING TO MODERNIZATION OF THE PALAIS DES NATIONS

The General Assembly,

Having considered the reports of the Secretary-General (A/C.5/877) and the Advisory Committee on Administrative and Budgetary Questions (A/4918) concerning changes that have become necessary in the programme for the modernization of the Palais des Nations approved under General Assembly resolutions 1101 (XI) of 27 February 1957 and 1447 (XIV) of 5 December 1959,

1. Approves the revisions in the programme for the modernization of the Palais des Nations as set out in the report of the Secretary-General as well as the proposals for financing the entire programme, as modified, at a cost not to exceed $2,081,000;

2. Authorizes the Secretary-General to proceed with the execution of the revised programme;

3. Decides that the schedule of annual budget instalments contained in paragraph 3 (a) of General Assembly resolution 1447 (XIV) shall be amended as follows:

	Annual instalment US dollars	
For the years 1957 to 1960	121,000	(unchanged)
For the year 1961	202,000	(instead of $121,000)
For the year 1962	331,000	(instead of $121,000)
For the year 1963	131,000	(unchanged)
For the years 1964 to 1966	311,000	(unchanged)

4. Authorizes the Secretary-General to advance from the Working Capital Fund the sums which may be required from time to time to finance the actual requirements of the programme, such advances to be repaid from budgetary appropriations in accordance with the schedule annexed to the Secretary-General's report;

5. Requests the Secretary-General to keep the Advisory Committee on Administrative and Budgetary Questions informed of developments in the progress of the modernization programme.

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ANNEX V

DRAFT RESOLUTION RELATING TO EMOLUMENTS OF JUDGES OF THE INTERNATIONAL COURT OF JUSTICE

The General Assembly,

Resolves that, with effect from 1 January 1962, the emoluments of the judges of the International Court of Justice shall be fixed according to the following scale:

	US dollars
President:	
Annual salary	25,000
Special allowance	6,000
Vice-President:	
Annual salary	25,000
Allowance equivalent to $37.50 for every day on which he acts as President, up to a maximum of	3,750
Other members:	
Annual salary	25,000
Ad hoc judges referred to in Article 31 of the Statute of the Court:	
Allowance of $45 for each day on which they exercise their functions, plus a daily subsistence allowance.	