



Eighth session
Agenda item 38

SUPPLEMENTARY ESTIMATES FOR THE FINANCIAL YEAR 1953

Report of the Fifth Committee

Rapporteur: Mr. H.M. AHSON (Pakistan)

1. The Fifth Committee, at its 420th to 427th meetings from 3 to 8 December 1953, considered the question of supplementary estimates for 1953. The Committee had before it, as a basis for its discussion of the item, a report by the Secretary-General (A/2534), together with the twenty-fourth report of the Advisory Committee on Administrative and Budgetary Questions to the eighth session of the General Assembly (A/2580).
2. Discussion in the Fifth Committee was primarily directed to the payment of awards of compensation ordered by the Administrative Tribunal in the case of some eleven staff members whose appointments had been terminated during 1953. For the purpose of such payment, the Secretary-General had included in his supplementary estimates a sum of \$179,420, and had recommended, for the reasons set out in paragraph 8 (ii) of his report, that the necessary funds should be appropriated by the General Assembly.
3. The Advisory Committee, in its report, expressed its concurrence in the proposed appropriation under section 17 of the 1953 budget, on the grounds that the Secretary-General's action in including this provision had been taken in accordance with the Statute of the Administrative Tribunal.

4. The views expressed by various delegations in the course of the discussion of this matter in the Fifth Committee and the positions taken by them are set forth in the summary records of the 420th to 423rd meetings.
5. In addition to the proposal of the Secretary-General, concurred in by the Advisory Committee, the Committee had before it a draft resolution submitted jointly by Canada, Colombia and the United Kingdom (A/C.5/L.263), amendments to this draft resolution proposed by France (A/C.5/L.267), and a further proposal by France (A/C.5/L.268/Rev.1).
6. The joint draft resolution of Canada, Colombia and the United Kingdom provided that the General Assembly, considering the request for a supplementary appropriation to cover the awards made by the Administrative Tribunal, considering the concurrence of the Advisory Committee in the appropriation, considering nevertheless that important legal questions had been raised in the course of the Fifth Committee debate, should decide to request an advisory opinion from the International Court of Justice on the following legal questions:

"(i) Having regard to the Statute of the United Nations Administrative Tribunal and to any other relevant instruments and to the relevant records, has the General Assembly the right on any grounds to refuse to give effect to an award of compensation made by that Tribunal in favour of a staff member of the United Nations whose contract of service has been terminated without his assent?

"(ii) If the answer given by the Court to question (i) is in the affirmative, what are the principal grounds upon which the General Assembly could lawfully exercise such a right?"

7. The first amendment of France proposed the deletion from question (i) of the words "on any grounds"; the second amendment proposed to add as a part (b) to the second question the following "do these grounds, whatever they may be, apply to any of the decisions which have led to the request for the appropriation?".

8. The further French proposal was for the addition to resolution B contained in the draft report of the Fifth Committee on the budget estimates for the financial year 1954 (A/C.5/L.264) of a sub-paragraph (g) which would have authorized the Secretary-General to enter into commitments to meet unforeseen and extraordinary expenses for the sums needed for payment of the compensations awarded by the Administrative Tribunal, and referred to in the request by the General Assembly for an advisory opinion from the International Court of Justice, if the Court were of the opinion that the General Assembly had not the right to refuse to give effect to the said awards.

9. At the 427th meeting on 8 December 1953, the representative of the Union of Soviet Socialist Republics proposed that the Committee should first vote on the proposal of the Secretary-General and the Advisory Committee for the appropriation of the funds in question. This proposal was rejected by 29 votes to 6, with 14 abstentions.

10. The Committee then voted by roll-call as follows:

The Committee rejected the first amendment of France by 28 votes to 19, with 6 abstentions. The voting was as follows:

<u>In favour:</u>	Belgium, Denmark, Egypt, France, Iceland, India, Indonesia, Iran, Israel, Lebanon, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Saudi Arabia, Sweden, Syria, Uruguay.
<u>Against:</u>	Argentina, Australia, Byelorussian Soviet Socialist Republic, Canada, Chile, China, Colombia, Cuba, Czechoslovakia, Dominican Republic, Ecuador, Greece, Haiti, Honduras, Iraq, Nicaragua, Pakistan, Panama, Peru, Philippines, Poland, Thailand, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Venezuela.
<u>Abstaining:</u>	Brazil, Ethiopia, Liberia, Union of South Africa, Yemen, Yugoslavia.

11. The Committee rejected the second French amendment by 22 votes to 15, with 17 abstentions. The voting was as follows:

In favour: Belgium, Canada, Colombia, Denmark, Egypt, France, Israel, Luxembourg, Mexico, Netherlands, New Zealand, Pakistan, Panama, United Kingdom of Great Britain and Northern Ireland, Uruguay.

Against: Argentina, Australia, Byelorussian Soviet Socialist Republic, China, Cuba, Czechoslovakia, Dominican Republic, Ecuador, Honduras, Iraq, Nicaragua, Norway, Peru, Philippines, Poland, Sweden, Thailand, Turkey, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, United States of America, Venezuela.

Abstaining: Bolivia, Brazil, Chile, Ethiopia, Greece, Haiti, Iceland, India, Indonesia, Iran, Lebanon, Liberia, Saudi Arabia, Syria, Union of South Africa, Yemen, Yugoslavia.

12. The Committee adopted the joint draft resolution of Canada, Colombia and the United Kingdom by 35 votes to 7, with 12 abstentions. The voting was as follows:

In favour: Argentina, Bolivia, Brazil, Canada, Chile, Colombia, Cuba, Denmark, Dominican Republic, Ecuador, Egypt, Greece, Haiti, Honduras, Iceland, India, Iran, Iraq, Israel, Lebanon, Liberia, Luxembourg, Netherlands, Norway, Pakistan, Panama, Peru, Philippines, Saudi Arabia, Syria, Thailand, Union of South Africa, United Kingdom of Great Britain and Northern Ireland, Uruguay, Venezuela.

Against: Byelorussian Soviet Socialist Republic, Czechoslovakia, Mexico, Poland, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, Yugoslavia.

Abstaining: Australia, Belgium, China, Ethiopia, France, Indonesia, New Zealand, Nicaragua, Sweden, Turkey, United States of America, Yemen.

13. The Committee decided to vote on the French proposal in two parts. It adopted the first part reading "the sums needed for the payment of the compensations awarded by the Administrative Tribunal" by 23 votes to 22, with 12 abstentions. The voting was as follows:

In favour: Afghanistan, Belgium, Byelorussian Soviet Socialist Republic, Canada, Czechoslovakia, Denmark, Egypt, France, India, Indonesia, Israel, Lebanon, Luxembourg, Mexico, Netherlands, Poland, Sweden, Syria, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, Uruguay, Yemen, Yugoslavia.

Against: Argentina, Australia, Bolivia, Chile, China, Colombia, Cuba, Dominican Republic, Ecuador, Greece, Honduras, Iraq, Nicaragua, Pakistan, Peru, Philippines, Thailand, Turkey, Union of South Africa, United Kingdom of Great Britain and Northern Ireland, United States of America, Venezuela.

Abstaining: Brazil, Burma, Costa Rica, Ethiopia, Haiti, Iceland, Iran, Liberia, New Zealand, Norway, Panama, Saudi Arabia.

14. The Committee rejected the second part of the French proposal by 28 votes to 20, with 9 abstentions. The voting was as follows:

In favour: Afghanistan, Belgium, Brazil, Canada, Denmark, Egypt, France, Iceland, India, Indonesia, Israel, Lebanon, Luxembourg, Netherlands, New Zealand, Saudi Arabia, Sweden, Syria, Uruguay, Yemen.

Against: Argentina, Australia, Bolivia, Byelorussian Soviet Socialist Republic, Chile, China, Colombia, Cuba, Czechoslovakia, Dominican Republic, Ecuador, Greece, Haiti, Honduras, Nicaragua, Pakistan, Peru, Philippines, Poland, Thailand, Turkey, Ukrainian Soviet Socialist Republic, Union of South Africa, Union of Soviet Socialist Republics, United Kingdom of Great Britain and Northern Ireland, United States of America, Venezuela, Yugoslavia.

Abstaining: Burma, Costa Rica, Ethiopia, Iran, Iraq, Liberia, Mexico, Norway, Panama.

15. The Committee then rejected the French proposal as a whole by 25 votes to 19, with 13 abstentions. The voting was as follows:

In favour: Afghanistan, Belgium, Byelorussian Soviet Socialist Republic, Czechoslovakia, Egypt, France, India, Indonesia, Lebanon, Mexico, Netherlands, Poland, Sweden, Syria, Ukrainian Soviet Socialist Republic, Union of Soviet Socialist Republics, Uruguay, Yemen, Yugoslavia.

Against: Argentina, Australia, Bolivia, Chile, China, Colombia, Costa Rica, Cuba, Dominican Republic, Ecuador, Greece, Haiti, Honduras, Iceland, Iraq, Nicaragua, Pakistan, Peru, Philippines, Thailand, Turkey, Union of South Africa, United Kingdom of Great Britain and Northern Ireland, United States of America, Venezuela.

Abstaining: Brazil, Burma, Canada, Denmark, Ethiopia, Iran, Israel, Liberia, Luxembourg, New Zealand, Norway, Panama, Saudi Arabia.

16. A number of delegations, referring to the supplementary request of \$1,800,000 representing the estimated total to be reimbursed to certain staff members in respect of their income tax liability on 1953 emoluments, reiterated their strong opposition to the appropriation of funds for this purpose. Particular attention was called in this connexion to the observations of the Advisory Committee as set forth in paragraphs 9 to 14 of its report (A/2580) and, in particular, to the Committee's recommendation that the Secretary-General should be requested to submit to the General Assembly at its ninth session a report on his negotiations on this matter with the Government of the United States of America, as well as on the general problem of national income taxation imposed upon staff members of the United Nations, together with his proposals for a solution of the problem. The increasingly heavy charge added

to the United Nations budget as a result of supplementary appropriations for tax reimbursement was considered by these delegations to be entirely unwarranted. In answer to a question addressed to him by the representative of Czechoslovakia, the Secretary-General informed the Committee that no reply had yet been received to the communication he had recently addressed to the Government of the United States of America, calling attention to the terms of relevant resolutions of the General Assembly and urging that all possible remedial steps should be taken. The Secretary-General further stated that it was his intention to submit for the consideration of the Fifth Committee and of the General Assembly at its ninth session a definite proposal which he hoped would go far towards solving existing problems.

17. A separate vote having been requested on the proposed provision of \$1,800,000 for reimbursement of national income taxes, the Committee approved, by 27 votes to 7, with 16 abstentions, the inclusion of this sum in the 1953 supplementary estimates.

18. The Committee noted that the supplementary estimates under review modified a number of budget sections as compared with the appropriation for those sections adopted at the seventh session of the General Assembly. While appreciating the difficulty in estimating with precision budget estimates which had perforce to be prepared well before the opening of the financial year to which they related, it urged the necessity to ensure a strict control on expenditure throughout the working year so that transfer actions might be kept to a minimum.

19. In the light of the foregoing decisions, the Committee decided, by 46 votes to 5, with one abstention, to recommend to the General Assembly that the amount of \$48,327,700 appropriated for the financial year 1953 by resolution 674(VII), adopted on 21 December 1952, should be increased by \$1,541,750.

20. The Fifth Committee accordingly recommends to the General Assembly the adoption of the following resolutions:

SUPPLEMENTARY ESTIMATES FOR THE FINANCIAL YEAR 1953

A

The General Assembly,

Considering the request for a supplementary appropriation of \$179,420, made by the Secretary-General in his report (A/2534) for the purpose of covering the awards made by the United Nations Administrative Tribunal in eleven cases numbered 26, and 37 to 46 inclusive,

Considering the concurrence in that appropriation by the Advisory Committee on Administrative and Budgetary Questions contained in its twenty-fourth report to the eighth session of the General Assembly (A/2580),

Considering, nevertheless, that important legal questions have been raised in the course of debate in the Fifth Committee with respect to that appropriation,

Decides

To submit the following legal questions to the International Court of Justice for an advisory opinion:

- "(i) Having regard to the Statute of the United Nations Administrative Tribunal and to any other relevant instruments and to the relevant records, has the General Assembly the right on any grounds to refuse to give effect to an award of compensation made by that Tribunal in favour of a staff member of the United Nations whose contract of service has been terminated without his assent?
- "(ii) If the answer given by the Court to question (i) is in the affirmative, what are the principal grounds upon which the General Assembly could lawfully exercise such a right?"

The General Assembly

Resolves that the amount of \$48,327,700 appropriated for the financial year 1953 by resolution 674 (VII), adopted on 21 December 1952, is increased by \$1,541,750 as follows:

	Amount appro- priated under resolution 674 (VII) as adjusted	Supplementary appropriation, increase or decrease	Revised amounts of appropriation
	<u>In dollars (US)</u>		
A. UNITED NATIONS			
Part I. <u>Sessions of the General Assembly, the Councils, Commissions and Committees</u>			
<u>Section</u>			
1. The General Assembly, Commissions and Committees	603,400	120,000	723,400
2. The Security Council, Commissions and Committees	-	-	-
3. The Economic and Social Council, Commissions and Committees	263,200	(17,000)	246,200
(a) Permanent Central Opium Board and Narcotic Drugs Supervisory Body	20,000	4,000	24,000
(b) Regional Economic Commissions	96,000	-	96,000
4. The Trusteeship Council, Commissions and Committees	59,900	-	59,900
TOTAL, PART I	<u>1,042,500</u>	<u>107,000</u>	<u>1,149,500</u>

	Amount appro- priated under resolution 674 (VII) as adjusted	Supplementary appropriation, increase or decrease	Revised amounts of appropriation
	<u>In dollars (US)</u>		
<u>Part II. Investigations and inquiries</u>			
<u>Section</u>			
5. Investigations and inquiries	2,140,700	(25,000)	2,115,700
(a) United Nations Field Service	546,200	-	546,200
TOTAL, PART II	<u>2,686,900</u>	<u>(25,000)</u>	<u>2,661,900</u>
<u>Part III. Headquarters, New York</u>			
<u>Section</u>			
6. Executive Office of the Secretary-General	375,100	15,900	391,000
(a) Library	471,000	(10,000)	461,000
7. Department of Political and Security Council Affairs	753,200	(20,000)	733,200
8. Military Staff Committee secretariat	136,900	(15,000)	121,900
9. Technical Assistance Administration	386,700	-	386,700
10. Department of Economic Affairs	2,269,100	(140,000)	2,129,100
11. Department of Social Affairs	1,685,900	(20,000)	1,665,900
12. Department of Trusteeship and Information from Non-Self-Governing Territories	936,000	(36,000)	900,000
13. Department of Public Information	2,734,900	(50,000)	2,684,900
14. Legal Department	451,400	(6,000)	445,400
15. Conference and General Services	9,614,350	(140,000)	9,474,350
16. Administrative and Financial Services	1,564,200	29,000	1,593,200
17. Common staff costs	4,479,500	1,885,850	6,365,350
18. Common services	3,854,800	(76,200)	3,778,600
19. Permanent equipment	252,050	-	252,050
TOTAL, PART III	<u>29,965,100</u>	<u>1,417,550</u>	<u>31,382,650</u>

Amount appro- priated under resolution 674 (VII) as adjusted	Supplementary appropriation, increase or decrease	Revised amounts of appropriation
<u>In dollars (US)</u>		

Part IV. United Nations Office at
Geneva

Section

20. United Nations Office at Geneva (excluding direct costs - chapter III, joint secretariat of the Permanent Central Opium Board and Narcotic Drugs Supervisory Body)	4,407,800	69,200	4,477,000
Chapter III, joint secretariat of the Permanent Central Opium Board and Narcotic Drugs Supervisory Body	47,100	-	47,100
(a) Office of the United Nations High Commissioner for Refugees	650,000	-	650,000
TOTAL, PART IV	<u>5,104,900</u>	<u>69,200</u>	<u>5,174,100</u>

Part V. Information centres

21. Information centres (other than information services, United Nations Office at Geneva)	862,300	-	862,300
TOTAL, PART V	<u>862,300</u>	<u>-</u>	<u>862,300</u>

Part VI. Regional Economic
Commissions (other than
the Economic Commission
for Europe)

22. Economic Commission for Asia and the Far East	1,030,000	115,000	1,145,000
23. Economic Commission for Latin America	866,000	(47,000)	819,000
TOTAL, PART VI	<u>1,896,000</u>	<u>68,000</u>	<u>1,964,000</u>

	Amount appro- riated under resolution 674 (VII) as adjusted	Supplementary appropriation, increase or decrease	Revised amounts of appropriation
	<u>In dollars (US)</u>		
<u>Part VII. Hospitality</u>			
<u>Section</u>			
24. Hospitality	20,000	-	20,000
TOTAL, PART VII	<u>20,000</u>	<u>-</u>	<u>20,000</u>
<u>Part VIII. Contractual printing</u>			
<u>Section</u>			
25. Official Records (excluding chapter VI. Permanent Central Opium Board and Narcotic Drugs Supervisory Body)	752,220	(25,000)	727,220
Chapter VI, Permanent Central Opium Board and Narcotic Drugs Supervisory Body	11,780	-	11,780
26. Publications	812,800	(50,000)	762,800
TOTAL, PART VIII	<u>1,576,800</u>	<u>(75,000)</u>	<u>1,501,800</u>
<u>Part IX. Technical programmes</u>			
<u>Section</u>			
27. Social activities	768,500	-	768,500
28. Economic development	479,400	-	479,400
29. Public administration	145,000	-	145,000
TOTAL, PART IX	<u>1,392,900</u>	<u>-</u>	<u>1,392,900</u>
<u>Part X. Special expenses</u>			
<u>Section</u>			
30. Transfer of the assets of the League of Nations to the United Nations	649,500	-	649,500
31. Amortization of the Headquarters construction loan	1,500,000	-	1,500,000
(a) Headquarters construction costs	1,000,000	-	1,000,000
TOTAL, PART X	<u>3,149,500</u>	<u>-</u>	<u>3,149,500</u>

Amount appro- priated under resolution 674 (VII) as adjusted	Supplementary appropriation, increase or decrease	Revised amounts of appropriation
In dollars (US)		

B. THE INTERNATIONAL COURT OF JUSTICE

Part XI. The International Court
 of Justice

Section

32. The International Court of Justice	630,800	(20,000)	610,800
TOTAL, PART XI	<u>630,800</u>	<u>(20,000)</u>	<u>610,800</u>
GRAND TOTAL	<u>\$48,327,700</u>	<u>\$1,721,170</u>	<u>\$49,869,450</u>