Note by the Executive Secretary

1. The draft Budget Estimates for 1952 are contained in Annex I and detailed schedules with accompanying notes in Annex II. The estimates have been based on the following assumptions:

   (a) The Contracting Parties will wish to meet twice in 1952, and these meetings will be held in Geneva.

   (b) The Contracting Parties will set up an intersessional body which will exercise the functions laid down in the report submitted by Working Party I to the Fifth Session.

   (c) The programme of work of the Secretariat will include some preparatory work in connection with questions of customs technique.

   (d) There will be a need for a few intersessional meetings of a small working party to deal either with the problem of tariff disparity or with other customs problems.

   (e) The rates of repayment for U.N. services will be the same as those provisionally applied in 1951.

   If these assumptions are modified by the decisions taken by the Contracting Parties at their Sixth Session or by a change in the U.N. scale of repayments, the estimates will be revised accordingly.

2. The programme of work for meetings and Secretariat will involve some increase in the appropriation for meetings and established posts. This increase will be offset by savings in other items of expenditure and the total of appropriations for Parts I and II, amounting to $351,983, represents a slight reduction on the corresponding figure for 1951 ($367,281).

3. A new section has been introduced in Part III to provide for the repayment to ICITO of the expenses of the Second Session of the Contracting Parties. The contracting parties will remember that they decided in September 1948 that "in the event that the Havana Charter does not enter into force, the Contracting Parties agree that the expenses of the Second
Session shall also be reimbursed" (GATT/CP.2/41, p.3). This expenditure, which has been accounted for separately, amounted to $18,009.41 (GATT/CP.4/9, p.6). In view of the announcement made by certain governments that they did not intend to submit the Havana Charter for acceptance, and of the fact that ICITO has decided to repay out of its available assets the advances received from the U.N. Working Capital Fund, it would seem appropriate to provide for this repayment to be made in 1952.

4. The draft estimates include a provision of $35,200 for unforeseen. As in previous years the provision amounts to 10% of Parts I and II of the estimates. The total estimates of expenditure would be of the same magnitude as last year, $405,193 against $403,281.

5. The presentation of the estimates has been slightly amended to conform more closely with the pattern adopted by the United Nations. The detailed schedules show the corresponding estimates for 1951; it has not proved practicable to give the corresponding actual expenditure for 1950, as the GATT expenditures in 1950 did not include the total expenses incurred by the ICITO Secretariat and as the accounts kept by the U.N. European Office, which have been circulated in the Report on the Financing of the 1951 Budget (GATT/CP.6/45) grouped the items of expenditure in broad categories which did not fit in closely with the sections of the budget.

6. Income budget: In order to maintain the total contributions at the same level as in 1951, viz $320,000, it is suggested that the expenditure of $405,193 be covered as follows:

   a) 1952 contributions $320,000
   b) cash balance at 31.12.51, up to an amount of $82,193
   c) miscellaneous income $3,000
   $405,193

7. 1951 Surplus: It is not possible at the present time to estimate the surplus of the current financial year but it will clearly be necessary to contemplate an arrangement similar to that adopted last year to provide the Executive Secretary with a cash reserve to finance approved expenditure pending the receipt of contributions. It is therefore suggested that:

   a) the surplus of the financial year 1951, up to an amount of $82,193 be appropriated to cover 1952 expenditure,
   b) any balance from the 1951 cash surplus at 31 December 1951, contributions for 1951 outstanding on 31 December 1951 and other receivables in excess of $82,193 be transferred to the reserve set up on 27 November 1950.
### Part I: Meetings

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>7th Session of the Contracting Parties</td>
<td>25,000</td>
</tr>
<tr>
<td>2</td>
<td>8th Session of the Contracting Parties</td>
<td>25,000</td>
</tr>
<tr>
<td>3</td>
<td>Meetings of the Standing Committee</td>
<td>13,000</td>
</tr>
<tr>
<td>4</td>
<td>Other intersessional meetings</td>
<td>8,000</td>
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<tr>
<td></td>
<td><strong>Total Part I</strong></td>
<td><strong>71,000</strong></td>
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### Part II: Secretariat

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Salaries and Wages</td>
<td>187,483</td>
</tr>
<tr>
<td>2</td>
<td>Common staff costs</td>
<td>43,500</td>
</tr>
<tr>
<td>3</td>
<td>Common services</td>
<td>36,000</td>
</tr>
<tr>
<td>4</td>
<td>Printing</td>
<td>12,000</td>
</tr>
<tr>
<td>5</td>
<td>Hospitality</td>
<td>1,000</td>
</tr>
<tr>
<td>6</td>
<td>Permanent Equipment</td>
<td>1,000</td>
</tr>
<tr>
<td></td>
<td><strong>Total Part II</strong></td>
<td><strong>280,983</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Total Parts I &amp; II</strong></td>
<td><strong>351,983</strong></td>
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### Part III: Special Expenses

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Repayment to ICITC of expenses of the Second Session</td>
<td>18,010</td>
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### Part IV: Unforeseen

<table>
<thead>
<tr>
<th>Section</th>
<th>Description</th>
<th>U.S. dollars</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Grand Total</td>
<td><strong>405,193</strong></td>
</tr>
</tbody>
</table>
ANNEX II
DETAILED SCHEDULES

Part I: Meetings

$71,000 (1951: $62,000)

Section 1 7th Session of the Contracting Parties ....... $ 25,000
(1950: 6th Session ....... $ 27,000)

The estimates for the Seventh Session are based on the participation of representatives of the contracting parties in a session of six weeks at the Palais des Nations, Geneva. They include the rental of a conference and two sub-committee rooms and two additional offices for temporary staff, the salaries of three temporary interpreters at U.N. rates and five temporary stenographers, compensation to temporary staff for overtime, travel and subsistence to meet the recruitment cost of four non-locally recruited temporary staff, charges for 600,000 impressions, distribution of 200,000 copies, cutting of 200 stencils by U.N. services and for translation of 1700 pages and various other common services. These estimates are based on the production figures of the Fifth Session.

Schedule 1

(i) Temporary assistance (and overtime) $ 5,500
(ii) Travel and subsistence of staff 500
(iii) Rental of meeting-rooms and additional office space 3,100
(iv) Documents reproduction and distribution 5,000
(v) Translation 8,500
(vi) Communications, office supplies and other services 2,400 25,000

Section 2 8th Session of the Contracting Parties ....... $ 25,000
The estimates are based on the same assumptions as the estimates for Section 1.

Section 3 Meetings of the Standing Committee ......... $ 13,000

The estimates are based on the participation of representatives of a limited number of contracting parties in meetings of the Standing Committee and any Working Parties it may decide to set up. They would provide for a total of a hundred meeting days and include the rental of a conference room, the salaries of one additional interpreter at U.N. rates and one stenographer recruited locally, charges for 300,000 impressions, distribution of 100,000 copies and various other common services.
Schedule 2

(i) Temporary assistance $4,000
(ii) Rental of meeting room $3,500
(iii) Documents reproduction and distribution $2,300
(iv) Translation $2,000
(v) Other common services $1,200

Section 4

Other intersessional meetings $8,000
(1951: $10,000)

This figure would cover the cost of a short special session of the Contracting Parties or of meetings of one intersessional working party of the size of the Working Party on Tariff Disparities.

Part II: Secretariat

$280,983 (1951: $305,281)

Section 1

Salaries and wages $187,483
(1951: $163,431)

This section has been re-arranged to include "Travel on Official Business" and corresponds to sections 4 and 6 of the 1951 estimates.

(i) Established Posts $167,483 (1951: $148,431)

The increase over 1951 is due to statutory increments in 1952, to the re-grading of the post of the chief of Trade Intelligence Unit and to the creation of five additional established posts: two Economic Affairs Officers to deal more particularly with customs questions, two stenographers to cope with the increased work-load which required in 1951 the recruitment of temporary staff, and one clerk in the Trade Intelligence Unit. This increase will be partly offset by a reduction in the appropriations for temporary assistance and reproduction of documents (Section 1 (ii) and 3 (viii)).
## Manning Table 1952

<table>
<thead>
<tr>
<th>No. of Posts</th>
<th>Category and Post Level</th>
<th>Grade</th>
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</thead>
<tbody>
<tr>
<td><strong>Office of Executive Secretary</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Executive Secretary</td>
<td>P D</td>
</tr>
<tr>
<td>1</td>
<td>Deputy Executive Secretary</td>
<td>D 2</td>
</tr>
<tr>
<td>1</td>
<td>Administrative Officer</td>
<td>P 1</td>
</tr>
<tr>
<td>2</td>
<td>Secretaries (bilingual)</td>
<td>G 5</td>
</tr>
<tr>
<td>1</td>
<td>Clerk</td>
<td>G 3</td>
</tr>
<tr>
<td><strong>Operational Unit</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Adviser</td>
<td>P 5</td>
</tr>
<tr>
<td>4</td>
<td>Economic Affairs Officers</td>
<td>P 3</td>
</tr>
<tr>
<td>1</td>
<td>Assistant Economic Affairs Officer</td>
<td>P 1</td>
</tr>
<tr>
<td><strong>Trade Intelligence Unit</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Principal Officer</td>
<td>D 1</td>
</tr>
<tr>
<td>1</td>
<td>Adviser</td>
<td>P 4</td>
</tr>
<tr>
<td>4</td>
<td>Economic Affairs Officers</td>
<td>P 3</td>
</tr>
<tr>
<td>1</td>
<td>Clerk</td>
<td>G 2</td>
</tr>
<tr>
<td><strong>Library and Information Unit</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Information Officer</td>
<td>P 4</td>
</tr>
<tr>
<td>1</td>
<td>Administrative Assistant</td>
<td>G 6</td>
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<tr>
<td><strong>Conferences and General Services</strong></td>
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<tr>
<td><strong>Languages Unit</strong></td>
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<td></td>
</tr>
<tr>
<td>1</td>
<td>Translator-Interpreter</td>
<td>P 4</td>
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<tr>
<td><strong>Financial Unit</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Accountant</td>
<td>G 6</td>
</tr>
<tr>
<td><strong>Documents Control and Stenographic Pool</strong></td>
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<td></td>
</tr>
<tr>
<td>1</td>
<td>Administrative Assistant</td>
<td>G 6</td>
</tr>
<tr>
<td>2</td>
<td>Secretaries (bilingual)</td>
<td>G 5</td>
</tr>
<tr>
<td>4</td>
<td>Stenographers</td>
<td>G 4</td>
</tr>
<tr>
<td>1</td>
<td>Copy Typist</td>
<td>G 2</td>
</tr>
</tbody>
</table>

Total established posts: 26

Total gross salaries on 1.1.52: 205,358

1951: 26

1952: 31

Increments due in 1952: 1,200

Less Staff Assessment: 39,075

TOTAL NET SALARIES: 167,483
(ii) Temporary Assistance - £5,000 (1951: £8,000)

The estimate provides for the salaries of additional personnel needed to replace regular staff on annual, home or sick leave. As explained above, the creation of two additional established posts for stenographers will permit of a substantial reduction in the appropriation for temporary assistance. The temporary assistance expenditure on meetings is budgeted separately under the estimate for each meeting.

(iii) Overtime - (1951: £1,000)

This item covers statutory compensation by cash payments for overtime of temporary staff: the regular staff is not entitled to such compensation. It is expected that the proposed creation of two additional posts for stenographers will render such payments unnecessary.

(iv) Travel on Official Business - £15,000 (1951: £15,000)

This estimate provides for the travel expenses (including subsistence) of regular staff members on mission; in addition, it includes the travel and subsistence of temporary staff, which was included in 1951 in the item "Travel and Removal Expenses of Staff and Dependents". In view of the increased requirements of liaison work with governments and intergovernmental organizations, it would seem advisable to retain the same appropriation as in 1951.

Section 2 Common Staff Costs ......... £43,500 (1951: £49,750)

(i) Travel and Removal Expenses of Staff and Dependents -

£12,000 (1951: £8,000)

This estimate provides for travel expenses on recruitment for six staff members not recruited locally, as well as travel subsistence allowance in respect of the first thirty days of service. It also covers the travel expenses and subsistence allowances due to dependants of officials having one year of continuous service as well as removal of household effects of officials having two years of continuous service. Moreover the estimate includes a token amount for travel and removal expenses on termination or resignation.

(ii) Termination payments - £1,000 (1951: £1,000)

This estimate covers payment for accrued annual leave for which payment is made irrespective of the reason for separation and a token provision for indemnity for termination due when an indefinite appointment is terminated.

(iii) Contributions to Staff Benefit Fund - £16,000 (1951: £20,000)

The ICITO has established a Staff Benefit Fund: the staff contributes 7% of the net salaries and the Secretariat 14% of these salaries. The estimate is based on the actual payments to be made in 1952. It will be
noted that the appropriation represents less than 14% of the net salaries for 1952, as no contribution is paid during the first year of service.

(iv) **Repatriation Grants** - $2,000 (1951: $8,250)

The figure for 1951 relates to expatriation allowances which have been discontinued in 1951 and replaced by repatriation grants which are paid irrespective of the reason for separation. Following U.N. practice a token provision has been made for this item.

(v) **Travel on Home Leave** - $4,500 (1951: $5,500)

All staff members who are recruited non-locally are entitled to home leave every two years. The estimate (which includes travelling expenses and subsistence allowance of staff and dependants) is based on the actual number of staff eligible for home leave in 1952 and likely to exercise their right in the financial year.

(vi) **Children's Allowances and Education Grant and related Travel** - $3,000 (1951: $2,000)

The estimate is based on the present yearly expenditure on children's allowance only, with a provision for four additional children for the incumbents of vacant posts. No provision has been made for education grant or related travel, as it is not likely that such payments will be made in 1952.

(vii) **Other Staff Benefits** - $5,000 (1951: $5,000)

This item provides for contributions to the sickness insurance association and to the joint medical service, as well as to language courses and other training courses organised by the U.N. It also includes a nominal sum to cover any liability which may arise in connection with professional accidents. A common social security scheme is discussed by the various agencies and it may be found desirable to take out a policy with an insurance company to cover, in particular, air travel risks relating to official missions.

Section 3 **Common Services** - $36,000 (1951: $44,100)

This section has been re-arranged to include "Books and Information Material" and "Services Reimbursable to U.N.", it corresponds to sections 7, 9 and 10 of the 1951 estimates.

(i) **Cable, Telegraph, Wireless Communications and Long-distance Telephone** - $4,000 (1951: $5,000)

The use of airgrams instead of cables and measures of internal control have resulted in substantial savings on this item and the appropriation has been reduced accordingly.
(ii) Freight, Cartage and Expenses (excluding air freight) —
$2,000 (1951: $2,000)

(iii) Air Freight — $1,000 (1951: $1,000)

This estimate includes provision for freight in connection with the
forwarding of documents and publications to governments and sales agents of
U.N. publications as well as charges of the U.N. Transport Section.

(iv) Books and Information Material — $1,000 (1951: $1,000)

This estimate is based on past experience.

(v) Rental of Premises — $10,500 (1951: $8,300)

This estimate is based on 25 offices in the Palais to provide accommodation
for 31 officials. It includes the charges for maintenance and local telephone
calls.

(vi) Postal Services — $2,500 (1951: $2,500)

The estimate is based on past experience and covers the cost of postage
stamps, etc. The contribution to the expenses of the U.N. mailing service is
included in "other services and miscellaneous expenditure".

(vii) Stationery and Office Supplies — $1,800 (1951: $1,800)

This estimate provides for all supplies for office requirements (with
the exception of office equipment) and for distribution of documents and
publications.

(viii) Reproduction and Distribution of Documents —
$7,200 (1951: $14,000)

This estimate provides for one million impressions, and distribution
of 300,000 copies of documents and publications. The substantial reduction
proposed for this item is based on the following factors. A re-arrangement of
the stenographic services will enable ICITO to dispense with external
assistance for stencil-cutting, (and no provision has therefore been made for
this item of expenditure), printing instead of mimeographing the Trade News
Bulletin, a reduction in the number of documents distributed (the distribution
of the Torquay and Consolidated Schedules in 1951 being a non-recurrent
expenditure) and various measures of internal control.

(ix) Translation — $4,500 (1951: $4,000)

The estimate for 1951 was too low and it has been necessary to make a
transfer from other items in the section; the estimate for 1952 is based on a
workload of 2,000 pages to be translated during the intersessional period.
About 1,100 will be translated by the Languages Officer, but external assistance
will be required for about 900 pages; the provision is based on U.N. rates.
Other Services and Miscellaneous Expenditure

\[ $1,500 \] (1951: $7,500)

This estimate provides for various payments made to the U.N. European Office for such services as mailing services, sales of publications, visas, laissez-passer etc., and miscellaneous expenditure such as bank charges, etc. The substantial reduction proposed is justified mainly by the discontinuation of the use of U.N. administrative services for finance and personnel, for which a charge of 1% of the expenditure was agreed upon, and by a reduction in the provision for the charge of the U.N. Sales Section. The U.N. Sales Section charges 15% on the sales of GATT publications to governments and the public. The outlay was abnormally heavy in 1951 in view of the substantial sales of Torquay and Consolidated Schedules to governments.

Section 4

Printing

\[ $12,000 \] (1951: $46,000)

(i) Trade News Bulletin $2,000

(ii) Pamphlets and other publications $10,000

This estimate would provide for twelve issues of the Trade News Bulletin in English and French, a progress report on the operation of the GATT, a short report on discriminatory practices and a collection of decisions and other important documents of the Contracting Parties. In view of the demand for copies of the Trade News Bulletin, it would appear more economical to print this bulletin than to have it mimeographed. The reduction over 1951 is based on the fact that the printing of the Torquay and Consolidated Schedules involved in 1951 very substantial outlays which were of a non-recurring nature.

Section 5

Hospitality

\[ $1,000 \] (1951: $1,000)

Under this section provision is made for hospitality to be rendered by officials of the Secretariat not entitled to representation allowances in the course of their functions. The estimate also covers hospitality expenses incurred in connection with meetings.

Section 6

Permanent Equipment

\[ $1,000 \] (1951: $1,000)

Provision is made for the purchase of office equipment. It may prove more economical to purchase a few typewriters than to pay a rental.

Miscellaneous Income

\[ $3,000 \] (1951: $22,500)

This estimate covers all income other than contributions such as sale of publications, interest, profit on exchange and reimbursement for services rendered to intergovernmental organizations. The reduction is based on the fact that the income derived from the sale of Torquay and Consolidated Schedules to governments in 1951 was a non-recurring factor.