

GENERAL AGREEMENT ON TARIFFS AND TRADE

RESTRICTED

L/2246

23 July 1964

Limited Distribution

BUDGET ESTIMATES FOR THE FINANCIAL YEAR 1965

Note by the Executive Secretary

1. The budget estimates for 1965 are submitted herewith.
2. They are presented in the customary form. Subject to any decisions which the CONTRACTING PARTIES may wish to take concerning the work programme for 1965 the estimates represent the Executive Secretary's best judgment as to the level of expenditure required in 1965 in order to carry out effectively the various tasks allotted to the secretariat.
3. The estimated total expenditure provisionally includes an amount of \$145,000 covering the residual payment for the construction of a second Annex. If this amount could be obtained through a loan from the Swiss Federal Authorities the total expenditure would be correspondingly reduced. The resulting figures are shown in brackets in this note.
4. The total expenditure is estimated at \$1,946,000 (\$1,801,000) showing an overall increase of \$529,000 (\$384,000) over the 1964 expenditure budget as originally approved by the CONTRACTING PARTIES and of \$489,141 (\$344,141) over the expenditure budget as amended in documents L/2184 and SR.21/9 when the CONTRACTING PARTIES authorized additional expenditure in the amount of \$39,859 following the establishment of a trade information and trade promotion advisory service.
5. The increase of \$529,000 (\$384,000) can be summarized as follows:
 - (a) statutory and/or already approved increases
(increases in the salary scales and scales of
post adjustments, regular salary increments,
travel on home leave, etc.)\$ 73,000
 - (b) the creation of new posts\$153,300
 - (c) the regrading of posts\$ 12,500

Carried forward \$238,800

Brought forward \$238,800

- (d) the inclusion of a provision for the construction of the second Annex (\$145,000)
 - (e) the increase in the permanent equipment credit and in miscellaneous items due to the construction of the second Annex \$ 63,850
 - (f) the establishment of the Trade Information and Trade Promotion Advisory Service \$ 84,690
 - (g) the increase in the provisions for Consultants (\$3,000), travel on official business (\$20,000) and in miscellaneous items (\$30,160) \$ 53,160
- \$585,500

It has been possible to make reductions in the provisions for the Trade Negotiations Conference (\$48,500) and reproduction and distribution of documents (\$8,000) \$ 56,500

\$529,000
(\$384,000)

It will be noted that the main part of item (e), representing 8 per cent (11 per cent) of the total increase, is of a non-recurring nature.

6. An increase of \$20,000 is proposed in the item for travel on official business. Pending examination of the whole question of liaison arrangements this credit will enable the secretariat to meet requests, made by many contracting parties situated in areas of the world far distant from Geneva, for closer personal contacts with senior secretariat officials. The credit is also to cover the travel cost of staff members representing the secretariat at the increasing number of meetings and conferences of other organizations outside Geneva in which the GATT has an interest.

7. In considering the rising expenditure budget governments will wish to bear in mind the increase in the number of contracting parties and associated governments which rose from forty-four in 1960 to seventy in 1964. It will be readily understood that the sizeable expansion of the organization has had a direct influence on the budget as a whole.

8. The estimate for miscellaneous income has been increased by \$2,000 to \$44,000. As the balance of the Surplus Account in the amount of \$92,058.61 has been earmarked for financing part of the construction of the second Annex no transfer can be made this time to the income budget. Consequently an amount of \$1,902,000 (\$1,757,000) remains to be assessed on the contracting parties in the form of contributions, representing a 44.1 per cent (33.1 per cent) increase over the level of 1964 contributions.

9. The estimates provide for one five week session of the CONTRACTING PARTIES, including a possible ministerial meeting, 170 days for the Council and meetings of committees, panels, working groups, etc. Provision has also been made for meetings of the Trade Negotiations Conference and subsidiary bodies over a period of six months. As always, these estimates are provisional and subject to revision in the light of the ultimate decisions to be taken by the CONTRACTING PARTIES or the Council in this respect.

10. The Manning Table reflects the expanded scope of the activities of the secretariat and the new programmes decided upon by the CONTRACTING PARTIES, particularly in regard to the developing countries. It also consolidates the Trade Information and Trade Promotion Advisory Service into the present structure. Total expenditure in respect of this Service has been estimated at \$84,690 based on a personnel establishment as authorized by the CONTRACTING PARTIES in 1964 to which one professional post has been added. The various items pertaining to the staff and programme of the Service have been identified in Annex C. These proposals should be considered as provisional pending further consideration by the Group of Experts in the Field of Trade Information as decided by the CONTRACTING PARTIES.

11. The special grading review decided upon by the CONTRACTING PARTIES last year has been carried out in respect of the general service category staff and particular attention has been paid to the grading of the more senior posts in this category. In this connexion the Executive Secretary has closely followed the development of grading standards in the United Nations and the specialized agencies. He has reached the conclusion that a number of the senior general service posts, whilst not requiring "professional" qualifications in the sense of a university education or degree, actually call for considerable technical skill for which solid training and education are required. They carry, moreover, independent responsibilities which are fully comparable to those of the junior professional posts. Guided by the desire to afford to GATT staff members a treatment not less favourable than that afforded by other international organizations to their staff, the Executive Secretary has come to the conclusion that within the present grading structure for professional and general service staff as applied by the United Nations family the senior general service posts mentioned above should be assimilated to the junior professional level and consequently be graded at P1, it being understood that promotion to P2 would not automatically follow after four years, as is the case with the fully professional

staff members, but would depend on a subsequent increase in the duties and responsibilities attached to the posts coupled with reasonable career expectations. The posts in question are:

Assistant Librarian
Chief, Registry
Assistant Personnel Officer
Documents Officer.

12. The grading of other general service as well as professional posts has also been considered in the course of the regular annual grading review resulting in proposals for the reclassification of four posts in the professional category and fourteen in the general service category. The reasons for the proposed regradings are fully set out in the explanatory notes contained in Annex C.
13. As to the posts at the Chief of Division and Senior Counsellor level, the Executive Secretary proposes to consider these in the light of the recommendations made by the Working Party on Organization regarding the top structure of the secretariat.
14. Provision has been made for eight additional posts in the professional category and twenty-three in the general service category. Full details concerning these posts appear in Annex C.
15. The Executive Secretary wishes to draw the attention of contracting parties to the fact that, in order to limit the increases in the 1965 budget, he has not included in the proposed personnel establishment certain marginal requests for additional staff submitted to him by division chiefs, particularly in the field of information, administration and liaison. However, as these requests were basically justified the Executive Secretary intends to include them in subsequent budgets.
16. Provision has been made for the reimbursement of the sixth annuity of \$23,500 to the Canton of Geneva in respect of the interest-free loan granted by the Canton for the financing of the first Annex.
17. As usual the estimates of expenditure are reproduced in Annex A, detailed schedules in Annex B and explanatory notes in Annex C. The estimates of income are reproduced in Annex D, together with the draft scale of contributions for 1965.

ANNEX A

ESTIMATES OF EXPENDITURE FOR THE FINANCIAL YEAR 1965

SUMMARY

Part I: <u>Meetings</u>		<u>Amount in US dollars</u>
<u>Section</u>		
1	Twenty-second session of the CONTRACTING PARTIES (including Ministerial Meeting)	23,000
2	Meetings of the Council and other meetings	41,000
3	Trade Negotiations Conference	<u>12,500</u>
Total Part I:		76,500
Part II: <u>Secretariat</u>		
<u>Section</u>		
1	Salaries and wages and official travel	1,153,300
2	Common staff costs	291,700
3	Common services	132,100
4	Printing	55,000
5	Hospitality	1,500
6	Permanent equipment	<u>67,400</u>
Total Part II:		1,701,000
Part III: <u>Buildings</u>		
<u>Section</u>		
1	Annuity to Canton of Geneva	23,500
2	Construction of Second Annex	<u>(145,000)</u>
Total Part III:		<u>168,500</u>
Grand Total		1,946,000
		<u>(1,801,000)</u>

ANNEX B

ESTIMATES OF EXPENDITURE FOR THE FINANCIAL YEAR 1965

DETAILED SCHEDULES

	<u>1963</u> <u>Expenditure</u> <u>US\$</u>	<u>1964</u> <u>Budget</u> <u>US\$</u>	<u>1965</u> <u>Estimates</u> <u>US\$</u>
Part I: <u>Meetings</u>			
Section 1 - <u>Twenty-second Session of</u> <u>the CONTRACTING PARTIES</u> <u>(including Ministerial Meeting)</u>			
(i)	Temporary assistance (including overtime)	10,601	8,000 17,000
(ii)	Travel and subsistence of temporary staff	895	10,500 1,000 1,000
(iii)	Rental of meeting rooms and additional office space	1,552	1,500 2,200 4,500
(iv)	Other services	666	200 300 500
	Total Section 1:	<u>13,714</u>	<u>24,700</u> <u>23,000</u>
Section 2 - <u>Meetings of the Council and</u> <u>other Meetings</u>			
(i)	Temporary assistance (including overtime)	24,899	22,400 22,400
(ii)	Travel and subsistence of temporary staff (and of permanent staff for Committee III meeting)	1,405	1,100 9,650
(iii)	Rental of meeting rooms and additional office space	10,433	8,450 8,450
(iv)	Other services	165	300 500
	Total Section 2:	<u>36,902</u>	<u>32,250</u> <u>41,000</u>

	<u>1963</u> <u>Expenditure</u> <u>US\$</u>	<u>1964</u> <u>Budget</u> <u>US\$</u>	<u>1965</u> <u>Estimates</u> <u>US\$</u>
Section 3 - <u>Trade Negotiations Conference</u>			
(i) Temporary assistance (including overtime)		23,000	5,500
(ii) Travel and subsistence of temporary staff		800	800
(iii) Rental of meeting rooms and additional office space		36,000	5,000
(iv) Other services		<u>1,200</u>	<u>1,200</u>
Total Section 3:		<u>61,000</u>	<u>12,500</u>
Total Part I:	<u>50,616</u>	<u>117,950</u>	<u>76,500</u>
 Part II: <u>Secretariat</u>			
Section 1 - <u>Salaries and Wages and Official Travel</u>			
(i) Established posts	697,861	835,000	1,078,300
(ii) Temporary assistance (including overtime)	28,418	10,000	10,000
(iii) Consultants		12,000	15,000
(iv) Travel:			
(a) Travel on official business	31,604	25,000	45,000
(b) Technical assistance travel	<u>2,352</u>	<u>5,000</u>	<u>5,000</u>
Total section 1:	<u>760,235</u>	<u>887,000</u>	<u>1,153,300</u>

	<u>1963</u> <u>Expenditure</u> <u>US\$</u>	<u>1964</u> <u>Budget</u> <u>US\$</u>	<u>1965</u> <u>Estimates</u> <u>US\$</u>
Section 2 - <u>Common Staff Costs</u>			
(i) Installation grants	6,019	7,250	11,400
(ii) Travel and removal expenses of staff and their dependants	12,366	12,000	17,000
(iii) Separation payments	7,099	5,000	5,000
(iv) Contributions to the UN Joint Staff Pension Fund	98,654	104,150	137,200
(v) Repatriation grants and service benefits	4,412	5,000	5,000
(vi) Travel on home leave	17,217	8,900	28,000
(vii) Family allowances, education grants and related travel:			
(a) Family allowances	38,614	44,500	54,500
(b) Education grants and related travel	8,984	15,000	16,500
(viii) Joint services	2,248	4,300	4,500
(ix) Other common staff costs	4,858	5,500	12,600
Total Section 2:	<u>200,471</u>	<u>211,600</u>	<u>271,700</u>

	<u>1963</u> <u>Expenditure</u> <u>US\$</u>	<u>1964</u> <u>Budget</u> <u>US\$</u>	<u>1965</u> <u>Estimates</u> <u>US\$</u>
Section 3 - <u>Common Services</u>			
(i) Cables and international telephone communications	2,908	2,000	2,500
(ii) Freight and cartage	213	500	500
(iii) Books and information material	2,027	3,000	6,000
(iv) Rental and maintenance of premises and equipment:			
(a) Rent	4,672	4,700	4,700
(b) Electricity	1,779	2,000	2,500
(c) Water supply	276	300	300
(d) Heating	2,158	2,200	3,200
(e) Telephone (rental and internal calls in Switzerland)	2,005	2,500	3,000
(f) Insurance premiums	1,082	1,200	1,600
(g) Cleaning materials	139	300	300
(h) Maintenance expenditure	4,179	4,500	6,500
(i) Casual labour	10,178	12,000	19,000
(j) Maintenance of service cars	739	800	800
(v) Postal services	9,587	10,000	11,500
(vi) Stationery and office supplies	8,192	9,000	9,000
(vii) Reproduction and distribution of documents	41,377	65,000	57,000
(viii) External audit	1,492	1,500	1,500
(ix) Other services and miscellaneous expenditure	4,223	2,200	2,200
Total Section 3:	<u>97,226</u>	<u>123,700</u>	<u>132,100</u>

	<u>1963</u> <u>Expenditure</u> <u>US\$</u>	<u>1964</u> <u>Budget</u> <u>US\$</u>	<u>1965</u> <u>Estimates</u> <u>US\$</u>
Section 4 - <u>Printing</u>	30,632	40,000	55,000
Section 5 - <u>Hospitality</u>	400	1,500	1,500
Section 6 - <u>Permanent Equipment</u>	12,946	11,750	67,400
Total Part II:	<u>1,101,910</u>	<u>1,275,550</u>	<u>1,701,000</u>
Part III: <u>Buildings</u>			
Section 1 - <u>Annuity to Canton of Geneva</u>	23,148	23,500	23,500
Section 2 - <u>Construction of Second Annex</u>	-	-	(145,000)
Total Part III:	<u>23,148</u>	<u>23,500</u>	<u>168,500</u>
Grand Total:	<u>1,175,674</u>	<u>1,417,000</u>	<u>1,946,000</u> <u>(1,801,000)</u>

ANNEX C

ESTIMATES OF EXPENDITURE FOR THE FINANCIAL YEAR 1965

EXPLANATORY NOTES

Part I - Meetings

Section 1 - Twenty-second Session of the CONTRACTING PARTIES
(including Ministerial Meeting)..... \$23,000

1962 Expenditure	:	(four week session without ministerial meeting)	\$17,017
1963 Expenditure	:	(one week ministerial meeting)	\$13,714
1964 Budget	:	(two week session) (three week session)	\$10,700 \$14,000

The estimate for the twenty-second session has been based on the assumption that the CONTRACTING PARTIES will meet in a session of five weeks (including a ministerial meeting of four days) and that the session will be held in Geneva.

(i) Temporary assistance (including overtime) - \$17,000

1962 Expenditure	:	\$13,390
1963 Expenditure	:	\$10,601
1964 Budget	:	\$ 8,000
		\$10,500

The estimate provides for salaries and wages of four interpreters, one reviser, three translators, ten stenographers and transcribers and five typists. It also includes overtime and night differential payments to staff entitled to such payments under the Staff Rules.

(ii) Travel and subsistence of temporary staff - \$1,000

1962 Expenditure	:	\$ 689
1963 Expenditure	:	\$ 895
1964 Budget	:	\$1,000
		\$1,000

The estimate provides for the payment of travel expenses, subsistence allowances and other incidental expenses of non-locally recruited temporary staff engaged specially for this session of the CONTRACTING PARTIES.

(iii) Rental of meeting rooms and additional office space - \$4,500

1962 Expenditure	:	\$2,644
1963 Expenditure	:	\$1,552
1964 Budget	:	\$1,500
		\$2,200

The estimate provides for the rental of conference and committee rooms equipped for simultaneous interpretation, and of additional office space for the secretariat. It includes charges for sound and recording operators, conference room attendants and messengers. The estimate is based on present rates applied by the United Nations for such services.

(iv) Other services - \$500

1962 Expenditure	:	\$294
1963 Expenditure	:	\$666
1964 Budget	:	\$200
		\$300

The estimate provides for the payment of miscellaneous expenses incurred in connexion with the session, such as rental of additional typewriters, removal of office furniture, etc.

Section 2 - Meetings of the Council and other Meetings.....\$41,000

As it is not possible at present to establish a final programme of meetings for 1965 and since experience in recent years shows that expenditure under this section varies considerably each year, it is proposed to maintain the same figures as approved for 1964, with the addition of the cost of a one week meeting of Committee III which it is intended to hold in an African capital. The estimate for this proposed meeting is \$8,750 and provides for travel expenses and subsistence allowance, insurance, visas, etc. for ten staff members who, it is assumed, are required to attend the meeting. No extra provision has been made for rental of meeting rooms and additional office space on the assumption that these facilities would be provided by the host government.

Details are as follows:

	<u>Expenditure</u>		<u>Budget</u>	<u>1965 Estimates</u>	
	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1 week of</u>	<u>Total</u>
	<u>US\$</u>	<u>US\$</u>	<u>US\$</u>	<u>Cttee III</u>	<u>US\$</u>
(i) Temporary assistance (including overtime)	18,700	24,899	22,400	-	22,400
(ii) Travel and subsistence of temporary staff (and of permanent staff for Cttee III meeting)	989	1,405	1,100	8,550	9,650
(iii) Rental of meeting rooms and additional office space	8,334	10,433	8,450	-	8,450
(iv) Other services	<u>50</u>	<u>165</u>	<u>300</u>	<u>200</u>	<u>500</u>
	<u>28,073</u>	<u>36,902</u>	<u>32,250</u>	<u>8,750</u>	<u>41,000</u>

Section 3 - Trade Negotiations Conference\$12,500

The estimate has been prepared on the assumption that the Trade Negotiations Conference and its subsidiary committees will continue to meet until July 1965.

For comparison of the 1964 amounts with those of 1965, it should be noted that the 1964 figures were based on the assumption that the Trade Negotiations Conference and its subsidiary committees would meet continuously for six months and that it was therefore necessary to recruit temporary assistance and to rent the entire Bâtiment Electoral (approximately \$200 per day) on a continuing basis for the same period.

However, recent experience shows that this has not so far been the case in 1964. During the first six months of 1964 the Trade Negotiations Conference and its subsidiary committees met for a total of fifty days.

In the light of the above factors and taking into account an expected increase of meeting days of 20 per cent for the same period in 1965 and an increase in salary rates for temporary staff, a provision of \$12,500 is requested.

Details are as follows:

	<u>Budget</u>	<u>Estimates</u>
	<u>1964</u>	<u>1965</u>
	<u>US\$</u>	<u>US\$</u>
(i) Temporary assistance (including overtime)	23,000	5,500
(ii) Travel and subsistence of temporary staff	800	800
(iii) Rental of meeting rooms and additional office space	36,000	5,000
(iv) Other services	<u>1,200</u>	<u>1,200</u>
	<u>61,000</u>	<u>12,500</u>

Part II - Secretariat

Section I - Salaries and Wages and Official Travel.....\$1,153,300

(i) Established posts - \$1,078,300

1962 Expenditure:	\$638,611
1963 Expenditure:	\$697,861
1964 Budget:	\$835,000

The estimate provides for the following payments:

Ungraded posts:

Salaries as set by the Council in May 1962 (Table 1);
Representation allowance fixed by the CONTRACTING PARTIES
in 1955 (Table 1);
Post Adjustment as per scale Class 3 effective from
1 January 1964 (Table 2).

Professional posts:

Salaries as per salary scales effective from 1 January 1962
(Table 1);
Post adjustment as per scale Class 3 effective from
1 January 1964 (Table 2);
Assignment allowance (for one post only, \$1,200).

General service category posts:

Salaries as per salary scales effective from 1 May 1964
(Table 3);
Language allowance payable in accordance with Staff Rules;
Non-resident's allowance (Swiss francs 1,800 p.a. for each
non-locally recruited staff member).

For easy reference, the salary scales and the scales of post adjustments for the professional category and above, as well as the salary scales for the general service category, are reproduced on the following pages.

TABLE 1
SALARY SCALES FOR THE PROFESSIONAL CATEGORY AND ABOVE SHOWING ANNUAL GROSS,
PENSIONABLE REMUNERATION, AND NET AFTER APPLICATION OF STAFF ASSESSMENT

(in US dollars)

Steps	Grade								
		P-1	P-2	P-3	P-4	P-5	D-1	D-2	Ungraded
I	Gross	5,750	7,500	9,300	11,400	14,000	16,300	20,500	26,600 1/
	Pens.	5,540	7,150	8,800	10,670	12,940	14,900	18,390	23,260
	Net	4,800	6,130	7,460	8,930	10,650	12,080	14,530	17,700
II	Gross	6,000	7,750	9,600	11,750	14,400	17,000	21,400	32,120 2/
	Pens.	5,780	7,380	9,070	10,990	13,290	15,490	19,120	27,600
	Net	5,000	6,310	7,670	9,180	10,910	12,500	15,020	20,460
III	Gross	6,250	8,000	9,900	12,100	14,800	17,700	22,300	
	Pens.	6,000	7,610	9,330	11,300	13,630	16,080	19,850	
	Net	5,190	6,500	7,880	9,420	11,170	12,920	15,520	
IV	Gross	6,500	8,250	10,200	12,450	15,200	18,400		
	Pens.	6,230	7,840	9,600	11,600	13,980	16,660		
	Net	5,380	6,690	8,090	9,640	11,420	13,340		
V	Gross	6,750	8,500	10,500	12,800	15,600	19,100		
	Pens.	6,460	8,070	9,870	11,900	14,310	17,250		
	Net	5,560	6,880	8,300	9,870	11,660	13,760		
VI	Gross	7,000	8,750	10,800	13,200	16,080	19,800		
	Pens.	6,690	8,300	10,140	12,250	14,710	17,820		
	Net	5,750	7,060	8,510	10,130	11,950	14,140		
VII	Gross	7,250	9,000	11,100	13,600	16,560	20,500		
	Pens.	6,920	8,530	10,410	12,590	15,120	18,390		
	Net	5,940	7,250	8,720	10,390	12,240	14,530		
VIII	Gross	7,500	9,300	11,400	14,000	17,040			
	Pens.	7,150	8,800	10,670	12,940	15,520			
	Net	6,130	7,460	8,930	10,650	12,520			
IX	Gross	7,750	9,600	11,750	14,400	17,520			
	Pens.	7,380	9,070	10,990	13,290	15,920			
	Net	6,310	7,670	9,180	10,910	12,810			
X	Gross		9,900	12,100	14,800	18,000			
	Pens.		9,330	11,300	13,630	16,330			
	Net		7,880	9,420	11,170	13,100			
XI	Gross			12,450	15,200				
	Pens.			11,600	13,980				
	Net			9,640	11,420				
XII	Gross			12,800					
	Pens.			11,900					
	Net			9,870					

1/ Salary of the Deputy Executive Secretary:
To add \$1500 representation allowance.

2/ Salary of the Executive Secretary:
To add \$3500 representation allowance.

TABLE 2
SCALES OF POST ADJUSTMENT
CLASS 3
(in US dollars)

Steps		Grade							
		P-1	P-2	P-3	P-4	P-5	D-1	D-2	Ungraded
I	D	648	828	1,008	1,188	1,404	1,512	1,728	2,160 1/ 1,440
	S	432	552	672	792	936	1,008	1,152	
II	D	684	864	1,044	1,224	1,440	1,548	1,800	
	S	456	576	696	816	960	1,032	1,200	
III	D	720	900	1,080	1,260	1,476	1,584	1,872	
	S	480	600	720	840	984	1,056	1,248	
IV	D	756	936	1,116	1,296	1,512	1,620		
	S	504	624	744	864	1,008	1,080		
V	D	756	936	1,116	1,296	1,512	1,656		
	S	504	624	744	864	1,008	1,104		
VI	D	756	936	1,116	1,296	1,512	1,692		
	S	504	624	744	864	1,008	1,128		
VII	D	792	972	1,152	1,332	1,548	1,728		
	S	528	648	768	888	1,032	1,152		
VIII	D	828	1,008	1,188	1,368	1,584			
	S	552	672	792	912	1,056			
IX	D	864	1,044	1,224	1,404	1,620			
	S	576	696	816	936	1,080			
X	D		1,080	1,260	1,440	1,656			
	S		720	840	960	1,104			
XI	D			1,296	1,476				
	S			864	984				
XII	D			1,332					
	S			888					

Note : Rates per annum
D = family rates
S = single rates

1/ Family and single rates applicable to the posts of Executive Secretary and Deputy Executive Secretary.

TABLE 3
SALARY SCALES FOR GENERAL SERVICE CATEGORY SHOWING ANNUAL GROSS, "HALF-GROSS"
FOR PENSION FUND PURPOSES, AND NET AFTER APPLICATION OF STAFF
ASSESSMENT

(in Swiss francs)

Steps		Grade						
		G-1	G-2	G-3	G-4	G-5	G-6	G-7
I	Gross	13,224	14,248	15,408	17,008	18,494	20,373	22,755
	Pens.	12,334	13,255	14,299	15,739	17,077	18,768	20,912
	Net	11,443	12,262	13,190	14,470	15,659	17,162	19,068
II	Gross	15,659	14,739	16,020	17,715	19,270	21,234	23,823
	Pens.	12,725	13,697	14,850	16,374	17,775	19,543	21,873
	Net	11,791	12,655	13,680	15,034	16,280	17,851	19,922
III	Gross	14,094	15,230	16,633	18,418	20,047	22,095	24,890
	Pens.	13,117	14,139	15,402	17,008	18,474	20,318	22,833
	Net	12,139	13,048	14,170	15,598	16,901	18,540	20,776
IV	Gross	14,529	15,722	17,245	19,123	20,823	22,957	25,960
	Pens.	13,508	14,582	15,953	17,643	19,173	21,093	23,795
	Net	12,487	13,441	14,660	16,162	17,522	19,229	21,630
V	Gross	14,964	16,213	17,858	19,828	21,599	23,818	27,099
	Pens.	13,900	15,024	16,504	18,277	19,871	21,868	24,792
	Net	12,835	13,834	15,150	16,726	18,143	19,918	22,484
VI	Gross	15,399	16,704	18,470	20,533	22,375	24,679	28,238
	Pens.	14,291	15,466	17,055	18,912	20,570	22,643	25,788
	Net	13,183	14,227	15,640	17,290	18,764	20,607	23,338
VII	Gross	15,834	17,195	19,083	21,238	23,152	25,540	29,376
	Pens.	14,683	15,908	17,607	19,546	21,269	23,418	26,784
	Net	13,531	14,620	16,130	17,854	19,385	21,296	24,192
VIII	Gross	16,269	17,687	19,695	21,943	23,928	26,434	30,515
	Pens.	15,074	16,350	18,158	20,181	21,967	24,210	27,781
	Net	13,879	15,013	16,620	18,418	20,006	21,985	25,046
IX	Gross	16,704	18,178	20,308	22,648	24,704	27,352	31,654
	Pens.	15,466	16,792	18,709	20,815	22,666	25,013	28,777
	Net	14,227	15,406	17,110	18,982	20,627	22,674	25,900
X	Gross	17,139	18,669	20,920	23,353	25,480	28,271	32,792
	Pens.	15,857	17,234	19,260	21,450	23,364	25,817	29,773
	Net	14,575	15,799	17,600	19,546	21,248	23,363	26,754
XI	Gross	17,574	19,160	21,533	24,058	26,279	29,190	33,931
	Pens.	16,249	17,676	19,812	22,084	24,074	26,621	30,770
	Net	14,923	16,192	18,090	20,110	21,869	24,052	27,608

The total number of posts proposed for 1965 is 168 of which two are ungraded, seventy-three are professional and ninety-three are general service posts. Five professional and three general service posts concern the Trade Information and Trade Promotion Advisory Service.

The increase of \$243,300 as compared with the 1964 approved credit of \$835,000 is accounted for by:

- (a) the establishment of the Trade Information and Trade Promotion Advisory Service:
 - Seven posts as approved by the CONTRACTING PARTIES at their twenty-first session\$46,090
 - one proposed new post\$10,110 \$ 56,200
 - (b) the creation of seven new professional and twenty-three new general service posts \$130,130
 - (c) the regrading of four professional and eighteen general service posts \$ 10,810
 - (d) regular salary increments due under the Staff Rules \$ 14,570
 - (e) the reclassification of Geneva (Class 3) for purposes of post adjustment applicable to staff in the professional category and above (document L/2140) approved by the CONTRACTING PARTIES at their twenty-first session \$ 21,300
 - (f) the increase in general service salary scales (4.6%) effective 1 May 1964 (document L/2217) \$ 10,320
 - (g) change in the rate of language allowance payable to staff in the general service category, effective 1 January 1965, and net result on appointments made at a lower or higher salary level than that provided in the 1964 budget \$ 1,805
 - (h) retardation factor included in the 1964 budget \$ 27,000
\$272,135
- Expected savings due to retardation in recruitment for new posts, delays in effecting replacements, occasional detachments of interpreters, etc. \$ 28,835
\$243,300

NEW POSTS

New posts are proposed for the following units:

Office of the Executive Secretary

1 Economic Adviser P5.

The widening scope of the secretariat's activities has increased the need for economic analyses in many different fields. In addition, the secretariat will have to undertake a number of development studies and special commodity studies. In order to assist the Deputy Executive Secretary with the screening and co-ordination of these activities a qualified professional assistant at the senior level has become essential.

The incumbent of this post will also contribute to studies made by other organizations on subjects in which the secretariat has a direct interest and will represent the secretariat at meetings of these bodies. Finally, he will be charged with technical assistance missions to less-developed countries and represent the Executive Secretary in such countries.

1 Bilingual Secretary (English/Spanish) G4.

In view of the increased use of Spanish a need has arisen for secretarial assistance in this language.

Information and Public Relations Office

1 Clerk G2.

The increase in the number of books and publications handled by the Office has made it necessary to establish a post for an indexing clerk.

Registry

1 Clerk G2.

The increase in the volume of correspondence handled by the Registry has made it necessary to establish a post for a second clerk.

Department of Trade Policy and Intelligence

2 Clerk-Stenographers G3.

It is proposed to establish two new clerk-stenographers' posts in connexion with the proposed increase in the number of professional officers in the Department.

Development Division

1 Counsellor P5.

The incumbent of this post will bear direct professional responsibilities for a number of development studies on which the CONTRACTING PARTIES have decided.

2 Research Officers P1/P2.

1 Senior Clerk G5.

It is proposed to strengthen the Division by two professional posts and one senior clerk's post following the considerable expansion of the secretariat's activities in relation to the developing countries, including special country studies.

Trade Information and Trade Promotion Advisory Service

1 Deputy Chief of Service P4.

In view of the wide geographical basis on which the Service is to operate and the need for frequent travel it is proposed to establish the post of Deputy Chief of Service at the P4 level. It is the Executive Secretary's intention to fill this post by a national from one of the developing countries.

Special Projects

1 Clerk-Stenographer G3.

The post has been established in order to provide clerical and secretarial assistance to the two professional officers of this Section.

Trade Intelligence Division

1 Assistant Statistical Officer P1/P2.

2 Statistical Assistants G5/G6.

The posts have been established in order to reinforce the Statistical Section of the Trade Intelligence Division whose work continues to expand, particularly as a result of the demand for statistics by other divisions and services in connexion with the Kennedy Round, Agriculture and Textiles Committees. One Statistical Assistant post replaces a similar post transferred to the Special Projects Section.

Department of Conference Services, Liaison and Administration

Conference Secretariat and Liaison Division

1 Clerk-Stenographer G3.

It is proposed to establish this post in order to provide on a regular basis the additional stenographic assistance to the officers of the Division so far provided through temporary assistance.

1 Clerk (Conference) G3.

The shortage of meeting rooms, necessitating frequent meetings at a number of different buildings in Geneva, has considerably complicated and increased the work of the Conference Assistant. Additional help in the form of clerical assistance has become essential.

Administrative and Finance Division

1 Senior Clerk G5.

The steady increase in the number of staff employed by the secretariat has made it necessary to reinforce the Personnel Section at the senior clerical level. The incumbent of this post would have responsibility for the processing of various personnel actions.

1 Driver G3.

Increased runs, resulting in particular from meetings held away from the Palais des Nations, have made it necessary to add another driver's post to the establishment.

2 Messenger-Drivers G2.

The incumbents of these posts are to provide messenger services in the new Annex.

Budget and Control Section

1 Assistant Budget and Control Officer P1/P2.
1 Finance Clerk G5.

The work of this Section expands as the budget of the organization increases. In addition to the preparation of budget documents the Section's expenditure control and audit functions have increased. Reinforcement at the professional as well as the clerical level has therefore become necessary.

Finance and Accounts Section

1 Assistant Finance and Accounts Officer P1/P2.

As in the case of the Budget and Control Section, the sizeable budget increase proposed has a direct impact on the work of the Section. Under the proposed budget the permanent secretariat payroll alone would amount to Sw.frs. 380,000 per month. In addition, the volume of the various financial and accounting transactions will considerably increase. The resulting increase in workload has made it essential to add one post at the junior professional level to this Section in order to ensure a responsible administration of the organization's funds.

Documents Reproduction Section

1 Clerk G2.

The new post will enable the Section to increase its output, thereby reducing charges for outside assistance.

Stenographic and Typing Section

1 Stenographer G4.
4 Stenographers G3.
1 Typist G2.

The increases proposed have been empirically established on the basis of temporary assistance and overtime worked so far during 1964. They will enable the stenographic pools to function on a shift basis during the greater part of the year without undue overtime.

UPGRADINGS

In addition to the senior general service posts mentioned in paragraph 11 of the Executive Secretary's note on these budget estimates, which have been subject to a special review, the following professional and general service posts are proposed for upgrading as the result of the regular annual budget review.

Office of the Executive Secretary

Executive Officer	from P1 to P1/P2
Administrative Assistant	from G6 to G7
Administrative Assistant	from G5 to G6.

Information and Public Relations Office

Clerk (Library)	from G3 to G4
Clerk-Typist	from G2 to G3

Department of Trade Policy and Intelligence

Administrative Assistant	from G6 to G7
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General Division

Economic Affairs Officer	from P2 to P3
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Agricultural Division

Economic Affairs Officer	from P2 to P3
Economic Affairs Officer	from P1/P2 to P3

Special Projects

Statistical Assistant	from G6 to G7
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Department of Conference Services, Liaison and Administration

Conference Secretariat and Liaison Division

Conference Assistant	from G6 to G7
Clerk-Typist	from G3 to G4

Administrative and Finance Division

Clerk-Stenographer	from G3 to G4
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Documents Reproduction Section

Clerk	from G2 to G3
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Stenographic and Typing Section

Chief of Section	from G6 to G7
Deputy Chief of Section	from G5 to G6
English Pool Supervisor	from G4 to G5
French Pool Supervisor	from G4 to G5

In all cases but one the responsibilities attached to the posts have increased as the result of the considerable growth in the activities of the secretariat as a whole. The proposed reclassifications take account of the grading standards currently applied by the United Nations and other organizations to posts of a similar character. In one case, i.e. a post of Economic Affairs Officer P3 in the Agricultural Division the upgrading results from the fact that the incumbent who emerged as the most suitable candidate on the basis of an open competition and transferred from the ILO was already graded P3 in that organization.

1965 MANNING TABLE

Number
of posts

OFFICE OF THE EXECUTIVE SECRETARY

1	Executive Secretary	
1	Deputy Executive Secretary	
1	Special Adviser	
1	Economic Adviser	New post
1	Counsellor, Director of In-Service Training Programme	
1	Counsellor	
1	Executive Officer	
2	Administrative Assistants	
1	Secretary	
1	Secretary	New post

Information and Public Relations Office

1	Chief of Office	
1	Information Officer	
1	Assistant Librarian	
1	Sales Clerk	
1	Clerk (Library)	
2	Clerk-Typists	
1	Clerk	New post

Registry

1	Chief, Registry	
1	Clerk	
1	Clerk	New post

Number
of posts

DEPARTMENT OF TRADE POLICY AND INTELLIGENCE

1	Director of Department	
1	Administrative Assistant	
1	Senior Clerk	
1	Secretary	
6	Clerk-Stenographers	
2	Clerk-Stenographers	New posts
1	Clerk-Typist	

General Division

1	Chief of Division	
2	Counsellors	
3	Economic Affairs Officers	
1	Assistant Economic Affairs Officer	

Agricultural Division

1	Chief of Division	
1	Counsellor	
2	Economic Affairs Officers	
1	Assistant Economic Affairs Officer	

Development Division

1	Chief of Division	
1	Counsellor	New post
4	Economic Affairs Officers	
1	Assistant Economic Affairs Officer	
2	Research Officers	New posts
1	Senior Clerk	New post

Trade Information and Trade Promotion Advisory Service

1	Chief of Service	
1	Deputy Chief of Service	New post
1	Trade Information Officer	
1	Trade Promotion Officer	
1	Administrative Assistant	
1	Clerk-Stenographer	

Number
of posts

Special Projects

1	Counsellor	
1	Economic Affairs Officer	
1	Statistical Assistant	
1	Clerk-Stenographer	New post

Trade Intelligence Division

1	Chief of Division	
1	Counsellor	
2	Economic Affairs Officers	
1	Assistant Economic Affairs Officer	
1	Senior Statistical Officer	
1	Statistical Officer	
1	Assistant Statistical Officer	New post
2	Statistical Assistants	
2	Statistical Assistants	New posts
1	Statistical Typist	

DEPARTMENT OF CONFERENCE SERVICES, LIAISON
AND ADMINISTRATION

1	Director of Department	
1	Secretary	

Conference Secretariat and Liaison Division

1	Chief of Division	
1	Counsellor	
1	Economic Affairs Officer	
1	Documents Officer	
1	Conference Assistant	
1	Stenographer	
1	Clerk-Typist	
1	Clerk-Stenographer	New post
1	Clerk (Conference)	New post

Administrative and Finance Division

1	Chief of Division	
1	Secretary	

Number
of posts

Administrative and Finance Division (cont'd)

(a) Personnel Section

1	Personnel Officer	
1	Assistant Personnel Officer	
1	Senior Clerk	New post
1	Clerk-Stenographer	
1	Clerk	

(b) Internal Services and Travel Section

1	Administrative Officer	
1	Clerk	
1	Clerk-Typist	
1	Switchboard-operator	
1	Supply Clerk-Messenger	
2	Drivers	
1	Driver	New post
1	Caretaker-Gardener	
3	Messenger-Drivers	
2	Messenger-Drivers	New posts
1	Doorkeeper	

(c) Budget and Control Section

1	Budget and Control Officer	
1	Assistant Budget and Control Officer	New post
1	Finance Clerk	New post
1	Finance Clerk	

(d) Finance and Accounts Section

1	Finance and Accounts Officer	
1	Assistant Finance and Accounts Officer	New post
2	Finance Clerks	

(e) Documents Reproduction Section

2	Clerks	
1	Clerk	New post

Number
of posts

Administrative and Finance Section (cont'd)

(f) Stenographic and Typing Section

1 Chief of Section
1 Deputy Chief of Section

(i) English Pool

1 Supervisor
4 Stenographers
2 Stenographers New posts
2 Typists
1 Typist New post

(ii) French Pool

1 Supervisor
7 Stenographers
2 Stenographers New posts
2 Typists

(iii) Spanish Pool

1 Stenographer New post
2 Stenographers

Languages Division

1 Chief of Division
2 Revisers
1 Translator/Reviser
5 Interpreter/Translators
6 Translators
1 Secretary
1 Clerk

168 posts

(ii) Temporary assistance (including overtime) - \$10,000

1962 Expenditure:	\$23,840
1963 Expenditure:	\$28,418
1964 Budget:	\$10,000

The estimate provides for salaries of additional staff needed to replace regular staff on sick leave, maternity leave or annual leave as well as for temporary reinforcements to meet fluctuations in the volume of work. It also includes a provision for overtime payments to regular and temporary staff and covers payment for accrued annual leave to eligible temporary staff whose salaries are charged to this item.

It is hoped that consolidation in the permanent establishment of several temporary posts will result in reduced demands for temporary assistance during 1965.

(iii) Consultants - \$15,000

1964 Budget:	\$12,000
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The estimate provides for fees payable to consultants engaged for short periods on special projects and also covers the fee payable to the former Deputy Executive Secretary, for his services as a consultant.

It is assumed that during 1965 several consultants will have to be engaged for two or three months each in connexion with the studies on the economic development of various countries.

The number of consultants originally considered necessary has been drastically cut, in the hope that it will be possible to spread these studies over a longer period enabling the most economical use to be made of the secretariat's permanent staff.

(iv) Travel - \$50,000

(a) Travel on official business - \$45,000

1962 Expenditure:	\$12,878
1963 Expenditure:	\$31,604
1964 Budget:	\$25,000

The estimate provides for the payment of travel expenses, subsistence allowances and other incidental expenses relating to missions of regular staff members travelling on official business, including in particular representation of GATT at meetings and conferences of other organizations outside Geneva,

consultations with government officials, lectures given by GATT officials, etc. The estimate also includes the travel expenses and subsistence allowances of temporary staff not engaged specially for meetings and of consultants engaged on special projects. It further includes the premiums of insurance taken out when officials travel by air. In exceptional cases and by special authorization of the Executive Secretary, transportation costs and/or subsistence allowance in respect of the Chairman of the CONTRACTING PARTIES may be charged to this credit where travel is undertaken exclusively on behalf and in the interest of the CONTRACTING PARTIES as a whole.

The proposed increase is mainly due to the study missions to be undertaken by staff members and consultants in connexion with the programme of studies on the economic development of various countries. It is assumed that approximately ten such missions of one to four members each will have to be undertaken in 1965.

The increase over the 1964 credit also takes account of the larger number of missions which, it is anticipated, will be carried out in 1965 by senior officials with a view to establishing closer contact between the secretariat and governments located in areas far distant from Geneva.

(b) Technical assistance travel - \$5,000

1962 Expenditure:	\$4,838
1963 Expenditure:	\$2,352
1964 Budget:	\$5,000

The estimate provides for travel expenses, subsistence allowances and other incidental expenses relating to missions of technical assistance experts and consultants or of GATT staff members travelling on such missions.

Section 2 - Common Staff Costs\$291,700

(i) Installation grants - \$11,400

1962 Expenditure:	\$4,906
1963 Expenditure:	\$6,019
1964 Budget:	\$7,250

The estimate provides for the payment of installation grants to newly recruited non-local staff members and their dependants at statutory rates laid down by the Staff Rules. Existing rules provide for payment to staff members without dependants of fifteen days' subsistence allowance (\$14 per day) and of thirty days for staff members with dependants; in respect of each dependant payments amount to one half of such allowance (\$7 per day) for thirty days.

In the light of recent years' figures and in view of the fact that the number of new posts proposed for 1965 is higher than that for 1964, the provision is increased by \$4,150 and it is based on nineteen appointments of non-local staff members at an average payment of \$600 each.

An amount of \$630 has been included in this item to cover expenditure in connexion with the recruitment of the Deputy Chief of the Trade Information and Trade Promotion Advisory Service.

(ii) Travel and removal expenses of staff and their dependants - \$17,000

1962 Expenditure:	\$11,710
1963 Expenditure:	\$12,366
1964 Budget:	\$12,000

The estimate provides for travel expenses and subsistence allowances payable in accordance with the Staff Rules in respect of officials and their families on appointment and separation and of candidates brought to Geneva for interviews in connexion with vacant posts. In addition, it provides for the cost of removal of furniture and household effects for eligible staff.

An amount of \$1,500 has been included in this item to cover the expenditure in connexion with the recruitment of the Deputy Chief of the Trade Information and Trade Promotion Advisory Service.

(iii) Separation payments - \$5,000

1962 Expenditure:	\$3,269
1963 Expenditure:	\$7,099
1964 Budget:	\$5,000

The estimate provides for payment to eligible regular staff for accrued annual leave as well as a token provision for the statutory indemnity due when an appointment is terminated by the organization. It also covers payment of the statutory grant on death.

(iv) Contributions to the United Nations Joint Staff Pension Fund - \$137,200

1962 Expenditure:	\$ 84,057
1963 Expenditure:	\$ 98,654
1964 Budget:	\$104,150

The estimate is based on a payment of 14 per cent of pensionable remuneration of all staff belonging to the Fund as full participants and $4\frac{1}{2}$ per cent of pensionable remuneration of associate participants including staff of both categories who are expected to be recruited in 1965.

The level of pensionable remuneration is determined as follows:

(a) For general service category staff the base pensionable remuneration is the mid-point between the net base annual salary rate applicable to the participant's grade and step and the corresponding gross salary rate (see Table 3 on page 18).

Any non-resident's allowance and language allowance which may be payable to the staff member is to be added to this base pensionable remuneration.

(b) For the staff members of the professional category and above the base pensionable remuneration is determined as in (a), but is adjusted by 5 per cent effective 1 January 1965. This is to take account of the movement in the weighted average of post adjustments, for pension purposes, and is in accordance with the established procedure whereby pensionable remuneration shall be adjusted in multiples of 5 per cent whenever the weighted average of the post adjustment classifications of all the member organizations of the Fund varies by 5 per cent measured from 1 January 1962. The additional cost due to this adjustment is calculated at \$4,500, (see Table 1 on page 16).

The estimate also covers the organization's share in the validation of non-pensionable service for staff members who, having been associate participants to the Fund, become full members.

At 30 June 1964 full participants and associate participants employed by GATT and for whom contributions were charged to this item numbered ninety-six and twenty-four respectively.

As in previous years, the total figure resulting from the above calculation has been subjected to an arbitrary reduction of 3 per cent to take into account anticipated savings due to retardation on recruitment for new posts, delays in effecting replacements, etc.

An amount of \$4,690 has been included in this item to cover expenditure in connexion with the Trade Information and Trade Promotion Advisory Service.

(v) Repatriation grants and service benefits - \$5,000

1962 Expenditure:	\$4,132
1963 Expenditure:	\$4,412
1964 Budget:	\$5,000

The estimate provides for the payment of repatriation grants and service benefits on separation to eligible staff in accordance with the Staff Rules.

It is recalled that until 31 December 1963 the payment of a service benefit was made to fixed-term staff (i.e. staff engaged for not less than one year and less than five years) on separation. This was designed to reconcile the terms of service in regard to terminal benefits and pension coverage. Repatriation grant was payable to regular non-local staff on separation after more than two years of service.

In December 1963 the United Nations General Assembly adopted amendments to the Staff Rules effective 1 January 1964, whereby both fixed-term and permanent expatriate staff have an equal entitlement to repatriation grant, payable after a minimum of one year's service.

In application of the amendments referred to above, all non-local staff members appointed on or after 1 January 1964 are subject to the new provisions governing repatriation grants. Transitional arrangements permit payment of service benefit on separation to those eligible staff members who were in post before 1 January 1964.

(vi) Travel on home leave - \$28,000

1962 Expenditure:	\$ 4,444
1963 Expenditure:	\$17,217
1964 Budget:	\$ 8,900

The estimate covers travel expenses and subsistence allowances for non-locally recruited staff members and their families eligible for home leave in 1965.

Staff members are entitled to home leave every two years counting as of the year of their appointment.

The very sizeable increase as compared with the credit approved for 1964 is due to the fact that in 1965 several staff members will be entitled to home leave to distant overseas destinations.

The estimate is based on current travel rates and on presently authorized modes and standards of accommodation. On the basis of total entitlements, the requirements under this item would amount to approximately \$38,300.

The lower amount requested takes account of possible deferments, savings on the estimated cost of individual journeys, partial utilization or non-utilization of entitlements, etc.

(vii) Family allowances, education grants and related travel - \$71,000

(a) Family allowances - \$54,500

1962 Expenditure: \$36,792
1963 Expenditure: \$38,614
1964 Budget: \$44,500

The estimate for this sub-item provides for family allowances payable to both professional and general service category staff in accordance with the Staff Rules.

The increase over the 1964 approved credit is mainly due to the establishment of new posts. It also takes account of the amendment of the Staff Rules to the effect that a children's allowance of Sw.francs 960 (instead of Sw.francs 720 and 840 for local and non-local staff respectively) is now payable to eligible staff members in the general service category.

An amount of \$4,000 has been included in this item to cover expenditure in connexion with the Trade Information and Trade Promotion Advisory Service.

(b) Education grants and related travel - \$16,500

1962 Expenditure: \$8,204
1963 Expenditure: \$8,984
1964 Budget: \$15,000

The estimate provides for the education grants and related travel costs payable to non-locally recruited staff members under the Staff Rules.

(viii) Joint Services - \$4,500

1962 Expenditure: \$2,300
1963 Expenditure: \$2,248
1964 Budget: \$4,300

The estimate provides for GATT's share in the cost of the Joint Medical Service, the Joint Housing Service, the CCAQ Staff Office and the International Civil Service Advisory Board; it also covers GATT's share in the cost of language courses organized by the United Nations.

(ix) Other common staff costs - \$12,600

1962 Expenditure: \$2,660
1963 Expenditure: \$4,858
1964 Budget: \$5,500

The estimate provides for the organization's contribution to the United Nations Sickness Insurance Society. It also covers expenditure in connexion with medical examinations required on appointment of new staff members.

The increase in this item is due to the higher scale of contributions, effective 1 January 1964, which is now automatically being adjusted following increases in salary scales. The Rules provide that the staff member pays 55 per cent and the organization 45 per cent of the total contribution due to the United Nations Sickness Insurance Society.

An amount of \$870 has been included in this item to cover expenditure in connexion with the Trade Information and Trade Promotion Advisory Service.

Section 3 - Common Services\$132,100

(i) Cables and international telephone communications - \$2,500

1962 Expenditure:	\$1,597
1963 Expenditure:	\$2,908
1964 Budget:	\$2,000

The estimate provides for the cost of official cables and international telephone communications.

(ii) Freight and cartage - \$500

1962 Expenditure:	\$269
1963 Expenditure:	\$213
1964 Budget:	\$500

The estimate provides for charges payable to transport agencies on delivery of material ordered by the secretariat.

(iii) Books and information material - \$6,000

1962 Expenditure:	\$1,915
1963 Expenditure:	\$2,027
1964 Budget:	\$3,000

The estimate provides for the purchase of books, periodicals and newspapers which are considered necessary for their value as sources of information and reference material.

It also provides for the purchase of dictionaries.

An amount of \$1,000 has been included in this item to cover expenditure in connexion with the Trade Information and Trade Promotion Advisory Service.

(iv) Rental and maintenance of premises and equipment - \$41,900

The details are as follows:

	<u>1962</u> <u>Expenditure</u> <u>US\$</u>	<u>1963</u> <u>Expenditure</u> <u>US\$</u>	<u>1964</u> <u>Budget</u> <u>US\$</u>	<u>1965</u> <u>Budget</u> <u>US\$</u>
(a) <u>Rent</u>	4,672	4,672	4,700	4,700

The estimate provides for the rent of the Villa Le Bocage, payable to the United Nations.

(b) <u>Electricity</u>	1,678	1,779	2,000	2,500
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The estimate has been increased to take account of the additional expenditure due to the construction of the second Annex.

(c) <u>Water supply</u>	153	276	300	300
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The estimate provides for the cost of the water supply to the Villa Le Bocage, the two Annexes and the gardener's lodge.

(d) <u>Heating</u>	2,020	2,158	2,200	3,200
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Heating oil is purchased on a joint basis with the United Nations and other international organizations established in Geneva in order to obtain the most favourable conditions of price and quality. The proposed increase in the estimate is to cover the additional expenditure due to the construction of the second Annex.

	<u>1962</u> <u>Expenditure</u> <u>US\$</u>	<u>1963</u> <u>Expenditure</u> <u>US\$</u>	<u>1964</u> <u>Budget</u> <u>US\$</u>	<u>1965</u> <u>Budget</u> <u>US\$</u>
(e) <u>Telephone (rental and internal calls in Switzerland)</u>	1,966	2,005	2,500	3,000
<p>The estimate provides for the rental of telephone installations and the cost of official calls in Switzerland.</p>				
(f) <u>Insurance premiums</u>	679	1,082	1,200	1,600
<p>The estimate provides for the premiums for insurance of the two Annexes of the Villa Le Bocage and of all furniture and equipment against fire and water damage; third party insurance; insurance of service cars; insurance against accidents to drivers, messengers and cleaners. The increased estimate takes account of the additional premiums payable for the new Annex.</p>				
(g) <u>Cleaning materials</u>	325	139	300	300
<p>The estimate provides for the cost of all cleaning materials used for the upkeep of the offices, furniture and equipment.</p>				
(h) <u>Maintenance expenditure</u>	4,373	4,179	4,500	6,500
<p>The estimate covers continuing charges for maintenance and repairs of GATT premises and office equipment, as well as the cost of minor repairs to the Villa Le Bocage and the maintenance of gardens. It also covers the cost of purchase and cleaning of uniforms for messengers and drivers.</p>				

	<u>1962</u> <u>Expenditure</u> <u>US\$</u>	<u>1963</u> <u>Expenditure</u> <u>US\$</u>	<u>1964</u> <u>Budget</u> <u>US\$</u>	<u>1965</u> <u>Budget</u> <u>US\$</u>
(i) <u>Casual labour</u>	8,515	10,178	12,000	19,000

The estimate provides for salaries and wages of four cleaners as well as for fees payable to a local cleaning firm for the cleaning of the two Annexes. The proposed increase over 1964 is mainly due to the additional cost in respect of the new Annex.

(j) <u>Maintenance of service cars</u>	404	739	800	800
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The estimate provides for the maintenance and repairs, including petrol and oil, of four service cars.

	24,785	27,207	30,500	41,900
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(v) Postal services - \$11,500

1962 Expenditure: \$ 9,903
1963 Expenditure: \$ 9,587
1964 Budget: \$10,000

The estimate provides for the cost of postage on correspondence and documents despatched through the United Nations Mailing Section. It also covers GATT's share in the cost of the United Nations Mailing Section (1961: \$1,056; 1962: \$944; 1963: \$974).

An amount of \$800 has been included in this item to cover expenditure in connexion with the Trade Information and Trade Promotion Advisory Service.

(vi) Stationery and office supplies - \$9,000

1962 Expenditure: \$7,013
1963 Expenditure: \$8,192
1964 Budget: \$9,000

The estimate provides for the purchase of general office supplies, stencils, duplicating paper, etc.

(vii) Reproduction and distribution of documents - \$57,000

1962 Expenditure:	\$52,331
1963 Expenditure:	\$41,377
1964 Budget:	\$65,000

The estimate provides for the cost of reproduction (inclusive of paper) and distribution by the United Nations European Office of GATT documents at the standard rates applicable.

Since the beginning of 1963 GATT's Documents Reproduction Section has been able to increase considerably the number of documents reproduced at the secretariat, thereby reducing the amounts payable to the United Nations for such services. It is assumed that during 1965 when GATT's Documents Reproduction Section will have more adequate space and the use of an assembling machine, the purchase of which is proposed under the permanent equipment item, production will further increase.

In the light of past years' experience and for the reasons outlined above it is proposed to decrease the 1964 credit by \$8,000.

(viii) External audit - \$1,500

1962 Expenditure:	\$1,987
1963 Expenditure:	\$1,492
1964 Budget:	\$1,500

The estimate provides for the fee (including travel expenses) payable to the External Auditor in respect of the external audit of the accounts. The fee covers an interim audit in the course of the financial year and the final audit of the 1965 accounts.

For the purpose of comparison it is pointed out that the 1962 expenditure represents the payment of the final audit of the 1961 accounts as well as the interim and the final audit of the 1962 accounts.

(ix) Other services and miscellaneous expenditure - \$2,200

1962 Expenditure:	\$4,381
1963 Expenditure:	\$4,223
1964 Budget:	\$2,200

The estimate provides for miscellaneous expenditure such as bank charges, fees for the issuance of visas, laissez-passer and passports, the rental of typewriters, the cost of advertisements, etc. It should be noted that the 1962 and 1963 figures include non-recurring expenditure of approximately \$3,000 for each year and it is therefore proposed to maintain the same credit as approved for 1964.

Section 4 - Printing\$55,000

1962 Expenditure: \$35,994
1963 Expenditure: \$30,632
1964 Budget: \$40,000

The estimate provides for the printing cost (inclusive of paper) of the following publications:

Basic Instruments and Selected Documents - Thirteenth Supplement (EFS)¹ Volume IV (revised text of GATT, EFS); Activities of GATT (EFS); Status of Multilateral Protocols (EF); International Trade 1964 (EFS); GATT, What It Is (EFS); Miscellaneous Legal Instruments (EF); Information papers (addresses by the Executive Secretary, EF); Reports of Committees II and III (EFS); publications on country studies; Protocol containing the results of 1964 Trade Negotiations (Auth., EF); Protocols of Accession (Auth., EF); binding of documents and miscellaneous items.

An amount of \$15,000 has been included in this item to cover the cost of publications to be issued by the Trade Information and Trade Promotion Advisory Service.

Section 5 - Hospitality\$1,500

1962 Expenditure: \$ 687
1963 Expenditure: \$ 400
1964 Budget: \$1,500

The estimate provides for expenses relating to official hospitality rendered in the course of their functions by officials of the secretariat not entitled to a personal representation allowance, and authorized in advance by the Executive Secretary. It also covers expenses resulting from hospitality rendered on behalf of the secretariat as a whole, which cannot be properly charged to personal representation allowances. In addition, expenses resulting from hospitality extended by the Chairman of the CONTRACTING PARTIES may, in exceptional cases and by special authorization of the Executive Secretary, be charged to this credit.

Section 6 - Permanent Equipment\$67,400

1962 Expenditure: \$30,621
1963 Expenditure: \$12,946
1964 Budget: \$11,750

The estimate provides for additions to and replacements of furniture and equipment.

¹English, French, Spanish.

The major part of the proposed estimate is required for the furnishing of the second Annex (including office furniture, furnishing of a small conference room, filing equipment, shelving in the basement, electrical fixtures, etc. of \$31,800). In addition the estimate takes account of the progressive introduction of electric typewriters (\$11,000) the purchase of thirteen adding and calculating machines (\$8,000), the purchase of an assembling machine for the Documents Reproduction Section (\$5,400) and an additional accounting machine (\$5,600), and miscellaneous items.

It is recalled that whenever used equipment is replaced it is given in part exchange to the suppliers of new equipment, with a corresponding reduction of the cost. Wherever this is impossible, such equipment is sold for the best price obtainable and the proceeds are used towards the purchase of the new equipment.

Proceeds from the sale of old furniture or equipment which is not replaced in one single transaction are credited to miscellaneous income.

Part III - Buildings

Section 1 - Annuity to Canton of Geneva\$23,500

1962 Expenditure: \$23,148
1963 Expenditure: \$23,148
1964 Budget: \$23,500

The item provides for payment of the sixth of ten annuities due in respect of the interest-free loan of Swiss francs 1,000,000 granted in 1961 by the Canton of Geneva to the CONTRACTING PARTIES to finance the construction of the first Annex for the secretariat.

Of the total amount made available to the CONTRACTING PARTIES, Swiss francs 951,450.25 were drawn.

To date the balance of the loan still outstanding amounts to Swiss francs 448,410.25 (approximately \$103,800).

Section 2 - Construction of Second Annex.....\$145,000

This item has been included provisionally following the Council's recommendation to the CONTRACTING PARTIES of 6 July 1964 in connexion with the financing of the construction of a second Annex.

The total cost of this new temporary building including groundwork, parking lots, etc. etc., is estimated at \$297,000. An amount of \$92,058.61 representing the balance of the Surplus Account and an amount of \$60,000 to be drawn from the Working Capital Fund have been earmarked for financing part of the construction.

The amount of \$145,000 is to cover the residual cost of the construction of the new Annex. If this amount could be obtained in the form of a loan from the Swiss Federal Government, this item will be struck.

ANNEX D

INCOME BUDGET ESTIMATES

1. It is proposed that the 1965 budget be financed as follows:

	<u>Amount in US dollars</u>	
	<u>I</u>	<u>II</u>
(a) contributions assessed on contracting parties	1,902,000	1,757,000
(b) miscellaneous income	<u>44,000</u>	<u>44,000</u>
	<u>1,946,000</u>	<u>1,801,000</u>

2. In accordance with the usual practice the secretariat has prepared the draft scale of contributions based on the foreign trade figures of the last three years (1961, 1962 and 1963). It includes a minimum contribution of \$2,500 which applies to countries whose share in the total trade of the contracting parties and associated governments is 0.1 per cent or less. A second minimum contribution is applied to countries whose trade figure is between 0.1 and 0.5 per cent and is fixed at an amount corresponding to 0.5 per cent of the total contributions for the financial year.

3. The draft scale of contributions attached to this Annex shows under column I the contributions to be assessed on contracting parties if the residual cost of the new Annex (\$145,000, see Part III Section 2) is to be paid out of the 1965 budget. Column II shows the amounts to be assessed on contracting parties, in the event that the sum of \$145,000 could be obtained in the form of a loan from the Swiss Federal Government.

DRAFT SCALE OF CONTRIBUTIONS FOR 1965

Country	Percentage ^a		Provisional 1965 contributions		1964 contributions (US dollars)
	I	II	(US dollars) I	(US dollars) II	
<u>Contracting parties:</u>					
Australia	1.940	1.935	36,890	34,000	25,840
Austria	1.087	1.084	20,670	19,050	14,540
Belgium	3.171	3.164	60,310	55,590	41,220
Brazil	1.079	1.077	20,520	18,920	14,990
Burma	0.500	0.500	9,510	8,780	6,600
Cameroon	0.131	0.142	2,500	2,500	2,500
Canada	4.894	4.882	93,080	85,780	66,750
Central African Republic	0.131	0.142	2,500	2,500	2,500
Ceylon	0.500	0.500	9,510	8,780	6,600
Chad	0.131	0.142	2,500	2,500	2,500
Chile	0.500	0.500	9,510	8,780	6,600
Congo (Brazzaville)	0.131	0.142	2,500	2,500	2,500
Cuba	0.500	0.500	9,510	8,780	6,850
Cyprus	0.131	0.142	2,500	2,500	2,500
Czechoslovakia	1.720	1.716	32,710	30,150	22,720
Dahomey	0.131	0.142	2,500	2,500	2,500
Denmark	1.437	1.433	27,330	25,180	19,200
Dominican Republic	0.500	0.500	9,510	8,780	6,600
Finland	0.881	0.879 ^b	16,750	15,450	11,950
France	6.002 ^b	5.988 ^b	114,150	105,210	78,180
Gabon	0.131	0.142	2,500	2,500	2,500
Federal Republic of Germany.....	9.820	9.796	186,770	172,120	127,970
Ghana	0.500	0.500	9,510	8,780	6,600
Greece	0.500	0.500	9,510	8,780	6,600
Haiti	0.131	0.142	2,500	2,500	2,500
India	1.450	1.447	27,570	25,420	19,970
Indonesia	0.519	0.518	9,870	9,100	7,800
Israel	0.500	0.500	9,510	8,780	6,600
Italy	4.182	4.172	79,540	73,300	51,580
Ivory Coast	0.500	0.500	9,510	8,780	- ^d
Jamaica	0.500	0.500	9,510	8,780	6,600
Japan	4.191	4.181	79,710	73,460	52,750
Kenya	0.500	0.500	9,510	8,780	- ^d
Kuwait	0.525 ^c	0.523 ^c	9,980	9,190	7,090
Luxemburg	0.500	0.500	9,510	8,780	6,600
Madagascar	0.131	0.142	2,500	2,500	2,500
Malawi	0.131	0.142	2,500	2,500	-
Malaysia	1.264	1.261	24,040	22,160	17,430
Mauritania	0.131	0.142	2,500	2,500	2,500
Kingdom of the Netherlands	4.460	4.449	84,820	78,170	58,820
New Zealand	0.647	0.645	12,300	11,330	8,840
Nicaragua	0.131	0.142	2,500	2,500	2,500
Niger	0.131	0.142	2,500	2,500	- ^d
Federation of Nigeria	0.500	0.500	9,510	8,780	6,600
Norway	1.032	1.030	19,620	18,100	13,590
Pakistan	0.500	0.500	9,510	8,780	6,600

Country	Percentage ^a		Provisional 1965 contributions		1964
	I	II	(US dollars) I	(US dollars) II	contributions (US dollars)
Contracting parties (Cont'd)					
Peru	0.500	0.500 ^b	9,510	8,780	6,600
Portugal	0.617 ^b	0.615 ^b	11,730	10,810	8,170
Southern Rhodesia	0.500	0.500	9,510	8,780	6,600
Senegal	0.500	0.500	9,510	8,780	6,600
Sierra Leone	0.131	0.142	2,500	2,500	2,500
South Africa	1.166	1.163	22,170	20,430	15,940
Spain	0.869	0.867	16,520	15,230	10,040
Sweden	2.340	2.334	44,500	41,010	31,070
Tanganyika	0.500	0.500	9,510	8,780	6,600
Togo	0.131	0.142	2,500	2,500	-
Trinidad and Tobago	0.500	0.500	9,510	8,780	6,600
Turkey	0.500	0.500	9,510	8,780	6,600
Uganda	0.131	0.142	2,500	2,500	2,500
United Kingdom of Great Britain and Northern Ireland	10.687 ^b	10.661 ^b	203,260	187,310	147,580
United States of America	15.127	15.090	287,710	265,130	205,550
Upper Volta	0.131	0.142	2,500	2,500	2,500
Uruguay	0.500	0.500	9,510	8,780	6,600
Associated Governments:					
Argentina	0.938	0.936	17,840	16,450	13,250
Cambodia	0.131	0.142	2,500	2,500	2,500
Iceland	0.131	0.142	2,500	2,500	- ^d
Poland	1.338	1.335	25,440	23,460	17,260
Switzerland	2.001	1.996	38,050	35,070	25,530
Tunisia	0.500	0.500	9,510	8,780	6,600
United Arab Republic	0.500	0.500	9,510	8,780	6,600
Yugoslavia	0.627	0.625	11,920	10,980	8,050
Total	100.000	100.000	1,902,000	1,757,000	1,320,000

^aBased on the country's share in total trade of the contracting parties and participating governments in 1961-1963.

^bFor certain minor territories for which the 1963 trade data are not yet available the percentages are based on trade in 1960-1962.

^cBased on data excluding imports of petroleum companies.

^d1964 contributions assessed during the financial year.

Note: More ample information concerning the value of trade of Belgium and Luxemburg have been requested but not yet received by the secretariat. The estimated shares of these two countries should therefore be considered as provisional and subject to revision. It should be noted that these revisions might also affect the percentage share of the other contracting parties and associated governments.

Sources: International Financial Statistics, IMF, July 1964.

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