

Assembly, the ACABQ has outlined certain areas which deserve careful attention. Canada fully endorses the views of the Advisory Committee and I would like to take this opportunity to comment on several of that body's recommendations. One important item concerns capital expenditures. We believe that until the United Nations financial situation has improved, it might be desirable to postpone plans for capital expenditures, particularly those relating to the expansion of Headquarters facilities. Also with regard to capital expenditures, delegates may wish to consider the desirability of contractual leasing arrangements as a temporary expedient in place of large-scale capital outlays. Another major item in the budget relates to staff expansion. My Delegation would strongly urge a postponement for at least another year of the proposed changeover from a policy of "stabilization" of staff to one of "controlled expansion". It is our view that in the midst of financial crisis there should be no staff expansion. Specifically, Canada would endorse the views expressed in paragraphs 38, 46 and 47 of the Advisory Committee's report.

I should also like to draw attention to paragraphs 49 to 53 of the Advisory Committee's report. These paragraphs were prompted by a note in the auditor's report for 1961 referring to a certain slackening of administrative standards and discipline. Mr. Chairman, we hope that the reassuring statements the Committee heard on October 3 foretell an improvement in this situation and that by this time next year, we shall be able to read that the tendencies noted by the auditors have been checked and the high standards for which the United Nations is noted have been re-established.

In our consideration of budgetary matters my Delegation has been impressed by the views expressed by the Distinguished Representatives of Australia and Iraq and others during the debate on the supplementary estimates on the need for proper budgetary procedures and for financial responsibility