

countries of Asia and Africa.

A compromise proposal providing a budget ceiling of \$18,000,000 for the two years was finally put forward late in the discussion and was carried by a narrow majority of 29-21 (with 4 abstentions).

Although the ceiling of \$18,000,000 will mean a higher assessment for the forthcoming two years, the money available for the programme each year will be less than in the year 1952. There will be an effective spending budget of just over \$17,000,000. Firstly, it will cost, approximately, an additional \$300,000 to hold the Eighth Conference in Montevideo rather than in Paris. Secondly, non-recurring funds were used in 1952 to cover the expected shortfall in contributions and to permit the carrying out of projects which could not otherwise have been financed. This year no such funds are available. Thirdly, the estimated annual percentage of contributions considered uncollectable rose from 7.5 per cent in 1952 to 9.2 per cent in 1953-54. For all these reasons, there will be reduced programme activity.

One of the causes of the budget crisis was the constitutional vagueness concerning responsibility for the preparation of the programme and budget estimates. In theory, the Executive Board prepared the programme and the Director-General assembled the budget estimates necessary to implement it. But it was known that the Director-General, Mr. Torres Bodet, was very closely associated with the preparation of the budget and that he felt committed to its defence. The conference subsequently amended the constitution to give the Director-General full responsibility for the preparation of the programme and corresponding budget. The Executive Board will submit these to the General Conference with its recommendations. This clarification of the respective powers and responsibilities of the administrative, executive and legislative organs should help