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GENERAL CONFERENCE

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THE AGENCY'S BUDGET FOR 1975

A supplementary estimate submitted by the Board of Governors

1. The Board of Governors has come to the conclusion that more funds will be needed than the \$29 675 000 the General Conference has appropriated for the Regular Budget expenses [1], if the Agency's activities are not to be drastically curtailed during the latter months of the current year. Assuming an average schilling/dollar rate of exchange of 17.00 throughout 1975 the shortage of funds is estimated at \$3 370 000, of which about \$2 035 000 is due to the realignment of currency exchange rates which will make it more expensive for the Agency to buy the Austrian schillings needed to meet by far the greatest part of its expenses, \$1 200 000 is due to increases in the emoluments of staff in all categories, and \$135 000 is due to expansion of the activities of the International Nuclear Information System (INIS). Details are provided in the table that follows.

[1] By Resolution GC(XVIII)/RES/314, para. 1.

Object of expenditure	Estimated amount (\$)
To compensate for the realignment of currency exchange rates:	
Post adjustments to the salaries of staff in the Professional and higher categories	780 000
Increased expenditure on salaries and wages for staff in the General Service (GS) and the Maintenance and Operatives Service (M&O) categories, and in respect of common staff costs	600 000
Increased costs of air fares, equipment, materials, services, supplies, etc., paid for in currencies other than the United States dollar	655 000
	2 035 000
To compensate for price increases:	
Increase in the emoluments of staff in the Professional and higher categories	730 000
Increase in dependency benefits for staff in the Professional and higher categories	70 000
Adjustment of salary scales for staff in the GS and M&O categories and increases in common staff costs resulting from changes in the Austrian income tax legislation	400 000
	1 200 000
Programme expansion:	
Introduction of machine-readable abstracts by INIS	135 000
TOTAL	3 370 000

2. The Director General has informed the Board that he hopes it will prove possible by the application of various economy measures to accumulate about \$870 000, which could be used to reduce to \$2.5 million the size of the supplementary appropriation that will be required to meet this shortage of funds. The Board, for its part, has considered how the latter sum could be raised with the least inconvenience to Members and has put together the financing plan reflected in the table below.

Source of revenue	Estimated amount (\$)
Financial cash surplus in respect of 1973	635 308 ^{a/}
Estimated cash surplus in respect of 1974	1 600 000 ^{b/}
Miscellaneous income in excess of the \$2 215 000 taken into account in the Regular Budget for 1975 ^{c/}	264 692
TOTAL	2 500 000

a/ See document GC(XIX)/549, Part IV, Statement I, D.

b/ The provisional cash surplus for 1974 shown in document GC(XIX)/549, Part IV, Statement I, C is likely to become a cash surplus of this order of magnitude by the end of the current year.

c/ By Resolution GC(XVIII)/RES/314, para. 2(a).

3. In the expectation that the Conference will wish to approve a supplementary appropriation to be financed in the manner suggested, the Board submits for its consideration the draft resolution set forth below. In so doing the Board would invite attention to the flexibility it has sought to provide by the wording proposed for sub-paragraph 2(d).

SUPPLEMENTARY REGULAR BUDGETARY APPROPRIATION FOR 1975

The General Conference,

Accepting the recommendations of the Board of Governors as to the need for increasing the appropriation for the Regular Budget expenses of the Agency in 1975, and as to how such an increase could be financed with the least inconvenience to Member States [1],

1. Appropriates, as a supplement to the total amount of \$29 675 000 appropriated for the Regular Budget expenses of the Agency in 1975 [2], a sum not exceeding \$2.5 million in order to finance certain expenditures which are not provided for in the budget estimates for this year [3]; and

2. Decides that this supplementary appropriation shall be made up as follows:

(a) The final cash surplus of \$635 308 in respect of the year 1973; [4]

(b) \$1 600 000 from the cash surplus in respect of the year 1974;

- (c) \$264 692 from miscellaneous income for the year 1975 not already taken into account in the financing of the Regular Budget expenses; and
- (d) Such further amounts as may become available under sub-paragraphs (b) and (c) above as, together with the sum provided for in sub-paragraph (a), do not produce a total of more than \$2.5 million.

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- [1] GC(XIX)/548.
 - [2] By Resolution GC(XVIII)/RES/314, para. 1.
 - [3] GC(XVIII)/526.
 - [4] See document GC(XIX)/549, Part IV, Statement I, D.