

ward their programme for improvements around the site, although they had been handicapped somewhat by inability to get building materials on time, and estimates of costs for the work to be carried out by the City had increased very markedly because of the general price rises throughout the entire construction industry. The City continued its original plan of improving 42nd Street, First Avenue, 47th Street and 48th Street in the face of the tremendous rise in costs over those on which the preliminary estimates of 1947 were based, when the joint programme of the United Nations and the City was undertaken. The current schedule provided for the completion of work by the City late in 1952 and this schedule appeared to be reasonable if all the material could be obtained. Work on the Franklin D. Roosevelt Drive, which had been done by the City with United Nations funds, had been practically completed.

(3) Budget

In the preliminary plans for the Headquarters, which had first been submitted to the General Assembly in 1947 (A/311), the cost for the completed project had been estimated at \$84,831,450. After consultation with various authorities, the budget had been reduced to \$65 million. Reductions had been made in the size and scope of the project in order to meet the reduced budgeted cost. World-wide increases in costs and material shortages which had entailed considerable delay had upset the plan of completing the project within the \$65 million budget.

In a supplementary report (A/1895/Add.1), the Secretary-General stated that, in spite of adjustments in plans and, in some instances, the substitution of cheaper materials, it had not proved possible to absorb altogether the considerable increase in construction costs that had occurred since 1947, and particularly since January 1949, when the construction programme was being accelerated and the major contracts were being negotiated. In the light of prevailing conditions, he estimated that total requirements would amount to \$68 million, or \$3 million in excess of the figure approved by the General Assembly in November 1947. The Secretary-General proposed that this anticipated deficit should be financed as follows: (a) that \$1 million be voted as a supplemental budget item; (b) that authorization be given to draw upon the Working Capital Fund, as required, up to a total amount not exceeding \$2 million.

The Headquarters Advisory Committee and the Advisory Committee on Administrative and Budgetary Questions had both considered the supplementary report and endorsed the request of the Secretary-General for authorization of an additional \$3 million to complete the permanent Headquarters.

A repayment of \$1 million to the United States Government had been made on 1 July 1951 from regular United Nations appropriated funds, pursuant to the terms of the Loan Agreement between the United Nations and the United States. The next instalment of \$1 million would become due on 1 July 1952.

(4) Art and Decoration

The Board of Art Advisers, appointed in 1950 to assist the Secretary-General in policy decisions and in the consideration of various offers of art objects, continued to function, the Secretary-General reported. The decoration of the three Council Chambers through gifts from Denmark, Norway and Sweden had progressed and would be nearly completed by the end of 1951. Special floor coverings, wall coverings, railings, doors, ceiling designs and some art objects had been installed. The selection of large works of art had been postponed until the construction reached its final stages.

Much of the interior furnishings and furniture had been procured outside the United States as a result of the world-wide purchasing programme. Sixteen countries were represented in furniture and textiles. All the floor coverings in the Conference building, a total of 14,170 linear yards (12,957 metres), had been procured from France and the United Kingdom. Fabric for curtains and draperies, totalling 5,762 yards (5,269 metres), came from Belgium, Czechoslovakia, the Netherlands, Sweden, the United Kingdom and the United States.

(5) Gifts

Increasing interest had been shown by the Governments of Member States and other agencies in making donations and appropriate gifts to the United Nations for use in the Headquarters. In addition to the gifts of Denmark, Norway and Sweden for the decoration of the three Council Chambers, the United Kingdom had undertaken the interior design and furnishing of a committee room, to be known as Committee Room Seven, located in a central place in the General Assembly building.

Offers of most suitable gifts, in the form of woods native to the respective lands, had been ac-