

CERN/313/Rev.1  
25 May, 1959  
Original : English

ORGANISATION EUROPÉENNE POUR LA RECHERCHE NUCLÉAIRE  
**CERN** EUROPEAN ORGANIZATION FOR NUCLEAR RESEARCH

---

THIRTEENTH SESSION OF COUNCIL

Geneva - 26 May, 1959

DRAFT REPORT AND RESOLUTION

ON FUTURE EXPENDITURE OF CERN AND CEILING FOR 1959/1960

The attached draft report and resolution on future expenditure of CERN and ceiling for 1959/1960, as amended by the Finance Committee at its Twenty-seventh Meeting, on 25 May 1959, supersedes document CERN/313 circulated, for information, to members of the Council.

It is now presented to the Council for its consideration and approval.

DRAFT REPORT AND RESOLUTION  
ON FUTURE EXPENDITURE OF CERN AND CEILING FOR 1959/1960

The Finance Committee has discussed CERN/FC/335/Rev.2 - Future Expenditure of CERN and a Three-Year Estimate - with the Chairman of the Scientific Policy Committee and the Director-General and his Chief Administrative Officers.

The Finance Committee takes note that the estimate of construction cost of the PS experimental programme given in Table III of CERN/FC/335/rev.2 viz. 90.0 million Swiss Francs, is the most accurate forecast that can be made by the Director-General at the present time and further takes note that the adoption of the programme, together with the general operation of the laboratory, at a reasonable level, is likely to lead to a total expenditure in the region of 250 million Swiss Francs spread over the 4 years 1959-1962 as shown in Table I of the document.

Under the Convention, budgets are subject to annual approval by the Council which cannot commit Member States to guarantee to provide any specific sums in years beyond that of the immediate budget. Nor would it be constitutionally possible, in many cases, for Governments to guarantee specific sums so far ahead. Nevertheless the Committee emphasizes that the financial implications of CERN/FC/335/Rev.2 must be held prominently in mind by the Council when considering the new experimental programme.

Thus it must be stressed that, if the PS experimental programme is adopted by the Council at its revised estimate of cost of 90 million Swiss francs, and if authority is given to the Director-General to embark on the programme to meet the timetable he has presented, Member States will in effect be committing CERN to an expenditure and therefore to budgets which the Director-General has warned us will be of the order of 66 million Swiss Francs in each of the three years 1960-1962. We have been warned also that once CERN has embarked on the PS experimental programme it will in all probability only be possible subsequently to reduce the budgets in those 3 years by slowing down the rate of construction which will disturb the careful integration of the programme with the rest of the programme of construction and research and may well lead to greater cost in the long run. The serious effects on the research programme itself need no emphasis.

The Finance Committee in the light of discussion accordingly recommends :

- (1) that the Council should accept as a maximum the forecast estimates of expenditure of the total construction cost of the PS experimental programme viz. 90 million Swiss Francs, as set out in Table III of CERN/FC/335/rev.2;
- (2) that in deciding its policy in regard to the PS experimental programme the Council should bear in mind that in the view of the Finance Committee acceptance of this programme in its entirety and its completion by the end of 1962 will involve annual budgets of approximately 65 million Swiss Francs (as an average) in each of the 3 years 1960, 1961 and 1962;
- (3) that if the PS experimental programme and the proposed completion date are accepted by the Council it will be necessary to set the ceiling of contributions for the two years 1959 and 1960 at 120 million Swiss Francs.

-----