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NORTH ATLANTIC COUNCIL DEPUTIES
SUPPLEANTS DU CONSEIL DE L'ATLANTIQUE NORD

CONFIDENTIAL
SUMMARY RECORD
AC/11-R/1(Revise)
DR. ENG.
31st October, 1951.

WORKING GROUP ON SHARING COSTS OF
SACLANT HEADQUARTERS

Summary Record of a Meeting held on
Thursday 18th October, at 10.0 a.m.,
at 13 Belgrave Square, London, S.W.1.

PRESENT

Chairman - Mr. G. C. J. van Tets (Netherlands)

M. R. C. P. Thissen (Belgium)	Mr. A. E. Ritchie (Canada)
Mr. S. Secher (Denmark)	M. J. Turpin (France)
Col. S. Marsiliani (Italy)	Mr. K. Hedemann (Norway)
Senhor H. Queiroz (Portugal)	Mr. J. Mark
	Mr. A. J. W. S. Leonard
	(United Kingdom)

Mr. Breithut (United States)

ALSO PRESENT

Col. W. Adkins (International Staff)

SECRETARIAT

Mr. J.S. Mackintosh

1. THE CHAIRMAN pointed out that the Group had been convened by the Executive Secretary in accordance with the instructions issued by the Council Deputies at their meeting of the 22nd August D-R(51)63, paragraph 13(2). The Group had the task of finding a formula for sharing the costs of the SACLANT budget.

2. THE UNITED KINGDOM REPRESENTATIVE said he had a few general suggestions to make in this connection. His government accepted the principle of sharing SACLANT costs in the same proportions as had been agreed for SHAPE Headquarters. They were not, however, wedded to the Group system. He felt that the amounts required would not be large for any land Headquarters which might be set up, though he was unable to say what a sea-based Headquarters was likely to cost. He felt that the security of the Atlantic link was important for the western alliance as a whole and therefore should be given due weight. He had no instructions to agree to a percentage contribution that was higher than the SHAPE percentage contribution.

3. The view of the United Kingdom Representative was supported by the Representatives of Canada and Portugal.

4. THE UNITED STATES REPRESENTATIVE said that he was without instructions, but indicated that his Government considered that SACLANT costs should be shared on the same basis as those of SHAPE, for much the same reasons as those indicated by the United Kingdom Representative.

5. THE FRENCH REPRESENTATIVE said he could not accept for SACLANT the same formula as for SHAPE, and he sincerely hoped that SACLANT was not going to become as expensive as SHAPE.

6. The view of the French Representative was supported by the Representatives of Belgium and Italy.

7. THE NORWEGIAN REPRESENTATIVE said that, though he had no instructions, he thought his Government would favour a formula based on capacity to pay. However, if the working out of an acceptable formula on this basis would cause considerable delay in the solution of the problem, he thought that his Government might accept the same formula as for SHAPE. In this case a general reservation similar to that made by the Norwegian Deputy when the formula for SHAPE was decided might again have to be made by Norway.

8. THE CHAIRMAN, summing up, said that there seemed to be two clear-cut views on the matter, the one accepting and the other rejecting, the SHAPE cost-sharing formula. Speaking as representative of the Netherlands, he said that the SHAPE formula was in itself a compromise which his Government had only accepted with reluctance. His Government, for parliamentary reasons feared the cost of the additional expenditure involved in SACLANT might also amount to considerably more than was now envisaged and were therefore unwilling to bind themselves to another onerous formula, especially as SACLANT Headquarters was only in embryo at present. He was therefore inclined to the French view in the matter.

9. THE UNITED KINGDOM and UNITED STATES REPRESENTATIVES both observed that the question of standards of expenditure was a matter for the Budget Committee, and outside the scope of this Working Group. A distinction should be made between extravagance in estimates and equitable sharing of costs. It was suggested that those countries which were not in agreement with the SHAPE cost-sharing formula should prepare alternative proposals among themselves.

10. THE CHAIRMAN then suggested the setting-up of a subordinate Group comprising Norway, Belgium and France, and asked them to bear in mind, when drawing up their proposals, that any formula must also be applicable to subordinate Headquarters.

11. THE CANADIAN REPRESENTATIVE expressed the desire to review any agreed formula at a later date, if expenditure became heavy, particularly if the SHAPE formula was retained.

12. In reply to a question by the Portuguese Representative, who asked whether the proposals would be on a strictly "capacity to pay" basis, the CHAIRMAN confirmed that that would presumably be their basis, but that they would also contain a certain element of compromise with a view to keeping within the limits of reality.

13. THE SECRETARY said that it was proposed to place before the Deputies on 22nd October, 1951 for approval a paper setting out the amount required to 31st December, 1951 for SHAPE and subordinate Commands. This would not include SACLANT.

14. THE GROUP agreed to meet again on Thursday 25th October, at 10.30 a.m., to receive the alternative proposals of the French Group.