CONFIDENTIAL

COMMITTEE ON ADMINISTRATIVE POLICIES

Meeting 82/3

10:30 a.m., October 14, 1982

W. B. Dale, Acting Chairman

Executive Directors	Alternate Executive Directors
	O. Kabbaj
	T. Yamashita
J. C. Iarezza	
R. K. Joyce	
	C. P. Caranicas
	J. E. Suraisry
A. R. G. Prowse	
	I. Fridriksson, Temporary

A. Wright, Secretary
B. J. Owen, Assistant

Also Present

C. Taylor
C. Dallara
V. Supinit

Administration Department: R. Tenconi, Director; C. V. Bielaski, J. D. Huddleston, L. Garamfalvi, J. G. Keyes. Legal Department: R. S. Porras. Secretary's Department: B. R. Hughes. Treasurer's Department: R. W. Groettum, R. Noë, K. L. Stack. Internal Auditor: J. Hamilton, P. J. McClellan. Assistants to Executive Directors: H. Alaoui-Abdallaoui, M. K. Diallo, J. L. Feito, G. Gomel, W. Moerke, J. C. Williams.

1. STAFF TRAVEL ALLOWANCES

The Committee took up a paper prepared by the staff on staff travel allowances, including a draft decision proposed for adoption by the Executive Board (EB/CAP/82/11, 9/30/82).

Mr. Prowse asked for a brief explanation of the practice of the Organization for Economic Cooperation and Development (OECD) with respect to staff travel allowances. In addition, he asked for a more precise indication of the World Bank's policy. A central issue raised by the

staff's proposals was whether the Fund should set up a system resembling the World Bank's under which it would in effect reimburse actual expenses, or whether it should continue the present system of expecting most travel allowances to be settled under a system of standard rates. The proposal was to introduce a five-tier structure of standard rates, but hotel expenses were expected to exceed the new limits whereas subsistence costs were expected to be met out of the specified amounts. The administrative costs and benefits of such a dual arrangement were not easy to assess. Most travelers would have to submit claims for hotel expenses on their return, entailing laborious work that a system of standard allowances was intended to avoid.

Mr. Kabbaj noted with surprise that no reference had been made in the staff paper to the sharp appreciation of the U.S. dollar, which had surely affected the cost of travel abroad. It would be useful to have some estimate of any savings to the Fund resulting from that appreciation. He would also like to know what rules governed stopovers at airline expense, since he had observed considerable reluctance on the part of Thomas Cook or the airlines to grant stopovers. Finally, he asked for an explanation of the reference in the last sentence of paragraph (c) of the draft decision to the reimbursenment, when the lump sum was clearly and grossly inadequate, of "all expenses incurred during travel from and to Washington."

The Director of the Administration Department said that the staff had not sought information on the practice of the OECD. It had limited itself to checking with U.S.-based organizations such as the United Nations and the World Bank.

The proposal was to move toward a system that would be much closer to the World Bank's, the Director explained, at least for hotel costs. As the standard rates for those costs had not changed, 80-90 per cent of claims would be for actual costs, based on presentation of the hotel bill, which would make the claims easy to process. The subsistence allowance was more complicated to administer on a real cost basis, owing to the need to require travelers to submit detailed lists of expenditures. It had therefore been decided to propose the continuation of the present system, but with an increase in the subsistence rates based on the actual experience of the World Bank. Few claims for hotel costs would be based on the standard rates, whereas most claims for subsistence expenses would be. Such a system would be administratively more convenient, and it would enable the Fund to gain experience with a system of reimbursement on the basis of actual costs.

As for the effect of the appreciation of the U.S. dollar, the Director noted that in countries having an exchange rate linked to the U.S. dollar, subsistence costs had increased sharply, whereas in some other countries they had fallen. The cost of hotels and restaurant meals had increased more rapidly than the general cost of living.

Staff members were expected to make use of stopover facilities when they were available and to declare whether or not hotel and meal costs had been paid for by the airline, the Director of the Administration Department commented. Due to the problems that they were facing, airlines tended to be more restrictive about offering stopovers. On the rare occasions when the lump sum payment for stopovers was inadequate, staff members were asked to list and document all expenses incurred during travel between Washington and the destination; paragraph (c) of the draft decision did not apply to travel within the mission country.

A staff representative from the Administration Department, referring to the effect of the U.S. dollar appreciation, noted that of the 157 countries covered in the annual review of allowances--146 member countries and 11 others--the subsistence rate as proposed would not change in 55 countries; it would be reduced by $5 in 14 countries; it would increase in 55 countries by $5 and in the remaining 33 by more than $5.

Mr. Joyce remarked that although a system depending much more heavily on actual costs would impose no large additional administrative burden on the staff, it would presumably inject some upward bias into the costs to the Fund. He did not know to what extent the staff--or Executive Directors--had attempted to stay within the designated amounts, or whether it was becoming more difficult to do so as the limits became increasingly unrealistic. In addition to being worried about precisely how the new system would work, he was perhaps even more concerned about the way in which it would be perceived to work. Most staff members of course behaved responsibly, but the Fund itself might be open to criticism. He recalled a recent article in the New York Herald Tribune, published in Europe, on a report published by the Auditor General of the United Nations. The two main points made in the report were that travel expenditures in the UN system generally had been increasing rapidly, which might be understandable, and that the largest travel budgets in the system were those of the World Bank and the Fund, which together accounted for costs equal to those incurred by all other UN agencies. He recognized that the report might not have been fully comprehensive and that he might have misread it. But to a casual reader, it could have left, perhaps unfairly, an impression of free spending by international bureaucrats on official travel account. That sort of impression was even more likely to be conveyed if it became known that one of the two organizations mentioned was moving to a less controlled system.

Before a final decision was taken on the proposals under discussion, Mr. Joyce considered, it would be useful for the Committee to have an assessment of the accuracy and defensibility of the report of the Auditor General. The Fund might be in a better position to defend itself if it kept its present system. If it did, the provision allowing for the reimbursement of actual costs whenever those exceeded the standard rates would be retained; the Committee would be convened, in accordance with normal practice, whenever more than a certain percentage of all claims for hotel expenses was based on costs, to review the need either for an increase in the standard rate or for a tightening up of procedures.

Finally, Mr. Joyce wondered whether the idea of blacklisting hotels at which staff members were not normally meant to stay should be rejected out of hand. In the normal course of events, it would not be necessary to invoke its use. The list would be a short, evolving one based on claims submitted for the reimbursement of accommodation in certain hotels that were clearly too expensive; nothing would prevent hotels from being taken off the list. Although practice differed among member governments, the Canadian Government followed a somewhat similar system.

The Acting Chairman remarked that the management and staff in both the Administration Department and the main "traveling" departments had carefully reviewed the question of issuing an official "blacklist" of hotels.

The Director of the Administration Department added that the traveling departments had in fact been unanimously opposed to such a list. The limited choice of hotels in many developing countries would make a list largely meaningless. Cities with a large number of hotels, including some that might qualify for inclusion on a "blacklist," were for the most part stopover cities like Paris, London, Geneva, and Rome; the problem was greatly reduced in those cities because of the lump sum payment, which was based on the cost of staying at reasonably priced hotels. Exceptions were made to the rule only if, for instance, a room was unavailable at another less expensive hotel. A blacklist of hotels in those cities could not be exhaustive; there would always be other hotels that were just as expensive. Furthermore, many hotels charged different rates, with some of their rooms being conceivably cheaper than rooms in hotels that were not on the blacklist. The Fund had preferred to avoid the enormous complications of administering such a list by making arrangements, as in Paris, with several reasonably priced but comfortable hotels. If travelers chose to stay elsewhere at greater expense, the Fund drew their attention to the fact. The World Bank was not satisfied with the list of hotels that it maintained and was contemplating the discontinuation of its present system.

Mr. Kabbaj said that, as he understood it, the World Bank's system was based on a long list of hotels at which staff members were permitted to stay. Had the Fund envisaged adopting a positive list; if so, would it have the same inconveniences as a negative one?

The Director of the Administration Department commented that staff members were in fact notified by the Travel and Hotel Reservations Office if they asked for reservations at hotels considered to be too expensive.

Mr. Iarezza asked whether it would be possible to have an estimate of the costs of the proposals in EB/CAP/82/11. Moving to a system under which there would be a floor to hotel accommodation costs, instead of changes in standard rates, together with a lump-sum reimbursement for subsistence expenses, should mean that the Fund's costs would not increase; they might even fall somewhat.

Mr. Caranicas said that he had been persuaded by the Director of the Administration Department that it would be impracticable to operate with a blacklist of hotels. Because the matter under discussion was more one of public relations than one of costs, it seemed wiser not to take a final decision at the present meeting but to assess first the report of the Auditor General of the United Nations. Moreover, if the World Bank was thinking about revising its own system, including the list of hotels that it maintained, a decision by the Fund was perhaps less urgent.

Even though the Travel and Hotel Reservations Office probably did scrutinize the choice of hotels, Mr. Caranicas remarked, he recalled having been advised to stay at an expensive hotel in Rome because a staff member had previously stayed there, perhaps out of necessity. It had occurred to him that it might not be necessary for all members of a mission to stay at the same hotel; a statistician, for instance, might prefer to stay at a different hotel.

The Director of the Administration Department added that instructions had been given to the Travel Office to recommend hotels that were reasonable in price. Moreover, the Administration Department, with the support of management, had begun to monitor hotel costs, based on travel claims, in an endeavor to identify those staff members who incurred above-average hotel expenditures.

The Auditor General's report, the Director recalled, had dealt primarily with the volume of UN travel. Almost half of UN travel was by two airlines, Swissair and Air France; on checking, he had found the reason to be the preponderance of nonstop journeys between New York and Geneva or Paris. The staff of the United Nations traveled economy rather than first class, although the type of work was different, involving less frequent travel on short and numerous missions. The nature of travel by staff members of the World Bank was also different.

Mr. Joyce said that, as in any system, there might be a small number of people needing to be reined in, and he welcomed the indication that the emphasis was indeed on the individual rather than on the choice of hotel as such. The Fund's system was probably working reasonably well, and the staff was behaving responsibly. While he did not necessarily place much credence in the UN report, he was nevertheless worried about the exposure of the Fund--and of the UN system as a whole--to criticism. Therefore, the Committee should be informed of the content of the report, enabling it to answer to its satisfaction any questions raised therein. The Fund would also then be in a position to state truthfully that it followed procedures assuring that its travel expenditures were under control, and that it offered the staff not only incentives for staying within reasonable bounds but also disincentives for going beyond them. In that connection, were Fund departments individually answerable for their own travel budgets?

The staff representative from the Administration Department responded that there was not at present a system of departmental travel budgets. Business travel of official departments was controlled by management. Lists of expected travel were prepared by departments every six months, reviewed by administration, and approved by management. Any changes in the list were also approved by management.

The Acting Chairman confirmed that he reviewed and approved all travel outside the United States, including both mission and individual travel. He was not totally satisfied with the procedure and hoped that a move could be made toward a more self-reinforcing budgetary system. The change would however take time and effort.

The proposed change to the system was perhaps not inherently urgent, the Acting Chairman considered, but the need to update the rates was. On hotel costs, it seemed to him that the Fund would be much better protected under the proposed slight shift in the present system than it would be under a system of full reimbursement. He had doubts about moving too far toward actual reimbursement of subsistence costs, which were far more difficult to control. At an earlier stage, the Fund had reached the conclusion that its reliance on per diem allowances, apart from avoiding administrative difficulties, was less costly than the World Bank's straight reimbursement system. A standard rate for subsistence would therefore seem to be preferable.

A staff representative from the Administration Department noted that figures for the most recent period, on which the proposed rates in the staff paper were based, showed that the World Bank's costs with respect to subsistence had on average been somewhat lower than those of the Fund.

Mr. Prowse remarked that strong seasonal fluctuations in the cost of hotel accommodation had been cited in paragraph 2 of EB/CAP/82/11 as justification for the reimbursement of actual hotel costs. He asked whether specific recognition should not also be given to the element of seasonality in the new standard rate for hotel expenses, even though it would be a floor rate.

The services provided by Thomas Cook were minimal, Mr. Prowse considered. Most offices with which he was familiar found it necessary to draw up their own travel schedules, especially as Thomas Cook did not clarify travel options. More specifically, guidance from Thomas Cook on hotel accommodation usually meant referring the inquirer to the International Hotel Guide. Because many hotel reservations were made through the agency, he asked whether its employees were fully informed about the hotels preferred by the Fund for staff members and Executive Directors in various cities; they certainly seemed not to be informed about hotels in out-of-the-way places.

It was important to know whether the staff considered that its proposal for reimbursing hotel costs would in fact cost less in total than an adjustment of the rates under the present system to take account of actual increases in costs, Mr. Prowse considered. It seemed essential to have some assurance that costs would in fact be reduced under the proposed system.

The difficult issue of the standard of hotel accommodations had not been dealt with in the staff paper, Mr. Prowse observed, even though it had been raised during the discussion and was certainly central to the question of a "blacklist." He understood that there were guidelines, indicating that staff should stay in hotels classified as providing medium-quality accommodation. In his limited experience, he had found that most large hotels charged a range of rates for different types of single rooms. He wondered whether the time had not come for the management to specify more precisely that the staff was expected to incur hotel costs falling within the middle of the range, say, and that anything more expensive would be regarded as exceptional, reflecting problems in finding accommodation. From a public relations point of view, it might be worth considering such an approach for the future.

The Director of the Administration Department responded that there was bound to be criticism of any travel agency with a monopoly. The Fund was urging Thomas Cook to improve all the services that it provided, including hotel arrangements. The fact that the Fund had ruled out any commission on hotel reservations for Thomas Cook might be partly to blame for the agency's lack of knowledge or insufficient interest in that respect. The overall performance of Thomas Cook would remain under review. The Internal Auditor had been asked to make an audit of transportation costs; Thomas Cook had been requested to provide figures on its own costs; and staff members who had traveled in the past six months had been asked to fill out a questionnaire.

The possible advantage to a staff member of looking for a less expensive hotel would be eliminated if there were no floor rate, the Director remarked, especially in countries where the cost of hotel rooms fluctuated, based on seasonal factors. The standard of hotel accommodation was difficult to judge, for reasons that had been mentioned. In addition, individual experience with the same hotel could vary widely. It was not only a question of the standard of comfort; it was important for staff missions to be able to rely on an efficient telephone and general system of communications in the hotels at which they stayed. Thus, although the staff should no doubt be encouraged to be more frugal, it would seem necessary to proceed with caution, especially at a time when the staff was under stress and when some staff members were traveling more often than they would wish.

The staff representative from the Administration Department considered that installing the new system should cost less than updating the present system. An additional technical merit of the staff's proposal was that, in addition to avoiding overpayment for hotel expenses, subsistence rates would not be pushed into higher brackets where, as sometimes happened, the ratio between hotel costs and subsistence costs differed from the average in a given tier.

Mr. Iarezza expressed strong support for Mr. Prowse's remarks on the Thomas Cook travel agency. The Fund should make a real effort to extend its belief in the market system to its travel agency, which could at least become a duopoly instead of a monopoly. As for hotel reservations, he suggested that staff members be encouraged to make them through the good offices of central banks or ministries of finance. There was sometimes a large difference in the cost of a hotel room booked locally, in terms of domestic currency, rather than from abroad, especially if the hotel was not part of an international chain.

The Director of the Administration Department responded that most hotel reservations were made through the local authorities, for several reasons. On the whole, the accommodations were better, and the price more reasonable; whenever there was a room shortage, it would also be easier to obtain accommodation.

Without wishing to defend Thomas Cook, or to deny the advantages of introducing a measure of competition, the Director observed that in the World Bank, the same criticisms were directed at American Express. The U.S. regulations governing the operations of travel agencies would make it difficult to employ a second agency, unless the Fund were prepared to open it up to use by the general public. However, there was a possibility that the regulations governing travel agencies might be amended before the end of the year.

Mr. Caranicas remarked that although the Thomas Cook travel agency was not perfect, his personal experience had been good. The agency should not be used as a scapegoat. Some initiative and cooperation on the part of the traveler was also called for. It would not be possible to introduce competition by allowing two agencies to operate side by side.

On the public relations aspect, Mr. Caranicas added, the Fund would gain greatly if it could reduce its expenditures by improving its travel system. In that connection, a major reform would be to require younger staff members or those below a certain rank to travel in economy class. His chair had always defended such a reform, and would support it strongly if it were proposed for discussion when the Executive Board considered the Administrative Budget. He recognized that the matter was not on the agenda of the present Committee meeting.

Mr. Kabbaj noted that he had intended to raise the question of the Thomas Cook travel agency. Although he was troubled by the way in which the agency handled the Fund's travel system, he considered, like Mr. Caranicas, that the agency was not entirely responsible. There were many other contributing factors, apart from the lack of communication and possible understaffing. On the other hand, it did strain credibility to have to wait 15 days for itineraries or ten days for tickets, when any outside agency would provide immediate service.

There had been a noticeable deterioration in airline services, Mr. Kabbaj commented. Check-in facilities for first-class travelers, which had formerly been presented as a benefit of traveling first class, had been combined in Europe with business-class check-ins, and were sometimes more crowded than the more numerous economy-class check-in facilities. Although he was not requesting any change in the policy of first-class travel, he would like to ask for a study by an external agency with expertise in the field of the Fund's entire travel system so that a comparison could be made of the advantages of first-class travel vis-à-vis economy or business-class travel. The cost of first-class travel did seem seem to be commensurate with the advantages that it offered.

Mr. Prowse said that he shared Mr. Kabbaj's feeling about the delay in issuing tickets, sometimes until the day of travel, when it was too late to check the arrangements. He recognized, however, that there might be a tendency, partly because of the exigencies of the Fund's work, to rearrange itineraries from time to time.

In supporting the suggestion for a study of the Fund's travel system, Mr. Prowse proposed that, unless the rules precluded it, both Thomas Cook and American Express should be accessible to both the Fund and the Bank. Another possibility might be to allow bookings to be made through any travel agency, provided that the cost to the Fund would not be increased thereby. In any event, he asked the staff whether it could attach an appendix to the next paper that it presented to the Committee on travel allowances, describing the arrangements followed by the OECD and by the World Bank, supported by detailed costs. As he understood it, the OECD's system was considerably more rigorous than the Fund's.

The issue of first-class versus economy-class air travel was a perennial one, Mr. Prowse remarked. Although it would seem to be the responsibility of the Committee on Administrative Policies, it had always tended to be discussed in the context of the Administrative Budget.

The Acting Chairman remarked that the matter had in the past been raised in connection with the Administrative Budget. He considered that to be the appropriate procedure.

The Director of the Administration Department noted that use of the American Express agency in addition to the Thomas Cook agency was one of the possibilities being explored. It was interesting to note that the initial reaction of American Express had, to say the least, been lukewarm, probably because the agency was not anxious in turn to have to compete with Thomas Cook in the World Bank. In addition, however, American Express was in the process of linking up its travel office in the World Bank with a computer; after further study, American Express would give the Fund a more precise answer.

The main problem standing in the way of a new in-house agency, the Director said, was that it would be ineligible for any of the commissions currently paid by airlines to Thomas Cook or American Express unless it was open to the general public. The Fund would then of course have a security problem. Most travel agencies would not be interested in the Fund's travel business; they tended to specialize in all-inclusive tours.

The late stage at which tickets were given to travellers had always been a sensitive problem, the Director of the Administration Department recalled. The travel agency had been instructed to hand out tickets 48 hours or 24 hours before departure, which should be soon enough. The reason for not wanting to issue tickets earlier was the repeated requests for changes in travel plans, often until the last minute. There were many reasons for last-minute changes, some of them legitimate, some not.

Mr. Prowse asked whether it would be possible for a staff member or a member of the Executive Board to make travel arrangements through an agency of his own choosing, if it resulted in lower costs for the Fund.

The Director of the Administration Department said that Mr. Prowse's suggestion was not practicable. Apart from the need for coordination of mission travel, the Fund would have to avoid the risk that staff members might negotiate with airlines on special terms and conditions.

Mr. Kabbaj remarked that Mr. Prowse's suggestion nevertheless had merit.

The Acting Chairman commented that airline tariffs had become extremely complex since deregulation, and any travel agency was confronted with the burden of keeping track of a great variety of tariff structures.

Mr. Iarezza inquired whether Thomas Cook shared its commissions with the Fund in exchange for its monopoly of the Fund's travel business.

The Director of the Administration Department responded that negotiations along those lines were currently being held with the travel agency. U.S. government regulations required that an in-house travel agency either be open to the public or receive only a small fraction of the normal commission, although there was a possibility that those regulations would be changed.

As the Acting Chairman had noted, the Director continued, the Thomas Cook office in New York kept a full team at work, feeding computers with data on several thousand fare changes weekly. The Fund did attempt to use excursion fares where possible, such as for some travel to Toronto for the Annual Meetings. For senior staff and Executive Directors, the likelihood of changes in schedule made the use of excursion fares difficult.

Mr. Dallara remarked that he shared some of the concerns expressed by Committee members relating to the proposed hotel allowances and the need to take into account the report of the Auditor General of the United Nations. As Mr. Joyce had observed, it was particularly important both for the Committee and for the Fund itself to know that its internal standards of discipline were at work and that those standards appeared to the public at large, and to all member countries, to be reasonable and appropriate. The article in the New York Herald Tribune had come to the attention of his own authorities, and it seemed appropriate for the Committee to see the report, if possible under cover of a summary and brief analysis by the Administration Department.

Like others, he could not claim to judge the accuracy of the report or its relevance to the work of the Committee on travel allowances, Mr. Dallara went on. However, the attention that had been directed to the Fund's travel policy as a result of the report and the associated article in the press argued strongly in favor of Mr. Joyce's suggestion that the Committee take its findings into account before attempting to reach any decision on the proposal under discussion. In that connection, he had noted the Acting Chairman's view that a revision of the standard rates was of some urgency. He asked whether it would take very long for the staff to prepare a proposal on standard rates for distribution to Committee members, together with a summary and analysis of the UN report, in order to provide a basis for the Committee to return to the matter within a few weeks with a view to making a decision.

The provisions relating to travel allowances for hotel accommodation raised some questions regarding the degree of control, and, more specifically, the lack of explicit guidelines, Mr. Dallara remarked. Like a number of members of the Committee, he did not think that it would be suitable to dismiss out of hand the possibility of a "blacklist," although he had taken note of the problems involved. Therefore, he had been intrigued by the suggestion that the Fund consider using a positive list of hotels, realizing that there were countries in which choices were limited but that in many others a wide range of hotel accommodations was offered. The inevitable difficulties inherent in an ex post facto monitoring system, including perhaps the need for the Administration Department to follow up problems on a case-by-case basis, could be avoided if there were such a list to provide guidance to the staff beforehand.

Furthermore, as Mr. Joyce had suggested, it would be helpful to consider additional guidelines with the objective of setting up an appropriate monitoring system, Mr. Dallara commented. Some type of trigger points above the standard rate, which was referred to in the staff paper as a floor rate, might be developed, in conjunction with a positive list of hotels, in order to provide a more clearly defined framework within which the staff could make its choice of hotel accommodations. He also supported Mr. Prowse's suggestion that some thought be given to the standards of accommodation themselves, although he fully agreed with the Director of the Administration Department that it would be necessary to proceed cautiously in order not to unduly affect the staff morale, which was obviously under some stress at present because of the tremendous demands being placed upon staff members.

Lastly, Mr. Dallara noted that, while it was not on the agenda, the subject of economy versus first-class air travel had arisen. His authorities were not entirely happy with the current arrangements in that respect. To follow up on Mr. Prowse's point, he asked whether it would be appropriate to place the matter on the Committee's agenda for consideration in the not-too-distant future.

The Acting Chairman responded that, if the matter were to be handled in committee, the Committee on Administrative Policies would be the proper place. He noted that all Managing Directors had taken a strong view whenever the subject had been brought up for discussion in the past. The present Managing Director's views were very strong and were unlikely to change.

After a further brief discussion, the Committee agreed to postpone its consideration of the draft decision in EB/CAP/82/11, and to maintain the present travel allowances for hotel accommodation and subsistence, pending distribution of (i) the UN Auditor General's report, together with an appraisal thereof, (ii) additional information on the extent to which flat hotel rates would have to be raised if they were retained in lieu of reimbursement of actual costs, and (iii) a description of the systems used by the OECD and the World Bank. It was requested that these items be distributed promptly to enable the Committee to reach a decision at the earliest possible time.

Mr. Joyce asked whether one of the reasons why the proposed system was expected to save money was because it would be based on five tiers of standard rates as opposed to three tiers.

The staff representative from the Administration Department explained that a five-tier system was expected to result in some savings because a greater number of steps would make more accurate reimbursement possible. The idea of having a floor for hotel costs and reimbursement on the basis of actual expenses was expected to save money because higher hotel allowance rates could lead to overcompensation.

Mr. Dallara asked for clarification of his understanding that the Committee had in fact asked the staff to reconsider the question of a positive list of hotels, as well as the possibility of a trigger hotel rate, above the five-tier system, that might be used as a guideline, instead of an increase in the standard hotel allowances, in line with Mr. Joyce's earlier suggestion.

The Acting Chairman remarked that all questions raised would be considered to the extent possible in the short time available.

The meeting was adjourned at 12:30 p.m.

APPROVED: March 16, 1983