

Unfortunately the consensus in the Working Group did not extend to certain other principles advanced by some delegations nor to a specific cost-sharing formula. It seems to my Delegation therefore, that this Assembly must now address itself to two propositions:

- (1) Without waiting any longer in the hope of reaching agreement on the basic differences of opinion with respect to general principles, we should seek to reflect the measure of agreement already reached by embodying this area of agreement in a declaratory resolution which can serve as a benchmark upon which decisions by the Assembly with respect to future assessments for peace-keeping operations should be made.
- (2) Our immediate and pressing task is to provide the funds necessary to maintain UNEF and ONUC in the months immediately ahead. We believe it should be possible to reach agreement on the necessary financial modalities consistent with the general principles which I have already mentioned.

This will not be an easy task since a considerable divergence of views continues to exist among members on the technical aspects of any financing method. In addition, some members continue to have political and constitutional doubts about UNEF and ONUC which limit the prospects of a satisfactory solution. How should the Assembly proceed to provide sufficient funds to enable the United Nations to perform its designated tasks under the Charter while, at the same time, recognizing the various views on questions of principles and on details of a workable and acceptable cost-sharing formula? In spite of Canada's preference to see the Assembly adopt suitable long-term arrangements, the Canadian Delegation has come to the conclusion that the time has not yet arrived when the strict application of the principle of capacity to pay, involving acceptance by some member states of obligations exceeding their rate of assessment for regular budget, has achieved sufficient acceptability to be practical of application at this time.

Nevertheless, we believe that it should be possible to devise an ad hoc formula applicable to the financing problem which faces us for the second half of 1963. This ad hoc formula should, of course, be related directly to conditions at the present time and be in general conformity with the principles to which I have referred. Such a formula should be capable of commanding the support of a substantial majority of the members of the Assembly.

In undertaking this task the overall financial situation of the organization also should be considered as a relevant element. The Secretary-General has commented explicitly and in detail on the organization's precarious financial position in his report on the United Nations financial position and prospects (Document A/C.5/974). This report clearly reveals that, unless effective steps are taken quickly to improve the organization's financial position, the cash available to meet normal requirements in the coming months will be insufficient. Not only are UNEF and ONUC affected by the shortage of funds, but the organization itself is subject to stresses and strains as a result of the failure of a large number of members to meet promptly their financial obligations. Therefore, it would seem appropriate for any financing formula to include methods of facilitating the prompt payment of assessments, improvement in the overall cash position and the development of sound financial and budgetary procedures.