Mr. President,

It became apparent during the resumed session of the General Assembly last spring, that some of us were still unconvinced that the UN requires reform. Personally, I have not detected much decline in the amount of rhetoric, nor much increase in pragmatism and consensus-building. The exceptions - which should have been the rule - were our consensus decisions on combatting terrorism and improving the situation in Africa. But even here we made only a beginning.

It would give me the greatest pleasure to be able to say that we had already rededicated ourselves to the fundamental goals of the Charter and had turned the Organization around. That would be too much to expect in one year. Yet a year is long enough to expect some progress to have been made. Instead we have pushed the institution closer to the brink of financial bankruptcy and continued to deprive it of relevance.

We need reform on two fronts - financial and political. This Session starts its deliberation with the consideration of the keport of the Group of High Level Experts on the administration and finances of the UN. The 18 experts deserve our profound gratitude.

There are some recommendations with which Canada might quibble. But this is not a time for quibbling. The recommendations should be accepted without change and applied as soon as possible. They would reinforce the significant measures of financial reform already undertaken by the Secretary-General. The key area that requires further discussion - the planning and budgetary process - is profoundly contentious. We are obviously divided. But we must find common ground lest the whole reform process be imperilled. Our acceptance or rejection of the report of the Group of 18 will be the litmus test of our commitment to renew the UN's capacity to fulfill its mandate.

Our budgets are swollen by the accumulation of outdated and misguided programs. A thorough review would free resources for meeting needs that have long been relatively neglected. These include large areas of development, in particular the promotion of women and the promotion of human rights in general.

We must also deal with the question of arrears and withholdings. At present, these amount to a total of 400 million dollars. This shortfall has severely strapped this