

Early in 1965, the General Assembly established the Special Committee on Peacekeeping Operations to undertake a comprehensive review of the whole question of peace-keeping, including ways to overcome the financial difficulties of the United Nations. This body, also known as the Committee of 33, made some progress over the years but has not yet reached agreement on guide-lines for the financing of future peacekeeping operations.

On September 1, 1965, the General Assembly agreed by consensus that countries should not lose their votes because of the financial problems of UNEF and ONUC and that the financial difficulties of the organization should be solved through voluntary contributions by member states. Even before this decision had been taken, Canada had announced that it would donate \$4.3 million as an unconditional voluntary contribution to restore the United Nations to solvency. To date, 26 countries have contributed or pledged over \$26 million (U.S.) to the United Nations Special Account, which, with income earned on investments and income from other sources, has grown to over \$29 million (U.S.). However, according to one estimate, approximately \$70 million more would be necessary to liquidate the short-term deficit due to peace-keeping. There is general agreement that voluntary contributions and cancellation of obligations are required to restore the United Nations to solvency. Another financial problem requiring solution is the liquidation of the unamortized portion of the United Nations bond issue. As of March 31, 1972, Canada's unamortized bonds amounted to just over \$4.1 million (U.S.).

The financing of UNFICYP has been accomplished without open controversy since, unlike UNEF and ONUC, it has never been paid for by assessment. The same Security Council resolution that established UNFICYP on March 21, 1964, also provided for its financing through voluntary contributions. However, voluntary contributions have proved an unreliable means of financing and deficits have plagued UNFICYP from the start; the Secretary-General has had to make frequent appeals for additional funds. As of December 15, 1972, about \$127.8 million (U.S.) had been pledged or contributed to meet an estimated cost of about \$147.9 million (U.S.). These costs do not include amounts that some troop-contributors, including Canada, have agreed to absorb without seeking reimbursement from the United Nations. During the 1971 calendar year, Canada absorbed about \$1.6 million over and above the normal cost of maintaining the contingent at home.

Social and Economic Programs

A major part of the United Nations work (excluding the activities of the Specialized Agencies) consists of helping to improve social and economic conditions in the world. Broadly speaking, activities can be classified in three categories:

- Independently administered programs
- Special purpose funds
- Emergency relief operations

All the activities included in the three categories, except the United Nations Conference on Trade and Development (UNCTAD), are financed totally or in part