

developing countries (excluding China) are assessed about 9 per cent of the UN budget. Canada falls in between, with 2.96 per cent (\$10 million in 1976), and is considered a major contributor, ranking ninth in the total membership.*

Payment of assessments represents a form of international "taxation", and is a legal obligation of membership. Canada has always met this obligation regardless of whether it agreed with all of the activities approved by the General Assembly. It is not feasible to enforce sanctions against those states that do not pay their full assessment, but if a state falls two years behind in its payments it may lose its right to vote in most UN organizations.

Some countries as a matter of principle have refused to pay their share of expenses in respect of activities they oppose. In 1964-65, as a result of massive expenditures for peace-keeping in the Middle East (UNEF I) and the Congo (ONUC) and the refusal of countries from Eastern Europe to support these operations because of their interpretation that they had been improperly authorized under the Charter, the UN was on the brink of defaulting on its obligations. To avoid a possibly destructive confrontation, it was decided not to invoke the loss of vote in this instance. Instead, to offset the debt, bonds were issued and some \$87 million still remains to be paid to those states, including Canada, which purchased the bonds. Most of the countries (except France and Albania) that did not support the General Assembly's peace-keeping activities also refuse to pay their portion of the UN budget that now goes to reimburse bondholders. Although UNEF II was established by the Security Council, China, Albania, Libya, Iraq and Syria have refused to pay their share of expenses because of political objections to the presence of the Force.

As a result of the withholding "on principle" that continues today, the short-term debt of the UN surpasses \$43 million. Further sums are outstanding to countries such as Canada, which provide troops for peace-keeping in the Middle East and must wait for long periods to be reimbursed for expenses. The UN's financial authorities are obliged to draw upon any available reserves or to borrow money to meet the organization's expenses. Eventually the debt burden will lead to a curtailment of activities, and negotiations are continuing to find a politically-acceptable solution to the problem of withholding.

UN expenditures can be broken down in several ways. By sector, there are, inter alia, programs of activity in agriculture, general economic and social-policy planning, health, human rights, natural resources, and science and technology. Another major expense is servicing the policy-making organs of the UN (General Assembly, Security Council, ECOSOC, etc.), which requires \$61 million annually for conference facilities, translation and documentation. Publications and general headquarters expenses also absorb large amounts.

* The UN scale of assessments is used by most of the Specialized Agencies with slight adjustments for differences in membership, although some (ICAO, the Intergovernmental Maritime Consultative Organization (IMCO)) also take into account statistics related to national activity in their respective sectors, and others have retained their traditional method whereby each state selects the range of budget units it will pay (the International Telecommunications Union (ITU), the Universal Postal Union (UPU)).