

Mr. LACHANCE: Has Pakistan asked for special help from Canada?

Mr. RITCHIE: Not of this nature. There has been no request for electrolytic nickel.

Mr. KLEIN: I presume this is required because of the situation which existed in respect of the border between India and China.

Mr. RITCHIE: That is right. It was required last year when they were making their military arrangement.

Items 96a, 97a and 98a agreed to.

The CHAIRMAN: On item 116a:

116. Assessment for the United Nations Congo ad hoc account for the period July 1, 1963 to December 31, 1963, in an amount of \$1,560,000 U.S., notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of May, 1963, which is, \$1,684,800.

Mr. KLEIN: Should the Soviet union and the other delinquent nations, if there are any, finally make their contributions so as to avoid being expelled from the United Nations, would some of that money be reimbursed to the contributing nations?

Mr. CADIEUX: I am not in a position to answer this. I suppose this would be a matter for the negotiating committee to have a look at. This would have an impact on the whole financial set-up of the organization, and the negotiating committee, presumably, would have to take that into account in distributing the load in the future.

Mr. G. S. MURRAY (*Head of United Nations Division, Department of External Affairs*): There is no question of moneys having to be paid back to the governments, because no money has been paid to fill the gap caused by the Soviet's failure to pay. There have been borrowings from other funds and of course the moneys would have to be put back into those funds.

Mr. LACHANCE: Does it have anything to do with the bond issue of the United Nations?

Mr. MURRAY: The bond issue was floated to provide cash and, in fact, was used to finance the two peacekeeping operations from July 1, 1962 to June 30, 1963. The bonds are to be repaid through the regular budget. The Russians have said they will not pay for that portion of the regular budget.

Mr. LACHANCE: This bond issue has been on account of these arrears.

Mr. MURRAY: I think it is fair to say the bond issue was floated to get the organization out of a very difficult cash position at the time.

Mr. LACHANCE: On account of the arrears?

Mr. MURRAY: The main problem arose out of arrears, but actually it was used for financing in that one year period. The costs amounted to about \$140 million.

Mr. GELBER: When and if the Congo force costs are liquidated, what are the prospects of the U.N. being able to finance itself based on its present assessment?

Mr. MURRAY: Of course the assessments are based on the budget. The budget gradually is creeping upwards and that means the assessment will go up. At some stage the members may consider the budget is getting too high and that their assessments are too high. However, the contributions are on the basis of capacity to pay. This is determined by the Committee on Contributions which is composed of experts.

Mr. LACHANCE: Is the percentage discussed and decided on every year?

Mr. MURRAY: That is correct.