

authorizing the Secretary-General to issue \$200 million in United Nations bonds to provide working capital to help overcome the organization's serious financial crises. These bonds are to be repaid over a 25-year period, with interest at 2 per cent, out of the annual assessments of member states under the regular budget. Canada was the first country to announce its intention to subscribe to the bond issue, and has purchased \$6.24 million (U.S.). At the sixteenth session, Canada also co-sponsored a resolution requesting the International Court of Justice to give an advisory opinion as to whether UNEF and ONUC costs were expenses of the organization under Article 17(2) of the Charter. In company with 20 other countries, Canada made a submission to the Court. In its submission, Canada contended that United Nations members had a collective responsibility for UNEF and ONUC expenses and that all members had an obligation to contribute according to their assessed shares. On July 20, 1962, the Court, in a majority decision of nine to five, found that the expenses authorized by the General Assembly relating to UNEF and ONUC constituted expenses of the organization. The Court thus corroborated Canada's views that UNEF and ONUC costs were expenses of the United Nations.

The seventeenth session of the General Assembly "accepted" the opinion of the Court by a vote of 76 in favour, 17 against, with eight abstentions. Early in the session, it became evident that it would be impossible to resolve all aspects of the future financing of ONUC and UNEF before the conclusion of the session. The General Assembly, therefore, agreed that a working group of 21 should examine "special methods for financing peace-keeping operations of the United Nations involving heavy expenditures, such as those for the Congo and Middle East, including a possible special scale of assessments". For the period June, 1962 - June, 1963, the ONUC and UNEF expenses were met from the proceeds resulting from the sale of UN bonds. A fourth special session was held in May and June, 1963, to review the financial position of the United Nations. It agreed on:

- (a) "guidelines" for the sharing of costs of future peace-keeping operations;
- (b) assessment resolutions for ONUC and UNEF, which accorded reductions of 55 per cent on their regular scale of assessment to less-developed countries, with certain countries, including Canada, making voluntary contributions to make up the difference;
- (c) a request to the Secretary-General to "consult" with those member states in arrears;
- (d) extension of bond sales to December 31, 1963;
- (e) a request to the working group of 21 to report to the nineteenth session on an accepted method for financing future peace-keeping operations involving large expenditures.

The eighteenth session approved ONUC and UNEF financing resolutions similar to that outlined in (b) above, except that, in the case of UNEF, the reduction granted to the less-developed countries was 57.5 per cent.

It has only been since 1956 that special accounts for United Nations peace-keeping operations have been maintained. However, in the six years since UNEF was created, Canada's assessed share of UNEF costs has been over \$3.7 million, while, since ONUC was created in 1960, Canada has been assessed approximately \$9 million. In addition, Canada has written off billings of about \$600,000 that the United Nations owed to Canada for the provision of transportation facilities for ONUC, and has contributed voluntarily approximately \$0.5 million to help compensate for the "shortfall" created by the granting of reductions to the less-developed countries (as explained above).