

Appendix 18

Excerpts from Canadian Statement, Administrative and Budgetary Committee, November 29, 1950: Scale of Assessments

... Last year the Canadian Delegation expressed its belief that the scale of contributions then recommended to the General Assembly did not adequately reflect the rapid and substantial improvement in their basic economic situation that certain member states claimed to have achieved. As a result, we felt that our own contribution was relatively higher than it should be on a purely objective basis. We did accept the scale for one more year, but only on the understanding that the Committee on Contributions, with the full co-operation of all member states, would be in a position to make definitive recommendations and to propose a scale for 1951 which would be more in keeping with the factual situation which the countries to which I refer are attempting to establish. We regret that this has not been possible...

You will recall the circumstances under which the first United Nations scale was established. The nations of a shattered world, just emerging from the most devastating war in history, had sent their representatives to San Francisco to establish the basis for a new world organization which would help avoid any recurrence of the catastrophes through which we had so recently passed. Recognizing the great differences in size and wealth of the various member states, it was agreed, quite logically, that the financial support for the organization should be based on "relative capacity to pay". Each member state would pay its fair share of the costs, to be determined from objective statistical and other data examined annually by a body of experts to be designated as the "Committee on Contributions". That was an acceptable principle from a long-term point of view. However, at that time a temporary situation of a special nature had to be faced. To compensate for the serious devastation and dislocations of war, special exemptions were granted to a number of member states on the understanding that these exemptions would be gradually eliminated as the effects of war receded into the background. The scale finally approved by the First Session of the Assembly had, as a result, serious limitations, but it was the best that could be devised with the information available at that time and in view of all the circumstances.

Now, however, the war is some years behind us. Great progress has been

made in many member states, both in their economic situation and in the quality and quantity of the statistical material available to measure that improvement. Many countries have achieved substantial recovery from the ravages of war and have, to a large extent, re-established more normal conditions.

We regret that there has been no comparable improvement in the scale of contributions for the United Nations.

In case my observations may be construed in any way as a direct criticism of the Committee on Contributions, I must firmly correct any such interpretation. In the first instance, it has not been our Committee on Contributions which failed the General Assembly. It has been rather that some member states, by their inability or unwillingness to provide adequate statistical data, have made the development of a new scale an exceedingly difficult, if not an impossible, task. Because of these difficulties, the committee found itself in a position where it had to proceed very cautiously. With inadequate and inaccurate data on which to base its calculations, the committee decided, some years ago, that, in the circumstances then existing, it had to avoid precipitate actions which might, in the long run, prove to be unwarranted. In practice, it accomplished this end by applying an arbitrary limitation on the extent to which the contribution of any member state should be changed in any one year. In effect, the Contributions Committee said that, in order to avoid unwarranted adjustment, "no change upwards or downwards of more than ten per cent in any one year shall be proposed in the percentage contribution of any one country".

In the early days, the application of this rule may have been justified. It was only proper that the committee should act cautiously and avoid the necessity for rapid and unwarranted fluctuations in the final scale. But the situation today is vastly different and we are extremely doubtful that any justification remains for the application of this rule, either now or in the future....

We must strongly protest against the continuation of any such arbitrary limitation. If we are to accept the application of this working rule indefinitely, we must resign ourselves to a situation in which certain member states will continue for many years to pay much less than their fair share of the costs of the United Nations. So long as this rule remains in effect, it will be impossible for the Contributions Committee to adequately reflect two factors. First,