

by the General Assembly. Basing itself on the recommendations of the Advisory Committee on Administrative and Budgetary Questions, the Assembly adopted a resolution which urged the Agencies to intensify their efforts to stabilize their regular budgets by elimination or deferment of less urgent projects; and to take a number of other steps aimed at achieving more satisfactory arrangements for the provision of common services and the development of common standards of personnel and financial administration. The Assembly also recommended that the United Nations and the Agencies should make every effort during 1951 to meet demands for expert assistance in Korea, and for other vital emergency programmes, by deferring less essential projects.

These recommendations are a positive expression of the general desire for co-ordination, economy and efficiency and received the full support of the Canadian Delegation.

### Apportionment of Expenses

Member states are deeply interested in what they will be required to contribute to the cost of administering the United Nations and the Specialized Agencies. In all the organizations which require annual financial contributions from their members (except UPU and ITU) it has been agreed that contributions should be determined "broadly according to capacity to pay".<sup>1</sup> However, the translation of this principle into a precise mathematical formula has always given rise to technical and political difficulties. The establishment of just and equitable scales<sup>2</sup> of assessment has, therefore, been difficult.

#### United Nations

When the United Nations was first established, it was decided that comparative estimates of national income should be considered, *prima facie*, the fairest guide for the measurement of "capacity to pay". Other factors to be taken into account included comparative income per head of the population, temporary dislocation of national economies arising out of the Second World War, and the ability of members to secure foreign currencies.

Despite agreement on these general principles, the General Assembly experienced difficulty in arriving at an acceptable scale. In the absence of reliable current statistics, the Assembly used the best available pre-war data adjusted to take into consideration war damage and other relevant factors. The first scale submitted to the Assembly called for a United States contribution of almost half the budget. This was not acceptable to the United States Delegation, which contended that "in an organization of sovereign equals no nation should pay too high a share of the budget". The United States assessment was finally set at 39.89 per cent (for 1946 and 1947) on the understanding that the matter would be reviewed

<sup>1</sup>No contribution is made to the International Bank and the International Monetary Fund, whose operations are financially self-sustaining.

<sup>2</sup>A table showing the percentage scales of contributions to the United Nations and six of the main Specialized Agencies for the fourteen main contributors, appears at Appendix 17, p. 185.