

CANADIAN DELEGATION TO THE UNITED NATIONS GENERAL ASSEMBLY

(EIGHTEENTH SESSION)

RELEASE ON DELIVERY

Press Release No. 14

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October 28, 1963

Press Office

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STATEMENT BY
SENATOR T. D'ARCY LEONARD,
THE CANADIAN REPRESENTATIVE ON THE FIFTH COMMITTEE,
DURING DEBATE ON ITEM 58: 1964 BUDGET ESTIMATES

Mr. Chairman,

My Delegation has listened with considerable interest to the statements made by the Secretary-General, the Chairman of the Advisory Committee and by the distinguished representatives who have already spoken on the 1964 Budget Estimates. Many of the previous speakers have concentrated on several important matters relating to the Organization's ability to respond effectively to the problems which it will face in 1964. I propose instead to concentrate more on problems which are perhaps not yet fully recognized but which in future will become more difficult to resolve unless corrective action is taken now. As long as they exist these problems threaten the ability of the United Nations to meet the challenges which are likely to confront us in the future. Therefore, it seems to my Delegation that ⁱⁿ consideration of the 1964 budget, we should give attention not only to the requirements for sound operation in the coming year, but also to the need to shape the Organization's future development so that it may be better able to fulfil its primary tasks under the Charter. This will require coordination, planning, organization, and preparation on a scale not yet attempted within the United Nations family. It is not enough to limit ourselves to defining what kind of an organization we desire in 1964: what we should be asking ourselves is what kind of an organization we want in the future.

It is the common aim of all members of this Committee that the United Nations and its related organs should be effective international instruments for positive action in carrying out the decisions of the appropriate and competent organs. In particular, the small and medium-sized countries, such as Canada, have come to believe that a strong United Nations is one of the best guarantees for their development and independence in a peaceful world. If this belief is correct, what should we be doing now to ensure that our hopes and aspirations do not become idle dreams? My Delegation believes that our first and foremost task is to

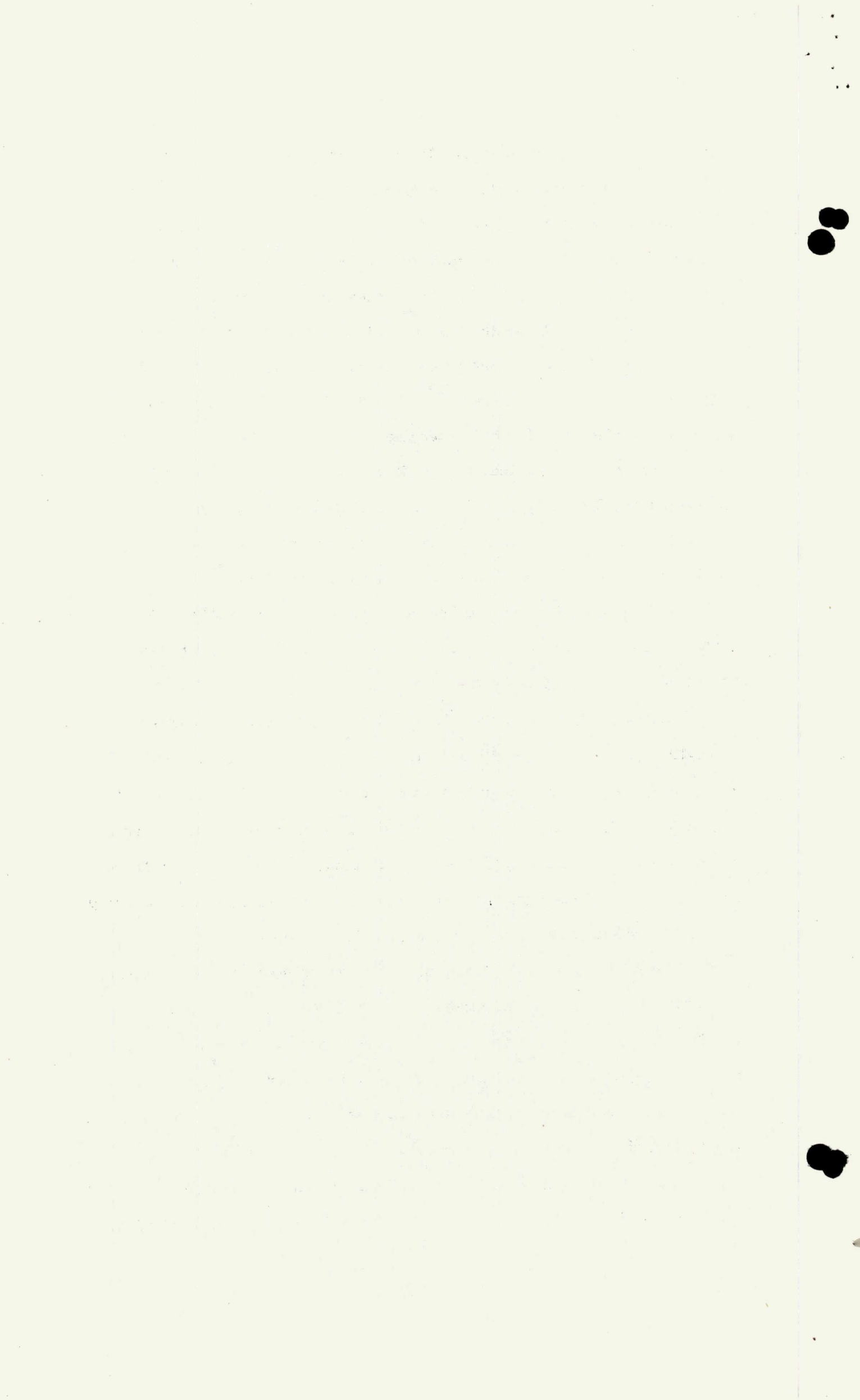


set our house in order.

Before we can expect the United Nations to develop into an organization which is capable of playing a larger and more effective role in the solution of international problems, it is necessary to place the United Nations on a firm financial foundation. This cannot be accomplished until the arrears of over \$100 million are liquidated. Within recent months a number of members have demonstrated their support for the Organization by fulfilling their financial obligations, and this action will no doubt encourage others to do likewise. Furthermore the Canadian Delegation hopes that as a result of the adoption of Resolution 1877 at the Fourth Special Session a further improvement will be evident within the next few months, particularly as to those members who were anxious to request the Secretary-General to consult with member governments to work out arrangements, within the letter and the spirit of the Charter, for the liquidation of their arrears as soon as possible.

Unfortunately, the problem of arrears is not confined to the United Nations Regular Budget and the peacekeeping accounts, but also is evident in the budgets of the specialized agencies and in the voluntary contributions pledged to certain United Nations programmes. In some cases this problem is caused solely by delays in the settlement of accounts -- delays that are avoidable. Perhaps to stimulate action with regard to the liquidation of arrears it would be helpful if, in a single document, data could be provided on the outstanding amounts owed by Member States to the various United Nations accounts, both assessed and voluntary, and to the relevant accounts of the specialized agencies.

During a period of financial crisis there seems to be a tendency to advance novel, ad hoc and sometimes unrealistic solutions to basic problems instead of concentrating on the real issues. Perhaps this is human nature, but such expedients usually do not offer practical answers and tend to create more problems than they solve. We must recognize that the continued effectiveness of the United Nations depends on the willingness of governments to pay their share of the Organization's expenses. Few governments agree completely with each item in the Budget.

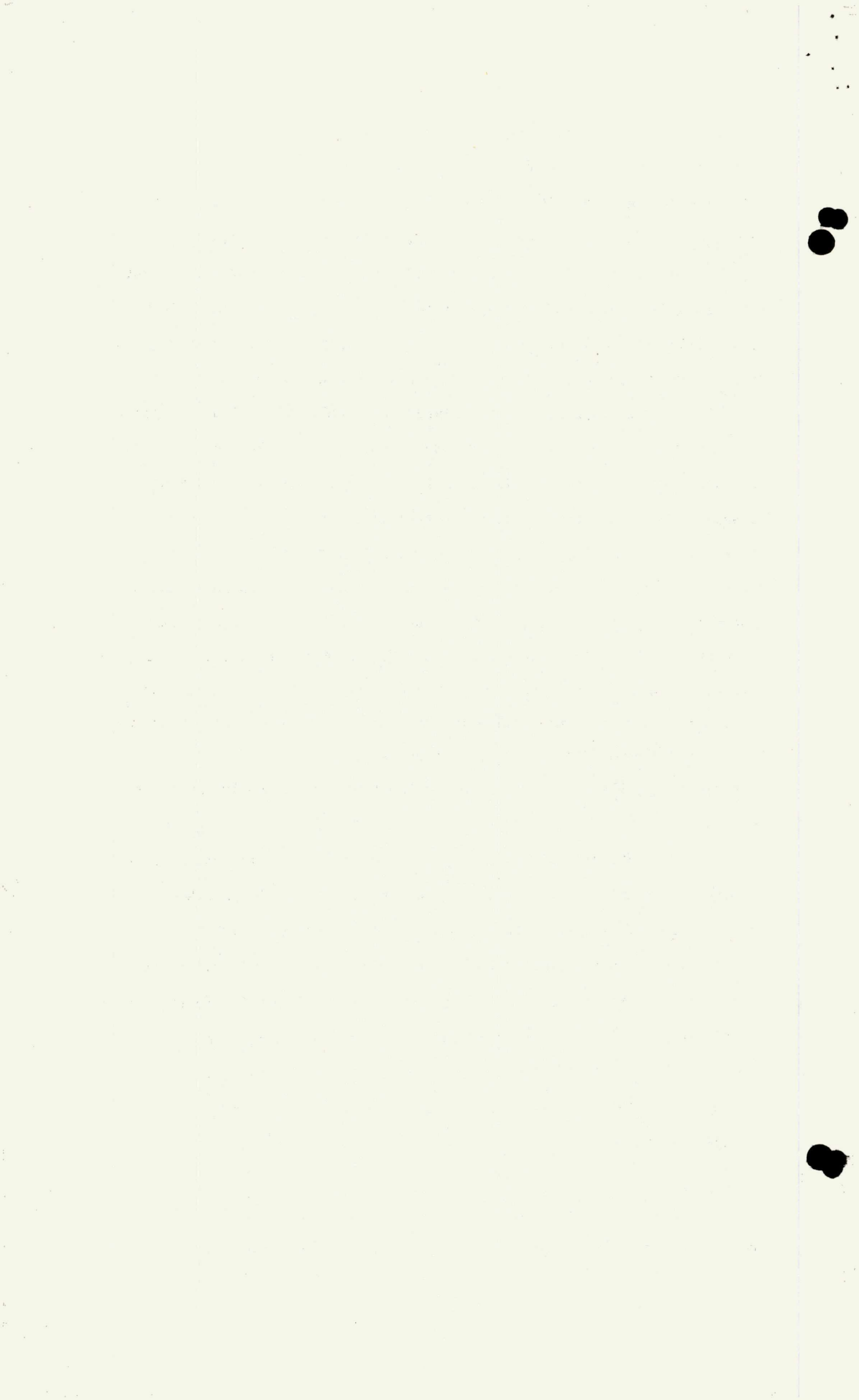


However, if expenditures are duly authorized by two-thirds of the members, it is incumbent upon governments to accept their financial obligations. Selective payments by individual members of authorized expenditures can only lead to financial anarchy, which will paralyze the Organization.

As a result of the financial difficulties which continue to face the United Nations, the Secretary-General has decided to continue his policy of stabilization in 1964. While this situation may be a source of concern to some members, we should take advantage of this period of containment to establish long-term priorities and plans and to make appropriate changes in procedure and organization. By concentrating our limited resources on the really vital areas, we will facilitate the future development and effectiveness of the Organization. Let us face the problem squarely. It is unlikely that there will ever be sufficient funds to carry out all the studies, to issue all the reports, to hold all the conferences and meetings and to set up all the subsidiary bodies which some Member States may wish, particularly if we continue to allow a haphazard and uncoordinated multiplication of activities. We should -- indeed must -- exchange the present approach for a more selective and coordinated method of combatting the major problems which continue to face us in the maintenance of international peace and security and in the fields of economic and social development.

If we are to work within a stabilized budget and to develop procedures which will promote orderly and controlled growth in important areas in the future, it would be wise to bear in mind the Secretary-General's comments that he has done what he can to rationalize the utilization of resources available to him and that it is now up to Member States to exercise discipline in the establishment of the total work programme. In this regard, it is regrettable that at one time or another we have witnessed the representatives of governments support proposals involving increased expenditures in one body, while in the Fifth Committee the same members urge stabilization and consolidation.

Sound budgetary practices are essential in any organization, and are particularly necessary in the United Nations where competition is



extremely keen for limited resources. Therefore it might be worthwhile to repeat the procedure followed at the seventeenth session when the President of the Assembly sent a letter to the various committee chairmen concerning the need to follow procedures laid down in the financial rules and regulations, in particular Rule 154, which states in part, "no resolution involving expenditure shall be recommended by a committee for approval by the General Assembly unless it is accompanied by an estimate of expenditures". This resulted in an improvement which we should seek to maintain in 1963.

I should like now to comment briefly on several specific questions. Previous speakers have already touched on the need to establish improved ^{and} financial/budgetary procedures to enable us to consider the Budget as a coordinated whole. In this regard my Delegation agrees with the Advisory Committee's comments in paragraph 51 of Document A/5507 that changes are long overdue in the ECOSOC programming cycle and hopes that it will be possible to devise procedures whereby this Committee can study the Budget for the forthcoming year in the knowledge that there will be no subsequent requests for additional funds. Equally important would be improvements in planning and budgetary procedures which would enable the Assembly to be confident that the work programme for the coming year has been carefully coordinated under a system of strict priorities.

With regard to planning, it is an odd commentary on our operations that many of the various units within the United Nations family should be advocating long-term planning in the fields of economic and social development, while the United Nations, and the General Assembly in particular, continues to rely almost exclusively on ad hoc solutions. The time has come when we should cast aside temporary expedients and develop long-term plans, including financing arrangements for peacekeeping operations. The Fifth Committee would seem to be a logical place to initiate such a new policy. It occurs to my Delegation that one area where a start might be made in this direction would be in connection with the Secretary-General's suggestion, in paragraphs 46 to 48 of Document A/5505 and repeated in his statement before this Committee for establishing a Building Improvements and Maintenance Fund.

My Delegation supports this idea and commends it for sympathetic consideration by this Committee and by the Advisory Committee which should study it in detail and report to the Assembly. In this regard the Canadian Delegation hopes the Advisory Committee will carefully study all the operations of the European Office during the Committee's forthcoming visit there. Conferences and meetings and the publication of reports and documents are other areas which appear to lend themselves to budgetary planning and controls.

In particular, it would seem prudent, as an initial step in the rationalization of the conference programme, to postpone or eliminate those programmes and meetings which are not absolutely essential in 1964. In this connection it should be borne in mind that the preparatory committee established by Resolution 1844 has recommended that 1965 be designated as International Cooperation Year. Meetings within the whole United Nations family should fit into a coordinated pattern. My Delegation considers that it would be desirable to develop a pattern of conferences, perhaps through the establishment of budgetary ceilings, which would not only facilitate decision making at the appropriate states but which would also enable the Secretariat and member governments to prepare adequately for such meetings. It is for serious consideration whether there are some conferences and meetings of a limited international interest which might not more appropriately be financed under cost-sharing arrangements with participating member states, perhaps on a regional basis.

Some of the documents circulated under various items and a number of the previous speakers have touched upon reports of specific weaknesses in the financial and budgetary fields. Taken individually



these questions are of a relatively minor nature, and the Committee should recognize the difficulties under which the conscientious and dedicated Secretariat officials concerned have laboured on our behalf. However, the Committee would not be fulfilling its responsibilities adequately if it did not turn its attention to the underlying factors involved.

In this regard, there would seem to be little to be gained from reviewing the areas of weakness which already have been brought to our attention since the Controller is undoubtedly well aware of the problems and their causes. Therefore, he is in a better position to comment on such questions and has already done so. On the other hand, I wonder whether, under the pressure of solving day-to-day problems, the Secretary-General and the Controller have had an opportunity and sufficient staff to formulate well-coordinated long-range plans for the future. My Delegation believes that improvements in the financial and budgetary field would be one of the best ways to ensure that the future growth of the Organization will proceed on a sound basis. Therefore, we would be interested in learning, even with the temporary staff already provided for in the 1964 budget estimates, whether the Controller has sufficient staff, not only to take any remedial measures which may be necessary, but also to develop plans for the future. If it is considered desirable to undertake a comprehensive review at this time in order to lay the foundations for any expansion in the Organization's tasks, or to improve the Organization's ability to meet future contingencies, moderate increases in expenditures may be required now. Such expenditures could be a wise investment for the future.

It would be premature at this time to contemplate in any detail the various aspects of such a review. However, thought might be given, for example, to a further standardization of financial and budgetary procedures within the United Nations family to facilitate the interchange of financial personnel, perhaps including a common programme for practical training of personnel who have acquired the required theoretical



background. It might be desirable to hire specialists on a temporary or consultant basis to assist experienced senior personnel in the development of plans to increase income and to ensure that operating and administrative expenses are in proportion to sales and total expenditures. Forecasting and the establishment of improved budgetary controls, particularly for use under decentralization and field operations might also be appropriate areas of study. There is also another area in which specialists employed on a temporary basis could contribute in long-range programmes to strengthen the Organization. Due to the existence of a nucleus of capable and experienced personnel in the Administrative Management Service and the continually changing nature of its tasks, it is one unit which should be in an excellent position to utilize the services of such specialists. In my Delegation's view the Fifth Committee should recognize its responsibility to provide for continued sound administration and, therefore, should not be too hesitant in competing with other organs in the allocation of scarce human resources.

In order to obtain recommendations on major policy questions related to administration and coordination the Committee might consider whether the time is not coming when it would be desirable to request the Advisory Committee to devote more attention to these questions, perhaps by setting up a sub-committee for this purpose. Alternatively, if this is not feasible, a small new committee might be formed to analyze and report on such questions. This committee, like the Advisory Committee, should be composed of specialists, selected on the basis of broad geographical representation, personal qualifications and experience, who would serve as individuals rather than as representatives of governments. Thus, it would be possible for the Assembly to receive expert advice of a non-partisan nature which could then be considered from the various national points of view.

The United Nations is faced with a difficult period in 1964, perhaps a crucial year, particularly if improvements are to be made in

the rationalization of resources, in coordination and in the establishment of priorities and long-term plans. Difficulties are inevitable due to the Secretary-General's austerity programme. The situation is also complicated due to the initiation of a programme of major maintenance and alteration at the Headquarters building. The Secretary-General made it clear in his statement that he anticipated his policy of containment will be of short duration. Therefore, we must be prepared to contemplate moderate increases in some sections of the budget in the foreseeable future. However, we should endeavour to ensure that present and future resources will be allocated in a manner so that maximum results will be achieved. In this regard, no opportunity should be overlooked to promote a better understanding of the United Nations family through the sale of goods and services at a profit during the Fair to be held in New York in 1964 and international exhibitions, including the Canadian Worlds Fair in 1967.

The art and science of budget forecasting has advanced considerably in recent years but it has not yet reached the point when the future can be foreseen in detail. It would seem unjustified, therefore, either to criticize the Secretariat for failing to do the impossible or to attempt to force the Secretary General to operate within a financial strait-jacket, even during a period of stabilization.

The responsibility for budgetary control is two fold. For the Secretary General it involves the obligation to administer an efficient and economical operation. For Member States, in this and other principal organs, it imposes a responsibility to seriously consider the financial implications involved and to exercise firm restraint in approving costly programmes. As a newcomer to this Committee I have the impression that the first of these, unfortunately, has traditionally been more popular than the second.

Mr. Chairman, I should like to conclude, therefore, by paying a well deserved tribute to the highly qualified and dedicated international civil servants within the Secretariat and, in particular, those with



responsibilities in the financial and budgetary field. Their tasks are never easy, but we have an opportunity to facilitate their efforts on our behalf by demonstrating the same sense of responsibility as that which guided the Secretary-General in this difficult period. Let us seize this opportunity to cooperate in the development of an orderly and rationalized programme for the future.

