CANADIAN DELEGATION TO THE UNITED NATIONS GENERAL ASSEMBLY
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CANADIAN DELEGATE - FIFTH COMMITTEE
OCTOBER 4, 1962

Mr. Chairman and Fellow Delegates:

It is indeed a privilege to be able to participate in the work of the Fifth Committee at its Seventeenth Session. As I look around I recognize a number of familiar faces and I recall with pleasure the harmonious personal relationships I had during the Sixteenth Session even with those delegates with whom, unhappily, I had to disagree on some questions. However, I deeply regret that the face of someone long familiar to us is missing from our councils. The untimely and sudden death of Mr. Antonio Arraiz who contributed so much to the work of this Committee and to the Committee on Contributions has, I am sure, saddened us all. On behalf of my Government I would like to take this opportunity to offer my deepest sympathy to the Delegate of Venezuela and his Government.

My Chairman, may I add my congratulations to those of other delegates on your election as Chairman of our Committee. My Delegation was particularly pleased that you will be presiding over our deliberations in the vitally important questions of financial and budgetary matters. I am certain that under your able chairmanship the Fifth Committee will continue to be known as the Committee where delegates from all Member States are able to work harmoniously with one another in the solution of technical problems relating to the financial aspects of the Organization. I would also like to congratulate the Committee on its selection of Mr. Harry Morris as Vice-Chairman and Mr. Nathan Quao as Rapporteur.

.../2

The technical nature of the discussions of this Committee should create an atmosphere of objectivity rather than emotionalism which I am sure will make it comparatively easy for us to work with harmony and with the spirit of co-operation which was so apparent to me among our members last year. Perhaps it would not be amiss to emphasize the essentially non-political nature of the Fifth Committee's responsibilities. This Committee's three primary tasks are: first, to arrange for the provision of adequate funds to enable the United Nations to carry out effectively its tasks as determined by the General Assembly and the Security Council; second, to provide a degree of co-ordination in the allocation of scarce resources for activities of demonstrated priority and; third, to consider administrative questions relating to the organization and financing of the Secretariat. My Delegation believes that the only consideration of a political nature which should concern us here is the necessity of maintaining and increasing the effectiveness of this dynamic international organization.

Member States have worked diligently over the past seventeen years to build up patiently an effective organization for the benefit of mankind. The Fifth Committee's role is to ensure that this Organization is provided with the resources it requires to maintain the confidence which the people of the world have in the United Nations' ability to fulfill effectively its aims and purposes according to the Charter. Historically this Committee's task has not been an easy one. This has been due to the increasing demands made upon the Organization as its membership increased from 51 in 1945 to 108 in 1962 and when it has been called upon to engage in a number of important operations for the maintenance of peace and security in widely scattered areas of the world. This Committee's objective has been, and is, to ensure that

available resources are allocated to those programmes of the highest priority which will produce maximum benefits for mankind. In performing our responsibilities we have to strike a balance between the demands made upon the Organization, the supply of resources available and the benefits which will result from particular activities. Balancing these three factors in considering numerous projects in the economic, social, humanitarian and peacekeeping fields is an extremely difficult task. If it has not always been possible to meet all the demands made upon the United Nations, members should not feel that the Organization is losing its ability to cope with new situations.

The United Nations, like all organisms, goes through various stages in its evolution. Canada's Secretary of State for External Affairs in his speech to the General Assembly on September 25 said, and I quote, "The underlying need in United Nations affairs is for stability". By stability Canada does not have in mind a stagnant or static organization. Furthermore, we do not mean a condition which might be described as one of the dynamic status quo. What we do believe is that the United Nations is entering a period where it is vitally important that its stability is ensured. Therefore, by stabilization we have in mind a period and a process of evaluation, reappraisal and planning to bring about a financially sound Organization which will then be in a better position to maintain its dynamic nature and to meet possible future demands.

Delegates might wonder why, in view of increased membership and the needs of developing countries, that my Delegation thinks the Organization is entering a period of stabilization. Briefly, we think that stabilization is a direct consequence of the Organization's financial difficulties and of the stresses of recent growth. In response to the needs and desires of the many recent members in the fields of

economic and social development, the United Nations family has embarked on a number of programmes and activities which have placed further strains on an already over-taxed Secretariat. These programmes have, in many cases, been in addition to existing activities. In conjunction with the continuing need to maintain international peace and security, they have created severe stresses and strains on the U.N. family and on the United Nations in particular.

Some delegates, the auditors and the Advisory Committee have already commented on the effects that recent expansion has had on the Secretariat and the use of correct financial and budgetary procedures. My Delegation thinks that within the next few years the rate of increase in membership will not be as great as it has been, as membership in the United Nations becomes virtually universal. Therefore, in spite of existing commitments, the demands on the Organization are unlikely to increase substantially. In order to better prepare the Organization for beneficial future growth and to maintain its dynamic nature, my Delegation thinks that advantage should be taken of this period of stabilization to analyze the Organization. This analysis should consist of three aspects. First, past performance should be carefully evaluated in order to consolidate gains and to profit from experience. Second, present activities should be reappraised to maximize the benefits derivable from available resources. Third, serious thought should now be given to the amount and direction of future growth. As a result of such an analysis, the United Nations should be better prepared to carry out programmes of economic and social development and to maintain international peace and security.

With this in mind, let us now turn to the more specific tasks which face us at this Session. In this regard, a factor which stands out above all others is the

financial position of the United Nations. The Organization's continued financial difficulties are an increasing source of concern to my Delegation. Any organization must have more than members, hopes, desires and plans if it is to be a useful instrument in the service of mankind. For several years the United Nations has been struggling to maintain its effectiveness and to obtain the resources it requires in order to carry out the tasks assigned to it. What has occurred to reduce or limit the flow of funds from Member States for worthwhile United Nations activities? What has forced the United Nations to borrow funds from other accounts, to sell bonds and to stagger under the burden of over 80 million dollars in arrears?

Basically, the United Nations, as far as financial matters are concerned, is not unlike a national government. A government's ability to perform useful services for its citizens depends primarily on the wealth of the country, the desire of its citizens for particular governmental services and the effectiveness of the agency concerned in translating desires and funds into the satisfaction of needs. While the United Nations, like a national government, can sell bonds, it has no monetary printing presses. Therefore, in a democratic society, if a programme is decided by the majority to be desirable, it must be financed by methods acceptable to a majority before it can be implemented.

My Delegation believes that the United Nations financial problems have stemmed primarily from the refusal of some Member States to accept as binding decisions of the General Assembly with respect to the financing of United Nations peacekeeping operations. This situation stemmed in part from the inability of some members to agree on the legality of UNEF and ONUC expenses. To resolve this disagreement, the Sixteenth General Assembly requested the International Court of Justice to give an advisory opinion on whether UNEF and ONUC costs constituted expenses of the Organization under Article 17 (2) of the Charter.

.../6

In the meantime, in order to finance the work of the Organization, the Assembly authorized the Secretary-General to sell $200 million in United Nations bonds. The response to the bond issue has indeed been encouraging and as of October3 73.5 million dollars has been pledged by 51 countries, of which 27.8 million dollars represents actual purchases. On July 20 the International Court, by a vote of nine to five, found "that expenses authorized by the General Assembly resolutions.....relating to ONUC and UNEF constitute expenses of the Organization within the meaning of Article 17, paragraph 2, of the Charter of the United Nations. My Delegation hopes that as the question of the legality of the expenses of these peacekeeping operations has been resolved, thus eliminating one of the basic reasons for disagreement among members, that all Member States will now pay their assessed shares of these expenses.

Mr. Chairman, Canada has supported ad hoc measures for meeting immediate peacekeeping financial needs, but it has also consistently sought to place the financing of United Nations peacekeeping operations on a firm foundation. In a period of stabilization one of the most important functions of this Committee is to plan for the future. The Fifth Committee could make a vital contribution to the future effectiveness of the United Nations if we could develop a practical and acceptable formula for financing future United Nations peacekeeping operations which must be based on the principle of collective responsibility. A long-term solution of this nature would help to ensure that any future peacekeeping activities would be adequately financed and would not jeopardize the Organization's activities in the field of economic and social development.

In the meantime, what are the particular subjects which deserve our closest scrutiny and evaluation? My Delegation would suggest that in its report to the General

Assembly, the ACABQ has outlined certain areas which deserve careful attention. Canada fully endorses the views of the Advisory Committee and I would like to take this opportunity to comment on several of that body's recommendations. One important item concerns capital expenditures. We believe that until the United Nations financial situation has improved, it might be desirable to postpone plans for capital expenditures, particularly those relating to the expansion of Headquarters facilities. Also with regard to capital expenditures, delegates may wish to consider the desirability of contractual leasing arrangements as a temporary expedient in place of large-scale capital outlays. Another major item in the budget relates to staff expansion. My Delegation would strongly urge a postponement for at least another year of the proposed changeover from a policy of "stabilization" of staff to one of "controlled expansion". It is our view that in the midst of financial crisis there should be no staff expansion. Specifically, Canada would endorse the views expressed in paragraphs 38, 46 and 47 of the Advisory Committee's report.

I should also like to draw attention to paragraphs 49 to 53 of the Advisory Committee's report. These paragraphs were prompted by a note in the auditor's report for 1961 referring to a certain slackening of administrative standards and discipline. Mr. Chairman, we hope that the reassuring statements the Committee heard on October 3 foretell an improvement in this situation and that by this time next year, we shall be able to read that the tendencies noted by the auditors have been checked and the high standards for which the United Nations is noted have been re-established.

In our consideration of budgetary matters my Delegation has been impressed by the views expressed by the Distinguished Representatives of Australia and Iraq and others during the debate on the supplementary estimates on the need for proper budgetary procedures and for financial responsibility

by all organs of the United Nations as well as for a scale of priorities involving consideration of the alternative uses of funds.

Before closing I would like to discuss briefly three other areas which this Committee will be considering later in the Session. The first of these concerns the question of the geographic distribution of posts in the Secretariat. This question was first considered as far back as 1946, and over the years, various suggestions have been made to achieve a more equitable geographical distribution. Canada is convinced of the need for improvement in this situation but has consistently argued that better geographical distribution must not compromise the integrity, morale and efficiency of the Secretariat. For example, in 1946 thirty out of fifty-two members had either no staff or staff below the desirable range, while by 1960 only fifteen out of eighty-two members were in this category. I would like to congratulate the Secretary-General and his staff for their efforts to further improve the situation and hope that in the near future all member states will be adequately represented.

My second point concerns the scale of assessments. My Delegation firmly supports the report of the Committee on Contributions and regrets that the expert body, which was to meet to consider certain highly technical matters, was unable to do so because of the failure of some members to send delegates.

My third and final point concerns the scheduling and financing of conferences and meetings. I would ask delegates to recall my earlier remarks concerning the desirability of taking the opportunity offered in a period of stabilization to reappraise and scrutinize past practices in an effort to develop sound procedures for the scheduling and financing of international meetings. In this regard my Delegation supports the comments and recommendations of the Advisory Committee.

My hope is that all Member States will support the Secretary-General and his staff by providing them with precise guidance and adequate funds to enable them to continue in their efforts in building a better world. I would like to express Canada's appreciation for the way in which the Secretary-General and his staff have performed their responsibilities as international civil servants. Their tasks have indeed been difficult but their performance has been admirable.