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Financial and Administrative Procedures in the United Nations

Text of Statement to be delivered in the General Debate on the 1966 Budget Estimates by Canadian Representative in the Fifth Committee, Mr. Stuart Hemsley, on Wednesday, October 27, 1965.

Mr. Chairman, the fact that the Fifth Committee is meeting this morning to continue its examination of the draft budget estimates for the financial year 1966, if it proves nothing else, demonstrates that the 20th Session of the United Nations General Assembly is carrying on its work normally in accordance with its rules of procedure. Now that the imminent possibility of the application of Article 19 has been removed and the General Assembly is proceeding in normal fashion, there is a natural tendency to conclude that the policy of budgetary restraint followed by the Secretary-General in recent years is no longer applicable. In the view of my Delegation, Mr. Chairman, such an attitude would be most unfortunate in the face of the substantial debt yet to be liquidated, the continuing peace-keeping operations that must be paid for and the considerable increases which are occurring in the programmes of the various components of the United Nations family.

My Delegation agrees with the Secretary-General that, in attempting to balance the precarious cash position of the Organization with the legitimate desires of most members for expanded social and economic programmes, one must draw a distinction between budgetary policy and the current financial crisis, which cannot be solved merely by reducing or containing the regular budget. Nevertheless it is impossible to escape the realities of a \$100 million deficit which demands, as pointed out by the Advisory Committee, that expenses be kept to a minimum consistent with efficiency. In the view of my Delegation, the

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reductions advocated by the Advisory Committee reflect the proper degree of balance and responsibility dictated by current exigencies and it is my intention to support generally the Advisory Committee's recommendations.

Mr. Chairman, the Canadian Government is disappointed that the third imperative of the consensus adopted by the Resumed 19th Session, namely the call for voluntary contributions, has to date met with limited success. My Delegation joins the Secretary-General in his urgent appeal for voluntary contributions. Any nation which makes a contribution thereby reaffirms its faith in the overriding value of the United Nations and in the ability of the United Nations to discharge its responsibilities.

While having agreed that the question of the applicability of Article 19 should not be raised with regard to UNEF and ONUC, the Canadian Government is unwavering in its belief that the interests of the Organization as a whole demand that the expenses of the regular budget should be shared by all member states and apportioned by the General Assembly. Furthermore, my Delegation believes that items which are now in the regular budget should remain there and should not be removed for the purpose of evading the principle of collective financial responsibility. At the same time we shall continue to be willing to explore practical solutions to outstanding budgetary problems. The removal of contentious items from the regular budget offers only illusory relief; it eventually leads to the emasculation of the Organization.

Mr. Chairman, as I have followed the deliberations of the Fifth Committee during the past month, I have been impressed by the workmanlike manner in which the Committee has attacked its Underlying our debate has been an awareness that the Fifth Committee is a technical forum of experts and, as such. should be kept as immune as possible from the taint of polemics. I am not attempting to minimize basic differences in approach and in principle but, cutting across divisions of ideology and development, one senses that the great majority of delegations believes that the time is now ripe to take a fresh look at the financial procedures of the United Nations and to come to grips with old problems so as to ensure that the Organization will expand in the most efficient manner. Successive members of this Committee have spoken of the need for financial economies, planning, coordination, integration, priorities. This year, however, my Delegation is convinced that this list of fiscal virtues is not being recited perfunctorily; in the aftermath of the lost 19th Session, it is no longer possible to pay mere lipservice to distant financial goals. It is always much easier to subscribe to abstract principles than to abide by fixed rules but, at last, there appears to be a general desire to proceed to practical steps and concrete proposals.

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Having said this, I should emphasize that the Canadian Delegation knows of no panacea that will suddenly transform the United Nations into a model of efficiency. We are, however, encouraged by the number of cogent suggestions which has been proposed by the members of this Committee and it is our hope that the 20th Session will take action to ensure that these proposals will not be forgotten. We do not wish to return to the same pious hopes in the General Debate on the 1967 draft budget estimates at the 21st Session of the General Assembly and be forced to conclude that no progress has been made in the interim. It is for these reasons, Mr. Chairman, that my Delegation is looking forward with interest to the tabling of the resolution mentioned by the Foreign Minister of France in his address of September 29, and referred to on October 5 by M. Ganem in the Fifth Committee. It is clear that a comprehensive approach is required rather than the implementation of piecemeal measures and, thus, a preliminary study is essential. M. Couve de Murville proposed that the General Assembly should contemplate the appointment of a committee of a small number of competent financial experts to take a fresh look at the financial situation of the United Nations as a whole, including the specialized agencies. In the view of the Canadian Delegation, Mr. Chairman, if such a working group is established, it should be given the widest possible terms of reference to study the multiplicity of problems, which has been highlighted so effectively in this Committee, and to recommend practical measures. It should avail itself of the impressive expertise of the members of the Secretariat and of the Advisory Committee on Administrative and Budgetary Questions, who have made us aware of the wide range of financial problems confronting the Organization and who have provided the lead in the search for new solutions.

The General Debate in the Fifth Committee has been valuable in that the financial ills of the Organization have been subjected to our collective scrutiny and, in the process, potential areas of remedy have been exposed. This exercise should provide the impetus for launching a comprehensive study in search of realistic solutions in the areas of our expressed concern: the need to reverse the ever-increasing proliferation of meetings and conferences (the solution of which problem may lie, as proposed by the representative of the United Kingdom, in the calculation of a monetary limit to express the Organization's conference and meeting capacity in any one year); the need for integration and coordination of financial procedures (or as stated by the representative of Israel, the desirability of maintaining a dialogue between the Fifth Committee and the other decisionmaking bodies of the Organization, to achieve which he made many concrete proposals); the need for priorities (and a reversal

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of the tendency of subsidiary bodies to make decisions involving financial implications without the prior approval of the General Assembly); the need for a study of budgetary presentation. All these problems are inter-related and they require systematic study.

Having identified some of the financial problems, Mr. Chairman, it is possible to declare fatalistically that political criteria will always prevail and that, consequently, it is a futile exercise to worry about financial procedures. As demonstrated by the recent financial impasse over the question of Article 19, however, political and financial questions are inextricably interwoven. The Canadian Delegation, Mr. Chairman, senses the emergence of a new spirit of cooperation to begin now to search for practical new solutions to old financial problems.

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