

to provisional staff retirement fund, \$2,300,000; and expenses of common services, \$1,600,000, mainly owing to provision not having to be made for a complete year's salaries and the cost of allied activities in 1946. The greatest concern was expressed that some members may not be able, as the result of financial stringency, to continue membership, and it was stressed by the United States representative that the question of finance was no less important from the point of view of unanimity amongst members than that of the veto or other such controversial subjects. "The United Nations must not become a Rich Men's Club," said Senator Vandenburg. Every effort was accordingly made to see where economies could be effected, and the New Zealand representative supported various motions for a reduction of the estimates.

Typical, however, of the difficulties encountered in reduction of the estimates is the item Personnel Services, which accounts for approximately 50 per cent. of the total budget. Most members, including New Zealand, protested that insufficient representation had been accorded to their nationals in the Secretariat, and as a result of the decision to adjust national distribution in the future large amounts are necessary to meet travelling allowances and expenses, as well as location allowances to meet the high cost of living in the United States.

Committee on Contributions

At the meeting of the General Assembly held in London a Committee was constituted to prepare a detailed scale of the apportionment of expenses for consideration at the second part of the first regular session, and the principle was established that the expenses of the United Nations were to be apportioned broadly according to capacity to pay. In its report the Committee proposed that the United States Government's proportion should be 49·89 per cent. (New Zealand, 0·45 per cent.). The United States representative protested against this assessment as wrong in itself and as inimical to any effective application of the theory of sovereign equality. He proposed a ceiling of, perhaps, 25 per cent., which, owing to temporary post-war conditions, might be raised to 33½ per cent.

The United States Government eventually agreed to an assessment of 39·89 per cent. of the budgets for 1946 and 1947, with the reservation that "under no circumstances do we consent that, under normal conditions, any one nation should pay more than 33½ per cent. in an organization of sovereign equals."

New Zealand's proportionate share of the budgets for 1946 and 1947 has been assessed at 0·52 per cent. and 0·50 per cent. respectively: (\$100,828 and \$138,700).

The General Assembly decided that the scale of assessments should be reviewed by the Committee on Contributions in 1947, and that a report should be submitted by the Committee for the consideration of the General Assembly at the session to be held in September, 1947.