

20. In connection with Rules for Settling of Differences between States relating to international civil aviation matters, the Assembly recommended to the Interim Council the adoption of certain modifications which were considered to be an improvement. Action on the several CITEJA Conventions on Private Air Law was deferred, the Assembly having recommended to the Council the establishment of a Permanent Committee on International Air Law, to which member States may appoint one or more representatives and which it is intended will eventually assume the functions of CITEJA.

ADMINISTRATION AND FINANCE

21. As Chairman of the Finance Sub-commission, the Hon. David Wilson was very continuously engaged throughout the Conference in giving very detailed attention to the proposed budgets for 1945-46 and 1946-47. The expenditures for 1945-46 were carefully checked with the assistance of the Organization's auditors and the opinion was generally expressed that the Organization had been efficiently conducted and that no exception could be taken to the manner in which the money was spent. The proposed budget for 1946-47 was also very carefully examined item by item, and some alterations of a minor character were made, but it was recognized that these were estimates only and that under prevailing circumstances it was impossible to do more than guess at the likely expenditure. For that reason, the reserve for contingencies is large so as not to unduly handicap the Organization in its first year's work. In accordance with the instructions received, Mr. Wilson took exception to the contribution towards the expenses paid by New Zealand for 1945-46 as being out of line with the amounts charged to certain other countries and also objected to the proposal that New Zealand should continue to pay five (5) units for the year 1946-47. Certain other countries also objected that they were being overcharged, and after much discussion and private interviews with delegates it was eventually decided not to alter the 1945-46 contributions and to recommend to dissatisfied nations that the contributions for that year be accepted, but it was agreed that if any nation persisted in asking for a refund the Council should be authorized to accede to the extent that surplus funds were available from 1945-46. Mr. Wilson was successful in obtaining a reduction in the number of units that New Zealand was to pay from five units to three units, but because of the large increase in estimated expenditure for 1946-47 the amount to be paid will be not a great deal less than was paid last year. The result is considered to be satisfactory, and it is recommended that no application be made for a refund of 1945-46 contribution towards expenses. The overall number of units was increased because of more States having accepted the Convention. Increases and decreases were made in the reallocation of units, and the most notable was the raising of that of the United States to 50 per cent over the previous year. Some countries, on the point of prestige, considered that their contributions were too low and asked for an increase.

SUMMARY

22. Much good was achieved at the First Assembly, progress being made with nearly all policy, technical, and administrative matters discussed. A spirit of friendship and co-operation was evident and there appeared a marked desire on the part of the delegations to give consideration to other points of view. The large representation of important international organizations displayed a readiness for co-operation between international institutions.

Although the draft multilateral agreement was not acceptable in its present form, the differences in points of view were not so far apart as to be beyond reconciliation in future study. The general feeling was that the desire to achieve early acceptance of multilateral agreement had overridden the advantages that might have been gained by waiting for an expression of views in the light of experience. It is confidently expected, however, that the further study to be undertaken, taking into consideration the comments