

The balance of arrears now owing is, in fact, very much more satisfactory than it has been for a considerable time, and it is hoped to make arrangements for the liquidation of further arrears during the 1947 year. Because of the 1946 surplus it has been possible to reduce the amount to be budgeted for during the 1948 financial year, a matter upon which the Conference was asked to take a decision. Expenditure is estimated to the amount of 18,942,983 Swiss francs for 1948 (16,052,980 in 1947, 11,603,991 in 1946), and this has been allocated between Governments on a slightly revised basis due to the action of some States in accepting responsibility for a greater number of units than previously. New Zealand assumes responsibility for the same number of units—viz., 8—but there is a slight increase in the value of the unit, which is now 21,657 Swiss francs, or 5,060 United States dollars, as compared with 20,674 and 4,830 for 1947. Had it not been for the surplus, the New Zealand debit would have been eight times 24,162 Swiss francs—i.e., 193,296 Swiss francs or £13,800 (N.Z.), approximately. Because it is likely that the recoveries of arrears in 1947 will be considerably less than during the previous year it may be anticipated that the sum to be paid by New Zealand during 1949 will show a disproportionate increase.

In respect of the considerable increase in expenditure between 1946 and 1948 it has to be remembered that the Organization has been attempting to restore its staffing position to the pre-war level and that, in addition, steps have been taken to effect improvements in salary scales and other conditions of employment to bring them into line with those in operation in the United Nations and other similar Organizations.

Notwithstanding the apparent favourable financial situation of the Organization, it is necessary that consideration be given to an increase in the working capital; this is for the reason that some States do not pay their contributions as early in the financial year as is desirable. Hence, a resolution was adopted asking member States who have not already contributed to consider depositing with the Organization a sum to augment the Working Capital Fund. This resolution is contained in Appendix 9 hereto.

Other questions considered in this Committee were in connection with staff matters, as well as a review of the financial regulations. In the Standing Orders Committee consideration was given to the introduction of a procedure implementing the sanctions imposed by the amended Constitution in respect of those States that may be in arrears with their contributions, these sanctions being in the nature of a disqualification from participation in the work of the Organization.

SOCIAL POLICY IN NON-METROPOLITAN TERRITORIES

The third item on the agenda of the Conference was the subject, Social Policy in Non-metropolitan Territories. This matter had been under active consideration by the International Labour Conference since the Philadelphia Conference in 1944, which adopted a Recommendation on Social Policy in Dependent Territories. The Philadelphia session of the Conference was unable, however, to complete its examination of all the proposed provisions concerning social policy which had been referred to it, and it was decided that certain supplementary provisions would be considered at the next general session of the Conference, which took place in Paris in 1945. The Paris Conference adopted a further recommendation on the subject, but decided that the time had come to endeavour to replace the recommendations by the more binding national commitment of an International Labour Convention. Accordingly it was decided to place on the agenda of the 1946 Conference the question of what provisions might be suitable for inclusion in a convention relating to minimum standards of social policy in dependent territories.

The subject was dealt with for the first time, from the point of view of framing a Convention, at the 1946 Conference held at Montreal. At this Conference a committee on social policy in dependent territories was established which prepared a report and