

(3) Special attention should be paid to public works which stimulate heavy industries or public works which create a more direct demand for consumers' goods as changing economic conditions may require.

2. The policy of timing public works should apply to all such works (including works in colonies) undertaken by central authorities, regional or local authorities, public-utility undertakings, or any body or individual in receipt of subsidies or loans from a public authority.

3. There should be established a national co-ordinating body, the duties of which should be, more particularly—

- (a) To centralize information relating to the various kinds of public works ;
- (b) To ensure or encourage the preparation of works in advance ;
- (c) To give instructions or advice as to when works should be held in reserve and when works held in reserve should be undertaken, account being taken of fluctuations in the volume of unemployment, changes in the index of wholesale prices, changes in the rate of interest, and any changes in other indices which indicate an alteration in the economic situation.

PART II.—FINANCING OF PUBLIC WORKS.

4. Among the financial measures necessitated by the policy embodied in the present Recommendation, the following should receive special consideration—

- (a) The placing to reserve in periods of prosperity of the resources necessary for carrying out works prepared for periods of depression ;
- (b) The carrying forward of unexpended balances from one year to another ;
- (c) Restricted borrowing by public authorities in periods of prosperity, and accelerated repayment of loans previously contracted ;
- (d) The financing by loan in periods of depression of public works likely to stimulate economic recovery, and, generally speaking, the application of a monetary policy which will make possible the expansion of credit required at such a time for the speeding-up of the public works and which will ensure the lowest possible rate of interest on the loans.

5. The co-ordinating body provided for in paragraph 3 or a special body acting in co-operation with it should be entrusted with all or some of the following duties in connection with the financing of public works—

- (a) To advise the central authority on financial policy, and, if necessary, taxation policy, relating to public works ;
- (b) To assist in achieving proper co-ordination between the credit policy and market operations of the central bank, or corresponding institution, and the public-works policy of the Government ;
- (c) To co-ordinate the borrowing policy of the different public bodies referred to in paragraph 2 ; and
- (d) To take such measures as may be necessary to ensure that the policy of the central authority in respect of loans and subsidies is made effective.

PART III.—EMPLOYMENT OF CERTAIN CLASSES OF WORKERS.

6. In applying the policy of timing provided for in this Recommendation, consideration should be given to the possibility of including works which will give employment to special classes of workers, such as young workers, women, and non-manual workers.

PART IV.—CONDITIONS OF RECRUITMENT AND EMPLOYMENT.

7. The recruitment of workers for employment on public works should be effected for preference through the public employment exchanges.

8. Foreign workers authorized to reside in the country concerned should be accepted for employment on public works in the same conditions as nationals, subject to reciprocal treatment.

9. The rates of wages of workers on public works should be not less favourable than those commonly recognized by workers' organizations and employers for work of the same character in the district where the work is carried out ; where there are no such rates recognized or prevailing in the district, those recognized or prevailing in the nearest district in which the general industrial circumstances are similar should be adopted, subject to the condition that the rates should in any case be such as to ensure to the workers a reasonable standard of life as this is understood in their time and country.

APPENDIX 12.—RESOLUTION, INTERNATIONAL CO-OPERATION.

TEXT OF RESOLUTION CONCERNING INTERNATIONAL CO-OPERATION IN RESPECT OF PUBLIC WORKS.

Whereas the International Labour Conference has adopted a Recommendation on international co-operation concerning public works : And whereas it is desirable, in order to make such co-operation effective, to set up an international body for the purpose of ensuring the continuity of the co-operation and of determining the methods of applying it ;