

One of the main features of the International Labour Organization is its permanence. International Conferences may reach agreements or adopt Draft Conventions, and the International Labour Office provides the necessary machinery for putting into effect the decisions of the Conference. The adoption of a Draft Convention is not the final act so far as the office is concerned; it must endeavour to persuade Governments to ratify it. However, the extent of the influence of the International Labour Organization cannot and should not be judged by the number of Conventions adopted and ratified, as many of the social services adopted in various countries to-day may not be the direct result of a Convention. Nevertheless, the progress in this field is largely the result of the contact with and the influence of the International Labour Organization.

Notwithstanding the tendency in recent years for some countries to revert to purely national modes of thinking in dealing with political and economic policies, there was little evidence that this applies to the same degree in connection with industrial and social matters. The recent Conference was as strong and as influential as that of any previous year. Nine Ministers of Labour and eminent persons responsible in their own countries for social policy took part in the Conference. Whilst Germany and Italy were not represented, the fact that America sent a strong delegation was a powerful influence in the deliberations. In the words of the President when giving his closing address, a real international spirit animated the work of the Conference.

Mr. Harold Butler, Director-General, refers in his report to the increased scope of the Organization as follows:—

*"The larger horizons that have come with recent years have been accompanied by an even more important increase in the scope of its operation. When the International Labour Organization was first set up it was, of necessity, conceived against a pre-war background of economic laissez-faire. The various countries were one and all working on a system based essentially upon private enterprise and free competition, with social progress more or less in the nature of a by-product. Already, however, the leading nations had found it necessary to temper the excessive rigours of an economic system which, if carried to its logical extreme, could work children twelve hours a day and leave a man to starve if no employment were available. These beginnings of a protective labour code in the various countries were continually held in check by the real or imagined handicap they imposed upon a country in international competition. One of the principal functions assigned to the International Labour Organization was to provide a solution to this difficulty, to make possible an internationally co-ordinated social advance.*

*"During the quarter of a century that lies between the pre-war world and that of the present day a number of major changes have occurred necessitating the enlargement of the original conception. Countries are no longer working on a system based on the principle of laissez-faire. To varying extents Governments are now deliberately intervening in the economic sphere, the systems in operation ranging all the way from complete State management to discreet Government action applied to the regulation of international trade, the control of money and credit, and the support of industries especially in need of help. A second major change, which is to some extent an ideological consequence of the abandonment of laissez-faire, is that social progress is no longer looked upon as incidental to the economic system, but as its primary objective.*

*"These two changes have fundamentally affected the whole social-economic problem, and with it the basic task of the International Labour Organization. The fact that every Government is now actively operating in the economic sphere has raised vast possibilities both of economic achievement and of international discord. Hitherto, the latter has perhaps been more prominent than the former. During the *sauve qui peut* of 1929–32, countries took action with a sole view to their own short-run self-interest. Often their intervention did at least as much harm to the world as it did good to themselves, with the result that each country's endeavours to raise its own conditions were defeated in large part by the general impoverishment which they produced. At the same time, however, new possibilities of achievement have been opened up. In particular, there is good reason to hope that by financial and monetary control, coupled with schemes of public development, the disastrous downswings of economic activity may be in large part obviated.*

*"As a result of these new developments, both positive and negative, there is immensely more need for co-ordination in the international field than there was in the earlier days of the Organization. It is now seen to be essential that countries, in taking economic action, should consider what the effect is likely to be upon the rest of the world as well as upon themselves. It is because measures such as the Tripartite Monetary Agreement and the commercial policy followed by Secretary Hull are in accord with this principle that they have a great symbolic as well as a great practical importance. If social advance is to be made possible over a broad front, countries must become internationally conscious in their economic action. If monetary control and other measures to prevent economic*