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ASSEMBLY



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ADVISORY COMMITTEE ON ADMINISTRATIVE AND BUDGETARY QUESTIONS

INTERNATIONAL LABOUR ORGANISATION

BUDGET APPROPRIATIONS FOR THE FINANCIAL YEAR 1951

Memorandum by the Secretary-General

1951 appropriations	\$ 6,269,506 (gross)
1950 appropriations	\$ 6,023,526 (gross)
1949 expenses	\$ 5,034,154

1. Status of estimates and general summary

The total gross appropriation of \$6,269,506 for 1951 represents the amount approved by the General Conference of ILO at its thirty-third session held in Geneva in June 1950.

The original estimates for 1951 submitted by the Director-General of ILO showed a gross total of \$6,277,160. After discussion with the Finance Committee of the Governing Body, the Director-General reconsidered some items referred to him for review by the Committee and agreed to a decrease of \$58,930 in his estimates, thus bringing the gross total down to \$6,218,230, which was the gross total recommended by the Finance Committee for approval.

The Governing Body accepted the total recommended by the Finance Committee but increased it by \$7,000 to cover expenses connected with the extension of benefits of the ILO Staff Sickness Fund.

Finally the Conference increased some of the figures proposed and approved the total gross figure of \$6,269,506.

Although the total gross appropriations voted by the Conference exceed the gross appropriations voted for 1950 by \$245,980, the net figure for 1951 is \$9,737 smaller than the corresponding figure for 1950. This situation was brought about by a modification of ILO's Working Capital Fund structure, whereby an amount equal to one fifth of the original Working Capital Fund is to

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be distributed to member States entitled to it, whereas a first annuity to the new Working Capital Fund, in the amount of \$250,000 is included in the gross total of the budget. (For details, see paragraph 9 (b).)

## 2. Size and scope of the budget

The 1951 gross appropriations compare with 1950 appropriations and 1949 expenses as follows:

<u>Part</u>	<u>1951 appropriations</u>	<u>1950 appropriations</u>	<u>1949 expenses</u>
I. Ordinary budget	5,469,944	5,502,210	4,673,265
II. Staff Pensions Fund	184,171	235,785	135,027
III. Staff Retirement and Provident Fund	339,106	285,531	225,862
IV. Working Capital Fund First annuity	250,000	-	-
V. Building Fund	26,285	-	-
Totals	<u>\$6,269,506</u>	<u>\$6,023,526</u>	<u>\$5,034,154</u>

The appropriations arranged in detail in accordance with the standard budget summary agreed by the Consultative Committee on Administrative Questions are shown in the annex.

## 3. Main features of the budget

As pointed out in paragraph 1, ILO's net budget for 1951 is kept at the same level of the 1950 estimates. Commenting on this point the Director-General included the following statements in his budget foreword:

"The Director-General, in the course of the official visits which he has paid in the past year to seventeen States Members of the Organization, has been greatly impressed by the unanimity with which members of the Governments of these countries whom he has met have emphasized the increasing difficulties of their countries in paying their contributions to international agencies and in arranging for appropriate representation at the meetings of these agencies. Further, the currency devaluations which began in September 1949 have aggravated the difficulties of many countries in paying their contributions by increasing the amounts in their national currencies which are necessary to pay their contributions. In

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framing his budget estimates for 1951, the Director-General has considered it necessary to take account in the fullest possible measure of the real difficulties of States Members in contributing to the budget of the Organization ... It is not an easy thing to plan a budget that shows little net increase. In the first place, there are certain new tasks which must be undertaken and which will inevitably involve expenditure, such as the work of the Fact-Finding and Conciliation Commission on Freedom of Association. In the second place, under the Staff Regulations an annual increment on an approved scale is due to each official subject to satisfactory work until he reaches the maximum of his category or grade. In order, therefore, to secure that the budget for 1951 will show little net increase it is necessary to make reductions in certain items of expenditure in 1951 in order to compensate for the expenditure due to the undertaking of new tasks and to automatic annual increases."

4. Inter-agency co-ordination of programmes and activities

The formal and informal co-ordination of programmes and activities of specialized agencies appears to be working in a satisfactory manner; ILO's report to the United Nations (document E/1719, 1950) gives an indication of the arrangements being developed in this respect:

- (i) For the first time, ILO participated in meetings of joint programme committees with other specialized agencies. The joint ILO-WHO Committee on Hygiene of Seafarers has already met this year and the Joint ILO-WHO Committee on Industrial Hygiene is scheduled to meet at the end of August 1950.
- (ii) ILO and UNESCO experts on educational and cultural programmes met in February 1950 and discussed various aspects of activities to be developed by the two agencies.
- (iii) After the 1949 meetings on manpower, which brought together experts from the United Nations, ILO and other specialized agencies, informal but close consultation had been maintained on the subject. A meeting of ILO, United Nations and other agencies' experts on migration was convened for this year.

(iv) A Fact-Finding and Conciliation Commission on Freedom of Association has been established by ILO as a result of negotiations between ILO's Governing Body and the Economic and Social Council.

An agreement was reached on a procedure for making available the services of this Commission to the United Nations.

(v) Regional activities have also been co-ordinated in some measure.

As an instance, the preparation of a report on needs for training facilities is being prepared by the Economic Commission for Asia and the Far East in agreement with ILO.

#### 5. Priorities

The relative importance and urgency of projects is determined in the first instance by the Director-General on the basis of the general policies laid down by the Conference and Governing Body, when preparing the budget. Thus, with reference to the principles for the establishment of the 1951 estimates, the Director-General says:

"It is hoped to be able to obtain this result by continuing to adjust from time to time the work of the various Sections in accordance with a constant review of relative urgencies and priorities. Such adjustments have constantly been undertaken in previous years, but as a result of the expansion which has taken place in the establishment of the Office, there is now greater opportunity and scope for such adjustments than in the past."

In going over the Director-General's estimates, the Finance Committee of the Governing Body exerts some measure of determination of priorities. In their report on the budget, the Finance Committee states one of the principles they adopted for budget revision:

"...each project should be submitted to a searching scrutiny in order to eliminate or defer until a more propitious time all expenditures of low priority or doubtful urgency."

The work of the Governing Body, which determines the agenda and dates of meeting of all conferences; commissions and committees of the organization, appears to involve constant consideration of relative priorities.

6. Relation between the 1951 budget and the expanded programme for technical assistance

This point is examined in the foreword of the ILO's budget and the following comments made:

"It is important to note that the budgetary estimates for 1951 submitted in the present paper do not make any provisions for carrying out in 1951 an expanded technical assistance programme. The present estimates are prepared on the basis of the regular work of the Office and in order to provide for the implementation of its regular programme of work. That programme of work has always included a limited amount of technical assistance to Governments through advisory missions. Such limited technical assistance continues to be provided for in the present estimates but no increased appropriation is requested in these estimates in order to expand the scale on which such technical assistance can be provided in 1951. The possibility for the Organization to give expanded technical assistance will depend on the adoption of the proposed comprehensive programme of expanded technical assistance."

7. Analysis of administrative expenses

A. Expenses for meetings

(i) <u>Number, cost and location of meetings</u>	<u>1951 appropriations</u>	<u>1950 appropriations</u>
International Labour Conference, 1 session, Geneva	194,733	193,872
Governing Body, 3 sessions, Geneva	89,169	75,000
Middle East Regional Conference (location not yet established)	26,763*	-
International Migration Conference, 1 session, Geneva	19,465	14,295
Technical Conference on Employment Service, Training and Migration (1 session in Asia, 1 in Latin America)	40,213	-

\* This amount is half the total estimated expenditure for the Conference; the host Government is expected to contribute the other half.

(1) <u>Number, cost and location of meetings (continued)</u>	<u>1951 appropriations</u>	<u>1950 appropriations</u>
Technical Asian Conference on Co-operation (Karachi)	26,619	
Asian Regional Conference	-	101,772
Inland Transport Committee	112,637	-
Coal Mines Committee	43,590	-
Building, Civil Engineering and Public Works Committee	82,844	-
Textiles Committee	-	78,270
Petroleum Committee	-	47,130
Chemical Industries Committee	-	57,510
Committee on Work in Plantations	-	47,130
Permanent Migration Committee	-	5,085
Committee of Experts on the Application of Conventions and Recommendations	14,130	12,000
Joint Maritime Commission	25,488	24,606
Committee of Experts on Social Policy in Non-Metropolitan Territories	12,786	12,786
Committee of Statistical Experts	8,846	6,304
Correspondence Committee on Accident Prevention	-	14,184
Correspondence Committee on Women's Work	11,988	-
Silicosis Sub-Committee	-	11,998
Committee on Industrial Hygiene	10,422	-
Advisory Committee on Juvenile Employment	-	9,456
Committee of Experts on Indigenous Labour	-	9,456
Committee of Social Security Experts	-	19,700
Fact-Finding and Conciliation Commission on Freedom of Association	34,640	-
Manpower Committees	-	35,564
Committee on Conditions of Work of Fishermen	16,786	-
Travelling expenses and allowances of secretariat committees	28,000	61,854
Other meetings of committees	10,000	10,000
Other conferences	1,000	1,000
	<u>830,139</u>	<u>824,972</u>

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In connexion with ILO's programme of meetings, it seems worthwhile transcribing the following statement included in ILO's report to the United Nations, 1950:

"The Governing Body, in fixing the ILO programme of meetings for 1950, has been guided by the desire to cut down to the minimum essential to the continuing work of ILO the number of meetings of ILO bodies to be held, so as to reduce the burden on resources of Members of the Organization involved in attendance at meetings and action on the basis of their decisions, and to ensure that questions are adequately prepared before they are considered at meetings. An indication of the extent to which the Governing Body has succeeded in this aim is the fact that whereas the programme for 1949 included 30 meetings, the programme fixed so far by the Governing Body for 1950 includes 16 meetings."

(ii) Contributions of host States

Estimates for a Middle East Regional Conference in the total amount of \$53,525 have been included in the 1951 budget. It is estimated, however, that an amount equivalent to 50 per cent of that figure will be contributed by the Government of the country in which the Conference is scheduled to meet. The contribution equivalent to 50 per cent of expenditure has been agreed upon by host Governments in the past and it is expected that the same will apply to the Middle East Regional Conference.

(iii) Temporary assistance for meetings

ILO's budget includes an amount of \$37,000 for temporary staff for the 1951 General Conference and \$18,250 for five smaller meetings.

This amount of \$55,250 appropriated for 1951 compares with the total of \$59,500 appropriated for the same purpose in 1950.

(iv) Use of United Nations premises and services

ILO continues to utilize the Assembly Hall of the Palais des Nations at Geneva for holding its annual conference. In the justification for the estimates for the 1951 session of the conference, it is said that:

"The provision for charges for hall, heat, light, etc., shows an increase from \$4,500 to \$6,000. Discussions are still continuing with the United Nations with regard to the basis on which charges should be made to the ILO for accommodation in the United Nations Assembly Hall

/and committee rooms

and committee rooms and offices, and while final agreement has not yet been reached, it is considered that approximately \$6,000 would represent a reasonable charge. It is agreed that the charges include no rent element; they are calculated on a proportional maintenance basis."

B. Salary, wages and other pay items

(i) Number of posts and cost of increments

The Director-General of ILO did not propose originally to establish any new posts in 1951. The Governing Body, however, discussed the question of production of documents in Spanish and approved the establishment of four new posts for the purpose. A total of 617 was thus approved for 1951 as compared with 613 for 1950. An increase in the total amount requested for payment of salaries for these posts from \$2,509,426 in 1950 to \$2,771,638 in 1951 is registered in the estimates, partly due to the establishment of new posts and partly to other reasons explained by the Director-General in the following manner:

(a) A lump sum reduction of \$157,895 was made in the 1950 estimates, with a view to retarding the recruitment to the 78 new posts provided for in the 1950 budget on an average of six months. This reduction should not apply in 1951, when all posts are expected to be filled.

(b) Annual increments provided for under the staff regulations and due on 1 January 1951 and increases due to appointment of staff in other than the initial step in each category add up to a sum of \$84,406.

(c) An increase of \$5,831 is required in the amount allotted to annual and special increments due in 1951 after 1 January under the staff regulations (in 1950 the amount of \$29,397 was appropriated and \$35,228 are deemed necessary to cover these expenses in 1951).

(ii) Temporary assistance and consultants

Estimates for temporary assistance for 1951 are established at \$115,000 as compared with \$88,062, for 1950. Commenting on the increase, the Director-General states that:

"This increase is considered to be necessary owing to the fact that no increase is proposed in the number of permanent posts. The work of the Organization is continuing to develop and while, as pointed out above, improved organization and increasing familiarization of the

/staff



staff with the work to be accomplished leads to increased output, some additional staff provision requires to be made in order to meet the requirements of periods of special pressure."

It should be noted that the original request by the Director-General amounted to \$120,000. Considering the proposed establishment of the four new posts by the Governing Body (see established posts above), the estimate was cut down by \$5,000.

The estimates for consultants and fees for translations have been grouped together in the 1951 budget under the account title "Enquiries, investigations and external collaboration". The estimates are set at \$46,000 and compare with a total of \$46,231 appropriated for the same purpose in the 1950 budget.

(iii) Staff Assessment Plan

The Governing Body decided at its session of February-March 1950 to apply to ILO staff stationed in New York the United Nations Staff Assessment Scheme. No such scheme is in effect at the headquarters office in Geneva or in branch offices.

(iv) Status and cost of Pensions Fund

ILO's contribution to the Pension Fund for the year 1951 is estimated at \$73,929, as compared with \$77,164 appropriated for 1950. The Director-General explains the decrease as due to the retirement of officials on reaching the retirement age. In addition to direct contributions, provision is made in the 1951 appropriations for the following expenses related to the Fund:

(a) For payment of salaries of staff and other administrative expenses of the Fund, \$16,514, as compared with \$15,830 appropriated for 1950.

(b) For a contribution in respect of the difference in 1949 between the interest earned on the assets of the Fund and the assumed rate of 2-3/4 per cent, \$46,839. This amount compares with \$95,902 appropriated in 1950. The reasons for the decrease are explained by the Director-General as resulting from an increase in the average rate of interest earned on the Fund in 1949 (1.973 per cent) as compared with the interest earned in 1948 (1.146 per cent).

(c) The third of twenty annual contributions to amortize an actuarial deficit in the Fund resulting in the main from the application of the new salary scales approved by the Governing Body in 1947.

/(v) Staff

- (v) Staff Retirement and
- (vi) Provident Fund

An increase from \$285,531 in 1950 to \$339,106 in 1951 is registered. The Director-General offers the following comments on the Point:

"The increase is an automatic one due to the increase in Item 3 (a) 'Salaries of Permanent Staff', and increases in salaries of Branch Office staff. Pending a final decision with regard to pensions provisions for the staff of the Office who are not members of the ILO Staff Pensions Fund, it is proposed to continue the budgetary provision on the present basis for pensions of uninsured staff. The estimates, therefore, provide as in the case of the 1950 budget, for a contribution from the Organization to a special pensions account of 14 per cent of the salaries of all established and temporary headquarters officials who are not members of the ILO Staff Pensions Fund and also for all regular full-time uninsured officials of branch offices."

The question of ILO's participation in the United Nations Joint Staff Pension Fund is discussed in paragraph 11 of this report.

#### C. General services

##### (1) Cost of printing and publications programme

The total cost for ILO printing for the year 1951 is estimated at \$408,410, as compared with \$388,866 appropriated for 1950. The increase is accounted for mostly on the basis that printing expenses connected with meetings is increased in 1951 due to the large number of meetings, to which printed reports will be submitted, to be held during that year.

The estimates provide for printing of documents of the General Conference (\$124,083 in 1951, \$116,772 in 1950), Middle East Regional Conference (\$5,403 in 1951, \$7,360 in 1950), International Migration Conference \$5,403 in 1951, no meeting scheduled in 1950), Technical Conference on Employment Service, Training and Migration (\$7,074 in 1951, no meeting scheduled for 1950) and Governing Body (\$25,319 in 1951, \$13,225 in 1950).

Secretariat printing in the total of \$235,919 (1950: \$233,986) includes provision for the printing of the following publications: Industry and Labour, Official Bulletin, International Labour Review, Industrial Safety Survey, Bibliography of Occupational Health, ILO Year Book, Year-book of Labour Statistics, Legislative Series, Studies and Reports, and Report to the United Nations.

/(ii) Travel

(ii) Travel

The budget estimates for 1951 show a total of \$203,830 for travel, as compared with \$282,126 for 1950. Broken down by main headings, the estimates present the following picture, in comparison with the 1950 budget:

	<u>1950</u>	<u>1951</u>
Travel on official business	\$131,250	\$126,025
Travel of staff to the Conference	26,100	20,150
Travel of staff to the Middle East Regional Conference	-	10,825
Travel of staff or meeting of Committees	53,460	48,000
Travel of staff to the Asian Regional Conference	62,922	.
Travel of staff to Technical Conferences on Employment Service, Training and Migration and Technical Asian Conference on Co-operation	-	45,580
	<u>\$273,732</u>	<u>\$250,580</u>

The figures given for the Asian Conference (in 1950) and the Middle East Conference in 1951 represent 50 per cent of the estimated expenditure, the other 50 per cent to be contributed by host Governments.

8. Income

ILO's expenditure, as noted in last year's report (A/CN.1/W.115) is approved on a net basis, all miscellaneous income being deducted from the total budget figure. Normally, therefore, the only entries in the income side of ILO's budget is the amount of assessments against Member States, plus whatever balances may be surrendered from previous years' budgets. In the 1951 budget, however, in addition to these two types of income, a third one is registered: distribution of one-fifth of the original Working Capital Fund, which is being replaced by a Fund under new conditions.

The question of the scale of contributions was discussed in various bodies of the Organization. The outcome of these discussions was the establishment by the Conference of a new scale prepared by a Sub-Committee of the Finance Committee of Government Representatives. The following explanation is given in the Report of the Finance Committee of Government Representatives:

"The Committee adopted the scale of contributions for 1951 submitted by the Sub-Committee. The Canadian Government's representative recorded his abstention. It is understood that this scale is proposed for 1951 only and that prior to the consideration by the Conference next year of the scale of contributions for 1952, further examination of the question of the allocation of the expenses of the Organization among States Members will be undertaken by the Allocations Committee of the Governing Body in the light of information to be requested from the Contributions Committee of the United Nations and of all other relevant information."

9. Funds

A general explanation on the Fund structure of ILO was supplied to the Advisory Committee in last year's report (A/CN.1/W.115).

The Advisory Committee in its report to the General Assembly on the specialized agencies 1950 budgets (document A/1005) included the following paragraph:

"The Committee is of the opinion that in view of the close interrelationship of the two Funds, there would be advantage in their amalgamation, and it recommends that the matter, which has already been considered by the Finance Committee of the Governing Body and the Conference, be the subject of further review."

This paragraph was brought by the Director-General to the attention of the Finance Committee of the Governing Body at its March 1950 session, and the Finance Committee included the following passage in its report to the Governing Body:

"The Committee considered the paragraph in which the General Assembly requests the Secretary-General and the heads of the specialized agencies to review the arrangements of the agencies as to their reserve funds, and the suggestion made in this connection by the Advisory Committee on Administrative and Budgetary Questions. The Committee recalled that the Financial Regulations of the Organization relating to the Working Capital Fund and the Reserve Fund were amended only last year and that it had been contemplated that the working of the arrangement should be kept under review, particularly in relation to the  
/size of the

the Fund on 31 December 1950 is given by the Director-General as follows:

Amount of Reserve Fund on 31 December 1949	\$868,414
Allocation to the Reserve Fund in the 1950 budget	50,000
Transfer to the Reserve Fund in 1950 of sums standing in three special accounts	<u>81,979</u>
Total of Reserve Fund on 31 December 1950	\$1,000,393

(b) Working Capital Fund

The target figure for the Working Capital Fund set in 1949 was 1.5 million dollars. During the discussion in the Finance Committee of the Governing Body, a resolution was adopted to fix provisionally the target figure of the Fund at \$1,250,000, this decision to be reviewed after further consideration by the Committee at a session of the Governing Body in May or June of 1950. This decision was subsequently confirmed and approved by the Conference.

In the 1951 budget, entries will be found of \$250,000 for the new Working Capital Fund and a withdrawal of \$245,717 from the old Fund. This results from the following decision of the 1949 Conference:

- (i) That assessments to the Working Capital Fund should be made on the basis of the scale fixed by the Conference for contributions to the annual budget; that States Members having at present no share in the Fund, or whose share is below the amount assessed in accordance with the scale of contributions to the Budget, should be so assessed, contributions being payable to the Fund by installments over a five-year period; and that States whose existing share in the Fund exceeds the amount of their assessed contributions would be entitled to use the excess to pay, in whole or in part, their contributions to the budget of the International Labour Organisation;
- (ii) That the arrangements approved by the Conference with regard to the structure, target figures and methods of collection of the Reserve Fund and Working Capital Fund should be subject to review in not more than five years' time;
- (iii) That assessments to the Working Capital Fund should be made through the budget in the following way. Each year over a period of five  
/years one-

size of the two Funds. The Committee agreed to recommend to the Governing Body that no change in the present Regulations should in the meantime be made and that the question of the desirability of the amalgamation of the Reserve Fund and the Working Capital Fund should be kept under review in the light of practical experience in the utilization of the two Funds. It was pointed out that certain Governments had proposed last year the amalgamation of the two Funds and were still of the opinion that a merger would be desirable. They agreed, however, not to press for such a merger at present."

The whole question of funding arrangements was discussed in the Consultative Committee on Administrative Questions and the following observation included in their report to the Administrative Committee on Co-ordination:

"The Committee discussed the present funding arrangements of United Nations and five of the specialized agencies. It was noted that with the exception of ILO, all those organizations under consideration had a single Working Capital Fund. The particular position of ILO in respect of its reserve fund was the subject of considerable discussion. The special reserve nature of this fund which was characterized as a fund belonging to the organization, was noted, as well as the provisions regarding its interchangeability with the ILO Working Capital Fund. The Committee could not agree that the concept of a reserve fund was inappropriate so long as the Members were clearly informed of the purpose and conditions of use of the fund."

A set of principles on the scope of working capital funds was approved by the Administrative Committee on Co-ordination in May 1950, to be recommended by the agencies to their appropriate legislative bodies for approval. ILO participated in the meetings in which those principles were developed.

(a) Reserve Fund

No allocation for the Reserve Fund was included in the 1951 budget. The Fund has been gradually built up by budgetary allocations since 1947. The Governing Body in 1948 recommended that the target figure for the Reserve Fund should be fixed at one million dollars; this figure is expected to be attained by the end of 1950. The position of  
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years one-fifth of the target amount of the Fund would be inscribed in the expenditure budget. Each year an increase would result in the gross budget of one-fifth of the target amount of the Fund. A deduction from the gross budget would, however, be made to take account of receipts resulting from the distribution of the present accumulated Fund over a period of five years. The distribution would amount each year to one fifth of the present accumulated Fund of \$1,213,421. The Committee noted that the allocation of expenditure among States Members for each year's budget was made by the International Labour Conference and that under the proposed arrangement this allocation would be on the basis of the total gross expenditure budget. The detailed breakdown of the credits due to States in respect of their existing holdings in the Fund would be shown in the statement of contributions due to the budget of the Organisation in the same way as the refund to States Members of the surplus each year a distribution falls to be effected.

(c) Unpaid Liabilities Fund

This Fund, which is actually a budgetary amount included each year to cover the payment of unpaid bills from previous financial years, is established at the same amount set for 1950: \$6,000.

10. Form of the 1951 budget

In his comments on the budget estimates, the Director-General of ILO remarks that:

"In considering the form in which the budget estimates for 1951 should be submitted to the Finance Committee, the Director-General has been guided by the recommendation made at the 1949 Session of the Conference by the Finance Committee of Government Representatives. That recommendation was that without prejudice to any general agreement that may be reached between the United Nations and the specialized agencies on the form of budget presentation, the 1951 budget should be accompanied by an annex containing for purposes of information a summary of the estimates presented as far as possible on project budget lines." Thus, ILO's 1951 budget estimates are accompanied by a summary in which expenditures are listed under project headings. The method of preparing these  
/project

project estimates is outlined by the Director-General as follows:

"For practical reasons, therefore, it has been considered sufficient to limit the breakdown of the expenditure for each of the projects to the following items: salaries of permanent and temporary staff, travelling expenses and allowances of staff on missions; travelling expenses and subsistence allowances of members of committees, etc.; special staff charges, i.e., travelling expenses involved in the recruitment of new staff and in the provision of home leave, children's allowances and other staff items, and contributions to pensions and Provident Funds. In some cases where it has been possible to isolate the printing relating to a particular project, an estimate for printing has also been included under that project."

A tentative estimate of the workload involved in each project is also contained in this summary.

From a formal point of view, the nomenclature used by ILO is the same as last year: part, section, chapter and item. The connotation of these terms continues to be different from that in which they are used in United Nations estimates. The ACC has not yet been able to agree on standard definitions of these terms since such definitions depend on a more fundamental agreement on budget structure.

11. Inter-agency co-ordination on administrative questions

When considering the problem of co-ordination between ILO's activities and those of other specialized agencies, the Director-General commented in his statement to the Finance Committee of the Governing Body as follows:

"I have myself attended all the meetings of the Administrative Committee on Co-ordination, which, as members of the Finance Committee know, consists of the Secretary-General of the United Nations and the Directors-General of the specialized agencies. I have informed my colleagues on that Committee of every new development in the work of this Organisation in which their organizations might be considered to have some interest, and I have invited their assistance and their collaboration."

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On the specific question of the salary, allowance and leave systems proposed by the Committee of Experts, ILO has initially commented on the fact that the new staff classification and salary plan would bring the United Nations closer to the practice adopted by the ILO. However, as to any acceptance of the plan, ILO's views are summarized in the following paragraph included in its fourth report to the United Nations:

"The Governing Body authorized the Director-General to prepare detailed comments on the report of the Committee of Experts for submission to the Staff Questions Committee at its May-June (1950) session and also authorized the Director-General to write to the Secretary-General urging that action should not be taken by the United Nations without consultation with the specialized agencies on any matters relating to staff conditions which would involve repercussions on the agencies."

The Staff Questions Committee examined the problem during its June, 1950 session and reported on it to the Governing Body, which approved a resolution of which the main points are:

- (i) In view of the similarity of structure and in many details between the proposals of the Committee of Experts and the system prevailing in the ILO, there was no necessity for the ILO to make an extended comment on the report of the Committee of Experts.
- (ii) That the United Nations Advisory Committee should be requested to ascertain the views of the Administrative Committee on Co-ordination and the Consultative Committee on Administrative and Budgetary Questions, in order that in the Advisory Committee's report to the Assembly the views of the specialized agencies would be included.
- (iii) That the International Labour Office submit to an early session of the Staff Questions Committee detailed proposals based upon (a) the General Assembly's action with respect to the report of the Committee of Experts, (b) review of that action by the Administrative Committee on Co-ordination, and (c) review of what other specialized agencies may have done or may be planning to do with respect to these matters.

In regard to the United Nations Joint Staff Pension Fund, the Governing Body of ILO decided that ILO arrangements should be made with the United Nations

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in order that established and temporary officials at present uninsured may be allowed to participate in the Fund. This would bring approximately 500 ILO staff members into the Fund.

An interesting development is registered in ILO's report to the United Nations: the ILO Conference at its 1949 session adopted, on the recommendation of the Governing Body, amendments to the Statute of the Administrative Tribunal, which extend the jurisdiction of the Tribunal to other inter-governmental international organizations which recognize the jurisdiction of the Tribunal and agree to adopt its rules of procedure. WHO and ILO will henceforth use the Tribunal jointly.

By agreement between the ILO, the European Office of the United Nations and WHO, a joint medical and nursing service has been set up for the staff of these organizations in Geneva.

ILO has nominated its auditor, Mr. V. Brunskog, for member of the Joint Panel of Auditors established in accordance with the provisions of the joint system of audit. He is expected to attend the first meeting of the Board in October 1950. ILO has also made suggestions on matters to be discussed by the Joint Panel of Auditors.

STANDARD BUDGET SUMMARY FOR THE UNITED NATIONS  
AND THE SPECIALIZED AGENCIES

INTERNATIONAL LABOUR ORGANISATION

	1951 <u>appropri-</u> <u>ations</u> \$	1950 <u>appropri-</u> <u>ations</u> \$	1949 <u>expenses</u> \$
<u>Group I. Meetings</u>			
A. Annual Conference			
Travel and subsistence			
(a) (i) Delegates	-	-	-
(ii) Staff	20,150	26,100	10,366.52
(iii) Consultants and liaison representatives	-	-	-
(b) Temporary staff	37,000	37,000	38,398.82
Local transportation	4,500	5,500	4,105.19
Supplies and materials	-	-	-
(c) Contractual printing	124,083	116,772	167,532.01
Premises and equipment	7,000	5,500	9,902.10
All other services	2,000	3,000	1,345.70
	<u>194,733</u>	<u>193,872</u>	<u>231,650.34</u>
B. Governing Body, Councils and other Organizational meetings			
Travel and subsistence			
(a) (i) Members	490,091	503,264	414,428.11
(ii) Staff	117,230	122,954	134,293.45
(iii) Consultants and liaison representatives	-	-	-
(b) Temporary staff	18,250	22,500	15,159.26
(c) Other items: Printing, Premises and equipment	48,408 2,500	38,108 5,140	69,475.27 -
All other services	11,262	14,350	6,554.57
	<u>687,741</u>	<u>706,316</u>	<u>639,910.66</u>
	<u>882,474</u>	<u>900,188</u>	<u>871,561.-</u>
Less: Direct contribution by host country	<u>26,762</u>	<u>22,011</u>	<u>62,319.68</u>
Total, Group I	<u>855,712</u>	<u>878,177</u>	<u>809,241.32</u>
<u>Group II. Personal Services</u>			
Salaries, Wages and other Pay items			
Established posts	2,969,189	2,727,465	2,151,814.23
Consultants	169,519	154,673	91,992.87
Temporary assistance	182,417	160,480	204,984.60
Overtime	8,000	4,400	-
Night differential	-	-	-
Research and other personal contract fees	-	-	-
Reimbursement for national income taxation	-	-	-
	<u>3,329,125</u>	<u>3,047,018</u>	<u>2,448,791.70</u>
			/Recruitment

	1951 <u>appropri-</u> <u>ations</u> \$	1950 <u>appropri-</u> <u>ations</u> \$	1949 <u>expenses</u> \$
Recruitment and Termination Expenses			
Travel and removal expenses of staff and dependents	80,000	129,411	124,283.54
Installation allowances and grants	-	-	-
Termination pay and commutation of annual leave	-	-	-
Other	<u>1,700</u>	<u>1,700</u>	<u>3,959.84</u>
	81,700	131,111	128,243.38
Staff Benefits and Allowances			
Staff Provident Fund - Staff Pension Fund	523,277	521,316	360,889.-
Children's allowances - education grants and related travel	92,560	84,203	55,616.37
Expatriation allowances	-	-	-
Rental allowances	-	-	-
Travel on Home Leave	113,667	182,562	58,371.93
Other	<u>19,020</u>	<u>8,626</u>	<u>6,425.38</u>
	<u>748,524</u>	<u>796,707</u>	<u>421,302.68</u>
Staff Training, Health and Welfare	<u>8,120</u>	<u>5,090</u>	<u>6,988.48</u>
Total, Group II	<u>4,167,469</u>	<u>3,979,926</u>	<u>3,065,326.24</u>
<u>Group III. General Services</u>			
(d) Travel and Transport	135,287	139,973	120,393.47
Hospitality	15,590	15,868	14,980.35
Communication Services	128,041	119,577	121,026.94
Information Services	59,251	59,328	25,016.31
Information Supplies and Materials	-	-	-
Rental and Maintenance of Premises	118,380	114,966	76,585.92
Stationery and Office Supplies	54,171	52,169	54,002.99
Supplies for Internal Reproduction	-	-	-
Contractual Printing	241,327	239,140	212,469.82
Rental and Maintenance of Furniture			
Fixtures and Equipment	12,166	13,373	10,314.49
Freight, Cartage and Express	9,000	5,000	18,848.61
Other Supplies and Services	<u>30,568</u>	<u>31,995</u>	<u>24,057.14</u>
Total, Group III	<u>803,781</u>	<u>791,394</u>	<u>677,696.04</u>
<u>Group IV. Special Projects and Activities</u>			
Missions			
Items per Group I, as required	-	-	-
Others			
Manpower programme	-	-	76,158.28
Fellowship programme	75,000	75,000	-
Total, Group IV	<u>75,000</u>	<u>75,000</u>	<u>76,158.28</u>

/Group V.

	1951 appropri- ations \$	1950 appropri- ations \$	1949 expenses \$
<u>Group V. Equipment Purchase</u>			
Furniture, Fixtures and Office Equipment	54,553	53,533	48,878.69
Library Books, Periodicals and Maps	27,106	22,952	20,801.42
Other Equipment	-	-	-
Total, Group V	<u>81,659</u>	<u>76,485</u>	<u>69,680.11</u>
<u>Group VI. Property Account</u>			
Alterations and Improvements to Leased Premises	-	-	-
Land and Buildings	100	100	-
Amortization of Property Loans	<u>26,285</u>	-	-
Total, Group VI	<u>26,385</u>	<u>100</u>	<u>-</u>
<u>Group VII. Other Budgetary Provisions</u>			
Unpaid Liability Fund	6,000	6,000	2,234.88
Provision for New Projects, contingencies and unforeseen Reserve Fund	-	-	51,055.83
(a) Refund of withdrawals	-	162,944	98,321.-
(b) Allocation	-	50,000	175,000.-
Working Capital Fund	250,000	-	-
Branch Offices: Reserve for Fluctuation of exchange rates	3,500	3,500	9,440.47
Total, Group VII	<u>259,500</u>	<u>222,444</u>	<u>336,052.18</u>
Total	<u>6,269,506</u>	<u>6,023,526</u>	<u>5,034,154.17</u>
<u>Group VIII. Casual Revenue</u>			
Estimated returns for services rendered to other agencies	50,000	40,000	42,688.50
Sales of publications			
Other			
Total, Group VIII	<u>50,000</u>	<u>40,000</u>	<u>48,958.23</u>
Total	<u>50,000</u>	<u>40,000</u>	<u>91,646.73</u>
Total	<u>6,219,506</u>	<u>5,983,526</u>	<u>4,942,507.44</u>
<u>Less:</u>			
Distribution of one fifth of Original Working Capital Fund	245,715	-	-
Net Total	<u>5,973,791</u>	<u>5,983,526</u>	<u>4,942,507.44</u>

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