

Medical Benefits Scheme

This was approved without discussion, though the subject will be included in the agenda of the fifth session.

Joint Staff Pension Fund

Three members of the Committee were elected—namely, Professor Carneiro (Brazil), M. Guy de Lacharrière (France), and Mr. K. Holland (U.S.A.)—with alternates from Italy, Poland, and the United Kingdom. All those elected were regarded as extremely competent persons.

II. FINANCIAL QUESTIONS

There were a number of difficult matters involved here, arising from the general question of the payment by member States of their contributions to UNESCO. One very serious matter is that of *unpaid contributions*—on the payment of which the balancing of the Budget, if it is to be true and not fictitious, quite obviously depends, as the auditors have already pointed out. Suggestions were made as to a course of action to be taken by the Director-General, who was asked to report further to the fifth session.

There was then the question of the *rate at which certain member States should pay*, brought up both by Sweden and by the United States. The first of these is over-assessed by the United Nations scale, on which the UNESCO scale is based; the second has been paying more than the $33\frac{1}{3}$ per cent., which is the agreed maximum for normal times of the total UNESCO payments that any one State should make. Both requested reductions. The Commission, though very much in sympathy with Sweden, thought that UNESCO should wait until the United Nations had made an adjustment (which it seems likely to do). The United States proposal was a perhaps more difficult one; for, while United States payments have gone much beyond the agreed maximum, and while the American delegation did not ask for the full reduction to which it felt it was entitled, the request came just when the amount of certain other countries' contributions had been increased through devaluation by amounts of about 30 per cent. in their own currency. To the American proposal—specifically, that the benefit accruing from the entry of new member States into UNESCO should be shared between member States contributing in 1949 on a *pro rata* basis—there was no satisfactory alternative, and it was adopted.

The *currency of contributions* was another awkward point. Brazil wished to pay its contribution for 1950 in French francs instead of dollars. No concession was made, owing to the Organization's great need for hard currencies, both for such programme projects