The effect of these decisions was to establish the I.L.O. as the proprietor of its grounds and specially constructed buildings in Geneva and to furnish it with sufficient funds for its operation until other provisions for financing the I.L.O. have been agreed. The separation of the interests of the I.L.O. from those of the League in no way prejudices the question of the association of the I.L.O. with the United Nations, and is, indeed, an essential step to that end.

Distribution of League Assets

The remaining assets of the League are of two classes, the material assets consisting wholly of lands, buildings, furniture, equipment, books, etc., in Geneva tentatively valued at above 45 million Swiss francs, and liquid assets in the form of bank balances and other holdings readily convertible into cash. Under the "Common Plan" the United Nations agreed to receive from the League of Nations on or about August 1, 1946, the material assets of the League. The League is to determine the share in the total credit established for these material assets of each State Member of the League entitled to participate. The United Nations is to pay for the assets by crediting these shares in its books to those League states which are members of the United Nations. Thus Canada will in due course be credited in the books of the United Nations with the Canadian share of the value of the material assets, and it is assumed that this amount will be deducted from the Canadian contribution to the United Nations, probably over a period of several years.

Any balances remaining in the liquid assets after the liquidation of the League is complete will be distributed direct to the States Members of the League by the Board of Liquidation referred to below.

It was necessary at the Assembly to develop and approve a detailed scheme of distribution. The basic feature of this scheme is that the shares of States Members in all the assets "should be based upon a table showing the proportion that the contributions paid by each State Member bear to the total contributions received by the League since its inception." It was agreed, however, that there should be deducted the amount of its indebtedness from the share of any member whose contributions were in arrears at final liquidation.

As nearly all the contributions due in 1946 have still to be paid and as states in arrears are free to pay their debts to the League up to the end of this year, it was not possible for the Assembly to agree on the exact percentages of each member. Canada will have the fourth largest claim, ranking next after the United Kingdom, France and India, and the Canadian share should be somewhat in excess of 6 per cent of the value of assets.