

the Executive Committee could be trusted to handle this communication without positively committing the Canadian Government.

7. For reasons already stated, the attitude of the Canadian Government towards the basis of operational contribution, was not put before the Plenary Session. I did not myself believe it practicable to propose to the Executive Committee, at this state in history of the I.G.C., that the financial structure of the Committee be changed in respect to contributions for 1945 and 1946. There would, I think, be almost unanimous opinion that it was not worth while at this time to enter into such a difficult and probably controversial discussion, even though the present basis may not be satisfactory and the voluntary principle may have strong disadvantages in the present Session, for example, Poland asked to be excused even from their contribution for administrative expenses which is less than £2,000. It would not be satisfactory, I think, to use either the League of Nations scale or the proposed scale for U.N.O. I assume that the greater part of expenses of those organizations is for administration and the principal scale based on population and national income is suitable, but when the bulk of the contribution is for relief and the payments are to be for the benefit of various national and racial groups, some residents in their mother countries, and some others not so resident, the policy suggested in your telegram might be very difficult to apply.

8. In the proposed, but now abandoned contribution for 1944, Canada followed the quota laid down for administrative expenses. This policy, if followed by all the States which are capable of contributing, would not meet all the operational expenses since there must be some States, such as Poland, which will not contribute at all, and which will not contribute to that extent.

9. My suggestion then is that the Canadian contribution for 1945 be based upon the estimated expenditure of £1,100,000; this is half way between the lower figure given by the Director at the Plenary Session and the figure given in his letter to Mr. Morley Scott of October 30th, which was sent to you in Canada House Despatch No. A-528 of that date.<sup>†</sup> The amount which is proposed to Parliament might be communicated informally to the Directorate with the necessary safeguards. Canada House might also be instructed to ask the Director upon what figure the contribution for 1946 should be based. In my opinion, the Canadian contribution should not be less than that which would be given were the quota for administrative expenses followed, and favourable consideration could perhaps be given to the recommending of a larger amount than that, in order to balance the inability or unwillingness of some other States to contribute.

I have etc.

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