

PREPARATORY COMMITTEE OF THE INTERNATIONAL CONFERENCE  
ON TRADE AND EMPLOYMENT

COMMITTEE V

NOTE BY THE SECRETARIAT ON VOTING ARRANGEMENTS, ETC.,  
IN OTHER INTERNATIONAL ORGANIZATIONS

The following references to the relevant provisions in the basic instruments of the International Labour Organization, the International Bank, the International Monetary Fund and the International Civil Aviation Organization, are furnished for the Committee's information in connection with its consideration of Articles 53, 57 and 58 of the United States Draft Charter, relating to Voting and to Membership of the Executive Board

1. The ILO

(a) Conference - Voting (Articles 4, 17)

The membership and voting arrangements in both the General Conference and Governing Body of the ILO differ from those common to most other inter-governmental organizations by virtue of the ILO's tripartite structure. The Conference is composed of four representatives of each of the members, two of whom must be government delegates and the two others, delegates representing respectively the workers and employers of their particular countries.

Every delegate is entitled to vote individually on all matters which are taken into consideration by the Conference. Except as otherwise expressly provided in the Constitution, all matters are decided "by a simple majority of the votes cast by the delegates present", but the voting is void unless

the total number of votes cast is equal to half the number of delegates attending the Conference.

(b) Membership of the Governing Body

The relevant provisions of the Constitution, as recently amended, are set out in Article 7. The first four paragraphs are as follows:

"1. The Governing Body shall consist of thirty-two persons:

Sixteen representing Governments,  
Eight representing the Employers and  
Eight representing the Workers.

"2. Of the sixteen persons representing Governments, eight shall be appointed by the members of chief industrial importance, and eight shall be appointed by the members selected for that purpose by the Government delegates to the Conference, excluding the delegates of the eight members mentioned above. Of the sixteen members represented six shall be non-European States.

"3. The Governing Body shall as occasion requires determine which are the members of the Organization of chief industrial importance and shall make rules to ensure that all questions relating to the selection of the members of chief industrial importance are being considered by an impartial committee before being decided by the Governing Body. Any appeal made by a member from the declaration of the Governing Body as to which are the members of chief industrial importance shall be decided by the Conference, but an appeal to the Conference shall not suspend the application of the declaration until such time as the Conference decides the appeal.

"4. The persons representing the Employers and the persons representing the Workers shall be elected respectively by the Employers' delegates and the Workers' delegates to the Conference.

"Two Employers' representatives and two Workers' representatives shall belong to non-European States."

(c) Criteria of Industrial Importance

The relative industrial importance of members, for the purposes of membership of the Governing Body, is at present determined on the basis of the following criteria:

(1) The League of Nations scale of contributions (which, in turn, is assessed on a basis of national wealth);

- (ii) The table of industrial importance of States prepared on the basis of statistics compiled by the League Secretariat for the Index of World Production.
  - (iii) The table of volume of foreign trade (Exports and Imports) prepared from statistics compiled by the League Secretariat.
  - (iv) Total figures of occupied population.
2. The International Bank for Reconstruction and Development and the International Monetary Fund

(a) Voting - Bank

The relevant language of the Articles of Agreement for the Bank appears in Article V, Section 5 which provides as follows:

"(a) Each member shall have 250 votes plus one additional vote for each share of stock held.

"(b) Except as otherwise specifically provided, all matters before the Bank shall be decided by a majority of the votes cast."

Each share of stock of the Bank has a par value of \$100,000 (Article II, Section 2).

Thus by way of illustration, the United States has a total voting power of 32,000 votes (subscription of \$3,175 million plus 250); the United Kingdom has 13,250 votes (subscription of \$1,300 million plus 250); and Costa Rica has 270 votes (subscription of \$ 2 million plus 250).

This voting formula holds true whether or not the voting is in the Board of Governors, where each country has its own Governor, or in the Executive Directors, where several countries may be represented by one Director. However, a Director must cast all of his vote one way; he cannot split his vote.

As a practical matter the practice in both the Board of Governors' and Executive Directors' meetings is for the presiding officer to ascertain the sense of the meeting rather than to observe formal voting procedure. Any representative present however may insist on a formal vote if he chooses but this is rarely if ever the case.

(b) Voting - Fund

Voting in the Fund is exactly the same as that indicated for the Bank except that voting under Article V, Section 4 or 5 involves certain adjustments in voting power related to the member's currency position in the Fund. In the overall perspective, however, this adjustment feature is of limited scope and on most issues the Fund's voting procedure is identical with that of the Bank.

Voting in the Fund is covered in Article XII, Section 5.

(c) Executive Directors - Bank

The relevant language of the Articles of Agreement appears in Article V, Section 4 which provides, inter alia:-

"(a) There shall be twelve Executive Directors, who need not be governors, and of whom:

- (i) five shall be appointed, one by each of the five members having the largest number of shares;
- (ii) seven shall be elected according to Schedule B by all the Governors other than those appointed by the five members referred to in (i) above".

There is provision for increasing the number of elected Directors as the membership of the Bank increases beyond those who qualify as original members or who become members in accordance with Article II, Section 1(b).

Schedule B referred to in Article V, Section 4, (b) (ii), is an appendix to the Final Act in which a detailed procedure is laid down for choosing the elective Executive Directors.

(d) Executive Directors - Fund

The provisions of Article XII, Section 3, relating to Executive Directors, are the same as the corresponding Bank provisions except that, in addition to the five appointed by the five members having the largest quotas:

- (i) Five are elected by the other members (excluding the American Republics);
- (ii) Two are elected by the American Republics not entitled to appoint directors; and
- (iii) Not more than two may be appointed under circumstances relating to members' currency position in the Fund (see Article V, Section 3 (c)).

3. The International Civil Aviation Organization

(a) Voting - The Assembly

Both the PICAO Agreement (Article II, Section 1) and ICAO Convention (Article 48 (b)) contain a substantially identical provision, namely, that all member States "shall have an equal right to be represented at the meetings of the Assembly and each member State shall be entitled to one vote". They provide also that a majority of the member States is required to constitute a quorum and that unless otherwise provided in the instrument, decisions shall be taken by a majority of the votes cast.

(b) Membership of Council

Provisions concerning the composition of the Council are likewise substantially the same. In the case of the permanent Convention, Article 50, paragraphs (a) and (b) state:-

- "(a) The Council shall be a permanent body responsible to the Assembly. It shall be composed of 21 contracting States elected by the Assembly. An election shall be held at the first meeting of the Assembly and thereafter every three years, and the members of the Council so elected shall hold office until the next following election.

"(b) In electing the members of the Council, the Assembly shall give adequate representation to (1) the States of chief importance in air transport; (2) the States not otherwise included which make the largest contribution to the provision of facilities for international civil air navigation; and (3) the States not otherwise included whose designation will insure that all the major geographic areas of the world are represented on the Council. Any vacancy on the Council shall be filled by the Assembly as soon as possible; any contracting State so elected to the Council shall hold office for the unexpired portion of its predecessor's term of office".

(c) Voting - Council

Decisions by the Council require approval by a majority of its members.

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