### THE LEAGUE OF NATIONS

REPORT OF THE NEW ZEALAND DELEGATES ON THE ADJOURNED 20TH SESSION AND THE 21ST (FINAL) SESSION OF THE ASSEMBLY OF THE LEAGUE OF NATIONS HELD AT GENEVA 8-18 APRIL 1946

Presented to both Houses of the General Assembly by Leave

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High Commissioner for New Zealand

New Zealand Government Offices, 415 Strand, London W.C. 2 8 May 1946.

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My dear Minister,

You are aware that owing to shipping delays I was prevented from attending the meeting of the Assembly of the League of Nations held at Geneva from 8 to 18 April 1946, to which I had been appointed the New Zealand delegate.

In my absence the substitute delegates—Mr C. A. Knowles (of my office) and Mr G. R. Laking (of the Department of External Affairs)—acted as New Zealand representatives.

I enclose their report of the proceedings.

Yours sincerely, (Sgd) W. J. JORDAN.

The Rt Hon. The Minister of External Affairs Wellington New Zealand

## Report of the Substitute New Zealand Delegates

### The High Commissioner

In your unavoidable absence we acted as the representatives of New Zealand at the meeting of the Assembly of the League of Nations held at Geneva from 8 to 18 April 1946, inclusive.

- 2. The meeting was a resumption of the 20th Session of the Assembly which had been adjourned in December 1939. In his opening speech the President, Mr C. J. Hambro of Norway, proposed that the session should be formally closed and that a new session, the 21st, should be convoked. This proposal was adopted, Mr Hambro being elected President of the new session, on the motion of the representative of Bolivia, the President of the Council.
- 3. The Assembly agreed that it was unnecessary for the Council to meet, and adopted a resolution attributing to itself such functions of the Council as were necessary.
- 4. The major purposes of the meeting may be summarized as follows:—
  - (i) To receive the report of the Acting Secretary-General on the work of the League during the war.
  - (ii) To provide for the transfer to the United Nations of the League's assets, together with such of its functions as the United Nations had agreed to assume.
    - (iii) To dissolve the League.
- 5. There was general recognition of the fact that the League as a political force had ceased to exist, and there was no disposition to regard the present meeting as anything other than a business session, the purpose of which was to facilitate the assumption by the United Nations of the work which the League was laying down. It was inevitable in such a gathering that some questions of international political significance should be raised, but these were few and were disposed of in an atmosphere of sweet reasonableness not common to all such international assemblies.
- 6. The session was sparsely attended by representatives of States Members and little interest was shown by the public or press. Many Governments had selected as their representatives men who had been associated with the League from its

beginning, some having been present at the first meeting of the Assembly in 1920. Of these perhaps the outstanding figure was Lord Cecil, who had played a prominent part in the framing of the Covenant.

- 7. Early in the proceedings the Secretary-General received from the Austrian Government a letter requesting that Austria be admitted to participation in the work of the Assembly on the grounds that, in the opinion of that Government, Austria had not ceased to be a member of the League. On the recommendation of the General Committee, the Assembly agreed to admit the Austrian delegation as observers.
- 8. The early meetings of the Assembly were devoted to a debate on the report of the Acting Secretary-General in which most of the States represented took part, the speeches for the most part being valedictory. The failure of the League in its primary function of preventing war was freely admitted, and the hope was many times expressed that the United Nations, having been endowed with the "teeth" which the League had lacked, and having brought within its membership powers such as the United States, which had always been outside the League, would be better suited to the task. The speeches which commanded the greatest attention were, perhaps, those of Lord Cecil, on behalf of the United Kingdom, and M. Paul-Boncour, on behalf of France.
- 9. It was natural that the Assembly should be specially interested in the future of the mandated territories. There was general satisfaction that, during the course of the debate, the representatives of all the mandatory powers (excepting Japan, no longer a member of the League) made statements on this question, stressing the intention of their respective Governments to continue to administer the territories in accordance with their obligations under the mandate for the well-being and development of the inhabitants during the period between the dissolution of the League and the coming into force of other arrangements to be agreed between the United Nations and the respective Governments.

The text of a declaration made on behalf of New Zealand in respect of Western Samoa is attached as Appendix  $\Lambda$ .

10. The disposal of the many technical and administrative matters associated with the dissolution of the League was greatly facilitated by the consideration which had been given to them by the Preparatory Commission and the General Assembly of the United Nations earlier in the year. Extensive negotiations which had taken place between the Supervisory Commission of the League and a small Committee appointed by the United Nations had resulted in the formulation of a

I' common plan" for the transfer of the League's assets to the atter body. The General Assembly of the United Nations had also adopted a resolution outlining the extent to which that organization was prepared to assume responsibility for the functions, both technical and non-technical, previously within the competence of the League. An additional factor contributing greatly to the expedition with which the work of the final Assembly was carried through was provided by the draft resolutions and papers on all the major items on the agenda which the United Kingdom delegation had prepared. These, the outcome of much serious and detailed study by United Kingdom officials, proved to be of immense value.

- 11. Generous recognition was given in the Assembly to the work of the Secretariat of the League during the war. The staff's loyalty to their tasks throughout a period of exceptional difficulty, and despite the extreme stringency of the League's financial situation, had enabled the valuable technical services of the organization to be maintained in such a condition that they can be transferred to the United Nations with the minimum loss of continuity. The Acting Secretary-General—Mr Sean Lester—and the Treasurer—Mr Seymour Jacklin—were specially mentioned.
- 12. The detailed consideration of the various agenda items was entrusted to two Committees—the first to deal with general questions and the second with financial and administrative matters. While it had hitherto been the custom of Committees of the Assembly to elect their own Chairmen, on this occasion the Chairmen were proposed by the Nominations Committee—M.M. Bourquin (Belgium) for Committee I, and Sir Atul Chatterjee (India) for Committee II. The subjects dealt with by these Committees and the decisions thereon which were made by the Assembly were as follows:—

### Dissolution of the Permanent Court of International Justice

13. Like the League, the Permanent Court of International Justice found itself, at the time of the Assembly meeting, with a successor (the International Court of Justice established by the United Nations) already in existence and functioning. It remained only for the League to give to the old Court its official quietus. There was some discussion outside the Assembly as to the competence of the League to dissolve the Court in view of the fact that certain States, not members of the League, were parties to the Statute establishing the Court, but the facts of the situation, coupled with the general desire to make a tidy job of the liquidation, outweighed in Committee and in the Assembly itself any such legal arguments.

The contribution made by the Court during the twenty-four years of its existence not only to the development of international law, but—what is more important—to the extension of the rule of law in the field of international politics, was fully recognized and acclaimed. The delegate of Poland expressed a general feeling when he paid a tribute to the influence which the work of the Court had exercised upon a whole generation of lawyers. The dissolution of the Court does not involve death, but rather reappearance in a new guise:

14. With respect to the Court, the resolution adopted by the Assembly took note of the existing situation, including the resignation of all the judges of the old Court and the establishment by the United Nations of the new Court of International Justice, and declared the Court dissolved with effect from the day following the close of the session of the Assembly.

# Assumption by the United Nations of certain Functions, Powers, and Activities of the League

- 15. Apart from its purely political activities the League has been responsible for the exercise of a large number of important functions, both those entrusted to it by Governments under various international agreements and those pertaining to the numerous technical organs established by the League itself. The contribution made by the League in these fields of international co-operation are so well known as to require no special mention. The numerous publications by the Secretariat on economic and financial problems, together with the work done by the League in respect of such matters as health, communications, child welfare, slavery, the traffic in women and children, and the drug traffic, constitute the most notable achievements of the League.
- 16. Reference has already been made to the decisions taken by the General Assembly of the United Nations in regard to its willingness to assume certain of these functions, and it was the task of the League Assembly to facilitate the transfer—a task made easier by the unremitting efforts of the Secretariat during the war years to keep the work in being.
- 17. The Assembly accordingly adopted two resolutions, the first relating to those functions and powers entrusted to the League under various treaties and international agreements; the second to other activities of a non-political character. The purport of the former was to direct the Secretary-General of the League to transfer to the Secretary-General of the United Nations all the original signed texts of treaties and other international agreements now deposited with the League,

with the exception of the Conventions of the International Labour Organization which are to be placed at the disposal of that Organization. The resolution further recommends the Governments of the Members of the League to facilitate in every way the assumption by the United Nations of the functions and powers entrusted to the League under any of these instruments and which the United Nations is willing to maintain.

18. The second resolution similarly directs the Secretary-General to facilitate the transfer to the United Nations of such of the other non-political activities of the League as the former organization may decide to assume.

#### Mandates

- 19. Reference has been made earlier in the report to the statements of the various Mandatory Powers regarding their intention to continue to administer the mandated territories in accordance with the principles of the Mandates until such time as other arrangements have been made in agreement with the United Nations.
- 20. In consequence, there was but little discussion of the matter either in Committee or in the Assembly. The delegate of China, however, felt it desirable that the Assembly should formally take note of these declarations and accordingly proposed a resolution (a) expressing the satisfaction of the Assembly with the manner in which the organs of the League, and particularly the Mandates Commission, had performed the functions entrusted to them; (b) recognizing that while on the dissolution of the League its functions with respect to the mandated territories would come to an end, principles corresponding to those in Article 22 of the Covenant were contained in the provisions of the United Nations Charter relating to the Trusteeship system; and finally (c) taking note of the expressed intentions of the Mandatory Powers to continue to administer the mandated territories for the welfare and development of the peoples concerned until the other arrangements had been agreed with the United Nations. This, with some minor modifications, was adopted.

# International Bureaux and other Organizations brought into Relation with the League

21. In addition to the Permanent Court of International Justice and the International Labour Organization, which are considered of sufficient importance to warrant separate mention, there was a number of International Bureaux and other

organizations having connection with the League in varying degree, whose fate required to be determined by the Assembly, namely—

- (a) The International Bureau for Information and Inquiries regarding Relief to Foreigners.
  - (b) The International Hydrographic Bureau.
  - (c) The Central International Office for the Control of the Liquor Traffic in Africa.
    - (d) The International Commission for Air Navigation.
    - (e) The International Exhibitions Bureau.
    - (f) The International Relief Union.
- 22. In practice the control exercised by the League in respect of these Bureaux was limited on the one hand to the right to receive information as to their activities, and on the other, to requests for technical advice as occasion required.
- 23. All six Bureaux were financially independent of the League, and their budgets were not submitted to any League organ for scrutiny. The severance of their connection with the League will not in any way affect their working. The Assembly accordingly contented itself with adopting a resolution thanking the Bureaux and other organizations concerned for their collaboration with the League in the past and informing them that their relations with the League must be regarded as coming to an end on the dissolution of that organization.
- 24. The position of another body which was in a somewhat different position from the foregoing-namely, the International Institute of Intellectual Co-operation—also fell to be considered. This Institute, which was placed at the disposal of the League by the French Government in 1924, will, through the dissolution of the League, lose its Governing Body which is 'composed of the members for the time being of the Committee on Intellectual Co-operation of the League of Nations.' A much wider field of intellectual co-operation is now embraced by the United Nations Educational, Scientific, and Cultural Organization established by the United Nations. Since 1925 France has borne almost the whole expense of the International Institute, and many expressions of thanks were voiced to her for her generosity. These expressions of thanks were embodied in a formal resolution of the Assembly which provided further that there should be transferred to the United Nations certain contingent rights of property in the assets of the Institute which vested in the League in the event of the abolition of the Institute.

### International Assistance to Refugees

25. The work of the League High Commissioner for Refugees, Sir Herbert Emerson, was reviewed in the first instance by Committee I on the basis of a report submitted by the High Commissioner, who appeared in person before the Committee. Conscious of the fact that a study of the whole refugee problem was at that time being undertaken in London by a Committee of Inquiry of the Economic and Social Council of the United Nations, the Assembly did not feel it necessary to embark upon an exhaustive inquiry into the future of the work. The hope was expressed that the categories of refugees with which the League had been concerned—namely, those known as Nansen refugees and also refugees coming from Germany, Austria, and the Sudetenland—would be covered by any unified system of protection and assistance which might emerge from the London discussions.

26. In order to ensure continuity in the work of the High Commissioner, the Committee recommended the extension of his term of office until the end of 1946, and a clause to give effect to this proposal was embodied in the general resolution governing the dissolution of the League to which reference is made later in the report.

### Dissolution of the League

27. The dissolution of the League, the principal subject before the Assembly, embraced a large number of matters requiring the most detailed examination. The consideration of a draft resolution prepared by the United Kingdom Delegation covering the many aspects of the dissolution fell partly within the province of Committee I, and as to the rest within that of Committee II, the former concerning itself with questions of principle, the latter dealing with the financial and administrative

aspects.

28. The general plan described below, and eventually approved by the Assembly, involved the dissolution of the League as from the day following the close of the Assembly except for the sole purpose of liquidation and the appointment of a Board of Liquidators, whose duty it would be (a) to transfer the assets of the League (apart from the interests of the International Labour Office) to the United Nations, and (b) to arrange for the discharge, at the appropriate time, of the remaining staff and the preservation of their pension rights. The several aspects of dissolution will be dealt with in the following paragraphs of the report. It is desirable, however, first to make some reference to the financial position of the League as revealed by the Reports presented to the Assembly. The success achieved by the Acting Secretary-General and his

staff in carrying on throughout the war years with a greatly reduced budget was a feat which called forth well-merited expressions of praise from the Assembly. The task of the Secretariat was not made easier by the failure of so many States members to pay their contributions in full. There were still due to the League on 31 December 1945, on account of contributions for that year, about 6,250,000 Swiss francs and a sum of well over 26,000,000 francs in respect of arrears for the previous years. At the time the Assembly opened, a sum of approximately 3,100,000 francs had been received in 1946 on account of arrears, and further amounts have been received since. A number of States in arrears had expressed their desire to settle their accounts before the dissolution of the League, both in order to discharge their obligations and also to enable them to participate on an equal footing with other States in the distribution of the assets of the League. The Special Committee on Contributions accordingly made endeavours to reach settlement with the States concerned on the fairest possible basis, taking into account their respective financial situations. In a number of cases consolidations were agreed upon, the understanding being that the States concerned would make immediate payment of the agreed sum. This was productive of the desired result in some instances, but not in all, and, as already stated, the total of arrears is very considerable. Considering the amount (more than 25,000,000 Swiss francs) of outstanding contributions written off in past years, it is not unreasonable to assume that a great proportion of the existing arrears will not be recovered.

Disposal of Assets

29. Prior to the meeting of the Assembly, extensive discussions had taken place between the Supervisory Commission of the League and a Committee established by the Preparatory Commission of the United Nations regarding the transfer of the League's assets to the United Nations. These discussions did not include the possible transfer of functions and activities hitherto performed by the League. The conversations resulted in the establishment of a 'Common Plan' (subsequently approved by the General Assembly), the outline of which was as follows:—

(i) All the material assets of the League\* after separating out the interest of the International Labour Office therein, to be transferred to the United Nations about August 1946.

<sup>\*</sup>These comprise the Secretariat Building and Assembly Hall at Geneva; real estate; furniture, fittings, &c., for the use of the Secretariat; furniture, fittings, &c., for the use of the Permanent Court of International Justice at the Hague; stocks of publications, books, paper, &c.; gifts to the League by various States; the Library and the Archives of the League and the Permanent Court. The building occupied by the International Labour Office is excluded.

- (ii) The shares in the total credit thus established to be distributed between the States entitled to participate in accordance with percentages to be laid down by the League.
- (iii) The shares thus established of such of these States as are members of the United Nations to be credited to them respectively in the books of the United Nations, the purpose to which the credits are to be applied to be decided by the General Assembly of the United Nations. The building occupied by the International Labour Organization at Geneva to be transferred to that Organization.
- (iv) The League to discharge all its obligations as soon as practicable, and to take steps to settle the questions of outstanding contributions. The liquid assets remaining thereafter to be credited or distributed to members of the League under a scheme to be determined by it.
- (v) As the United Nations desired that any ex-officials of the League subsequently engaged by the United Nations should enter their service under conditions of employment established by the latter Organization, and as the Organization did not desire to accept responsibility for the continued administration of the League's Staff Pensions Fund or with regard to pensions of the Judges of the Permanent Court, the League was to make the necessary arrangements in this regard.
- 30. The Assembly adopted this Common Plan and made the following arrangements in regard to the matters covered thereby:—
  - (a) It was agreed that participation in the assets of the League should be limited to States at present Members of the League. A proposal was made at one stage that in view of her contribution to the cause of freedom, the U.S.S.R. should be admitted to participation, but this proved to be impracticable on technical grounds. The Assembly, nevertheless, formally recorded its recognition of the contribution made by that country to the victory over Fascism.
  - (b) The shares of Member States in the assets of the League, material and liquid, are to be based upon the proportion that the contributions paid by each Member State bears to the total contributions received by the League since its inception.
  - (c) In the case of any State in arrears, the amount of the indebtedness is to be deducted from the claim of that State in respect of the assets, the amount concerned then being redistributed amongst he Members entitled to share according to the proportional laid down in the above-mentioned table.

- (d) Shares in the material assets of the League of those Members of the League which are not Members of the United Nations are to be held in suspense or otherwise dealt with under arrangements made by the Board of Liquidators in agreement with the States concerned.
- (e) The unappropriated balance of the liquid assets of the League is to be distributed in cash as soon as the final calculations have been made in accordance with the above.
- (Note.—As contributions will continue to be received during 1946, it is not yet possible to determine the precise schedule of percentages. The amount likely to be credited to New Zealand is therefore not ascertainable.)
- (f) For the purpose of the transfer to the United Nations, the material assets are to be valued on a cost-price basis, which, having regard to present price levels, can only be looked upon as extremely favourable terms so far as the United Nations is concerned.
- (g) In addition, the very valuable gifts presented to the League by the various States are to be handed over without cost to the United Nations in the hope that, in accordance with the wishes of the donors, these treasures will remain in the building for which they were presented.

### Staff Pensions Fund and Judges' Pension Fund

31. As indicated above, the United Nations did not wish to accept responsibility for the continued administration of the Pensions Fund of the League staff, or pensions arrangements for Judges of the Permanent Court of International Justice. After considering at some length the various possibilities, Committee II recommended that the control of these pensions funds should be vested for the future in the International Labour Organization, the staff of which has a considerable interest in the League fund. This proposal, which was accepted by the Assembly, will require confirmation by the competent body of the International Labour Organization, but it is not expected that any difficulty will be encountered in this regard.

### Discharge of Staff

32. Considerable attention was paid to the general desire of Member States that members of the staff of the League Secretariat, so many of whom had devoted long years of loyal service to the League, should not be unduly prejudiced by the dissolution of the League. All the remaining officials have already received notice of the termination of their engagements as from 31 July next, but it will be necessary to continue to employ some of them for the purpose of carrying out the

liquidation and for maintaining in operation those services of the Secretariat necessary to an expeditious transfer of the

League's functions and assets to the United Nations.

33. The provision referred to above for the continuance and administration of the staff Pensions Fund can be considered as entirely satisfactory. In addition, provision was made for the payment of indemnities on discharge, based on the term of employment.

### Appointment of Board of Liquidators

- 34. It had all along been realized that the negotiations and transactions involved in liquidating the affairs of the League of Nations would be both difficult and complex and require the services of a body of competent and experienced men as liquidators. The appointment of a suitable Board of Liquidators was considered by a joint subcommittee of Committee I and Committee II, which, in making recommendations as to the personnel of the Board, was guided by the following considerations:—
  - (a) First and foremost continuity in the financial work of the League.

(b) Personal qualifications of those suggested as members.

(c) Financial standing as regards payment of contributions of Member States, nationals of which had been proposed as members of the Board.

(d) Reasonable geographical representation.

Having taken these factors into consideration, the joint sub-committee proposed that the Board of Liquidators should comprise the following members. Their appointment was subsequently confirmed by the Assembly:—

M. EMILE CHARVERIAT (I'rance)

SIR ATUL CHATTERJEE (India)

M. F. T. CHENG (China)

M. Adolfo Costa du Rels (Bolivia)

M. CARL JOACHIM HAMBRO (Norway)

Mr. SEYMOUR JACKLIN (Union of South Africa)—from

1 Λugust 1946

SIR CECIL H. KISCH (United Kingdom)

DR JAROMIR KOPECKY (Czechoslovakia)

M. Daniel Secretan (Switzerland).

#### Dissolution

- 35. Having thus provided for the orderly disposal of the League's affairs, it remained to the Assembly formally to dissolve the League, which it did by a resolution, the text of which is given in Appendix B.
- 36. The final meeting of the Assembly gave occasion for a number of speeches, to summarize which would serve no

useful purpose. An experiment, noble in conception, and which in its early stages promised so well, was thus brought to an end. It was not the time for recriminations or even for an examination of the causes which led to decay. It may be, as some maintain, that the provisions of the Covenant were inadequate to enforce peace; but it is certainly true to say that the Covenant was never given a fair trial, for when the time came to apply its provisions, most members of the League—and among them the most powerful—hesitated; and hesitation played into the hands of aggression. The experiment failed, but the experience gained during the life of the League should be of inestimable benefit in the future. Already that experience has been an influence in the task of framing the Charter of the United Nations on which rests the hopes of mankind for the maintenance of peace.

8 May 1946

C. A. KNOWLES G. R. LAKING

# Appendix A

TEXT OF STATEMENT RELATING TO THE MANDATED TERRITORY OF WESTERN SAMOA MADE BEFORE THE ASSEMBLY ON BEHALF OF NEW ZEALAND

New Zealand has always strongly supported the establishment of the International Trusteeship system, and has already declared its willingness to place the Mandated Territory of

Western Samoa under Trusteeship.

In the General Assembly of the United Nations on 18 January 1946, the Prime Minister, the Right Honourable Peter Fraser, made a declaration on behalf of the Government that New Zealand was prepared to place under Trusteeship the country known as Western Samoa, for which a Mandate was conferred by the League of Nations in 1920 upon His Britannic Majesty, to be exercised on his behalf by the Government of the Dominion of New Zealand. Mr. Fraser added that in due course his Government would submit for the approval of the United Nations, in accordance with Article 79 of the Charter, a Trusteeship Agreement in respect of that territory.

New Zealand does not consider that the dissolution of the League of Nations, and, as a consequence, of the Permanent Mandates Commission, will have the effect of diminishing her obligations to the inhabitants of Western Samoa or of increasing her rights in the territory. Until the conclusion of our Trusteeship Agreement for Western Samoa, therefore, the territory will continue to be administered by New Zealand in accordance with the terms of the Mandate for the promotion of the well-

being and advancement of the inhabitants.

## Appendix B

TEXT OF ASSEMBLY RESOLUTION FOR THE DISSOLUTION OF THE LEAGUE OF NATIONS

THE ASSEMBLY OF THE LEAGUE OF NATIONS,

Considering that the Charter of the United Nations has created, for purposes of the same nature as those for which the League of Nations was established, an international organization known as the United Nations to which all States may be admitted as Members on the conditions prescribed by the Charter and to which the great majority of the Members of the League already belong;

Desiring to promote, so far as lies in its power, the continuation, development, and success of international co-operation

in the new form adopted by the United Nations;

Considering that, since the new organization has now commenced to exercise its functions, the League of Nations may be dissolved; and

Considering that, under Article 3, paragraph 3, of the Covenant, the Assembly may deal at its meetings with any matter within the sphere of action of the League:

#### Adopts the Following Resolution:

### Dissolution of the League of Nations

- 1. (1) With effect from the day following the close of the present session of the Assembly, the League of Nations shall cease to exist except for the sole purpose of the liquidation of its affairs as provided in the present resolution.
- (2) The liquidation shall be effected as rapidly as possible and the date of its completion shall be notified to all the Members by the Board of Liquidation provided for in paragraph 2.
- 2. (1) The Assembly appoints the persons named in the Annex to form a 'Board of Liquidation,' hereinafter called the Board, which shall represent the League for the purpose of effecting its liquidation. Subject to the provisions of this resolution and other relevant decisions taken by the Assembly at the present session, the Board shall have full power to give such directions, make such agreements, and take all such measures as in its discretion it considers appropriate for this purpose.
- (2) Vacancies on the Board shall be filled by co-option. Provided that the number of members be not reduced below five, the Board may refrain from filling particular vacancies.

- (3) The Board shall elect a chairman and vice-chairman and adopt rules of procedure. Five members shall form a quorum and all decisions shall be taken by a majority.
- (4) The members of the Board shall be entitled to travelling and subsistence allowances on the scale at present in force for members of the Committees of the League and shall draw fees for their services at the rate of 3,000 Swiss francs per month for the Chairman and 2,000 Swiss francs per month for the other members of the Board.
- (5) The members of the Board, in the exercise of their functions, and the staff referred to in paragraph 4 (1) below shall be deemed to be officials of the League within the meaning of Article 7 of the Covenant.
- (6) The expenditure incurred by the Board for the year 1946 shall be met from the Budget of the Secretariat for that year and, if the Board continues to function subsequently, it shall adopt a Budget and make appropriations to meet the expenditure involved from the Guarantee Fund or other funds of the League.
- 3. The Secretary-General shall be responsible to the Board. He shall retire from office on the completion of the liquidation. If for any reason he should cease to act, the Board shall appoint another person to carry out his duties.
- 4. (1) The officials of the Secretariat having received notice of the termination of their engagements as from 31 July next, such staff shall be employed as may be required for the purpose of carrying out the liquidation and for maintaining in operation the departments and services of the Secretariat to whatever extent is necessary in order that the United Nations may, under the best possible conditions, assume those activities hitherto performed by the League which it decides to assume and take over the material assets which are to be transferred to it.
- (2) The Board may employ such professional assistance as it may deem expedient.
- 5. The Assembly approves and directs that effect shall be given in the manner set out in the Report of the Finance Committee to the 'Common Plan for the Transfer of League of Nations Assets,' which was drawn up jointly by a United Nations Committee and the Supervisory Commission, acting respectively on behalf of the United Nations and the League of Nations, and was approved by the General Assembly of the United Nations on 12 February 1946.
- 6. Nothing in this Resolution shall relieve any Member or former Member of the League of Nations from any pecuniary liability incurred by it towards the League of Nations, whether under the Budget for 1946 or under previous Budgets or in

virtue of agreements with the League of Nations or in any other manner whatsoever; but the Board may, where in its discretion it considers this course to be justifiable, make a composition with any debtor Government for a lesser sum than is due, on condition that such a sum or the agreed instalments thereof shall be paid as promptly as possible. The report provided for in paragraph 21 shall give particulars of the debts which have been collected in full, those in regard to which a composition or only a partial payment has been made, and those, if any, towards which no payment has been made. If any amounts due in respect of the International Labour Organization remain unpaid at the date of the completion of the liquidation, a report on the collection of such contributions shall be communicated by the Board to the International Labour Organization and such amounts shall be recoverable by that Organization.

- 7. (1) Subject to the provisions of subparagraph (2) below and of any relevant decisions embodied in the Report of the Finance Committee, any cash balances resulting from the liquidation shall be divided among the Members of the League in the manner set out in the Report of the Finance Committee.
- (2) Balances to the credit of the Reserve Fund and of the fund to cover exchange losses shall be paid to the Staff Pensions Fund and the balances in respect of the various funds, extrabudgetary and suspense accounts, enumerated in the Report of the Supervisory Commission on the Work of its One-hundredth Session (document A. 19.1946.X) shall be dealt with as recommended in the Commission's report.
- 8. The Auditor of the League shall remain in office until he has audited the final closed accounts of the League of Nations and of the Board of Liquidation and drawn up a report thereon for communication to the Members of the League. If for any reason he should be unable to act, the Board shall appoint another Auditor.
- 9. The Board shall, as soon as possible after the transfer of the material assets, and every three months thereafter, make interim reports on the progress of its work and shall take into consideration any observations thereon made by Members of the League.
- 10. The present High Commissioner for Refugees shall remain in office until the end of the year 1946, or such earlier date as may appear to the Board desirable, and his expenses shall be met out of the provision made for this purpose in the Budget of the Secretariat.

### International Labour Organization

11. The present resolution shall not in any way prejudice the continued existence of the International Labour Office or the measures taken or to be taken by the International Labour Organization to make in its Constitution such changes as may be required as the result of the dissolution of the League, or the enjoyment by the International Labour Organization of the privileges and immunities provided by Article 7 of the Covenant pending elaboration of and acceptance by the Members of the Organization of other provisions dealing with this matter.

12. The amount collected for the expenses of the International Labour Organization in the Budget of 1946 shall remain available for that purpose down to and after the end of the year.

13. (1) The Board shall in due course transfer to the International Labour Organization its appropriate share in the Renovation Fund and any other fund in which it may have an interest.

(2) The balances of the International Labour Organization for the financial years 1941, 1943, and 1944 shall be transferred from the suspense account in which they are at present placed to a special reserve fund for the International Labour

Organization.

14. An agreement to cause the full ownership of the land and buildings at present occupied by the International Labour Organization to vest in that Organization shall be concluded between the Secretary-General of the League and the Acting Director of the International Labour Office and all the steps which, under the law of the Republic and Canton of Geneva or of the Swiss Confederation, are necessary to give effect to the agreement shall be taken as soon as possible.

#### Administrative Tribunal

15. The following amendments are hereby made in the Statute of the League of Nations Administrative Tribunal:—

- (1) Wherever the words 'League of Nations Administrative Tribunal' occur in the Regulations, they shall be replaced by the words 'International Labour Organization Administrative Tribunal.'
  - (2) Paragraph 1 of Article 3 shall read as follows:—

'(i) The Tribunal shall consist of three judges and three deputy judges who shall all be of different nationalities.

(ii) Subject to the provisions set out at (iii) below, the judges and deputy judges shall be appointed by the appropriate organ of the International Labour Organization.

'(iii) The terms of office of the judges and deputy judges who were in office on 1 January 1940 are prolonged until

1 April 1947, and thereafter until otherwise decided by the appropriate organ of the International Labour Organization. Any vacancy which occurs during the period in question

shall be filled by the said organ.'

(3) As from 31 October 1946,\* but subject always to subparagraph (4) below, the Administrative Tribunal shall have no jurisdiction in regard to (a) complaints of non-observance of the terms of appointment of officials of the Secretariat or of the Secretariat's Staff Regulations, (b) disputes concerning the compensation provided for by Articles 45 or 70 of the Secretariat Staff Regulations, or (c) complaints of non-observance of the provisions of Article 1 of the Staff Pensions Regulations, in so far as that Article provides for persons who have been appointed as officials of the Secretariat or the Registry of the Permanent Court becoming subject to those Regulations, but the Tribunal shall otherwise retain its existing jurisdiction under its Statute and under Article 26 of the Staff Pensions Regulations.

(4) Complaints already transmitted to the Registrar of the Tribunal shall be heard and determined notwithstanding the

provisions of subparagraph (3).

(5) In order to enable the International Labour Organization to make by action of its appropriate organ the changes in the Statute necessitated by subparagraphs (1) and (2) above and such other amendments as it may from time to time consider desirable, the third paragraph of Article 12 of the Statute is amended to read as follows:

'The present Statute shall remain in force during the pleasure of the General Conference of the International Labour Organization. It may be amended by the Conference or such other organ of the Organization as the Conference may determine.'

### Staff Pensions Fund

- 16. (1) Subject to the agreement of the International Labour Organization, the following measures shall be taken in regard to the Staff Pensions Fund:—
  - (a) Liability for making the contributions due from the League under Article 7 of the Staff Pensions Regulations and, subject to (c) below, the guarantee given by the League under Article 13 of the Regulations shall be assumed by the International Labour Organization.

<sup>\*</sup> Note.—This date is selected as giving sufficient time for adjudication of any disputes which may arise out of the notices of dismissal which have been given to the officials of the Secretariat and which take effect on 31 July 1946. In the unlikely event of a dispute between the Administration and those officials who remain in service after 31 July, who will be on a purely temporary basis, the Board of Liquidation may be trusted to find a just and equitable solution.

- (b) The accumulated assets of the Fund (including any amount added by the Assembly at its present session or by the Board of Liquidation) shall be transferred to the International Labour Organization for application in accordance with the Regulations.
- (c) Retired officials of the Secretariat and the Registry of the Permanent Court and their widows and children shall continue to receive the benefits due to them from the Fund, but, if the payment of these benefits involves a deficit for the Fund which has to be met by additional contributions from the International Labour Organization, the amounts involved shall be divided among and form part of the contributions of those Members of the Organization which were Members of the League at the date of the present resolution in the proportions in which those Members contribute to the other expenses of the International Labour Organization.
- (d) In order to enable the International Labour Organization to amend the Regulations of the Fund and, in particular, to make the changes rendered necessary by the dissolution of the League and the Permanent Court, the last sentence of Article 31 of the Regulations is amended to read as follows:—

'The Regulations may be amended by the appropriate financial authority of the International Labour Organization, with due regard to the rights of the beneficiaries.'

This amendment shall not take effect until the agreement of the International Labour Organization to the provisions of the present subparagraph has been secured.

- (2) If the International Labour Organization's agreement is not secured to the provisions of subparagraph (1) above, the Board of Liquidation shall make the best provision that it can for giving effect to the rights of the beneficiaries of the Fund and shall have power for that purpose to amend or annul all or any part of the Regulations.
- 17. Any surplus remaining after the discharge of all claims upon the Staff Pensions Fund shall belong to the International Labour Organization, if it has accepted the task of administering the Fund.

### Pensions Fund for the Members of the Permanent Court of International Justice

18. (1) The Regulations for the Administration of the Pensions Fund for the Members of the Permanent Court of International Justice are hereby abrogated.

- (2) If the International Labour Organization consents, responsibility for the administration of the Fund, as augmented by the Assembly during the present session or by the Board of Liquidation, and the responsibility for paying the pensions shall be transferred to the Organization on the understanding that (a) if the Fund is inadequate for its purpose, those Members of the Organization which are at present League Members shall contribute to make good the deficiency, which shall be divided among them and form part of their contributions in the proportions in which those members contribute to the other expenses of the International Labour Organization; and (b) any surplus remaining after pensions to the judges have ceased to be payable shall belong to the International Labour Organization.
- (3) Failing such agreement, the Board shall make such other provision for the administration of the Fund and payment of the pensions or for the purchase of annuities for the judges as it may find it possible to arrange.

# Regulations for the Financial Administration of the League of Nations

- 19. (1) As from the entry into force of the present resolution, the Regulations for the Financial Administration of the League of Nations shall apply only in so far as they concern the International Labour Organization or are considered by the Board to be relevant to the liquidation.
- (2) Article 51 of the Regulations is hereby amended to read as follows:—
- 'These Regulations may be amended by the appropriate financial authority of the International Labour Organization.'

### Working Capital Fund

20. Subject to maintenance of the existing rights to repayment of the States which own shares therein, the whole balance of the Working Capital Fund shall be transferred to the International Labour Organization for use as working capital.

### Final Article

21. On the completion of its task, the Board shall make and publish a report to the Governments of the Members of the League giving a full account of the measures which it has taken, and shall declare itself to be dissolved. On the dissolution of the Board, the liquidation shall be deemed to be complete and no further claims against the League shall be recognized.

#### **ANNEX**

### Members of the Board of Liquidation

M. EMILE CHARVERIAT (France)

SIR ATUL CHATTERJEE (India)

M. F. T. CHENG (China)

M. Adolfo Costa du Rels (Bolivia)

M. Carl Joachim Hambro (Norway)

Mr Seymour Jacklin (Union of South Africa)—from 1 August 1946

SIR CECIL H. KISCH (United Kingdom)

DR JAROMIR KOPECKY (Czechoslovakia)

M. Ďaniel Secretan (Switzerland).

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