

1924.  
NEW ZEALAND.

---

# THE LEAGUE OF NATIONS.

REPORTS OF THE REPRESENTATIVES OF THE DOMINION OF NEW ZEALAND ON THE SECOND, THIRD, AND FOURTH ASSEMBLIES OF THE LEAGUE OF NATIONS, HELD AT GENEVA IN THE YEARS 1921, 1922, AND 1923.

---

*Presented to both Houses of the General Assembly by Command of His Excellency.*

---

## SECOND ASSEMBLY OF THE LEAGUE OF NATIONS.

New Zealand Government Offices,  
Strand, London W.C. 2, 12th October, 1921.

SIR,—

*Second Assembly of the League of Nations.*

I have the honour to report that on Saturday, the 3rd September, I left London for Geneva, in order to represent New Zealand on the Second Assembly of the League of Nations.

*Opening of Proceedings and Election of President.*—The proceedings were opened on Monday, the 5th September, by Dr. Wellington Koo, Chinese Minister in London and the Republic's representative on the Council of the League, in his capacity as Acting Chairman of the Council. The Assembly, having appointed a committee to report on the credentials of the delegates, proceeded to elect its President. A vote by secret ballot was taken, and the result showed that four delegates were favoured. As not one, however, had received a majority of votes, another ballot was necessary, the voting being confined to the two who had obtained the highest number of votes in the first ballot. As a consequence, Monsieur van Karnebeek was elected President. The Assembly, as events have shown, has had reason to congratulate itself on its choice of President, for Monsieur van Karnebeek, who is Minister of Foreign Affairs in the Netherlands, is a man of considerable experience, and enjoys an excellent reputation not only in his own country but in Europe generally.

*Method of Work.*—On the following day the President announced his proposals as to the method by which the Assembly should accomplish the tasks before it. He suggested that last year's precedent should be followed, and that most of the items on the Agenda should be distributed amongst six committees, the work being apportioned as follows :—

- To Committee No. 1, constitutional and legal questions ;
- To Committee No. 2, questions regarding the technical organizations of the League ;
- To Committee No. 3, armaments and blockade ;
- To Committee No. 4, finance and the internal organization of the League ;
- To Committee No. 5, humanitarian questions ; and
- To Committee No. 6, political questions.

A print of the Agenda (Document A. 2 (g) ) is enclosed.

*Representation of New Zealand.*—New Zealand having only one delegate, it was impossible for her to be represented on all committees, which were divided into two groups, each group sitting on alternate days ; so I decided to serve on those committees whose duty it was to deal with matters which I considered of most importance to New Zealand—*i.e.*, Committee No. 2 and Committee No. 4, to which had been referred, amongst other matters, the question of the allocation of the expenses of the League. I arranged to be represented on other committees when this could conveniently be done.

*Election of Officers of Assembly.*—The committees having elected their Chairmen, the Assembly proceeded to elect its six Vice-Presidents, who, together with the President and the Chairmen of Committees, form, under the Rules of Procedure, the General Committee, which on this occasion was composed as follows :—

- Committee No. 1 : Chairman, M. Scialoja (Italy).
- Committee No. 2 : Chairman, M. Jonnesco (Roumania).
- Committee No. 3 : Chairman, M. Branting (Sweden).
- Committee No. 4 : Chairman, M. Edwards (Chile).
- Committee No. 5 : Chairman, Mr. Doherty (Canada).
- Committee No. 6 : Chairman, M. le Comte de Gimeno (Spain).
- Vice-Presidents of the Assembly : M. Bourgeois (France), M. da Cunha (Brazil), Mr. Balfour (Britain), Viscount Ishii (Japan), M. Hymans (Belgium), Dr. Benes (Czecho-Slovakia).

*Bolivia and Chile.*—On the 7th September, during the examination of the Agenda, occurred an incident which might have had considerable bearing on the future of the League. Bolivia had made a request for a revision of the treaty of 1904 with Chile, and based her request on Article 19 of the Covenant. The representatives of both Chile and Bolivia spoke, and their remarks will be found fully reported in the Provisional Verbatim Record of the Fifth Plenary Meeting, copy of which has already been sent to you. At the suggestion of the President, discussion of the matter was adjourned, and on a subsequent date he announced that the officers of the Assembly had invited three jurists, members of the Assembly, to give their joint opinion on the powers which the Assembly possessed according to the interpretation of Article 19, on which the question turned. The delegate for Bolivia then wisely adjourned procedure until this interpretation had been made known. One cannot but deplore the fact that many of the articles of the Covenant are loosely worded. Indeed, one lawyer of considerable ability confessed to me that he did not know what the English text of Article 19 exactly meant, and the French text does not seem to be much clearer.

On the 27th September the report of the committee of jurists was published (see No. 20 of the *Journal* enclosed, page 218), and on the 28th the President invited the delegates of Chile and Bolivia to make their observations in the Assembly. Mr. Edwards, the delegate of Chile, expressed his satisfaction with the committee's report, and stated that his Government was willing to enter into direct communication with Bolivia. This offer the Bolivian delegate apparently accepted, but at the same time reserved to his Government the right of again appealing to the League should occasion arise. The request for intervention being thereupon withdrawn, the matter was considered closed.

*Work of the Council.*—With the discussion on the report of the work of the Council (Document A. 9, with supplement) I will not trouble you. The speeches were, as a whole, neither so animated nor so interesting as those of last year, and it was obvious that many delegates were anxious to get on with the work provided for the committees.

*"C" Mandates.*—It was during the discussion on this report, however, that there occurred another incident, and one of interest to New Zealand as a mandatory State. Mr. Sastri, one of the Indian delegates, and, as you know, a fine orator, made reference, in the course of a long and interesting speech, to the provision in the "C" mandates by which the mandatories are empowered to administer mandated territories under their own laws, and argued that that provision would make for "invidious distinctions between white and coloured races." He confessed that his remarks were aimed at the Union of South Africa, the mandatory for ex-German South-west Africa. The whole speech is worth reading, and the part to which I have particularly referred will be found towards the end of the Provisional Verbatim Record of the 12th September.

*Permanent Court of International Justice.*—Probably the greatest work performed by the Assembly was the election of the Judges and the Deputy Judges of the Permanent Court of International Justice. You are doubtless familiar with the somewhat complicated machinery of election, which is briefly described on page 13 of the enclosed book, marked "A." It was generally supposed that the election would not work very smoothly, but, fortunately, this was not the case, for there was no real difficulty in coming to an agreement as to who should be the eleven Judges and three of the four Deputy Judges. For the position of fourth Deputy Judge, however, the Assembly again and again voted Monsieur Alvarez, and the Council, as persistently, voted Monsieur Descamps. In the circumstances recourse was had to the provision for a joint conference of six, three members of the Council and three of the Assembly. This was arranged, and it was subsequently recommended that Monsieur Beichman should be accepted. He was duly elected. I give the composition of the Court, with the nationality of the Judges (see Document A. 114) :—

- Judges : Monsieur Altamira (Spaniard) ; Monsieur Anzilotti (Italian) ; Monsieur Barboza (Brazilian) ; Monsieur de Bustamante (Cuban) ; Viscount Finlay (Briton) ; Monsieur Huber (Swiss) ; Monsieur Loder (Dutchman) ; Mr. Moore (American) ; Monsieur Nyholm (Dane) ; Monsieur Oda (Japanese) ; Monsieur Weiss (Frenchman).
- Deputy Judges : Monsieur Beichman (Norwegian) ; Monsieur Negulesco (Roumanian) ; Monsieur Wang (Chinaman) ; Monsieur Yovanovitch (Yugo-Slavian).

It is regretted that the efforts of many members of the Assembly to elect a representative of Mohammedan law were not successful, but representation of this judicial system is to an extent provided for in the person of Monsieur Nyholm, who is President of the Mixed Tribunal at Cairo.

*Repatriation of Prisoners of War.*—A report by Dr. Nansen on the repatriation of prisoners of war (Document A. 86), considered by the Assembly on the 21st September, will be found of interest. It is to the credit of the League that this great humanitarian work should have been so successfully carried out under its auspices, and Dr. Nansen may well be proud of what he has done.

*Dispute between Lithuania and Poland.*—Lithuania having been admitted to the League (which admission I will mention when dealing with the work of the Sixth Committee), the whole of the

24th September was devoted by the Assembly to a discussion of the dispute between Poland and that country, which had been referred to it by the Council. It is needless to recapitulate the circumstances attending this unhappy difference, which has lasted nearly a year; useful information is obtainable in the Supplement to the *Journal* of the 24th September, which is attached to the draft agreement prepared by M. Hymans (Document A. 106). The debate will be found in the Provisional Verbatim Report of the Eighteenth and Nineteenth Plenary Meetings, already sent to you, from which it is clear that the sympathy formerly felt for Poland had diminished as a result of her somewhat uncompromising attitude. The Assembly passed the following resolution, Poland abstaining:—

“The Assembly having heard the explanation of M. Hymans on the dispute between Poland and Lithuania, and having taken note of the resolution of the Council of the 20th September, expresses its warm appreciation of the skill and patience displayed by M. Hymans in the cause of peace, and thanks the Council for its action, and assures it of the full support of the Assembly. Appealing to their wisdom and to their common memories of the past, the Assembly calls upon the two peoples to reach an agreement, which is as necessary for them as for the peace of the world.”

#### COMMITTEE No. 1.

The duties of this committee consisted almost entirely of consideration of proposed amendments to the Covenant. It sat a great number of times. I was a member, but the work of other committees was, in my opinion, of so much importance to New Zealand that I was unfortunately unable to attend any of the meetings of Committee No. 1.

*Amendments to Rules of Procedure.*—It is not necessary to do more than mention the resolution of the Assembly (Documents A. 103 and A. 128) amending the first and second paragraphs of Rule 20 of the Rules of Procedure.

*Amendments to the Covenant: Article 26.*—In view of the wording of Article 26 of the Covenant, paragraph 1 of which reads, “Amendments to this Covenant will take effect when ratified by members of the League whose representatives compose the Council, and by a majority of the members of the League whose representatives compose the Assembly,” it was necessary for the Assembly to seek for guidance when considering proposed amendments. It was therefore decided to take first that report of the committee which dealt with Article 26, and it came before the Assembly on the 3rd October. I recommend a careful study of the report, Document A. 119 (4), as it contains the views of the committee as to the procedure of the Assembly when voting on amendments, together with a resolution providing for an amendment to the article. The recommendation as to procedure, and each of the paragraphs of the resolution, one of which, you will observe, was slightly amended during consideration by the Assembly, were voted on separately, and in each case the voting was as follows: Thirty-seven States for; none against; one abstention; thirteen States did not answer the roll-call.

In the course of the debate I raised the question of a quorum, which is not provided for in the Rules of Procedure, and stated that I should invite my Government to have the following placed on the Agenda of the next Assembly:—

- (1.) The question of the quorum necessary to constitute a meeting of the Assembly and of its committees.
- (2.) Consideration of No. 5 of Rule of Procedure No. 19, which reads, “For the purposes of this rule representatives who abstain from voting shall be considered as not present.”

The rapporteur, in replying, said that one might have confidence in the President, but that it would be a good thing to introduce into the Rules of Procedure a stipulation expressly requiring a quorum; and that it was also necessary to amend the provision in the Rules of Procedure according to which delegations abstaining were considered to be absent.

I am strongly of opinion that a quorum should be fixed for both Assembly and committees, and that the abstention of States from voting is wrong in principle. Absence from debate is, of course, another matter.

During the debate it was recommended that Governments should first ratify the amendment to Article 26, if necessary, independently of other amendments. On the ratification of this amendment depends the fate of the other amendments which have been carried by a three-fourths majority.

*Position of Small States in relation to the League.*—This is a problem of considerable difficulty. Various methods have been proposed by which States, small in size, that could not become full members of the League, might be attached to the organization, and three of these methods are dealt with in the committee’s report (Document A. 119 (2)). You will see that the committee was unable to come to a definite decision; and as, for the present, the question apparently excites only an academical interest, the Assembly, on the 4th October, adopted unanimously the view of the committee, that it would be “preferable to await the results of experience . . . before expressing an opinion upon the methods by which they (small States) might be admitted to the League.”

*Proposed Amendment to Article I.*—The committee’s report (Document A. 165) deals with the amendment which would have become necessary had the views of the Argentine Delegation last year, providing for the inclusion in the League of all sovereign States recognized by the Community of Nations, except by voluntary abstention on their part, been adopted. It was generally supposed that the Argentine Delegation, in putting forward the suggestion, had in mind the reception of Germany into the League, and you will recollect that because its views did not prevail it left Geneva. Nor was the Argentine represented at this year’s Assembly. The committee carefully considered the matter, but felt unable to make any definite recommendation, for reasons which are given in the report, which was adopted by the Assembly on the 4th October.

*Proposed Amendments to Articles 3, 12, 13, and 15 of the Covenant.*—The report on the deliberations of the committee is numbered A. 119 (1), and it was considered by the Assembly on the 4th October. Briefly, the amendments contemplated were,—

- (1.) A provision in the Covenant itself of a fixed annual date for the meeting of the Assembly ;
- (2.) A provision making it obligatory for the members of the League to establish permanent Commissions of Arbitration and Conciliation ; and
- (3.) The suppression of the word “generally” in paragraph 2 of Article 13, thus strengthening the obligation to resort to arbitration in certain cases.

As will be seen, the committee recommended that none of these amendments should be adopted, although it approved of the principle of conciliation as being in conformity with the Covenant, and suggested that the question should be studied by a special committee, whose report should be made available for the next Assembly. This recommendation was approved unanimously by the Assembly.

*Proposed Amendments to Articles 12, 13, 14, and 15 of the Covenant.*—The Permanent Court of International Justice having been established, it was considered advisable to amend these articles in order to provide for “judicial” settlement of disputes. The changes are shown in the committee’s report numbered A. 119 (3), and the amendments were unanimously approved by the Assembly on the 4th October.

*Proposed Amendments to Article 21 of the Covenant.*—These amendments are two in number, and were proposed—

- (1.) By China, which sought to have the words “regional understandings” eliminated ; and
- (2.) By Czecho-Slovakia, extending the scope of the article in the direction of providing for the recognition by the League of agreements making for peace between a limited number of States.

The proposal is doubtless an outcome of the treaty between Czecho-Slovakia, Roumania, and Yugo-Slavia, providing for common action in certain emergencies, which treaty the States who are parties to it claim makes for the maintenance of peace.

The second of the two amendments was rejected by the committee, not because the principle underlying it was not considered good, but because it was thought that the time had not yet arrived for a revision of the article. In consequence of this decision the amendment proposed by China was not proceeded with. At the same time the committee drew attention to the utility of agreements between members of the League tending to define or complete the engagements contained in the Covenant for the maintenance of peace, and also to the practicability of their being negotiated under the auspices of the League. In these views the Assembly concurred on the 4th October.

*Proposed Elimination of Article 10 of the Covenant.*—The elimination of this article, you will recollect, was proposed by the Canadian Delegation last year. The proposal is based on the assumption that the article provides that the boundaries of a State, as constituted at the time the Covenant was signed, can never be altered even in the interests of justice, and that it was the duty of every member of the League to go to the assistance of any State also a member, in order that the *status quo* might be preserved. I understand that this article was the object of much criticism when the Bill providing for the ratification of the Treaty of Versailles was before the Canadian Parliament. The Bill became law, but it was understood at the time that the Government would do its best to obtain either the elimination or the amendment of the article. The committee’s report, Document No. A. 119 (6), which came before the Assembly on the 4th October, contains the views on Article 21 of the Committee on Amendments to the Covenant, together with an interpretative resolution. The latter, however, was not accepted by the First Committee, which decided to recommend the Assembly to postpone the examination of the proposal until next session, and a resolution to this effect was passed by the Assembly.

*Protection of Minorities.*—The committee’s report on Professor Gilbert Murray’s proposal that the Council should be invited to form a permanent Commission to deal with complaints addressed to the League under the minorities clauses of the Treaties of Peace is numbered A. 163. Provision for the consideration of complaints having already been made by the Council, however, Professor Murray withdrew his proposal.

*Interpretation of and proposed Amendment to Article 18 of the Covenant.*—This, you will recollect, is the article which aims at putting an end to secret treaties. Its interpretation was considered by a committee of jurists, whose report was presented to the First Committee. The committee’s recommendations, proposed amendment of the article to meet the recommendations, and series of regulations will be found in Document I. 25 (1), and gave rise to an animated discussion in the Assembly on the 5th October. The proposed amendment to the article is to the effect that “it shall not be obligatory to submit for registration instruments of a purely technical or administrative nature which have no bearing on political international relations, nor instruments which consist merely of technical regulations defining without in any way modifying an instrument already registered, or which are only designed to enable such an instrument to be carried into effect.”

It will be noted that the term “instruments of a purely technical or administrative nature” has not been defined, and many members were in consequence dubious as to the value of the amendment. It was evident that unanimity would not be forthcoming, and further consideration of the amendment was adjourned in the following resolution moved by Mr. Balfour :—

“The Assembly, taking note of the proposal for the amendment of Article 18 contained in the report of Committee No. 1, decides to adjourn the further consideration of this amendment until the Third Assembly, it being understood that in the meantime members of the League are at liberty to interpret their obligations under Article 18 in conformity with the proposed amendments.”

The first portion of the resolution, dealing with the adjournment of the discussion, was carried unanimously, but the second portion, concerning the liberty of members to interpret their obligations, obtained twenty-eight votes against five. As unanimity was required, the second portion was therefore not passed.

*Proposed Amendments to Article 5 of the Covenant.*—These proposed amendments aim at derogation from the principle of unanimity. The report of the Committee is No. A. 119 (9), and gives its opinion that the question is not ripe for discussion in its varied aspects, and for that reason it would be advisable to postpone discussion until a later date.

The Assembly, on the 5th October, unanimously concurred in the opinion of the Committee.

*Proposed Amendment to Article 14 of the Rules of Procedure.*—This amendment involves an addition to Article 14 of the Rules of Procedure, providing for the submission to the Financial Committee for opinion, before being passed by the Assembly, resolutions involving expenditure. An addition in the following terms was unanimously agreed to by the Assembly on the 5th October:—

“Resolutions involving expenditure shall not, however, be voted by the Assembly before the Financial Committee shall have expressed its opinion on the advisability of the proposed expenditure with regard to general budgetary resources.”

*Proposed Amendment to Article 4 of the Covenant (Election of Non-permanent Members of the Council).*—The committee's report is No. A. 119 (10), and its conclusions were submitted to the Assembly on the 5th October. The Assembly adopted the first and second paragraphs unanimously, and the third paragraph, involving an amendment to the Covenant, was also adopted, but in this case eleven States were absent or abstained from voting.

The Assembly then proceeded to elect the four non-permanent members of the Council; but, having adopted the recommendation of the First Committee, that for the year 1922 the members then sitting should be re-elected, there was nothing to do but to re-elect Brazil, Spain, Belgium, and China, and the representation of these States on the Council was extended for a year.

On the 5th October there was opened for signature a protocol by which representatives of members of the League accept the amendments passed by the Assembly. As, however, I did not consider I had the authority to sign a protocol involving the acceptance by New Zealand of amendments having a most important bearing on the principles of the League, I did not sign the protocol. . . .

## COMMITTEE No. 2.

*Communications and Transit.*—On the 22nd September the Assembly considered the report of the Advisory and Technical Committee for Communications and Transit, with the comments of the Second Committee. Several papers bearing on this matter, which is important in a high degree for many countries, although in only a small degree for New Zealand, have already been sent to you. The enclosed documents, A. 45 and A. 98, give a brief indication of the work accomplished. The four resolutions proposed by the committee were passed by the Assembly with a slight amendment to that numbered 1, the amendment providing for meetings of the General Conferences on Communications and Transit at the request of one-half instead of one-third of the members of the League. The amendment is, of course, an improvement, and should make for the prevention of unnecessary meetings, and consequent economy. (See Document A. 118.)

In my letter of the 15th July, No. A. 191, I stated that Sir H. Llewellyn Smith had signed on behalf of New Zealand the Conventions of Freedom of Transit and Navigable Waterways of International Concern. On the 22nd September I received a letter from him advising that on the 16th idem he signed on behalf of the Dominion the protocol on the navigation of national waterways, at the same time indicating that the alternative (a) was accepted.

*Health Organization.*—It is unfortunate that it has not been possible to give full effect to the series of resolutions passed by the First Assembly on the 10th December last, providing for the creation of an international health organization. It will be recollected that one of the main objects of these resolutions was the absorption of the Office International d'Hygiene Publique, in Paris. Principally owing to the action of the United States, which is a party to the Rome Convention of the 9th December, 1907, setting up the Office International, and objects to absorption, it became necessary to adopt other measures. The question was carefully studied by Committee No. 2, and the results of its labours are embodied in Document No. A. 109. It will be seen that the scheme for a health organization as proposed by the Council is confirmed by the committee, but it is only provisional, and it is to be hoped that ultimately the Office International will be incorporated. The draft resolution on page 4 of the document was passed unanimously by the Assembly on the 23rd September.

*International Statistics.*—On the 27th September the Assembly adopted the report presented to it with reference to the organization of international statistics, and passed the resolution with which Document A. 139 concludes. A number of papers bearing on this subject have, I understand, already been sent to you from Geneva, and you will find others (numbered A. 12) amongst the miscellaneous documents I am forwarding not enumerated in the text of this report. . . .

*Economics and Finance.*—On the 28th September the Assembly considered the committee's report on the work of the Provisional Economic and Financial Committee, and passed the resolutions with which Document A. 144 concludes (with this document should be read those numbered A. 9, A. 95, and A. 112). Most papers issued by the League bearing on economics and finance are of interest, but I specially draw your attention to that treating of raw materials. Last year there was a tendency to lay stress on the claims of States which are not producers in sufficient quantities of the raw materials necessary for their manufactures, and I am sure you will read with satisfaction the paragraph on page 5 of the Raw Materials Report, which runs: “There is no question of challenging the incontestable

right which States have to dispose freely of their natural resources, or of the output of their countries in respect of raw materials. It is legitimate that in exceptional circumstances they should be anxious to reserve them to themselves, and that they should have the power to subject them at any time to a regime in conformity with their natural economy."

During the discussion Mr. Balfour made an earnest appeal on behalf of Austria (the subject of Resolution No. 6), a country the condition of which is indeed pitiable, and which appears to have suffered more, economically, than any other country which took part in the war. In particular he appealed to neighbouring States to get rid of the artificial barriers which they had erected, and which were slowly but surely strangling Austria, the betterment of whose condition, he was of opinion, was the prelude to the recovery of Central Europe. I have no doubt that, but for the attitude of the secession States and of the United States of America, whose abstention from taking part in the work of the League is harmful in more than one direction, something effective would long ago have been done for Austria. Credits have again and again been voted her, but in amount only sufficient to provide the population of Vienna with food. Such a method of alleviating distress is, like unorganized charity, only a palliative, unhappy in its results. Austria lacks raw materials and the money wherewith to purchase, and until her factories are set going she will be nothing better than a drag on the wheel.

#### COMMITTEE No. 3.

*Reduction of Armaments.*—On the 1st October the Assembly had before it the report of the Third Committee on the reduction of armaments (Document A. 158). In my opinion the report is, on the whole, disappointing and of not much value. It is to a considerable extent based on the report (Document A. 81) of the Temporary Mixed Commission for the Reduction of Armaments appointed under a resolution of the First Assembly. The work of both the Third Committee and the Temporary Commission on the Reduction of Armaments was, of course, overshadowed by the Conference which is to be held at Washington next month, and therefore it is doubtful whether any committee or commission of the League, however constituted, could have made, in the circumstances, any suggestions of real value. Inquiry by the League in various directions and the collection of material may be helpful, but, in my judgment, any statistics which may be compiled will be incomplete and therefore misleading. You will observe that, amongst other things, the committee recommends—

- (1.) The collection of certain statistics, &c. ;
- (2.) An international conference on the private manufacture of arms and the trade in arms ;
- (3.) Ratification of the Arms Traffic Convention ;
- (4.) Preparation of a draft protocol providing for the exclusion of the import of arms and ammunition in times of peace from countries in which the traffic is uncontrolled ;
- (5.) Circulation of the recommendation of the First Assembly as to the limitation of expenditure on naval, military, and air services for the financial years 1922-23 and 1923-24 ;
- (6.) Continuance of the work of the temporary Commission.

The series of recommendations with which the report concludes were adopted unanimously by the Assembly.

The French attitude on the question is the same as last year—*i.e.*, that she must be assured of the disarmament of the ex-enemy Powers before pursuing a policy of further disarmament. All now depends on the decision of the Washington Conference, which will be anxiously awaited.

*Economic Weapon.*—The report on the use of the economic weapon of the League was considered by the Assembly on the 26th and 27th September, and again on the 3rd and 4th October. On the 27th September decisions were taken on the resolutions submitted, and on the 4th October on the proposed amendments to Article 16 of the Covenant after they had been considered by Committee No. 1. This article provides for the action to be taken by the League against any member who resorts to war in disregard of its covenants under Articles 12, 13, or 15. The wording of Article 16 appears on the face of it to be fairly definite, but you will observe from the report (Document A. 115) that there has been placed upon it an interpretation at which the "man in the street" may be excused for showing some bewilderment. The conclusions at which the committee arrived were embodied (1) in a series of resolutions, which will be found at the conclusion of each of the four chapters into which the report is divided, and (2) in a series of amendments to the Covenant, which will be found on page 5 of the report No. A. 166. The resolutions were slightly amended by the Assembly, and I have endeavoured to indicate the changes. The authentic text had not been issued when I left Geneva on the 5th October. The amendments to Article 16 of the Covenant secured the three-fourths majority suggested by Committee No. 1. The alternative amendment to the first paragraph was not pressed to a division, although the exclusion of the word "nationals" from the text adopted did not satisfy the French delegate, who reserved to himself the right to raise the point next year after the various Governments had had sufficient time to consider the matter. The French delegate's point of view was given expression to in a speech which will be found in the provisional verbatim record of the morning of the 4th October. Finally the Assembly passed the following resolution:—

"The resolutions and the proposals for amendments to Article 16 which have been adopted by the Assembly shall, so long as the amendments have not been put in force in the form required by the Covenant, constitute rules for guidance which the Assembly recommends as a provisional measure to the Council and to the members of the League in connection with the application of Article 16."

As to disarmament and the use of the economic weapon, time has shown that, in the present state of the world, little reliance can be placed on either, and the opinion is gaining ground that the force which the League can most effectively wield is a moral one, and one which will appeal to the conscience of mankind.

## COMMITTEE No. 4.

*Organization of the Secretariat.*—The documents dealing with the organization of the Secretariat are A. 3 (the report of the Commission of experts appointed under a resolution of the First Assembly), and A. 14 (e) (the report of the Fourth Committee of the Second Assembly on the conclusions and proposals of the Commission of experts). I think it will be universally conceded that the decision to set up a Commission to inquire into the work of the Secretariat was a wise one, and if the recommendations which that Commission, and also the Fourth Committee, have made are carried into effect they will make, I am sure, for economy and good work. A perusal of these reports will greatly assist in gaining an insight into the internal organization of the Secretariat.

The report of the Fourth Committee was accepted by the Assembly on the 1st October under a resolution reading as follows :—

“The Assembly, having taken note of the report of Committee No. 4, approved the views there set forth, and expresses its gratitude to M. Noblemaire and his colleagues of the expert committee for their arduous and most useful labours.”

*Budget.*—Enclosed you will find audited accounts of the League of Nations and the International Labour Office for the second period ended 31st December, 1920, the documents being numbered respectively 21/31/45 and C. 2/M. 2/1921. I think I should draw your attention to the item which appears on page 5 in the former of these two documents, showing that several members of the League have not paid their contributions for the first and second fiscal periods, although, for the second, many paid subsequent to the issue of the balance-sheet. As a consequence of non-payment you will note on the liability side the item “Lloyd’s and National Provincial Foreign Bank (Limited), 206,388 gold francs,” which sum had to be borrowed to enable the League to carry on its work.

Provision has been made that when the accounts are presented next year the items will be more clearly shown, with comparisons of the amount expended and the amount voted in parallel columns.

I deemed it to be my duty, when considering the accounts of the International Labour Office, to call attention to the fact that £1,365 19s. 2d. had been spent on a Russian inquiry, and that an item also appeared in the League’s account of 6,134 gold francs for a Russian mission of investigation. There may have been difficulty in avoiding the overlapping, but I hope that as a result of the remarks made this year such overlapping will not occur in the future.

With regard to the accounts for the fourth fiscal period—that is, the year 1922—you will find that the sum originally asked for was 23,768,846 gold francs (Document A. 19), but that has been reduced to 20,758,945 gold francs, with some slight additions to be made as the result of further developments in the Assembly after the Budget was presented. The reduction is largely due to the fact that it was possible to reduce the amount required from the contributors owing to the surplus of revenue over expenditure which will be available at the end of 1921 on account of the Labour Office.

The report presented to the Assembly by the No. 4 Committee underwent some slight modifications, the most important of which have been inserted, and is numbered A. 169. With this document you will also find two others giving the Budget of both the League of Nations and the International Labour Office in detail. The documents are numbered respectively A. 19 (a) and A. 19 (1). The committee’s report, with the recommendations contained therein, was adopted as a whole by the Assembly on the 4th October under the following resolution :—

“The Assembly of the League of Nations, in accordance with Article 4 of the recommendation on the administration of the finances of the League of Nations dated the 17th December, 1920, accepts for the fiscal period 1922 the General Budget of the League and the Budget for the International Labour Office, which are herewith attached, and which will be published in the official *Journal*.”

*Allocation of the Expenses of the League.*—You will remember that, under the Covenant, provision is made in Article 6 for the expenses of the Secretariat to be borne by members of the League in accordance with the apportionment of the expenses of the International Bureau of the Universal Postal Union. The injustice of these rates was forcibly brought before the Finance Committee of the Assembly last year, and promise was given that a serious endeavour would be made during the current year to amend the rates; but to do this would necessitate an amendment of the Covenant, such being the opinion of a committee of jurists. The First Assembly resolved that a committee of experts be appointed to examine the question with a view of suggesting a new scale. The committee was appointed, and its report is numbered C. 66/M. 66. This document was considered by the Fourth Committee of the Second Assembly, and it submitted to the Assembly a report, which is numbered A. 179. The Assembly adopted the first resolution on page 7 of the report—*i.e.*, that the final paragraph of Article 6 of the Covenant should be replaced by “The expenses of the League shall be borne by the members of the League in the proportion decided by the Assembly.”

It also adopted as a provisional measure Resolution 2, together with the appendix on page 8, indicating the units payable by the various States, members of the League.

Resolution 3, which provides for the expert committee to continue its labours and submit a further report, was adopted with the following addition, in order to make sure that a more equitable scheme should replace the provisional one: “The Assembly recommends the Council to see that the committee charged with preparing a final scheme for the allocation of expenses will present this table to the Assembly of 1923.”

The report was drafted with the intention that, even if a permanent scale were not available by 1922, the provisional scheme should be made more equitable as a result of evidence now available or to be secured before the Assembly met in 1922 (see page 6 of the report, third paragraph).

No. 4 Committee, in paragraph 6 of page 6 of its report, declared itself against upholding the retroactivity which had been adopted by last year’s Assembly. This year’s Assembly, however, not wishing

to break faith altogether with those who paid too much in 1921, and bearing in mind those who might pay too much in 1922, agreed to the following recommendation :—

“The Assembly recommends that, when a revised scheme of allocation of the expenses of the League has been adopted after consideration of the fresh recommendations of the expert committee, it would be equitable that members of the League which may, with effect from 1st January, 1921, and up to the year for which the revised scheme is adopted, have paid more than they are called upon to pay under the operation of such scheme, should be entitled to a refund of the excess amount paid. Such refund shall be made as surplus funds accrue, and without prejudice to the maintenance of the Working Capital Account of the League at its full normal figure.”

The scheme, as adopted in the annex to report A. 179, is, as I have indicated, provisional and inequitable. This will be readily seen by making a comparison between the units payable by New Zealand and those payable by Australia. The New Zealand percentage of the total is 1·02, that of Australia 1·54—just half as much again as New Zealand. Notwithstanding this inequality—and no doubt there are others—I felt it to be my duty to agree to the provisional table in order to get rid of the greater inequalities caused by the adoption of the Postal Union rates, on receiving assurance that the provisional table should be amended in 1922 and would come to an end in 1923 at the latest, and that any amount overpaid in 1921 and 1922 would be refunded out of surpluses later on if these were available. You will find the case stated by me in the attached speech, which I made to No. 4 Committee, and in the motions which I submitted. When making the speech I did not refer to the countries by name, but under the first four letters of the alphabet. I regret that it was not possible to secure an alteration in Table 2 before the contributions for 1922 were demanded (see my motion No. 1).

As to my second, third, and fourth motions, these have been practically adopted.

It is possible you may have some difficulty in explaining the matter to Parliament if it should have been observed that Australia is paying only half as much again as New Zealand. The explanation of this is given in my speech to the committee.

#### SPEECH BY SIR JAMES ALLEN TO COMMITTEE NO. 4.

In support of my proposal I remind the committee that information was asked for by telegram from the various States, members of the League, in order that the Commission on Allocation might have available the population and net revenues which form the basis on which the indices in its report have been calculated.

The telegram to New Zealand, sent on the 30th April, 1921, asked “for financial year 1913, or 1913 to 1914, total ordinary and extraordinary State revenue, excluding proceeds from loans and credit operations. For Government undertakings give only net receipts after deducting working-expenses. By Government undertakings mean post, telegraph, &c., but not public domains.”

I understand that a similar telegram was sent to other States; but in the case of Federal countries divided into States, they were asked to supply, in addition to the Federal revenue, the revenue of the States, cantons, &c.

The reply from New Zealand, dated 11th May, 1921, was: “Ordinary revenue, £8,184,939 for financial year ended 31st March, 1914. Working-expenses of railways, post and telegraph, have been deducted, but not interest, estimated at £982,670, on capital expenditure thereon. No extraordinary revenue.”

Presumably members of the League, including Federal countries, have supplied the information asked for.

Grave injustices are apparent in the Commission’s assessment of net revenue. I refer to three only of these injustices :—

- (a.) In some instances interest on Government undertakings has been deducted, in other instances it has not, and there is no uniformity.
- (b.) Countries with no divisions are at a disadvantage, because in Federal countries divided into States the revenues of the States which are used for national purposes—*e.g.*, education, justice, police, prisons, &c.—have not been included in the revenues of the Federal State.
- (c.) Similarly in the case of Federal countries the net receipts from Government undertakings—*e.g.*, railways, post-offices, telegraph, &c.—carried out by the States have not been included, whereas in undivided countries they have.

The British Delegation has advised this committee of the opinion of its Government. I quote the British delegate’s words: “In the case of Federal States a very careful scrutiny of ‘provisional budgets’ will be necessary to determine what portions of them may be considered to represent national and local expenditure respectively. Net Government trading profits should be included.”

To make clear the effect of the Commission’s action, I refer members of the committee to D. 18, 1920, which gave net revenues (pre-war), and in general includes States’ revenues with those of the Federal Government. Whether careful scrutiny to determine the portions which represented national revenue was made I am unable to say. To show the great differences between “net revenue” in D. 18 and “net revenue” as used by the Commission, I quote the following instances as illustrative :—

	D. 18.	Commission.
A (China) .. .. .	557,000,000	\$ 333,600,000
B (Brazil) .. .. .	318,100,000	g. reis 256,300,000
C (Australia) .. .. .	47,700,000	£ 16,500,000
D (Switzerland) .. .. .	319,200,000	francs 102,700,000



With regard to "C," I am in a position to analyse the figures used by the Commission. The "net revenue" used by the Commission is £16,500,000. It represents Customs, excise, and land-tax collected by the Federal Government and *nothing else*. It does not include States' revenues collected for "national purposes," such as I have already indicated, nor does it include *net receipts* from national undertakings carried on by the States—*c.f.*, railways, &c.—if such "net revenues" exist.

In the case under consideration ("C"), the States' revenue from taxation in 1913–14 amounted to £6,304,836. This includes income-tax collected by the States. (Note: In 1913–14 no income-tax was collected by the Federal Government, though now the Federal Government does collect such tax.)

*Comparison on Basis of Taxation only for 1913–14.*

	New Zealand.	"C."
Revenue from taxation only .. ..	£5,918,034	£16,500,000
	Federal Government .. ..	
	States' Governments .. ..	£6,304,836
Revenue from taxation only .. ..	Federal Government and States' Governments	£22,804,836
Net revenues used by Commission .. ..	£8,200,000	£16,500,000
Net revenues in D. 18 .. ..	£8,000,000	£47,700,000

I call attention to the following facts:—

- (a.) In the case of New Zealand the Commission has included net revenues of Government undertakings without making any allowance for interest on capital invested in the undertakings.
- (b.) In the case of "C" the Commission has used taxation by the Federal Government only, and has not added the taxation raised by States for education, &c., nor has it added the net revenues of Government undertakings carried on by the States for national purposes.

It may be argued that these undertakings, after interest is deducted, produce little or no revenue. That is true also of New Zealand, but in the case of New Zealand even the interest has not been deducted.

MOTIONS BY SIR JAMES ALLEN.

1. That Table II be accepted for the year 1922 subject to adjustments in the net revenues which the Commission on Allocation can make from the statistics available to them at the present time. Such adjustments shall include—

- (a.) Deduction of interest in the case of Government undertakings in order to arrive at more accurate "net revenues";
- (b.) The addition to the parent State's revenues of revenues collected by provinces for national undertakings, such as education, justice, police, prisons, &c.

2. That the recommendation of the First Assembly (17th December, 1920) to the effect that "The allocation for 1922 shall be so arranged by the Assembly of 1921 that members who shall have contributed in 1921 more than they would have done if the new scheme had been in force will, in 1922, pay a correspondingly smaller amount than their quota, and *vice versa*," be not brought into operation pending the meeting of the Assembly in 1922.

3. That the Commission on Allocation be asked to continue its labours and prepare a report to be considered by the Assembly at its meeting in 1922. If the Commission is not in a position to recommend to the Assembly at its meeting in 1922 more satisfactory bases for allocation of contributions of States than population and net revenues, then it should indicate what alterations in assessment of contributions it recommends as a result of additional evidence with respect to net revenues and population available in the meantime.

4. That the Commission be respectfully asked to recommend, for consideration by the Assembly in 1923, a scheme of allocation which it considers equitable after having made as full inquiry as possible.

COMMITTEE No. 5.

*The Typhus Campaign.*—The report made to the Assembly by Monsieur Ador on behalf of the committee is numbered A. 100, and the resolution with which the report concludes (see Document A. 117) was passed on the 21st September. During the discussion I took the opportunity of making a statement on New Zealand's efforts, through the Save the Children Fund, for the alleviation of sickness and distress in Europe—efforts which represent in money alone nearly £60,000.

*Organization of Intellectual Work.*—The report and the Assembly's resolution will be found in Documents Nos. A. 97 and A. 116.

*Women and Children in Turkey, &c.*—It will, I feel sure, be a matter of surprise to many people in New Zealand to learn of the conditions disclosed in the Report on Women and Children in Turkey, Asia Minor, and the Neighbouring Territories (Document A. 113). The organizations already created by the League are so numerous that it is only after considerable hesitation that one gives consent to the establishment of yet another; but a good case has been made out, if only on humanitarian grounds, for the appointment of a Commissioner of the League in Constantinople, and the constitution of a Board to act under him. The cost of maintaining the *Maison Neutre*, which has already accomplished such excellent work, involving an expenditure of not more than £1,500 for one year, is, after all, not great. On the 23rd September the Assembly passed unanimously the resolution proposed by the committee (Document A. 127).

*Traffic in Women and Children.*—On the 29th September the Assembly discussed the Report of the Fifth Committee on Traffic in Women and Children (Document A. 132). It was expected that the debate would be lengthy owing to the obstructionist policy which the French delegate had pursued in committee, and expectation was not falsified. As you know, this abominable traffic for many years gave great anxiety to both Governments and humanitarians. In 1904 an agreement on the subject (then known as the “white slave traffic”) was concluded between certain Governments with the object of suppressing the traffic. This agreement was, in 1910, embodied in a Convention. With the outbreak of war conditions changed, and soon, owing to passport and other difficulties, the traffic ceased; but with a return to something approaching the normal it is again in operation, and if it is to be suppressed, or at any rate lessened, both law and administrative regulations must be improved. With this object in view the International Conference on Traffic in Women and Children which met in Geneva in the summer of this year made a number of recommendations, which are to be found in the Final Act of the Conference (Document C. 223). These recommendations were later embodied in a draft Convention by the British authorities, and Great Britain’s representative on the Council of the League proposed that the States members of the League should be invited to sign it. The French objection was not one of substance, but of form. The delegate from France did not deny that it was most desirable to suppress the traffic, but he strenuously opposed the opening of a Convention under the auspices of the League, arguing that to do this would be to create a precedent. In vain it was pointed out that the precedent had already been created at Barcelona during the Conference on Communications and Transit. By a large majority the committee decided to recommend a Convention, but, in order to satisfy the fears of France and of any who objected with her, appointed a small drafting committee with the object of providing that the draft Convention proposed by Great Britain did not go beyond the Final Act of the Conference, and that there were no divergencies between the French and English texts.

In the Assembly, although the objection of the French was as strong as in committee, their attitude changed: they pleaded the undesirability of either creating a precedent or of departing from diplomatic usage, but begged for time (four months, which was later in the debate reduced to two) to enable the Governments concerned to examine the proposals. But from the very beginning of the discussion it was evident that the majority of the Assembly would vote for the Convention, and an effort to compromise having failed, the recommendation with which Document A. 132 concludes was put to the vote and carried, thirty States voting for and none against, although there were several abstentions, including France.

It is difficult to understand the French attitude. Is explanation to be found in jealousy of another Power which has taken the initiative, or in the fear that Paris, the home of so many conventions, may lose her pride of place in this respect? Or is it to be found in some other explanation, which, so far, has not been forthcoming?

I enclose several copies of the Convention (Document A. 125) as revised by the drafting committee. This I signed on behalf of New Zealand on the 1st October, having been shown a telegram stating that the necessary powers from His Majesty the King were on the way. . . .

It is to be hoped that with the adoption of this Convention, and the bringing into force of new laws and regulations necessitated thereunder, the death-blow will have been struck to an abomination which has caused untold misery to the innocent.

*Opium.*—On the 30th September the Assembly dealt with the committee’s report (Document A. 143) on the traffic in opium, which it adopted unanimously. Unfortunately the report is not, at first sight, quite clear to one who has not followed the debates in committee. It is based on one made to the Council by the Advisory Committee on Traffic in Opium (Document A. 38), containing, on page 6, certain recommendations which were not, however, wholly accepted by the Council.

Recommendation 1, slightly altered in form but not in substance, was accepted by the Council and adopted in committee.

Reference to recommendation 2, relative to an annual report to be made to the League by each country which is a party to the Convention, was, although approved by the Council, omitted in its resolutions. It was restored in committee with the following addition:—

“The Assembly recommends to the Council that the different Governments be invited, where they see no objection, to furnish to the Secretariat, in addition to the official annual report, any information concerning the illicit production, manufacture, or trade in opium or other dangerous drugs which they think likely to be useful to the League in the execution of its task.”

Recommendation 3 was adopted by the Council, but subsequently modified in committee, the committee’s resolution, as passed by the Assembly, reading,—

“The Assembly concurs in paragraph 3 of the Council’s resolution on the understanding that the inquiries undertaken will be of a scientific character, and that, when they apply specifically to any particular country, they will be made through, or with the consent of, the Government of that country.”

Recommendation 4 was approved by the Council and adopted in committee with the following addition:—

“In order to facilitate the execution of the Convention, the Assembly urges all States members of the League which are parties to the convention to signify to the Secretariat as soon as possible their acceptance of the fourth recommendation of the Advisory Committee relating to the requirement of importation certificates.”

Consideration of recommendation 5 was deferred by the Council, and in this the committee concurred.

Recommendation 6 was adopted by the Council in the following form :—

“(5.) That the special attention of the contracting Powers having treaties with China be invited to the provisions of Article 15 of the International Opium Convention, so that the most effective steps possible should be taken to prevent the contraband trade in opium and other dangerous drugs.”

The Fifth Committee accepted this resolution, but added :—

“The Assembly recommends to the Council that, in paragraph 5 of the latter’s resolution, it should also draw the attention of the Government of China to Article 15 of the International Convention on Opium.”

The Council passed an additional resolution, reading,—

“(7.) That, in view of the world-wide interest in the attitude of the League towards the opium question, and of the general desire to reduce and restrict the cultivation and production of opium to strictly medicinal and scientific purposes, the Advisory Committee on Traffic in Opium be requested to consider and report, at its next meeting, on the possibility of instituting an inquiry to determine approximately the average requirements of raw and prepared opium specified in Chapters I and II of the Convention for medicinal and scientific purposes in different countries.”

This was accepted with the following modifications :—

“The Assembly recommends to the Council that the inquiry referred to in paragraph 7 of the latter’s resolution should be extended to include all opium the consumption of which may be considered legitimate, and that to this end the word ‘strictly’ be omitted, and the word ‘legitimate’ be substituted for ‘medicinal’ and ‘scientific.’ It further recommends to the Council the omission of the reference to prepared opium—that is to say, to opium prepared for purposes of smoking—the complete suppression of which is provided for in Chapter II of the Convention.”

Finally, the Fifth Committee proposed the following resolution, which was passed by the Assembly :—

“The Assembly recommends the Council to request the Advisory Committee to extend their investigations to include not only the drugs mentioned in the Convention of 1912, but also all dangerous drugs of whatever origin which produce similar effects, and to advise as to the desirability of convoking a further international conference of States which are parties to the convention, as well as States members of the League of Nations, with a view to drawing up a convention for the suppression of the abuse of such drugs.”

The reason for asking the Advisory Committee to extend its investigations to other drugs is given in paragraph 1, page 4, of the Fifth Committee’s report.

As New Zealand is a party to the Opium Convention, I draw your special attention to the above-mentioned recommendations numbered 2 and 4, relating respectively to the submission of an annual report to the League, &c., and the adoption of importation certificates.

#### COMMITTEE No. 6.

*Armenia.*—The Assembly’s resolution, passed on the 21st September, will be found in Document A. 107. The best that can be said of it is that it is weak ; but the League may well hesitate to take the initiative where a great Power like the United States of America has declined to act.

*New Admissions to the League.*—On the 22nd September the Assembly considered the reports of the Sixth Committee on the renewed applications of Esthonia, Latvia, and Lithuania to enter the League. It will be within your recollection that, although the admission of these States was postponed last year, they received intimation that they would be allowed to take part in the technical organizations of the League. In the meantime, conditions having changed in favour of these countries, especially of the first and second (Lithuania has not yet been recognized *de jure* by the principal Allied Powers), it was a foregone conclusion that they would be admitted to the League this year, and they had no difficulty in obtaining the required two-thirds majority of the Assembly. It is understood that in the case of Lithuania, the only State about whose admission any doubt has been expressed, it was felt that her entry into the League would help smooth the way to a settlement of the difference with Poland consequent on the Vilna incident. The committee’s reports are numbered respectively A. 91, A. 89, and A. 102.

■ Hungary, the only other country which had requested admission to the League this year, applied towards the end of September for a postponement of the decision of the Assembly until next year. I imagine it was the only course for Hungary to adopt, for I am given to understand that her admission would have been strongly opposed by the Powers forming the “Little Entente” (Czecho-Slovakia, Roumania, and Yugo-Slavia), and the Great Powers could not very well have looked with favour on her application in view of her recent action in Burgenland, the western portion of the old Kingdom of Hungary, which under the treaty is to be incorporated with Austria. The report of the committee, A. 152, which merely states the position, was presented to the Assembly on the 30th September and adopted.

*Mandates, “A” and “B” Classes.*—On the 23rd September there was a long and interesting discussion in the Assembly on the question of mandates of the “A” and “B” class, and many delegates took part therein. The report on which the debate took place is numbered A. 105. Lord Robert Cecil, one of the delegates of South Africa, in the course of his remarks, referred to the minutes of the sub-committee, which disclosed that the delegates of Britain, France, and Belgium, although they contended that there was no legal obligation on the part of their Governments to submit reports on the administration of territories for which mandates had not been granted, stated

that reports would doubtless be furnished for the consideration of the Permanent Mandates Committee. In this connection I refer to recommendation to the Council, No. 3, adopted by the First Assembly on the 18th December last, reading: "The Mandatories should be asked to present to the committee a report on the recent administration of the territories confided to their care."

I trust that a report, such as is indicated in the recommendation, is now on its way from New Zealand, but, if not, that an account will be given of the administration of Samoa prior to the granting of the mandate in the first report of the administration under the mandate, which is required under Article 22 of the Covenant. Lord Robert Cecil expressed the hope that the "A" and "B" mandates which had been submitted to the Council would be so modified as to provide better safeguards against slavery and the liquor traffic, and that there would be equal opportunity as regards trade and commerce for all members of the League.

I thought the time appropriate for making a statement on New Zealand's administration of Samoa. My remarks were reported in the Provisional Record, copy of which I enclose; but I may here briefly mention that I argued that military occupation of a territory, even if carried out in the spirit of Article 22 of the Covenant, was unsatisfactory, and that delay in the granting of a mandate led to unrest. I referred to our experience in several of the smaller islands of the Pacific, which had led the New Zealand Government to prohibit the sale in Samoa, except for sacramental and medicinal purposes, of alcoholic liquors, not only to the Native race but to the white settler; and I also referred to the provision in the Constitution Order for the ultimate representation of the Native race on the Legislative Council.

Finally, the following resolution was passed:—

"The Assembly, having considered the report of the 19th September, 1921, addressed by the Sub-committee on Mandates to Committee No. 6 and endorsed by that committee, resolves to approve the terms of that report" (Document A. 126).

I furnish copy of a letter addressed to me by M. Rappard, chief of the Mandates Section of the League Secretariat, which may be of interest:—

"DEAR SIR JAMES,—

"League of Nations, Geneva, 22nd September, 1921.

"A sprained foot, which prevented me from moving about in the Assembly this morning, also prevented me from thanking you as I should have liked to have done for your admirable speech. I am sure that the statement of New Zealand's experience in Samoa made a deep and lasting impression on the Assembly, and thereby undoubtedly contributed towards bringing the question of mandates one step further along the line of evolution, which I hope from now on will continue happily.

"With renewed thanks and hearty congratulations,

"I am, &c.,

"WM. R. RAPPARD."

*Eastern Galicia.*—On the 27th September the Assembly passed the resolution (Document A. 122) submitted to it by the Sixth Committee with reference to the status of Eastern Galicia.

*Russian Famine.*—The report of the Sixth Committee on relief work in Russia, which forms the subject of Document A. 162, came before the Assembly on the 30th September. The debate was a lengthy one. It was not possible for New Zealand to be represented in committee, and therefore I am not able to furnish so detailed an account as I would like of a matter which may have great influence on the future of Europe. It appears that Dr. Nansen obtained from the Soviet Government, during his recent visit to Russia, guarantees, which he considered sufficient, that in the event of relief work being undertaken the food supplied would be used only for the feeding of those residing in the famine-stricken areas, and would not be seized by the Soviet Government for use in other areas (see his speech: Provisional Verbatim Record of the Seventh Sitting, 9th September, already sent to you). Dr. Nansen, of whose integrity there is no possible doubt, has, I regret to say, been the object in many quarters of a most unjust attack, and a portion of the European Press has severely criticized his arrangements with the Russian Government. There is, of course, the side of the question, on which considerable stress has been laid, that if relief work were undertaken by any of the European Governments there would be no guarantee that the Soviet Government would cease spending money on propaganda in the very countries which were helping to feed Russia's starving millions.

Dr. Nansen made a most moving and eloquent appeal to the Assembly to endeavour to forget the political aspects of the question, and to consider it purely from the humanitarian point of view; and he drew a terrible picture of millions dying of hunger in the bitter cold of the north if relief work were not undertaken.

In the course of the debate one of the Serbian delegates introduced a motion condemning the Soviet Government, and holding it chiefly responsible for the present catastrophe in Russia. As was pointed out, it was neither the time nor the place to discuss the internal policy of that country; and, furthermore, that the League did not possess the right to pass sentence on the domestic organization of any nation, and the motion was withdrawn. The Assembly eventually adopted the committee's report—which in my opinion is unsatisfactory, although it could not have been otherwise in face of the attitude of most of the European Powers—and passed additional resolutions, one of which affirmed its confidence in Dr. Nansen (see Document A. 175).

It is sincerely to be hoped that the International Conference which is meeting this month at Brussels will be able to devise a scheme of relief, and thus avert a catastrophe which, if reports are not exaggerated, may well prove to be unparalleled in the history of the human race.

*Albania.*—The report on Albania (Document A. 151), which gave rise to a very animated discussion in Committee No. 6, was presented to the Assembly on the 3rd October, and after further lengthy discussion, during which the parties to the dispute gave expression to their feelings, the resolutions with which the report concludes were passed. . . .

It was suggested in the Assembly that the proposed Commission of three impartial persons which is to visit Albania should be accompanied by one representative each of the Greek, Serbian, and Albanian Governments; but the motion was withdrawn in deference to the view, to which very decided expression was given, that Government representatives would hinder rather than assist the labours of the Commission.

The practice which was inaugurated last year, of having meetings of members of the various British Empire Delegations in order to discuss matters of common policy, was also followed this year, and a number of meetings took place. This proved extremely valuable in enabling one to get an insight into the feelings of those representing different parts of the Empire, and also in co-ordinating action. At the same time I wish it to be clearly understood that suggestions as to united action were not blindly followed, and frequently in committee all parts of the Empire did not vote in the same way.

Great Britain's Delegation, with one exception, was the same as last year. On this occasion Mr. Barnes was replaced by Sir Reynold Rodd, formerly Ambassador in Rome. Mr. Balfour's personality and grasp of the subjects with which he had had to deal in Council were of considerable advantage, and Mr. Fisher's historical learning was of value in helping to come to conclusions on matters connected with foreign countries.

Some of those who were concerned with the drafting of the Covenant, and some of the members who were present at last year's Assembly, apparently conceived that the League would be a sort of super-State, managing the world generally in the interests of peace. Whatever may have been these early conceptions, it is clear, as a result of the meeting just ended, that the idea of the super-State has disappeared, and that the sovereign rights of the individual States will be fully respected.

As already indicated, when dealing with the work of the Third Committee (Disarmament and Economic Blockade), the members of the League have now come to the conclusion that the chief weapon in their hands to secure peaceful relations among the nations of the world is the conscience of the world.

Last year I referred to the dangers to the League through the organization of cliques for purposes of self-interest. This danger has not disappeared. The South American States still hold together, and by their influence they have induced the Assembly to make provision for the establishment of a branch office of the League in South America, the amount set aside for this purpose being shown in the Budget. I felt it to be my duty to oppose the establishment of this branch office, as it seemed to me that it might lead to claims for similar offices elsewhere. I also deemed it right to oppose the vote of 50,000 gold francs for certain liaison bureaux in London, Paris, and Rome. The sitting of the committee at which this vote was considered was held in private, and the information was submitted that within the last few months gentlemen had been appointed in London, Paris, and Rome for publicity work and to secure the assistance of newspapers for the propaganda of the League.

Last year I ventured to say that there was every prospect of the League continuing to exist, and my experience of this year's Assembly confirms that view.

From what you know, you will realize that many of the ideals of the League cannot be carried out; but its work is now developing on more practical lines, represented largely by the technical organizations.

I have, &c.,

J. ALLEN.

The Right Hon. the Prime Minister, Wellington, New Zealand.

### THIRD ASSEMBLY OF THE LEAGUE OF NATIONS.

New Zealand Government Offices,  
Strand, London W.C. 2, 12th October, 1922.

SIR,—

*Third Assembly of the League of Nations.*

In accordance with the Rules of Procedure, which provide that the Assembly of the League of Nations should meet every year on the first Monday in September, the Third Assembly began its sittings on the 4th September.

*Representation of New Zealand.*—Sir James Allen, who had been New Zealand's sole delegate to the First and Second Assemblies, again represented the Dominion, which, for the first time, exercised the right which she, in common with every State member of the League, possesses of sending three delegates to the Assembly. Advantage was taken by you of the presence in England of the Hon. Sir Francis Bell, K.C.M.G., K.C., Attorney-General of New Zealand, of appointing him a delegate, and the third delegate was the Right Hon. Sir Arthur Steel-Maitland, Bart., M.P., who had kindly offered to assist in a voluntary capacity. Each delegate was accompanied by his Private Secretary.

*Opening of Proceedings and Election of President.*—In accordance with the Rules of Procedure the Third Assembly was opened by the Acting President of the Council, then in session, His Excellency M. Domicio da Gama, the Ambassador in London of the Republic of Brazil, and that country's representative on the Council. In the course of a brief speech of welcome he stressed the general opinion, based on a knowledge of the work of previous Assemblies, that there was no danger of the League of Nations becoming a super-State.

On the motion of the principal delegate of the Netherlands, the Assembly appointed by resolution a small committee to examine and report upon the credentials of the delegates. The committee having reported, the Assembly proceeded to elect its Chairman. The general choice was well known, and there was no surprise when it was announced that M. Augustin Edwards, principal delegate of the Republic of Chile, had received forty-two of the forty-four votes cast. M. Edwards, who is Minister for Chile in London, is a man of charming personality and a fine linguist, speaking English and French without accent; and it was felt that as President of the Assembly he would confirm the high opinion of his ability formed last year, when he acted as Chairman of the No. 4 Committee.

*Method of Work.*—In accordance with the precedent established last year, the Assembly decided, on the proposal of the President, to appoint six general committees and a small committee to examine questions submitted for inclusion in the Agenda during the discussions of the Assembly, and the delegates were asked to select the committees on which they preferred to serve. The Assembly, having examined and adopted the Agenda (Document A. 1) and divided the items amongst the committees, adjourned.

As a member of the Committee of Control, Sir James Allen felt obliged to serve on Committee No. 4, and also on Committee No. 2. Sir Francis Bell elected to serve on Committees Nos. 1 and 6, and Sir Arthur Steel-Maitland on Committees Nos. 3 and 5.

On the morning of the 5th September the committees met in numerical order and elected their Chairmen as follows:—

- Committee No. 1 (Constitutional), M. Scialoja (Italy).
- Committee No. 2 (Technical), M. Shodzke (Poland).
- Committee No. 3 (Disarmament), M. Torrientes (Cuba).
- Committee No. 4 (Budget), M. Zahle (Denmark).
- Committee No. 5 (Humanitarian), Hon. W. S. Fielding (Canada).
- Committee No. 6 (Political), M. Loudon (Netherlands).

On the morning of the 6th September the discussion, commenced at the previous sitting, on the work of the Council and on the measures taken to execute the decisions of the Assembly (Document A. 6) was interrupted in order to allow the Assembly to elect the six Vice-Presidents who, with the President and Chairman of Committee, form the officers of the Assembly. The undermentioned were elected:—

- Lord Balfour, Great Britain.
- M. Hanotaux, France.
- M. Teixeira Gomes, Portugal.
- M. Branting, Sweden.
- Le Comte de Gimeno, Spain.
- M. Nintchitch, Yugo-Slavia.

*Discussion on the Annual Report.*—The Assembly having been constituted according to the Rules of Procedure was now able to continue the discussion on the work of the Council. This was concluded on 9th September.

#### COMMITTEE No. 1.

*Procedure of Conciliation for International Disputes.*—The First Committee considered the report of the committee appointed by the Second Assembly to study the procedure of conciliation in international disputes, the general principle of which has been recognized as being in conformity with the spirit of the Covenant. Among other matters there were considered the position of those States which either had not signed Conventions of Conciliation or which were not members of the League, as also the possibility of more than two States being parties to a conflict.

A sub-committee was then appointed to consider rules of procedure. This sub-committee abandoned the idea of drawing up a general treaty and proposed instead a series of recommendations to the League. The results were embodied in a report to the Assembly by the First Committee (Document No. A. 86), and in accordance with the recommendation of this report a resolution was adopted by the Third Assembly on the 26th September wherein the Assembly of the League recommends its members to conclude agreements with the object of laying their disputes before Conciliation Commissions formed by themselves.

The organization of these Commissions, and the possible assistance of the Secretariat of the League, and suggestions for the adoption of the Resolutions of the Hague Convention, 1907, are matters covered by the resolution. To assure the maintenance of peace it is provided that the Council may, if necessary, have recourse to the services of the Conciliation Commission formed by the parties, and either invite them to bring their dispute before the Commission or refer to the Commission any dispute submitted to it by one of the parties.

*Amendment of Covenant Article 10.*—In the course of the deliberations in committee it appeared that the divergence of view with regard to the legal interpretation of Article 10 still continues.

The Canadian Delegation, realizing the impossibility of persuading the Assembly to cancel Article 10 of the Covenant, alternatively submitted an amendment to the effect that no member should be under the obligation to engage in any act of war without the consent of its Parliament, Legislature, or other representative body. The First Committee, however, did not think it advisable to discuss these amendments in the present Assembly, but thought it necessary that the Governments should be placed in a position to consider them, and that they should be carefully examined, before any decision was taken. Such an examination would make it possible to take account of the various aspects under which the question of Article 10 might be envisaged. In particular, attention was

called to the subject of Continental guarantees of territorial integrity, and to the connection which may exist between the principle of a universal guarantee contained in Article 10 and the proposal of guarantees by special convention considered in relation to the problem of disarmament.

A further suggestion to consider the Canadian proposal in conjunction with the question of disarmament and mutual guarantee under consideration by the Third Committee was abandoned in favour of a motion of Sir Cecil Hurst that the consideration of Article 10 should be adjourned until the Fourth Assembly in order that the subject might be considered in all its bearings.

In its report the First Committee accordingly recommended to the Assembly the adoption of a resolution to postpone the consideration of the Canadian proposal for the amendment of Article 10 of the Covenant until the next Assembly, and to leave the Council to decide the steps to be taken to provide a detailed study of this proposal in the meanwhile. The report (Document No. A. 107) was adopted by the Assembly at its meeting on the 23rd September.

*Amendment of Article 18.* With regard to Article 18, the fundamental problem was how to distinguish which treaties were of a political character, and it was pointed out that as it stood the article was impossible of execution in the absence of definite regulations for the registration of treaties. The committee finally adopted a resolution to the effect that in order to be able to profit by experience gained over a longer period before the opening of the discussion the Assembly should decide to postpone the discussion to a future Assembly (Document No. A. 99), and this was confirmed by the Assembly at its meeting on the 23rd September.

*Increase in Number of Non-permanent Members of Council.*—The motion that the non-permanent members of the Council should be increased from four to six emanated from the Council itself, and it was referred to the First Committee for examination and report. The result of its labours is embodied in Document No. A. 119, which was considered by the Assembly on the 25th September, when a resolution providing for the increase was passed, but not unanimously, as the Netherlands Delegation voted against it.

*Selection of Non-permanent Members of the Council.*—The Second Assembly passed, at its meeting on the 5th October, 1921, a resolution providing for the method for electing non-permanent members of the Council. This resolution gave expression to the opinion that it would be desirable to amend Article 4 of the Covenant, and, indeed, the following amendment was approved by the Assembly on the same day:—

“The Assembly shall fix by a two-thirds majority the rules dealing with the election of the non-permanent members of the Council, and particularly such regulations as relate to their term of office and the conditions of re-eligibility.”

This amendment has, however, not received a sufficient number of ratifications to become operative.

As the election of non-permanent members was to take place this year, it became necessary to frame regulations governing the election, and the First Committee, after careful consideration, presented a report (Document No. A. 147). In the course of the debate on this report the Earl of Balfour proposed two slight amendments of form, which were accepted by the Assembly and which will be found incorporated in the document. He also proposed an additional resolution to the effect that it was of the highest importance that the amendments to the Covenant already passed should be ratified by the Governments members of the League, and that the Council should be requested to take all possible measures with a view to this being done. It was pointed out, however, that a resolution in similar terms had already been passed by the First Committee on the preceding day. Lord Balfour withdrew his motion in favour of the First Committee's resolution (see Document No. A. 166), which was passed by the Assembly.

The Chinese delegate referred to a recommendation made by the First Assembly and adopted on the 11th December, 1920, to the effect that three of the non-permanent members of the Council, which were then fixed as four in number, should be selected from among the members of the League in Europe and the two American Continents, and one from among the members of Asia and the remaining parts of the world, and he endeavoured to get this recommendation reinstated, with the necessary modification consequent upon the increase in the number of the non-permanent members of the Council, in the report then before the Assembly, but was not successful.

The Assembly approved of the committee's report as finally drafted.

On the following day the Assembly proceeded to elect the six non-permanent members of the Council. It was necessary to vote only once. As forty-five States voted the required majority was twenty-three. The result was as follows:

- 42 votes were recorded in favour of Brazil.
- 40 votes were recorded in favour of Spain.
- 40 votes were recorded in favour of Uruguay.
- 36 votes were recorded in favour of Belgium.
- 35 votes were recorded in favour of Sweden.
- 27 votes were recorded in favour of China.

*Amendments to Articles 4 and 7 of the Rules of Procedure.*—It is not necessary to do more than refer to the amendments, which will be found in Document A. 95 and which were confirmed by the Assembly at its meeting on the 29th September.

*Salvador.*—The question raised by Salvador is a legal one. She contends that not having signed the Treaty of Versailles she is not obliged to contribute towards the upkeep of the International Labour Office created by that Treaty, and that Article 6 of the Covenant compels a member of the League to provide only its share of the “expenses of the Secretariat,” a phrase capable of more than one interpretation. The First Committee thought otherwise, as will be seen from the conclusions of its report (Document No. A. 128), which were confirmed by the Assembly at its meeting on the 29th September.

*Date of Meeting of Assembly.*—An effort was made by the French and Italian Delegations to get the Assembly to agree that future meetings should not begin until the third Monday in September. The proposal was referred to the First Committee, which reported adversely. Its recommendation was accepted by the Assembly at its meeting on the 29th September, and consequently the Fourth Assembly will, in accordance with the Rules of Procedure, meet on the first Monday in September, 1923 (Document No. A. 152).

*Amendment to No. 14 of the Rules of Procedure.*—The motion to give greater precision to this rule was, so far as concerns finance, very necessary, and the amendment adopted by the Assembly at its meeting on the 29th September (Document No. A. 150) will give the Fourth Committee a firm control over expenditure.

*Allocation of Expenses.*—The First Committee considered the report presented by M. Reveillaud on the question of allocation of the expenses of the League, which found that the scale of the Universal Postal Union adopted by the authors of the Covenant was hardly satisfactory. A preliminary scale arrived at on the basis of population and net revenue had been substituted, but this scale it was found necessary to modify so that there might be taken into account the fact that some States were less able to bear an increase in their contributions than others owing to devastation due to the war.

An interesting point raised by the Indian delegate that the subject could not come within the Agenda of the present Assembly owing to the requisite four month's notice not having been given was disposed of by a Committee of Jurists on the ground that the consideration of this matter was really held over from last year. It is satisfactory to note that a scale was accepted by all parties.

So far as the British Empire was concerned, Lord Balfour explained that it had accidentally happened that the total of the contributions asked for from the States composing the British Empire was fairly equal in the different schemes under discussion, and they had decided to settle among themselves arrangements regarding the allocation of the total sum which they were called upon to pay (Document No. A. 8).

It was urged on behalf of India that she was too highly assessed, and, after careful consideration, it was decided by the British Delegation that if India could not see her way to accept the allocation arrived at by the Reveillaud Committee seventeen of the sixty-five units payable by India according to the latest scale should be distributed amongst other parts of the Empire, in the proportions of 9·5 to the United Kingdom, 3·5 to Canada, 3·0 to Australia, and 1·0 to New Zealand. In the course of discussion it appeared to be inadvisable to press South Africa to take a share, owing to political and other reasons—*e.g.*, the large number of Natives in the Union, as contrasted with the small white population. A unit, according to the Budget as finally passed by the Assembly, amounts to about £1,157. If the principle of distribution is sound—and the advantages of sharing a small portion of India's burden appear to outweigh the disadvantages which would have been caused by disagreement in Committee and the Assembly—New Zealand is not asked to take more than a fair share. It was therefore agreed to adopt this temporary expedient if it should become necessary.

The First Committee's report (Document No. A. 154) was approved by the Assembly at its meeting on the 30th September.

#### COMMITTEE No. 2.

*Health Organization.*—The reason for the inability of the League to absorb the Office International d'Hygiene Publique, as contemplated in Article 24 of the Covenant, is given in the report on last year's Assembly, dated the 12th October, 1921, and numbered A. 648, and the Health Organization set up by that Assembly must be regarded as provisional in the meantime. For all ordinary purposes, however, it is a definitely constituted organ of the League, and the result of its labours during the preceding twelve months is summarized in Document No. A. 65, which was considered by the Assembly on the 15th September. The first and second of the three resolutions with which this report concludes were passed unanimously, but consideration of the third resolution, involving an addition to the Health Organization's budget, was deferred pending a report thereon by the Fourth Committee.

The third resolution, involving an expenditure of 50,000 francs, was passed by the Assembly on the 28th September.

*Intellectual Co-operation.*—The Second Assembly passed a resolution approving of the nomination by the Council of a committee to examine international questions regarding intellectual co-operation. This committee was formed, and met in August. Its report (Document A. 61) was submitted to the Second Committee for examination. A proposal was made in committee that the League should supply books, &c., to universities which had suffered by the war, and undertake other work additional to that recommended by the Council. It was pointed out that the finances not only of the League but of the contributing Governments did not admit of the League taking in hand more work than could be completely justified under the Covenant, and consequently the committee limited itself to the mild resolutions to be found in Document No. A. 137, which were passed by the Assembly at its meeting on the 28th September. (See also Documents Nos. A. 62, 63, and 66.)

*Organization for Communications and Transit.*—This is one of the organizations created in accordance with the provisions of Article 23 of the Covenant, but it differs from the other technical organizations of the League, since the members of the Technical and Advisory Committee were appointed by their Governments and not by the Council of the League, which, however, bears the expenses of the committee. The first report on the work of the committee is Document No. A. 139, and the commentary of the Second Committee of the Assembly on this is Document A. 93. The latter concludes with a series of resolutions, including one relating to the full Conference to be held next year, and these were passed by the Assembly at its meeting on the 28th September.

*Economic and Finance Organization.*—It cannot be denied that, although some of the work accomplished by the Economic and Financial Committee, which is one of the Technical Organizations



of the League, may, in the long-run, prove to have been futile, since it cannot help infringing on subjects which most Governments consider to be matters of national rather than international concern, the committee has made valuable suggestions, and its investigations into many economic and financial questions, especially at a time like the present when in some countries something approaching chaos reigns, cannot fail to be of service when the temper of the world is better attuned to making for international co-operation where it appears advisable. It is not necessary here to recapitulate the work of the Committee. Interesting accounts are given in Documents A. 59, 73, and 91, and in the report of the Second Committee (Document No. A. 133), the resolutions contained in which were passed by the Assembly at its meeting on the 28th September.

*Pan-American Congress.*—Brief mention only need be made to the resolution (Document No. A. 158) passed by the Second Committee and confirmed by the Assembly on the 30th September, suggesting that the Technical Organizations of the League should be allowed to co-operate in any future action contemplated by the Pan-American Congress in which these organizations could assist. A somewhat similar resolution was passed by the Third Committee and accepted by the Assembly.

### COMMITTEE No. 3.

*Reduction of Armaments.*—Of all the subjects that came before the Assembly there were three or four of outstanding practical importance, actual or potential. One of these was the question of relief to Austria. A second, of little interest to New Zealand but a burning question among the newly created European countries, was the question of minorities. A third was the extent of intervention, if any, by the League in the Greco-Turkish War. The last, and not the least important, was the problem of disarmament.

Before dealing with the work of the committee in detail it is perhaps worth while to emphasize one aspect of the subject which is no doubt obvious on reflection to any one, but which forces itself on the attention as soon as the problem is discussed with a view to a practical solution. It is the fact that no quick and easy solution is possible. Any plan which is to be workable will take long and detailed preparation. At the conclusion of the war it appeared possible, no doubt, to some people that by a stroke of the pen the victorious Allies could decree a disarmament, total or proportionate. Such a short cut to the millennium, however, while in fact impossible even at the moment of victory, is obviously inconceivable now. This will be clear if one considers the position of individual countries—*e.g.*, of France. France has to take into account the pressing burden of armaments on her financial resources, but at the same time she has to consider the possible danger from Germany and perhaps from a combined Germany and Russia, both of which Powers are outside the League at present and outside any disarmament agreement to which they do not specifically adhere. It is true that the forces of Germany are limited by the Peace Treaty. But evasion by camouflage is a possibility to be guarded against, together with developments such as aeroplane services, which are legitimate in themselves and yet capable of immediate adaption for military purposes. The position of France is mentioned because it is a striking instance, but the principle is general. Any scheme of disarmament has to be compatible with an approach towards a generalized arrangement in the future, to which, together with other nations, Germany, the United States, and Russia will be parties also. But it has to provide for the practical necessities of the moment, and to allow for the jealousies and suspicions that exist. It may be, perhaps, that no scheme is possible under such circumstances. At least, it is exceedingly difficult, and it is made the more so by the extraordinary complexity of the subject-matter. On the other hand, it is helped by the fact that nations are feeling the pressure of the cost of maintaining armaments on the present scale so greatly that they are ready to devise a workable scheme when otherwise this might not be the case. This fact was shown by the attitude of the French representative, M. de Jouvenal, who was clearly all the time in close communication with Paris. But, in any case, the trial is worth making. Failure in some attempts leaves the situation worse than if no endeavour had been made, but such is not the case here. And, as a result of careful scrutiny of the debates and proposals, the conclusion which is suggested by them is that, while the complexities and difficulties are very great indeed, there is just a chance, and, indeed, more than that, a fair chance of success. It will take time, however, in any case—two or three years at least, unless the participation meanwhile of Germany or the United States facilitates progress and simplifies the whole question.

A report has been prepared, for submission to the New Zealand Government, day by day as the discussion proceeded. The printed report to the Assembly (Document No. A. 124) is so clear and full, however, that it would be mere duplication to reproduce it here; but it should be of service to indicate what parts of the report are of principal importance, what is the significance of other parts, if it lies below the surface, and what was the attitude of the principal Powers represented, since the latter not only gives an insight into the position, but is an indication as to whether a practical outcome is or is not likely or, indeed, possible.

The work of the committee is divided into four parts:—

- I. Various.
- II. Reduction of Naval Armaments.
- III. Reduction of Land Armaments.
- IV. Treaty of Mutual Guarantee.

Of these, III has, for practical purposes, been merged in IV. The reasons for this will be stated afterwards.

NOTE.—Continual reference is made to the Temporary Mixed Commission, or T.M.C. This was a committee consisting partly of military experts, partly of delegates to the Assembly, which examined the question continuously throughout the year. They had the help of experts and other subordinate

bodies, and their work is based, therefore, on first-class information, though, unfortunately, their report (Document No. A. 31) was in the end so hurriedly drafted in the matter of form that it is a difficult document to read.

*Part I.*—A reading of the different subheadings included in the first section of Part I gives the same impression of unreality which is sometimes conveyed by other discussions of the Assembly. For example, (1) the Limitation of National Expenditure on Armaments ends in a pious resolution, which does, apparently, neither good nor harm. But this sort of resolution is really inevitable, and too much account, either favourable or unfavourable, should not be taken of it. The statistical inquiry (2), on the other hand, is a practical piece of work which is necessary for the provision of accurate data on which any reasonable proposals can be based. As regards surplus stocks of munitions, the question is already settled. Sections (4), private manufacture of arms, and (5) arms traffic, show each in a separate way how the League can be of practical utility. The regulation of the manufacture of, and the traffic in, arms has long been recognized to be a matter for international action. The existence of the League makes it possible to speed up the business of summoning and agreeing on international conventions to a degree which was quite impossible formerly. Similarly, it has been found that when a country is asked to give its reasons for any action or for refusal to act, it is very difficult not to comply with the request, and yet compliance exposes any selfish or illegitimate reason, with the result that a country has in fact been induced to take action, on several occasions, which would not have been done otherwise. Section (6) explains itself. Sections (7) and (8) refer to work undertaken, such as the statistical inquiries to provide data on which to base any scheme of disarmament. Sections (9) and (10) are a natural reference to the Washington Conference and to the forthcoming Pan-American Conference at Santiago.

*Part II: Reduction of Naval Armaments.*—The Assembly, on the motion of the committee, recommended that an International Conference should be summoned as soon as possible to consider an extension of the principles of the Washington Conference to States which were not signatories to it. A conference of South American States has already been arranged for January, 1923, at Santiago, and the question will be among those that they will consider. It was understood, therefore, that the general conference would not be called until after that at Santiago had taken place.

An important feature in the discussion was that of the reservations made by the representatives of Brazil and Poland. It was pointed out that the Washington Conference had started with the basis of the *status quo*, and had then proceeded to discuss how far armaments could be reduced below this level. The Polish delegate put the obvious case for Poland. The position of a country which had only just come into existence was different from that of the nations which took part in the Washington Conference. It could not be expected that Poland should engage never to have any Naval Force at all. The Brazilian reservation was similar, pointing to the enormous coast-line of Brazil, and at the same time to the youth of the country from the point of development. Brazil could not be expected to limit her navy in the same way as the Powers at Washington had undertaken to do. It will be seen that resolutions adopted by the Assembly allow for elasticity in giving special consideration to such cases. It is obvious, however, that even if a present agreement can be reached, the growth of certain Powers in contrast with that of others will always be a serious problem in settling the quota of force which each country may maintain.

*Part III: Reduction of Land Armaments.*—In the introductory paragraphs of this report it has been said that any scheme of disarmament to be successful would have to meet both the practical international situation at the moment and also be compatible with any final general system of disarmament.

*Part IV: Treaty of Mutual Guarantee.*—To meet this double need, the suggestion was made of a system of mutual guarantee, to come into force simultaneously with disarmament.

It was recognized that in the present state of the world a country would hesitate to disarm if it were not secured against danger from the aggression of possible enemies. This security could be found in a guarantee by other nations that in the event of such aggression they would come to its aid. Though the Forces of each mutual guarantor would have been reduced, yet they would be more than enough to protect against aggression. It will be seen that even so the degree of disarmament would have to be proportioned to the possible danger of aggression. Hence the importance of as many of the greater Powers as possible joining in the mutual guarantee. The guaranteeing power would be the greater, the possible danger less, and the degree of disarmament could be carried proportionately further.

It was exceedingly interesting to note the attitude of the representatives of different Powers. In 1921 the French had been hostile to any proposal of disarmament. The present proposal, however, might perhaps give them a guarantee—the object which they had long desired from the Peace Conference onwards. At the same time, the dangerous state of French finances clearly makes it desirable to lessen their military expenditure, if possible. The French delegate, therefore, cordially welcomed the proposal, though it became abundantly clear that they were going to satisfy themselves very minutely as to the reliability of the guarantee, and as to its sufficiency, before they disarmed. Mr. Fisher, for Great Britain, gave the proposal a general blessing, saying that Great Britain was not likely to refuse to consider any method of disarmament on which Europe could agree, but he was evidently nervous about doing anything which could be interpreted in England as simply guaranteeing France. He was reluctant, therefore, in his acceptance of a proposal made by M. Jouvenal, the French delegate, that the principles of the scheme should be submitted to respective Governments for their approval before they were worked out in the form of an actual convention.

An interesting feature of the discussion was a difficulty which arose from an unexpected quarter—viz., Norway and Sweden. These countries wished to disarm in any event; they contended that it would be monstrous if in the name of peace they were required, for purposes of guaranteeing other

nations, to keep up a navy or an army which they would not maintain otherwise. It was made clear that no country would be obliged to enter into the system, and so this source of opposition disappeared.

It is quite clear that the difficulties in the way of such a scheme are enormous. But if either Germany or the United States joined such a system these difficulties would be reduced to a fraction of what they are otherwise. If both join, the scheme will be so much easier still. It is possible that the very production of the plan and the knowledge that steps are being taken to work it out may induce Germany to join, but it would be rash to make any prophecy.

*Debts and Reparations.*—At its final sitting, before that at which the report to the Assembly was passed finally, the committee considered the question of debts and reparations. The reason for so doing was that the continued unrest due to this question being unsettled was the greatest factor in preventing a willingness to disarm. The resolution adopted by the Assembly on this subject ends with the recommendation :—

“That the Council shall devote constant attention to every effort made in this direction by the Governments concerned, it being understood that it can only usefully assist in the solution of these problems if requested to do so by the Governments in question.”

At first sight this has the appearance of nothing better than a pious aspiration. There is, however, a good deal of significance in the fact that it was proposed by the French delegate and accepted by the British delegate. It is, of course, abundantly true that the question of debts and reparations is an open sore that prevents the recovery of Europe, both morally and materially. It is also an accepted fact that the British and French Prime Ministers cannot “get on” with one another. The resolution, therefore, points, albeit tentatively, to a way out through the meditation of the Council of the League. The debate gave an opportunity, also, for the representatives of smaller nations to say frankly to the Great Powers that while the solution of the problem lay with them alone among those represented at the League, yet not only they but all alike were sufferers from their inability to settle the question.

The committee's report was introduced into the Assembly on the morning of the 26th September, and the debate occupied two sittings and a large part of a third. At the conclusion of the debate, which was of considerable interest, the representative of Brazil rose and stated that his Government associated itself with the resolution relative to the reduction of naval armaments provided that regard was had to Article 8 of the Covenant. All the resolutions proposed by the committee were adopted unanimously by the Assembly at its meeting on the 27th September, together with an amendment proposed by the Spanish Delegation, that referring to the Pan-American Conference at Santiago. This amendment, which took the form of an addition to the resolution, is to the effect that the Council is recommended to authorize the expert services of the League of Nations to lend their co-operation to the Pan-American Conference should necessity arise.

#### COMMITTEE No. 4.

*Unpaid Contributions.*—This question strikes at the very foundation of the League. The unpaid contributions amounted at the end of September, 1922, to 14,764,468 gold francs, and non-payment is having the effect of placing the League in serious financial difficulties. Leaving out of consideration altogether contributions which have been long in arrears, even if those expected to be paid in the near future are paid, it will be necessary to borrow £150,000 from the bank during the first three months of next year to keep the League going, and there will still be a deficit. It is unfortunate that it has not been possible to establish a scheme of payment, alternative to the Postal Union scale, acceptable to all Governments. It is hoped, however, that the new provisional scale will be adopted, and thus lead to the creation of an attitude of conciliation in quarters where it has hitherto not prevailed. This in itself should have the effect of speeding-up payment by some of the States, although whether the suggestions contained in the Fourth Committee's Report (Document No. A. 145), approved by the Assembly at its meeting on the 29th September, will have any effect remains to be seen.

*Regulations for Financial Administration.*—It became clear during the course of the discussions on the Budget in the Fourth Committee of the First Assembly that a series of regulations should be devised if the administration of the finances of the League was to be established on a satisfactory footing. The task of compiling such regulations was entrusted to the Commission of Control set up by the Second Assembly, and their preparation is perhaps the most important work accomplished by the Commission (Document No. 54 (2)). They were introduced by the Fourth Committee in a brief report (Document No. A. 153), and the resolution with which this report concludes was passed by the Assembly at its meeting on the 29th September.

*Budget of the League and International Labour Office.*—The estimates as passed by the Fourth Committee for submission to the Assembly are Documents Nos. A. 3 (1) and A. 12 (1). The original estimates, of which copies were sent to New Zealand some months ago, were the subject of careful investigation by the Commission of Control, which held two sessions, in May and in August of the present year, and issued two reports (Documents Nos. A. 7 and A. 7 (b)). These reports show that the Commission dealt exhaustively with the finances of the League, effected improvements in the method of administration, and considerable reductions in the estimates. Generally speaking, the Commission's recommendations were accepted by the Fourth Committee. There were, however, a few exceptions which have been noted in the Fourth Committee's report (Document No. A. 140). Probably the most important exception was a further reduction in the library estimates; and a resolution providing for a small committee to inquire into the administration of the libraries of both

the Secretariat and the International Labour Office was proposed by the committee. The resolutions contained in the report of the Fourth Committee, and the estimates, with the addition noted below, were approved by the Assembly at its meeting on the 29th September.

During the discussion of the Budget a proposal was made by the French Delegation to vote an additional 50,000 francs for the work of intellectual co-operation, although a sum of 75,000 francs had been included in the original Budget, and a further amount of 50,000 francs in the supplementary estimates. Many members of the Assembly protested strongly against the motion being made after the question had been thoroughly discussed by the Fourth Committee and had, it was thought, been disposed of. The rapporteur stated that he was in sympathy with the work of intellectual co-operation, but he asked the French Delegation to withdraw its motion, which, however, it refused to do. A vote was taken in consequence, 25 States voted for and 12 against, the result being that 50,000 francs was added to the Budget which, in the present state of the finances of the League, it is quite incapable of bearing.

In the course of the debate the motions were voted on singly and in numerical order, but before the close one of the delegates for Sweden rose and stated that he questioned the legality of the vote respecting intellectual co-operation. He thought that to be effective the motion should have been adopted unanimously, and he suggested that the matter should be referred to the Council for decision. The President, in reply, stated that he thought he had been in order, but that he very willingly fell in with the proposal of the Swedish delegate, and the incident terminated.

#### COMMITTEE No. 5.

*Opium and Dangerous Drugs.*—The question of opium and dangerous drugs was not productive of the same controversy as last year. At the same time, it still attracted considerable attention in Committee No. 5 owing to the divergent interests of the different countries.

The question really falls into two parts, that of the trade in opium and that of the manufacture and trade in dangerous drugs. The question of the growth and export of opium does not really affect New Zealand. It is only of importance in Oriental countries, and Western countries are only affected in so far as they are concerned in the trade. The question of morphia and cocaine is different. Besides being a constituent in useful drugs, their illegitimate consumption is a growing problem among white peoples. The peculiar nature of the problem in regard to them is that their production can be easily controlled, since it is conducted in highly organized factories with the help of highly trained chemists. The moment, however, that quantities are made and sold in excess of the amounts required for actual medical practice, the potency and the value of both drugs in relation to their bulk is so great that leakage for illegitimate uses and smuggling cannot be prevented. It is obvious, therefore, that if the use of morphia and cocaine (and their derivative drugs) is to be properly controlled a proper estimate of the amounts required by different countries for their legitimate requirements is the first essential. Limitation of production to the total of amounts so ascertained must come later.

The work of the League of Nations with regard to the whole subject is carried on by the permanent staff together with the permanent Advisory Committee. A copy of the report (Document No. A. 15) made by the latter is attached, as also of the report of the Fifth Commission with their recommendations, which were adopted by the Assembly on the 19th September (Document No. A. 69). It will be seen that recommendations 3 and 4 deal with the point mentioned above, but there is some reason to apprehend that the inquiries to be made into "legitimate requirements" may not be wholly satisfactory.

The system of import and export certificates mentioned in recommendations 1 and 2 is principally designed to regulate the trade in opium. New Zealand has already expressed her concurrence in the general principle of the export certificate, and may be asked also during the coming year to assent to a slight extension of the system.

*Action required:* (1.) An answer is expected with regard to the adoption by the New Zealand Government of the particular form of import and export certificate suggested by the League. This answer is perhaps now on its way, as there has been hardly time to receive it as yet.

(2.) An extension of the principle of import and export certificates is under consideration, but, if it is approved, notice will be sent specially to the New Zealand Government later.

(3.) An inquiry will probably be addressed to the New Zealand Government in the course of the following year asking for an estimate of the amount of opium, morphia, cocaine, and their derivatives required legitimately by the Dominion for internal consumption, together with a statement of the method by which the estimate has been reached.

*Esperanto.*—The report of the Secretariat to the Committee on Esperanto (No. A. 5 (1)) is a most interesting document, and almost would persuade even an unbeliever to be an Esperantist. It is worth reading.

It was, however, obviously one-sided and written by an enthusiast. Subsequently corrections were made in it, and some very mild and sober resolutions were ultimately submitted to the Assembly and passed. These are contained in the report to the Assembly presented by Senator Reynald, the delegate of France. His report (Document No. A. 81) gives a very good *résumé* of the discussion. It is difficult to add anything to it, except to state the general impression that it will be long before the adoption becomes general of Esperanto as an additional language. The resolutions with which the committee's report concludes were passed by the Assembly at its meeting on the 21st September, No. 1 unanimously, No. 2 with two dissentients.

*Prisoners of War.*—Dr. Nansen further presented his report (Document No. A. 32) as High Commissioner in charge of the Repatriation of Prisoners of War, in which he announced the conclusion

of the work. Before the work was taken in hand the existence of these prisoners was, to most people, entirely unknown. Much less was the fact known that of the prisoners in Russia, for example, some twelve hundred a month were dying from want and disease. They were lost to general knowledge as though in a forest. The attention of the League was called to their existence. The work was taken in hand quietly and unostentatiously. The result has been, however, the restoration to their homes of over four hundred thousand men with hardly any expenditure to the League. It is difficult to express too high an appreciation of the work of Dr. Nansen and his extraordinarily able helpers. It is again just such work as this, in addition to whatever may be done on subjects of more theatrical interest, which convinces many persons of the useful work which the League can really perform. The Fifth Committee's comments on Dr. Nansen's report is Document A. 96, which was considered by the Assembly at its meeting on the 22nd September.

*Relief of Fugitives in Asia Minor.*—Of the other matters that came before the Fifth Committee that of the most immediate interest was a proposal introduced by Dr. Nansen to organize relief for the persons rendered homeless by the burning of Smyrna and the other incidents of the Turkish advance in Asia Minor. Dr. Nansen brought forward his motion in the Assembly on the strength of a telegram received from his Assistant Commissioner. The question was referred to the Fifth Commission, which considered it the same afternoon. The question of finance was important. Dr. Nansen was hopeful that he could raise from outside sources, whether Greek or other, the sum necessary for the actual support of the fugitives, but the question of staff and the expense incurred in connection with it was important, as also the fact that the whole question was urgent and could not wait. By the time the committee met the same afternoon the Secretary-General and the Financial Controller had examined the situation and were prepared with a suggestion. The Secretary-General could not, of course, speak for the Council, but suggested that the Council would probably be willing to accept a recommendation for an expenditure of a sum not exceeding 100,000 gold francs to be taken from the Emergency Fund of the League. This suggestion was adopted, and the Committee also recommended that Dr. Nansen should be empowered to employ for his purpose the staff which was already at his disposal for Russian refugees, provided that this latter work was not interrupted, and also that the sums expended on the two kinds of relief were kept strictly separate. The whole proposal was to be limited to a period of one month, during which other arrangements of a more permanent character might be made if necessary. Dr. Nansen, however, did not anticipate that the expense would necessarily be very heavy. The fugitives could be relieved near to their own country, and it was hoped that early repatriation might be possible. A number of applauding speeches were made in committee, which were perhaps of use in creating enthusiasm but which occupied time. It is perhaps to the credit of the British Delegation that, in order to facilitate business, they all kept quiet, although, as one member remarked, they would probably have to foot any bill. The recommendations were reported to the Assembly next morning and passed. The text of the resolutions is attached.

It is noteworthy that actual measures for relief have thus been devised and sanctioned within twenty-four hours of the receipt of the telegram asking for help, and the concurrence obtained of all the nations present. The fact is illustrative. Much of the speech-making at the League gives an air of unreality to what goes on there. But in this case action was actually taken within twenty-four hours, and that with the general concurrence—all of which would have been impossible but for the existence of the League.

The report of the committee (Document No. A. 80) was considered by the Assembly at its meeting on the 25th September, when Lord Balfour announced that the British Government was prepared to give £50,000 for the purpose of relief, provided other Governments collectively subscribed a like sum. Sir James Allen, in moving the following resolution, stated that his Government would contribute the sum of £1,000 towards the work of relief:—

“The Assembly, having heard the statement of Lord Balfour, and recognizing the extreme urgency of bringing effective aid to the refugees in the Near East, for which purpose financial assistance from the various Governments would be of the greatest value, decides that its members will at once place the situation before their respective Governments, recommending an immediate and adequate financial contribution to Dr. Nansen's organization.”

This resolution was passed unanimously.

*White Slave Traffic.*—This question was dealt with at considerable length in the report of last year. At this Assembly the question was not the subject of the same controversy.

The recommendations of the Advisory Committee in their report (Document No. A. 9 (1)) are worthy of careful reading, but, except in so far as they relate to emigration, they do not closely affect New Zealand. Indeed, under the conditions obtaining in New Zealand, even those sections which deal with emigration are not of great moment. From the general point of view, however, it will be of importance to note how far, as time goes on, it will have been found possible to ensure legislation in the different signatory States carrying out the measures suggested. Moreover, although, as has been stated, New Zealand is not intimately affected, the Government will no doubt consider how far action on their part is desirable in view of the recommendations in the report of the Advisory Committee which have been endorsed by the Fifth Committee in its report (Document No. A. 118), which was passed by the Assembly at its meeting on the 25th September.

*Russian Refugees.*—Following on the statement of the action taken with regard to fugitives in Asia Minor, it is fitting to mention the question of Russian refugees. Dr. Nansen, the High Commissioner, had continued his work on the subject during the year now elapsed. The difficulty was obvious. Russia under a Bolshevik Government was closed to many of them. On the other

hand, where could they find a home? Willingness to receive a number of them has been expressed by various countries where conditions are suitable, but Dr. Nansen fully appreciated the fact that it was impossible for New Zealand to offer to receive them. Perhaps the most interesting and far-sighted action in this respect is that taken by Czecho-Slovakia. The Government there is maintaining and training five thousand University students. It believes, and with good reason, that in any reformed and regenerated Russia these five thousand University-trained students, grown to manhood, will have an important influence on the relations between Czecho-Slovakia and its great neighbour.

There was little criticism of Dr. Nansen's proposals, which simply asked the Governments to help his delegates in their respective countries, and to receive refugees and help find them work where possible. The only other resolution recommended the adoption of identity certificates—a system intended to facilitate the passage of refugees from Russia. The report to the Assembly which embodies these proposals (Document No. A. 129) was adopted by the Assembly on the 28th September.

*Obscene Publications.*—This question was raised on the initiative of the British Delegation. An agreement (not involving any legislative action) had been made in 1910 upon the subject; further, a Convention had been drafted then, of which the objective had been to secure further action. The Convention had remained a draft, however, and it was now proposed that it should be adopted.

It was, in the first instance, proposed that a Conference should be called by the League to consider the matter. In deference, however, to French susceptibilities it was decided that as France had taken the initiative on the former occasion she should be invited to do so again, on or about the time of meeting of the next Assembly. Meanwhile, it was decided that the draft Convention, together with a *questionnaire*, should be sent out to the respective Governments for their observations. By this means a body of considered opinion would be obtained before the meeting of the conference of experts.

The Commission's report (Document No. A. 130) was adopted by the Assembly on the 28th September.

*Deported Women and Children.*—Reference is requested on this point to the last report. Events since that report was written show clearly that the number cannot yet be guessed of the women and children who need help. How far such work can be successful depends, of course, both on the attitude of the Turkish authorities and also of the steadiness with which the work is carried on.

As regards the former, the whole of Asia Minor is in a blaze at the time that this report is written. So far, however, as the organization of the work is concerned, no exception can be taken as to what has been done. It has been impossible to appoint a High Commissioner, but the work has been and will continue to be carried out by the Commission of Inquiry. The work of Miss Jeppe, acting alone and single-handed in Aleppo, is of a very noble character and deserves sincere admiration.

The recommendations of the Assembly (Document No. A. 97) approve Dr. Kennedy's report and ask for the support of Governments responsible for territories where the work is carried on. They were confirmed by the Assembly at its meeting on the 28th September.

#### COMMITTEE No. 6.

*Mandates.*—As the question of mandates is being dealt with in a special and comprehensive report it will perhaps be sufficient here to refer to a protest which Sir Francis Bell thought it necessary to make as regards the procedure of considering the reports upon the administration of the mandates. The point turns on the power of the Permanent Mandates Commission to make public what may be considered to be its opinion of the conduct of the Mandatory as regards its mandate before consideration by the Council. This opens up the question whether the Permanent Mandates Commission should be the body to issue what to all intents and purposes is an authoritative and final report. The Dominion of New Zealand, for example, is not directly represented on the Permanent Mandates Commission or on the Council, and Sir Francis Bell stated that in his opinion it is for the Council and not for the Permanent Mandates Commission to review the general conduct of the Mandate, and after such review issue an authoritative report. In actual practice the procedure adopted this year was to examine the reports and question the representatives of the Mandatories at private meetings, but afterwards to hold a public meeting at which the opinions of the Permanent Mandates Commission on the administration of the mandated territories was made known, and at which the representatives of the Mandatories were again examined. At this public meeting the Chairman's speech was largely the Commission's report and contained passages of adverse criticism. Sir Joseph Cook was in communication with his Government, and he later despatched from London to Geneva comments on the Commission's observations. The Commission may hold the opinion that all the evidence was weighed and due consideration given to it when making its report, but some of the representatives of the Mandatories are not satisfied that this is so, and are convinced that before publication the report of the Commission should be considered by the Council and have attached to it the comments of the representatives of the Mandatories upon it.

In essence the procedure adopted allows the Permanent Mandates Commission to publish what may be a totally incorrect statement both as regards opinion and fact concerning the administration of the mandate. The result raises grave considerations. Firstly, the publication itself before review by the Council may have very harmful consequences, and, secondly, such powers of the Permanent Mandates Commission go very far towards allowing it to be the final body of review both as regards administration of the mandate and the relations of the Mandatory to its mandate. This year, for example, the Council has simply referred the Mandates Commission's reports to the Assembly, which

body has referred those reports to the Sixth Committee, and the Sixth Committee has declined to express any opinion of its own, or to recommend the Assembly to form any opinion, upon the merits of any questions which have arisen upon the reports of the Commission, or the sufficiency of the replies of the mandatory Powers. The effect of that process is to substitute for the contractual obligation (of the mandatory Power to the Council and the Assembly) a duty of the Mandatory to administer and legislate in such fashion as meets the approval and sanction of the Permanent Mandates Commission. A further objection to the procedure of the Mandates Commission, raised by Sir James Allen in the Assembly, is that under its rules it holds a public meeting, referred to above, at which the mandatory Powers are requested to be present through their representatives, and where the Commission questions these representatives on the subject of legislation and administration. It is obvious that the process places the mandatory Powers in an undignified position, and is both unsatisfactory and dangerous. (See Documents Nos. A. 35, 36, 37, 39, 40, and 72.)

In the course of the debate one of the Indian delegates referred at some length to imported labour, and raised the moral issue which was involved by disproportion in the sexes. Sir James Allen, in reply, gave a brief account of the conditions rendering contract labour necessary, and of the difficulties of securing married labourers whose wives were willing to accompany their husbands. He said he was sure he was voicing the general opinion of the Assembly in stating that it was not desirable to allow Chinese women to enter Samoa unless they were proved to be the wives of the labourers. He also referred to the method of the presentation of petitions by the inhabitants of mandated territories, and stressed the danger of allowing direct communication to the Permanent Mandates Commission of petitions from inhabitants who had perhaps been the dupes of agitators without the Administrator having had the opportunity of commenting on them.

*Minorities.*—The proposals of Professor Murray for the protection of minorities was exhaustively dealt with by the Sixth Committee, and although not completely adopted were accepted as the basis for the discussion. As the result of the committee's recommendations and report a draft resolution was accepted by the Assembly on the 21st September, to the effect that, while in cases of grave infraction of the Minorities Treaties it is necessary that the Council should retain its full power of direct action, the Assembly recognizes that in ordinary circumstances the League can best promote good relations between the various signatory Governments and persons belonging to racial, religious, or linguistic minorities placed under their sovereignty by benevolent and informal communications with those Governments.

With the view to giving effect to this resolution various recommendations were then agreed upon by the Assembly, such as the appeal without unnecessary delay to the Permanent Court of International Justice in certain cases. Moreover, the Assembly, while recognizing the primary right of minorities to be protected by the League from oppression, emphasizes the duty incumbent upon them to co-operate with the nations to which they belong, and expresses the hope that the States which are not bound by any legal obligations to the League with respect to minorities will nevertheless observe in the treatment of their own minorities as high a standard as if they were so bound (Document A. 83).

*Near East.*—The resolution on the Near East situation proposed by the Sixth Committee for adoption by the Assembly (Document No. A. 131) was the outcome of a feeling that at its annual Assembly the League, which is a body existing largely for the purpose of preventing war, could not well ignore the serious aspect of the Turco-Greek conflict. While disclaiming any wish of appearing to interfere with negotiations already under way, the Sixth Committee, after a considerable debate, agreed upon the following resolution which was passed by the Assembly at its meeting on the 27th September:—

“The Assembly, animated by a sincere desire to see peace re-established in the Near East and to support any action which may be taken to achieve that object, learns with satisfaction that it is proposed to hold a special conference to consider the present situation with a view to finding a solution. The Assembly trusts that the Council, without interfering in any way with the proposed negotiations, will adopt such measures as it may deem timely and warranted by the stage reached in the negotiations in order to give effect to the unanimous wish of the Assembly for an early restoration of peace.”

Other matters dealt with by the First and Sixth Committees were the Polish-Lithuanian dispute (Document A. 85), which had been referred to a Committee of Inquiry; the question of indemnities of technical assessors for the Permanent Court of International Justice (Document A. 108); the admission by unanimous vote of the Assembly of Hungary to the League (Document A. 68); Sir Arthur Steel-Maitland's motion on the recrudescence of slavery (Document A. 82).

As on previous occasions, there were occasional meetings of the members of the various delegations composing the British Empire, and these meetings were of very considerable help in enabling the delegates to understand the drift of the policies of the component parts of the Empire, and to discuss points of difference.

The members of the New Zealand Delegation held meetings whenever they became necessary in order to agree upon the line of policy to be adopted at the meetings of the committees and of the Assembly.

We have, &c.,

J. ALLEN.

F. H. D. BELL.

A. STEEL-MAITLAND.

The Right Hon. the Prime Minister, Wellington, New Zealand.



## APPENDIX TO REPORT OF THIRD ASSEMBLY OF THE LEAGUE OF NATIONS, 1922.

MANDATES REPORT, BY CAPTAIN E. O. MOUSLEY.

New Zealand Government Offices,

SIR,—

Strand, London W.C. 2, 1st June, 1923.

I have received for transmission to you and enclose Captain Mousley's report on the Third Assembly of the League of Nations, 1922, with special reference to mandates. I desire to make a few comments.

On page 25 (this report) Captain Mousley refers incidentally to the question of the national status of the inhabitants of mandated territories, and on page 30 he gives four resolutions passed at a recent meeting of the Council of the League, when the point was dealt with. He, however, has not given the Council's resolution which had particular reference to the desire of the Government of South Africa to confer British nationality on the inhabitants of South-west Africa possessing German nationality, with the proviso that any such inhabitant of German nationality may have the right of declining to accept British nationality. That resolution was as follows:—

“The Council of the League of Nations, taking into consideration the special case presented to it, and the fact that only the inhabitants of South-west Africa alluded to in Article 122 of the Treaty of Versailles are concerned, take note of the declaration made by the representative of South Africa, and sees no objection to the proposed action.”

On page 25 Captain Mousley refers to the publication of the report of the Permanent Mandates Commission before such report had been considered by the Council; on page 26, to the necessity of consideration being given to the reply of the mandatory Power to suggested criticism before the final observations of the Permanent Mandates Commission are arrived at; and on page 26, to No. 8 of the Rules of Procedure of the Permanent Mandates Commission, which provides for a public meeting when the final terms of the Permanent Mandates Commission's observations are adopted. These points are referred to in the report of the Third Assembly of the League of Nations which Sir Francis Bell, Sir Arthur Steel-Maitland, and I made to you in October last, and will be found on pages 34 and the following; and I take this opportunity of emphatically stating that in my opinion the meeting of the Permanent Mandates Commission, at which its final observations are adopted, should not be public, and I said so when I spoke before the Assembly.

On page 26 of his report Captain Mousley observes that the Dominion Mandatories have no representation on the Permanent Mandates Commission. This is true. On the other hand, however, nationals of two other mandatory Powers, Great Britain and Japan, sit on the Commission, not, perhaps, as representatives of their Governments, but, at any rate, as interested members.

On page 27 Captain Mousley refers to an observation of the Permanent Mandates Commission to the effect that the mere distances which separate the countries from which labourers are recruited from the place to which they are taken renders it necessary that labour contracts should be concluded for very long periods; and again on page 27, where he refers to my explanation of the position and uses the phrase “long-period indenture of Chinese labour.” The phrase “long period” is a relative term, but I desire to state that when the report of the Sixth Committee on mandates was before the full Assembly I more than once stated that the labour that goes to Samoa is under contract for three years.

On page 35 Captain Mousley, in quoting Sir Francis Bell's speech to the Assembly, says, “The mandatory Powers are not represented on either the Council or the Permanent Mandates Commission, but they are represented by their delegates in this Assembly.” That is hardly correct, because Great Britain, France, Japan, and Belgium are represented on the Council. Probably Sir Francis Bell meant to say that the Dominion mandatory Powers were not represented on either the Council or the Permanent Mandates Commission.

Pages 39: I agree with Captain Mousley's remarks relative to the rules of procedure of the Permanent Mandates Commission, and think that they should be modified.

On page 40, last paragraph but one, Captain Mousley suggests that there should be closer liaison between the Secretary of the League and the representative of the Dominion in London. Personally I see no necessity for this. The work involved is comparatively light and, so far as my judgment goes, it can be done by the present staff of this office.

I have, &amp;c.,

J. ALLEN.

The Right Hon. the Prime Minister, Wellington, New Zealand.

SIR,—

London, 1st June, 1923.

As directed, I have the honour to submit the following special report on the subject of mandates as dealt with at the last Assembly of the League, which took place at Geneva in September, 1922, and to which I accompanied the Hon. Sir Francis Bell in the capacity of Private Secretary. This subject, as indicated by Sir James Allen in his official report of that Assembly, was only cursorily dealt with in that report, being reserved for more comprehensive treatment later on.

It is a matter which, while always of direct interest to the Dominion of New Zealand as a mandatory State, this year assumed additional interest in that, in accordance with the provisions of the mandates system, the consideration of the reports of the mandatory Powers holding “C” mandates, and of the observations thereon of the Permanent Mandates Commission, came before the Assembly for the first time. These observations, while for the most part complimentary and no



doubt always well-intentioned, contain certain passages with reference to the mandates of Nauru and Samoa which, whether as statements of fact or of opinion, were considered by the Mandatories themselves to be incorrect. The difficulty ultimately resolved itself into a most important question of procedure, which was finally raised in the Assembly by the Hon. Sir Francis Bell, of the New Zealand Delegation.

The point opens up considerations of a far-reaching character involving not only matters of procedure in connection with the review of the administration of the mandatory Powers, but even the significance of the mandate rights themselves, inasmuch as the question of an interpretation of the Covenant becomes also involved.

For obvious reasons, the importance of clearing up these obscurities at once cannot be over-emphasized. The mandate system is an entirely novel form of government, and the exercise of the powers of the organs of the League has not yet crystallized into precedent, and is not yet free from doubt. Moreover, the mandatory States administering the mandates are in certain cases Dominions of the British Empire, which by the same document as created the League and the mandate system are sometimes considered to have received for certain purposes an international status, or at any rate to have become independent members of the League. In this connection certain remarks of Sir John Salmond in his report of the Washington Conference assume relevance: "By the special and peculiar organization of that body [the League of Nations], self-governing colonies are admitted as members in their own right as if they were independent States. Although by constitutional and international law such colonies are merely constituent portions of the Empire to which they belong, they are entitled by express agreement to be treated so far as practicable as if they were independent."

It is therefore not surprising that some difference in interpretation has existed even as to the nature of the transaction by which the Dominions derive a mandatory title; and it is to be noted that in the case of Nauru a further complication arises from the fact that while this mandate was conferred on the British Empire (see Document A. 35, 1922, VI, quoted later in this report), it is administered on behalf of the Empire by the three Governments of Great Britain, Australia, and New Zealand, who are separate members of the League. So far as Samoa is concerned, the accepted position is that the League conferred the mandate on His Majesty, who holds it on behalf of the League, and that His Majesty, as of right, conferred it on the Dominion of New Zealand, who administers it on behalf of His Majesty. Other interpretations of the mandatory title have been suggested in the cases of certain other Dominions. The point is important, and especially so as it involves the question not only of control, but of the responsibility of His Majesty's Government of Great Britain and that of the Dominion concerned. To quote from Sir Francis Bell's speech in the Third Assembly (19th September): "What His Majesty does in right of his Dominion he does on the advice of his Ministers of that Dominion, not on the advice of his Ministers of Great Britain."

To appreciate the significance of this point, which will arise again and again until decided, it must be borne in mind, as Sir John Salmond said in his Washington report, that the position of the Dominions in the League is entirely different from their position in other international assemblies. Recently, however, a new and grave difficulty has proved to be contained in this doctrine with reference to the issue of full powers. In the recent Canadian Halibut Fishery Treaty the point arose whether the Canadian delegate who signed that treaty alone with the United States was appointed by His Majesty on the advice of His Majesty's Canadian Ministers, or by His Majesty on the advice of his Ministers of the Government of Great Britain. There is little doubt that His Majesty appointed the Canadian plenipotentiary on the advice of his Canadian Ministers, having been advised so to do by his British Ministers, for there is as yet no precedent for His Majesty issuing any full powers except on the advice of his Ministers of the Government of Great Britain. But if the position of the Dominions at Geneva is different from their position at Washington, does this mean that for the purposes of the Assembly of the League His Majesty is required to act on the advice of his Dominion Ministers alone, either in matters of foreign policy or in issuing full powers or instructions appointing a Dominion delegate as an accredited representative to an Assembly of the League? It is difficult to understand how His Majesty can do either, even on the advice of his Dominion Ministers, unless advised so to do, as he invariably is, by his British Ministers.

In addition to the importance of clarifying the obscurities that exist with regard to mandates generally, there are certain other matters, such as the nationality of the inhabitants of mandatory territories, decisions regarding which have not yet broadened into precedent. Some of these matters, including the general protest of the United States against trade preference or tariff regulations in any mandatory territories (as distinguished from the specific matter of tariff for Western Samoa or the Port of Tutuila, arising under the 1899 Convention), as well as certain other matters—as, for example, the United States' request for duplicate reports of administration of mandated territories (Documents, Treaties, 2276-2388)—are to receive attention at the forthcoming Imperial Conference. It has therefore been considered advisable and useful to refer, where necessary, to certain developments appertaining to mandates during the year preceding the Third Assembly.

In his official report on the Third Assembly, with reference to the question of procedure raised by Sir Francis Bell, Sir James Allen says: "In essence the procedure adopted allows the Permanent Mandates Commission to publish what may be a totally incorrect statement both as regards opinion and fact concerning the administration of the mandate." While inaccurate statements of fact or opinion such as those in question are no doubt unfortunate to all concerned, the real point at issue, however, is not that the observations of the Permanent Mandates Commission were incorrect, for even the Council might conceivably publish an incorrect report, but that what is in fact to all intents and purposes a final published report should not be published by the Permanent Mandates Commission

at all without reference to the Council. The point is essentially one of jurisdiction and of powers as determined by the Covenant, according to which the mandatory Powers must report to the Council, who surveys the stewardship of the mandates. In Article 22 of the Covenant the function of the Permanent Mandates Commission is definitely said to be that of *advising* the Council. If it publishes its opinion, *qua* Permanent Mandates Commission, before forwarding it to the Council, this would appear to be a usurpation of the function of the Council, and, if allowed to continue, it will in effect mean that the Permanent Mandates Commission is endowed with final and authoritative powers over mandatory States. As a matter of fact, so far as this year is concerned, this is precisely what the Permanent Mandates Commission did; and, moreover, the observations so published contained statements admittedly incorrect.

It will be remembered that the Dominion Mandatories have no representation on the Permanent Mandates Commission, whose members are appointed largely on account of their independence and disinterestedness. It is a body whose duties of advising the Council are essentially duties of review, and, it may be said, of critical review, in that it must jealously guard the spirit of the Covenant, as suggested by Lord Robert Cecil in remarks made at the Second Assembly. Lord Robert said: "We have also to be grateful for rather a small mercy in the promise that the League shall be allowed to see any reports on the administration of the mandated territories which have been presented by the mandatory Powers to their own Parliaments. May I very respectfully remind the Assembly of the words of the Covenant which deal with this matter? The principle which is laid down in Article 22 is that the well-being and development of such peoples form a sacred trust of civilization, and that securities for the performance of this trust should be embodied in the Covenant." But if this function of the Permanent Mandates Commission is largely that of critical review (although not of final review), it is surely imperative that the rules of procedure should at least provide for the consideration of the reply of the mandatory Powers to suggested criticism before final observations are arrived at.

#### PERMANENT MANDATES COMMISSION.

The Permanent Mandates Commission held its first meeting at Geneva on the 4th October, 1921, just immediately after the Second Assembly rose, and it therefore fell to the Third Assembly to consider the observations of the Permanent Mandates Commission on the first reports of the Mandatories holding "C" mandates, which had been confirmed on the 17th December, 1920.

In the course of a statement of the work undertaken by the Mandates Section during the year the Director of the Mandates Section said: "The duties of the section over which I have the honour to preside are of a twofold nature: on the one hand it has to act as a permanent secretariat for your Commission, whose ordinary meetings are held yearly—that is to say, on somewhat rare occasions—but whose duties impose upon its members constant vigilance; while, on the other hand, the section forms an integral part of the Secretariat of the League of Nations . . . with regard to all matters dealing with the question of mandates." (Document A. 36, 1922, VI).

The statement proceeds to explain that the Permanent Mandates Commission has endeavoured to keep the members of the Commission fully informed of the general movement of ideas regarding mandates, especially in mandatory and mandated countries.

The second session of the Permanent Mandates Commission began on the 1st August, 1922, and, so far as regards "C" mandates, duly considered reports from the mandatory States administering the mandates of the Pacific islands—Nauru, New Guinea, Samoa—and South-west Africa. Accredited representatives of the Governments of Great Britain, Australia, Japan, and New Zealand were present at the discussions concerning the respective mandates, and it was regretted that no representative of South Africa was available. The procedure followed by the Commission was in accordance with Rule 8 of the Rules of Procedure. It is to be noted that these Rules of Procedure of the Permanent Mandates Commission were drawn up by the Permanent Mandates Commission itself in accordance with the provisions of the constitution of the Permanent Mandates Commission, which was approved by the Council on the 1st December, 1920, according to which the Commission is instructed to draw up its own rules, subject to the approval of the Council. The Rules of Procedure, as drawn up, were approved by the Council on the 10th January, 1922 (Document C. 404, M. 295, 1921, VI). Rule 8 is as follows:—

"At the beginning of the ordinary session the Commission shall undertake a separate examination and discussion of each of the annual reports submitted by the mandatory Powers. The examination and the discussion shall take place in each case in the presence of the accredited representative of the mandatory Power which issued the report.

"After this examination the Commission shall decide upon the form to be given to the observations to be transmitted to the Council of the League. If the Commission is not unanimous it may present its observations in the form of majority and minority reports. These observations shall be, in every case, communicated to the accredited representative of the Power which issued the report to which they refer. The representative concerned may attach his own remarks.

"The Commission shall forward the reports of the mandatory Powers to the Council. It shall annex to each report its own observations, as well as the observations of the duly authorized representative of the Power which issued the report, if the representative so desires.

"The Commission shall hold a plenary meeting in the presence of all duly authorized representatives of the mandatory Powers, when it has adopted the final terms of its observations on all the reports which it has examined. This meeting shall be public. If the majority of its members so desire, the Commission may take advantage of the presence of the duly authorized representatives of the mandatory Powers to bring before them all matters connected with the mandates which in its opinion should be submitted by the Council to the mandatory Powers and to the other members of the League."

It is to be noted that according to the last paragraph of this rule the Permanent Mandates Commission is allowed to deal at a public meeting with observations on the mandatory reports when once it has adopted them in "final terms," and that at the same meeting the representations of the mandatory Powers may be examined in connection therewith.

*Observations of Permanent Mandates Commission.*

The Commission investigated and discussed each report in the presence of the accredited representative of the Power submitting it, and afterwards settled the terms of the observations which appeared necessary on the consideration of each report. These observations were communicated to the duly accredited representatives of the Powers concerned, and annexed to the report. (See Document A. 39, 1922, VI.)

With reference to New Zealand's mandates, two points in particular were considered to call for the special attention of the Council.

(1.) *Imported Labour.*—The Mandates Commission observed :—

"The introduction of these foreign labourers, a step dictated by economic needs, is not wholly free from certain social difficulties which have engaged the attention of the Commission.

"On the one hand, the mere distance which separates the countries where these labourers are recruited from the place to which they are taken, and the consequent heavy expenses incurred in their transport, renders it necessary that labour contracts should be concluded for very long periods. It is, however, clear that, in spite of the guarantees incorporated in the mandate, the position of a Chinese coolie who is bound by a three-years contract and who has been conveyed to a foreign land thousands of miles from his kith and kin calls for the greatest care on the part of the administration of the mandatory Powers. Again, the presence of this exclusively male labour in the midst of a native population is bound to involve a certain element of danger to the social life of the latter.

"The Commission, which is fully alive both to the gravity of the economic conditions responsible for this state of affairs and to the social danger which arises from it, merely desires at present to call the Council's attention to the facts, and to express a desire that the mandatory Powers will be good enough, in their future reports, to supply all relevant information on this subject. The Commission is specially anxious to be kept constantly and fully informed of the extent of these migrations of labourers, or the measures taken by the mandatory Powers to supervise these movements, and of their results from a social point of view, and also of all observations to which the application of these measures might give rise."

Sir James Allen explained that in order to maintain the productivity of the plantations in Samoa, and for the execution of necessary public works and services, recourse was had to long-period indenture of Chinese labour, under a Convention entered into with the Chinese Government, the terms of which were submitted to the Commission. The Commission observed that the interests of the Chinese in Samoa were protected by a special officer and the presence of the Chinese Consul.

(2.) *Administration of the Island of Nauru.*—The observations of the Permanent Mandates Commission included the following :—

"It was brought out in the course of discussion that the British Empire had transferred the responsibility for the administration of the Island of Nauru to Great Britain, Australia, and New Zealand, and that, as a result of a special agreement entered into by these three Governments, Australia for the time being has assumed the duty of governing this territory.

"The population of this island numbers only two thousand, but its mineral wealth is considerable. This wealth consists in rich deposits of phosphates, for the exploitation of which the Governments of Australia, Great Britain, and New Zealand have reserved to themselves exclusive rights. In accordance with the agreement concluded between these Governments, these rights are exercised by three Phosphate Commissioners, whose powers appear to be unlimited as regards everything relating to the undertaking which they manage. It is not clear what powers and means of control the Australian administration possesses with regard to this organization.

"This administration is, indeed, entrusted to an official appointed by the Australian Government alone, while the three Phosphate Commissioners hold their powers under the three Governments concerned and take their decisions by a majority vote.

"The Commission feels it its duty to call the attention of the Council to the anxiety which it feels as a result of this situation. It expresses the desire that future annual reports of the mandatory Power should contain information which will enlighten it further."

*General Observations.*

Under the heading of "General Observations" a document (A. 35, 1922, VI) contains substance of the first importance, which amply illustrates that the obscurities indicated above with regard to mandates is sometimes fundamental. From these observations it appears that there has been doubt and uncertainty as to who is the mandatory Power and under what arrangement the mandate exists. As the matter is important, this is perhaps a convenient place for the passage to be set out in detail :—

"The consideration of the report on the administration of the Island of Nauru raises an initial question which the Mandates Commission wishes to bring to the notice of the Council.

"It will be remembered that the mandate for Nauru, a small island in the Pacific, with only some two thousand inhabitants, was conferred upon His Britannic Majesty. The other British 'C' mandates were also conferred upon His Majesty, but in them it is expressly stated that in accepting

them His Majesty acts for and on behalf of the Governments of the Union of South Africa, the Commonwealth of Australia, and the Dominion of New Zealand, and each of these Governments is expressly designated as the Mandatory for the territory to which each mandate refers.

“The Commission was therefore bound to consider the Island of Nauru as under the mandate of the British Empire as a whole, to the exclusion of any one Government within that Empire.

“It is true that the Secretariat received, on July 28th last, a telegram from the Australian Prime Minister announcing that the Australian Government, after consultation with the British Government, had appointed Sir Joseph Cook, its High Commissioner in London, as representative of the mandatory Power at the discussion on the reports concerning Nauru. But the Commission was confirmed in its original opinion by a second notification, proceeding this time from the Secretary to the Cabinet in London, and dated July 31st, accrediting Sir Joseph Cook to the Commission as representative of the British Empire.

“However, an examination of the report leaves the impression that the administration of the island is exercised *de facto* by the Australian Government, which now assumes responsibility for it. This was confirmed in the course of the discussion, which revealed the following facts:—

“While the mandate was conferred upon the British Empire as a whole, as the result of an agreement which was signed at Paris in 1919 between the Governments representing various portions of the Empire, the rights and responsibilities conferred upon His Britannic Majesty as regards the Island of Nauru were reserved to Great Britain, Australia, and New Zealand.

“By the terms of a second agreement concluded by these three Governments, and ratified by an Act of the Imperial Parliament on August 4th, 1920 (10 and 11 Geo. V, Nauru Island Agreement Act, 1920, cap. 27), it has been laid down that the first Administrator of the island shall be appointed for five years only, and it is provided in the Act that thereafter the Administrator shall be appointed in such manner as the three Governments may decide.

“As far as the Commission is aware, these agreements (the effect of which is that the Australian Government, though not designated as such in the mandate, has become in practice the Mandatory responsible for the administration of the Island of Nauru) have not been made the subject of any notification to the League of Nations.

“The Commission wishes to include in the present report, for the information of the Council, these facts, which have led to some uncertainty as to whether the mandate for the Island of Nauru, with the responsibility which it entails, is to be considered by the League of Nations as having been in effect transferred to the Australian Government.

“Another point of interest which the Commission wishes to bring to the notice of the Council, in connection with the Nauru mandate and with the above-mentioned Act, is the relation of the authority responsible for the administration of the island under the conditions of the mandate to the organization established jointly by the three Governments for the exploitation of its extensive and valuable phosphate deposits. It appears from the discussion that the exclusive rights to the possession and development of these deposits formerly rested in a German private company. The rights of this company have now passed to the three Governments of Great Britain, Australia, and New Zealand, which have provided the necessary capital (amounting, approximately, to £4,000,000), in proportions of 42, 42, and 16 per cent. respectively, out of their general public revenues. The administration of the deposits so acquired by the three States has been vested by them in three Commissioners appointed severally by the Governments concerned.

“Article 2 of the agreement embodied in the Act lays down that all the expenses of the administration of the island (including the remuneration of the Administrator and the three Phosphate Commissioners), so far as they are not defrayed out of the ordinary revenues of the island, shall be defrayed by the proceeds of the sale of the phosphates. From this it would seem to follow that, should the expenditure of the public administration exceed the revenue from taxation, the Phosphate Commission, and not the mandatory Power for the time being, will be responsible for finding the deficit.

“The attention of the Permanent Mandates Commission was drawn more particularly to Article 13 of the agreement embodied in the Act, which lays down that ‘There shall be no interference by any of the three Governments with the direction, management, or control of the business of working, shipping, or selling the phosphates, and each of the three Governments binds itself not to do or to permit any act or thing contrary to or inconsistent with the terms and purposes of this agreement.’

“The question therefore arises as to whether the conditions of labour employed, whether imported or local, are under the control of the Administrator, and through him of the mandatory Power, or are under the control of the three Phosphate Commissioners, who would appear to be vested with powers subject to little, if any, Government control. The Commission would be glad to find in the next annual report information which would remove any preoccupations which might be inspired by this fact.

“It would seem that, as a great part of the island consists of phosphate deposits, the present conditions of life and the future well-being of the Nauruan Natives, *vis-à-vis* the use of their lands by the Phosphate Commissioners, merit the continuous attention of the Commission, and it is hoped that the exploitation of the mineral wealth of the island will not entail any undue restriction of the area open to Native habitation or cultivation. The Commission desires to know the probable duration of the exploitation of known deposits, and also what area proportionate to the whole will have been affected by that exploitation when the deposits are exhausted.

“It is important that the future of the population should be fully guaranteed, and the Permanent Mandates Commission would be particularly glad to find in a later report an explanation of the measures taken by the Nauru Administration to ensure not only the present welfare of the Natives, but also, in conformity with the provisions of the Covenant, the development of the population of the mandated area.

"Finally, the Commission desires to know whether the establishment by the three Governments concerned of a State organization enjoying the sole rights of development of the only natural resources of the area is fully in keeping—although no formal provision under the Regulations for 'C' Mandates forbids it—with the disinterested spirit which should characterize the mission of a mandatory State."

Other observations made by the Permanent Mandates Commission are as follows:—

"According to Rule 5 of its Rules of Procedure, approved by the Council, the Permanent Mandates Commission shall be put in possession, at the latest by the end of June, of the annual reports which it is to examine. This date was fixed with a view to allowing the members of the Commission a full month for the careful study of the documents which it is constituted to receive and examine annually. This year, of the fourteen reports which the mandatory Powers communicated for examination by the Commission, eight were received in the Secretariat after July 1st, four after July 20th, and two after July 30th. Moreover, several of these reports were not communicated to all the members of the Commission, nor sent to the Secretariat in sufficient copies to allow of their distribution to the members of the Commission.

"The Commission believes it to be its duty as well as its right to inform the Council of these facts. It is obvious that the usefulness of the Commission depends on the care with which it is enabled to examine these reports, and that it is impossible for it to carry out its important work if its examination of the annual reports is rendered hasty and superficial owing to lack of time."

#### *Questionnaire.*

At the end of the questionnaire, which were drafted during its last session to facilitate the preparation of the annual reports of the mandatory Powers, the Commission expressed a wish that the texts of all the legislative and administrative measures taken with regard to each mandated territory in the course of the year should be added to the annual report.

#### *Petition from Inhabitants of Mandated Parties.*

This matter also came up for consideration, as it was one which had not been made the subject of any definite regulations. The Commission thought that each of its members should distribute to all his colleagues, through the Secretariat, all petitions and similar documents which he had received and which appear likely to deserve the attention of the Commission.

#### *Nationality.*

The question of nationality arose at the third meeting of the Permanent Mandates Commission, 2nd August, 1922, where a letter from General Smuts, addressed to the Director of the Mandates Section, and which had been circulated to the members of the Commission, was considered.

General Smuts pointed out that the majority of the white population in the mandated territory of South-west Africa were Germans who still regarded themselves as German, and if Germany joined the League they might take part in an agitation for a return to German rule. The problem of their nationality appeared to the Commission to be a very difficult one, and which, with the possible exception of Samoa, did not occur in any other mandated territory, since in all other territories all the white German inhabitants had been repatriated.

The Chairman thought that the Commission could only deal with the question of national status from a general point of view, and that the Commission must accept the white population of South-west Africa as German. As regards the Native population, they were clearly not German.

M. Orts considered that Germany had lost her sovereignty over South-west Africa, and the bond of allegiance between the local population and the Reich had been broken. "By what right," he asked, "could the white inhabitants claim to have preserved their nationality?"

The Chairman wanted to know whether the Commission could accept the view that "C" mandates were equivalent to annexation. The view of the British Government on the nationality of inhabitants of mandated territories was perfectly clearly expressed in its memorandum, and was as follows:—

- (a.) The mandate does not in itself affect the nationality of the inhabitants of the territory mandated.
- (b.) The special conditions relating to administration as an integral part of the Mandatory's territory, where they occur, should not affect the nationality of European inhabitants of the mandated territory.
- (c.) The nationality of the Native inhabitants also of such territory remains unaffected by the special conditions referred to above. In this connection it may be pointed out that under Article 127 of the Treaty of Versailles such Natives are entitled to diplomatic protection by the mandatory Power, and that, under the Foreign Office Consular Instructions, Natives of territories under British mandates are already being treated as British-protected persons. The treatment of these Natives as British-protected persons does not, of course, confer upon them British nationality.

A discussion followed as to the distinction made in Article 122 of the Treaty of Versailles.

Mr. Ormsby-Gore said that according to Article 127 of the Treaty of Versailles only the Native inhabitants of former German overseas possessions were entitled to diplomatic protection of the Governments exercising authority over those territories.

M. Rappard recalled the fact that Sir Cecil Hurst, Legal Adviser to the British Foreign Office, had expressed the view that the transfer of territory from one Power to another did not *ipso facto* involve a change in the nationality of the inhabitants.

M. Orts proposed that the Commission should draft its reply on the following lines :—

- (1.) As to Germans temporarily residing in the former tropical colonies of Germany, the Commission should state that they retain their German nationality.
- (2.) As to the German population permanently domiciled in such colonies, the Commission should state that it was not competent to decide its national status, but should draw the attention of the Council to the problem and to its probable consequences.
- (3.) The Commission would then proceed to give its opinion on the status of the Native population.

The Commission agreed to note General Smuts's letter.

In considering the draft memorandum on the question of the national status of the inhabitants of "B" and "C" mandated territories, Mr. Ormsby-Gore recalled the fact that the Law Officers of the Government of New Zealand had expressed an opinion that the Government could not grant the application made by certain Samoan Natives to acquire New Zealand nationality. M. Beau drew a distinction between the full sovereignty exercised in mandated territories, and said that the French Government considered the ex-German subjects in the mandated territories under its control could not become French subjects, but were to some extent quasi-subjects.

As the question of the national status of inhabitants of territories under "B" and "C" mandates has since the Third Assembly been determined by the Council of the League of Nations, it may be sufficient to set out the resolutions adopted by the Council on the 23rd April, 1923, after consideration of the report of the Permanent Mandates Commission. They were as follows :—

"The Council of the League of Nations, in accordance with the principles laid down in Article 22 of the Covenant, resolve as follows :—

- "(1.) The status of the Native inhabitants of a mandated territory is distinct from that of the nationals of the mandatory Power, and cannot be identified therewith by any process having general application.
- "(2.) The Native inhabitants of a mandated territory are not invested with the nationality of the mandatory Power by reason of the protection extended to them.
- "(3.) It is not inconsistent with (1) and (2) above that individual inhabitants of the territory should voluntarily obtain naturalization from the mandatory Power in accordance with arrangements which it is open to such Power to make with this object under its own law.
- "(4.) It is desirable that Native inhabitants who receive the protection of the mandatory Power should in each case be designated by some form of descriptive title which will specify their status under the mandate."

#### *Next Session.*

The Permanent Mandates Commission decided to reassemble on the 20th July, 1923, and wished it to be understood that if an earlier date were chosen they would run the risk of not being in possession of the reports of the Mandatories, and if later it would be impossible to complete their investigation and observation in time to report to the Council. The Commission pointed out that the next session would last longer and would entail heavier duties, as thirteen annual reports would have to be examined in the presence of duly accredited representatives. The Commission terminated its observations with thanks to the Director and the staff of the Secretariat for discharging their duties at high pressure, and indicated that at the next session, if possible, a more adequate increase of staff might be provided.

#### COMMENTS ON THE OBSERVATIONS OF THE PERMANENT MANDATES COMMISSION.

This document (A. 37, 1922, VI, dated Geneva, 23rd August, 1922) includes comments by the accredited representatives of Australia, as the mandatory Power at present administering the Island of Nauru, on the observations of the Permanent Mandates Commission concerning the reports relating to the administration of the Island of Nauru discussed during the session in August, 1922.

The Permanent Mandates Commission observes, *inter alia*, "However, an examination of the report leaves the impression that the administration of the island is exercised *de facto* by the Australian Government, which now assumes responsibility for it."

A mandate for the administration of the Island of Nauru—subsequently confirmed on the 17th December, 1920, by the Council of the League of Nations—was conferred by the Principal Allied and Associated Powers upon the British Empire. This mandate was to come into force coincident with the beginning of a state of peace with Germany. At a plenary meeting of the British Empire Delegation held at Paris it was decided that, as, from their geographical positions, Australia and New Zealand were obviously best fitted to administer this island, the administration should be vested in the Government of these two Dominions together with the United Kingdom; these three Governments, therefore, were to act on behalf of, and be responsible to, the British Empire, upon whom the mandate was conferred. Representatives of the Governments of the United Kingdom, Australia, and New Zealand accordingly met and drew up arrangements for the administration, which were incorporated in the Nauru Island Agreement of the 2nd July, 1919, by which the Australian Government was nominated, as agent for the three parties, to administer the island for the first five years. But in all matters relating to the major policy reference was to be made to all three Governments concerned, whose concurrence was essential.

"The impression that the administration of the island was exercised *de facto* by the Australian Government, which now assumes responsibility for it," is not justified by the actual facts, which show that in this administration the Australian Government is acting merely as agent for the mandatory authority—*i.e.*, the British Empire.

It is noted that the Permanent Mandates Commission "wishes to bring to the notice of the Council, in connection with the Nauru mandate and with the above-mentioned Act, the relation of the authority responsible for the administration of the island under the conditions of the mandate to the organization established jointly by the three Governments for the exploitation of its extensive and valuable phosphate deposits."

The Commission further proceeds to state that "It appears from the discussion that the exclusive rights to the possession and development of these deposits formerly rested in a German private company."

The comments proceed to explain that the actual arrangements were scarcely such as were suggested; that in 1900 the deposits were discovered by the Pacific Phosphate Company, the Island of Nauru being administered by Germany at that time as part of the Marshall Islands; that in 1905 a concession was granted by the German Government to a German company for ninety-four years, which concession was transferred to the Pacific Phosphate Company, a registered English company, on the 22nd January, 1905, with the consent of the German Government. The monopoly was held by the Pacific Phosphate Company until the 25th June, 1920, when it was purchased by the Governments of the United Kingdom, Australia, and New Zealand. An explanation of the constitution of the Commission then follows:—

"The position of the Commissioners is, in fact, strictly analogous to that of the directorate of a company, who, whilst they hold office, must have full power to act within the terms of their memorandum of agreement, and are so far free from interference by their shareholders, but who might be replaced by other directors at the will of the shareholders of the company if their services were not satisfactory.

"The observations, therefore, of the Permanent Mandates Commission on Article 13 of the Nauru Island Agreement were based on an assumption which does not really arise. The article was introduced into the said agreement with the direct purpose of ensuring that the Phosphate Commissioners should be free to perform their functions as managers of a business concern; but it does not mean that they would not be—as indeed they are—in other respects subject to the control of the Administrator, or that the conditions of labour, &c., should be solely in their hands. The powers of the Commissioners referred to in Article 13 relate only to their functions as directors of a business corporation. Freedom of the Commissioners from governmental control in the business of working, shipping, and selling of the phosphates is not interpreted by the Governments concerned to include freedom of control in regard to conditions of labour, &c., and on more than one occasion instructions have been given to the Commissioners, through the Administrator, on this matter. There is therefore no reason for any perturbations on the ground that the Commissioners are free from administrative control in their operations.

"In its concluding observation on Article 2 of the Nauru Island Agreement the Permanent Mandates Commission states, 'From this it would seem to follow that, should the expenditure of the public administration exceed the revenue from taxation, the Phosphate Commission, and not the mandatory Power for the time being, will be responsible for finding the deficit.'

"It is quite true that any deficit in revenue would be defrayed out of the proceeds of the sale of the phosphates. As indicated, this, in effect, simply means that the Administrator representing the three Governments concerned makes up the deficit from revenues obtained from the company instead of imposing further taxation on the Natives of the island."

#### SIXTH (MANDATES) COMMITTEE OF THIRD ASSEMBLY.

These reports of the mandatory Powers, the observations thereon of the Permanent Mandates Commission, and documents relating thereto, were referred for consideration to a special sub-committee of the Sixth Committee appointed by the Third Assembly, and comprising M. Aubert (France), Sir Francis Bell (New Zealand), Dr. Bellegarde (Haiti), Lord Robert Cecil (South Africa), Mr. H. A. L. Fisher (Great Britain), Viscount Ishii (Japan), Dr. Nansen (Norway), M. Pouillet (Belgium), M. Preciosi (Italy), Mr. Justice Rich (Australia).

Its first meeting was held at Geneva on the 12th September. The following relative matters were dealt with by that committee:—

Sir Francis Bell pointed out that, in connection with the Nauru mandate, the text of the Permanent Mandates Commission Report—"the British Empire had transferred the responsibility"—conveyed a wrong impression, and suggested that the words "provided for the administration" should be employed. An amended text was, after some consideration, agreed upon.

Sir Francis Bell further drew the attention of the committee to the phrase in the amendment, "Great Britain and New Zealand have reserved to themselves exclusive rights"; but the New Zealand delegate explained that in reality these rights had been repurchased. Lord Robert Cecil considered that the situation in both cases was fundamentally the same, in that the three Governments had reserved their rights by purchase. Sir Francis Bell, however, explained that if the three Governments had in their capacity as mandatory Powers excluded every one else from their right of ownership, the Permanent Commission would be entitled to blame them, but the transaction had been carried out by these Governments in a manner which any other purchaser would have employed. Recommendations intended to correct these inaccuracies were, after some discussion, finally agreed upon and adopted by the Sixth Commission in its report to the Assembly (Document A. 72, 1922, VI). The recommendations contained in that report are as follows:—

"With regard to the Nauru mandate dealt with in Part II of the report of the Permanent Mandates Commission, the Sixth Committee deems it advisable to prevent possible misinterpretation by taking note:—

"First, that the British Empire (the unit responsible for the Nauru mandate) consists of Great Britain together with a number of territories, all owing a common allegiance but



distinct in their respective powers of government, and the mandatory authority of the British Empire can therefore only be exercised by some one or more of the several Governments of the territories composing the Empire. If, for the statement in the report that the British Empire 'had transferred the responsibility for the administration of the Island of Nauru to Great Britain, Australia, and New Zealand,' there were substituted a statement that 'the British Empire had provided for the administration of the Island of Nauru by Great Britain, Australia, and New Zealand,' the position would be defined with greater precision and exactitude.

"Secondly, that the statement in the report that the Governments of Great Britain, Australia, and New Zealand had reserved to themselves the exclusive rights of the administration of the rich deposits of phosphates which constitute the wealth of the island is capable of misinterpretation without the explanation that the three Governments acquired, by direct purchase through voluntary sale on the part of the owners and not through the mandate, exclusive rights granted before the war by the German Government to a private company."

On the subject of petitions the report of the Sixth Committee contains the following:—

"III. The Assembly, having considered the matter of the right of petition alluded to in the report of the Permanent Mandates Commission, expresses the hope that this right may be defined in such a manner as to ensure that—

"(a.) All petitions emanating from inhabitants of mandated areas will be sent to the Permanent Mandates Commission through the intermediary of the local administration and of the mandatory Power;

"(b.) No petition concerning the welfare of the inhabitants of mandated areas emanating from other sources will be considered by the Permanent Mandates Commission before the mandatory Power has had full opportunity of expressing its views."

The report includes a statement by Mr. Justice Rich, the Australian delegate, on the subject of the Nauru mandate, which reads as follows:—

"The statement in the report (and the context) that it is not clear what powers and means of control the Australian Administration possesses with regard to this organization seems to be capable of misinterpretation without the explanation that the political and economic powers are distinct. The Administrator is paramount. He is invested with the power (Article I of the Act) to make laws for the peace, order, and good government of the island. The Commissioners' powers are confined to the control over the business connected with the phosphates, free from Government interference in such business (Article 13). They, in common with other citizens, are subject to the laws made by the Administrator under Article I. They hold office during the pleasure of their respective Governments (Article 4)."

With regard to petitions, the resolutions of this report were adopted by the Assembly (Document 105, 1922, VI); but so far as regards the points raised by Sir Francis Bell, and covered by the recommendations in the Sixth Committee's report, the President of the Assembly observed that no vote or resolution was necessary, as with regard to these the Sixth Committee had merely recommended that note should be taken of them.

The above facts may help to indicate the position at the time Sir Francis Bell addressed the Assembly on a general question of procedure as observed by the Permanent Mandates Commission. Stated simply, the facts on which his case was based were that the Permanent Mandates Commission had drawn up and published its observations on the reports by the Mandatories of their administration of their mandates, and that, as these observations were published before reference to or adoption by the Council, the Permanent Mandates Commission had, in issuing what was to all intents and purposes a final and authoritative report, exercised an authority which, according to the terms of the Covenant, had been located in the Council itself, and as to the delegation of which to the Permanent Mandates Commission the provisions of the Covenant were silent.

The Permanent Mandates Commission had considered the reports of the Mandatories, and examined the accredited representatives of the Mandatories at private meetings, and finally, at a plenary meeting to which the public were admitted, dealt with "the final terms of its observations on the reports it had examined," and at the same meeting examined the representatives. In other words, the Chairman in a public meeting published the final observations of the Commission, which this year happen to contain adverse criticism and inaccurate statement of the fact, and simultaneously examined the representatives of the Mandatories in relation thereto. These reports, with the observations of the Permanent Mandates Commission, and the comments of the accredited representatives of the Mandatories on those observations, were forwarded to the Council. The Council simply referred these documents to a committee (Sixth Committee), which declined to express any opinion of its own, but merely suggested that certain explanations of the accredited representatives should be taken note of, and, as these recommendations did not amount to resolutions, the Assembly took no vote upon the matter. In other words, the observations of the Permanent Mandates Commission, which were arrived at before consideration of the corrections suggested by the accredited representatives, stand uncorrected by any vote of the Assembly or of the Council.

#### *Mandate Speeches in the Assembly.*

The context of Sir Francis Bell's speech to the Assembly may perhaps be better understood after some concise reference to extracts from preceding speeches in the Assembly.

Dr. Nansen, the rapporteur, in presenting the report of the Sixth Mandates Committee to the Assembly (19th September), and referring to the work of the Permanent Mandates Commission, said:—

"Their duty is to express their views and their opinions as to the way in which the mandates are administered, whether those views please the Governments concerned or not. It may sometimes



happen that they have to express an opinion which is not absolutely agreeable to the mandatory Powers. I believe we have reason, however, to be thankful for the work of the Mandates Commission and to congratulate them on the way they have carried out their duties, and on the courage they have shown when they have had to express views which may not always have been quite agreeable to the Powers affected. . . . The committee state that they have noted with great satisfaction the intention of the Commission to investigate further the question of indentured labour in the Pacific islands, and of the laws of land-tenure in the mandated territories, the liquor legislation, and the importation of alcoholic liquors in Africa, and the intention of the Commission to draw the attention of the mandatory Powers to the social, economic, and political effects of the Ruanda frontier. . . . Mention is then made in the report of some few points which were specially discussed, but I shall not take up your time by reading the resolutions arrived at. One of these dealt with the mandate for the Nauru Island, for which the mandatory Power is the British Empire. There are a few remarks under that head which I recommend you to read if you have not done so already; but I will not read them now, as they are not of very great importance."

Dr. Nansen then read the resolution agreed upon regarding sending in of petitions.

Madame Anna Bugge-Wicksell (delegate for Sweden) then delivered an address to the Assembly, containing the following extracts:—

"There is one point mentioned in the report about which I want to say only one word. It concerns the apprehension felt by the Mandates Commission with regard to the situation of the labourers in the Island of Nauru under the stipulation laid down in Article 13 of the Nauru Agreement Act. The report of the Mandates Commission says, concerning this article, that it is not clear what powers and means of control the Australian Administration possesses with regard to the business organization in charge of the phosphate deposits of this little island. The Australian High Commissioner in London, Sir Joseph Cook, who gave the Commission very valuable assistance in its work, makes some comments on the observations in the report of the Permanent Mandates Commission—that is the document referred to by Dr. Nansen, and which he recommends you to read together with the report of the Sixth Committee—which I would like to mention.

"Sir Joseph Cook states that the 'freedom of the Commissioners from governmental control in the business of working, shipping, and selling of the phosphates is not interpreted by the Governments concerned to include freedom of control in regard to conditions of labour, &c.' The Mandates Commission received Sir Joseph Cook's comments *only after our work was finished*, and that is why I want to say now expressly that this statement, as far as I understand, is exactly the explanation which the Commission wanted in order to set our minds at rest upon this point.

"As Dr. Nansen said, the mandatory system is something quite new. The Permanent Mandates Commission, I venture to say, has a keen sense of its responsibility as to the future and the success of this system. We feel it our duty to be watchful; we have to safeguard the interests of men and women who are not capable of defending themselves, who have very little knowledge of our ways and methods, and who very often do not understand those ways and methods, even when they are unquestionably meant for their benefit. We must try, as far as we can, to look with their eyes and their hearts, and sometimes both their eyes and their hearts are suspicious. We have to scrutinize every decree and every Ordinance given by the diverse Administrations, and see if there may not possibly be some loophole that will permit abuse. We have to look to it that the good and useful dispositions laid down in the Ordinances are also well and justly applied, for the application of the law is, indeed, still more important than the law itself. We have further to be careful that the Governments and Administrations do not, without thinking of it, introduce into the legal system of the areas confided to their care under mandate notions and conceptions to which they are used at home, but which are not always in strict conformity with this quite new mandatory system.

"All these things are difficult and delicate, and I am afraid the Governments will often think that the Commission is apt to present rather petty considerations. The Commission feel acutely that Governments are rather sensitive, and it is not always easy when you have a remark to make to find just the right word, the word that will explain and bring home what the Commission want to say without offending or wounding, which the Commission never want to do.

"I hope that it will not be found improper if I take this occasion, when representatives of all the mandatory Powers are sitting here, to ask them, when they read our remarks, to think of the difficulties of drafting which always present themselves to a body treading upon entirely new ground.

"I am not authorized by the Mandates Commission to speak on its behalf at all; I am speaking for myself and expressing my own feelings. But I only state a fact when I add that, as far as the experience of the Mandates Commission goes, the mandatory Governments are as anxious as we are to live up to Article 22 of the Covenant in letter and in spirit."

Sir Francis Bell, who followed, then read the following speech, which, in consideration of its importance, is here set out in full:—

"Ladies and gentlemen, I wish to preface what I have to say, and which I have been careful to put into writing, by stating that nothing that I may say has any reflection upon the present Mandates Commission or its report.

"We associate ourselves with the statement in the report of the Sixth Committee that the present Mandates Commission has done its work as it understood it with great care and with great impartiality.

"The subject of consideration of reports under the mandate provisions of the Covenant comes before the League for the first time this year. That part of the functions of the League has never been exercised before, and nothing now done should create a precedent unless this Assembly hereafter decides that the precedent is to be followed. A course convenient to the circumstances of to-day

may be adopted by reason of its present convenience, but in other and different circumstances it must not be possible to assert that that course defines a method which the Assembly itself had decided in the year 1922 to accept as correct and conclusive for its procedure.

“We all recognize that in its relation to mandatory Powers the League holds an authority entirely different from that which it exercises in its discussion of the relations of the members generally. Every member of the League has obligations created by the League, but a member which is also a mandatory Power has, added to these general obligations, special duties imposed by the mandate.

“The Dominion of which I am one of the representatives has the dual obligation and duty, first as member and secondly as Mandatory. Its position in the discussion in this Assembly of the general obligations of members of the League is the position of a small part of the British Empire content in most matters to be guided by the delegates who represent the Government of Great Britain. But its position as a Mandatory is one which brings it into direct actual and separate relation with the League. Though what I now say has a general bearing upon the position of all mandatory Powers holding mandates of the ‘C’ class, it must be understood that I only desire to define the position of New Zealand, and that I speak for that Dominion as a member of its Government, though using my right of audience as a delegate nominated by it.

“His Majesty, in right of his Dominion of New Zealand, has accepted a mandate for Western Samoa, and shares another for Nauru. What His Majesty does in right of his Dominion he does on the advice of his Ministers of that Dominion, not on the advice of his Ministers of Great Britain, and the statement which I present is one which the Government of New Zealand very respectfully but very urgently presents to this Assembly.

“The first and second paragraphs of Article 22 of the Covenant are in the following terms:—

“‘To those colonies and territories which as a consequence of the late war have ceased to be under the sovereignty of the States which formerly governed them, and which are inhabited by peoples not yet able to stand by themselves under the strenuous conditions of the modern world, there should be applied the principle that the well-being and development of such peoples form a sacred trust of civilization, and that securities for the performance of this trust should be embodied in this Covenant.

“‘The best method of giving practical effect to this principle is that the tutelage of such peoples should be entrusted to advanced nations which, by reason of their resources, their experience, or their geographical position, can best undertake this responsibility, and which are willing to accept it, and that this tutelage should be exercised by them as Mandatories on behalf of the League.’

“We are clearly a Mandatory of the League and not of the Council.

“Another paragraph of Article 22 defines the ‘C’ class of mandate:—

“‘There are territories, such as South-west Africa and certain of the South Pacific islands, which, owing to the sparseness of their population, or their small size, or their remoteness from the centres of civilization, or their geographical continuity to the territory of the Mandatory, or other circumstances, can be best administered under the laws of the Mandatory as integral portions of its territory, subject to the safeguards above mentioned in the interests of the indigenous population.’

“Our duty to the Council is defined in the next paragraph:—

“‘In every case of mandate the Mandatory shall render to the Council an annual report in reference to the territory committed to its charge.’

“The next paragraph—‘The degree of authority, control, or administration to be exercised by the Mandatory shall, if not previously agreed upon by the members of the League, be explicitly defined in each case by the Council’—only confers on the Council the ultimate power of determining the class of mandate applicable to each territory.

“The last paragraph is as follows:—

“‘A permanent Commission shall be constituted to receive and examine the annual reports of the Mandatories and to advise the Council on all matters relating to the observance of the mandates.’

“The New Zealand Parliament has legislated for Western Samoa. The Administrator of Western Samoa rules and administers under and in pursuance of those laws.

“New Zealand is under an honourable obligation to legislate and administer in accordance with the terms and intent of the Covenant of the League. She is bound to report annually to the Council. She is willing and anxious to receive suggestions and advice from either the Permanent Mandates Commission or the Council of the League, but she cannot admit that the Mandates Commission has power to interpret for her the meaning of the Covenant, or to dictate to her what procedure she should adopt in her endeavours to perform her duties to the League.

“I offer two objections to the present procedure: First, the report of the Mandates Commission should, I submit, be a report to the Council and not to the public. And certainly opinions of the Mandates Commission on any subject should be expressed to the Council and not to the public. We have nothing to fear from any investigation, and court the fullest inquiry; but we do not court or desire opinions upon our laws or our administration from any body of persons other than the Council or the Assembly.

“The Council must necessarily require from its Mandates Commission the freest statement of the results of the investigations of the Commission, and must seek the unrestrained advice of the Commission on every point. How is it possible that such a report and advice, if published, can fail to give offence to the mandatory Legislature and Government? The class of report and advice which the Covenant requires from the Commission to the Council is not one framed in diplomatic language avoiding offence, but a summary of facts and advice to enable the Council to form an opinion.

“Secondly, whether the annual report to be considered by this Assembly be from the Permanent Mandates Commission (which I contend should not be the case) or from the Council (as I contend it should be), a second question has arisen and must in another year be directly decided by the Assembly.

“The mandatory Powers are not represented on either the Council or the Permanent Mandates Commission, but they are represented by their delegates in this Assembly. On behalf of New Zealand, I beg to present a claim that when this Assembly refers such a report to one of its committees the delegates of the Mandatory have a right to require that committee to inquire into and report to the Assembly its opinion upon any objection which the Mandatory offers to the language or findings of the report.

“The Sixth Committee of this year has given full and fair hearing to the objections of mandatory Powers, and has set forth in its report the effect of those objections, but has desired to abstain from expressing directly its own views of the validity of those objections. That course has been convenient in the case of the present report, but the right of a mandatory Power whose legislation or administration is under consideration to appeal from adverse comment and invite a decision from the delegates in this Assembly should be definitely affirmed and established. A mere right of audience is wholly insufficient. We are required to govern, and must govern to the best of our ability. We are required to legislate, and must legislate according to a careful exercise of our discretion. It is possible that our government and our laws may become the subject of adverse comment or criticism in some report of a later year. Then, and upon that report, will arise the question whether we agree with the comment or criticism. If we do not we cannot in performance of our obligations alter our administration, or request our Parliament to repeal or amend its legislation, until we have a decision from our fellow-members assembled in the League that in their opinion the comment or criticism is justified.”

The address by Sir P. S. Sivaswamy Aiyer (India) contained the following paragraphs:—

“I should also like to pay a tribute to the solicitude for the well-being of the Natives which has been displayed by those various mandatory Powers in their administration of the territories. When Sir Francis Bell made his remarks yesterday I was wondering what there was in the report of the Mandates Commission which had offended his susceptibilities and called forth the note of warning which he thought it necessary to sound. I have re-examined the report of the Mandates Commission, but I have not been able to discover anything in that report which could have offended the susceptibilities of any one. Far from criticizing the administration, they extol the virtues and the merits of the New Zealand administration. I should have thought that the Permanent Mandates Commission would have been entitled to expect the thanks of the New Zealand administration; but it is a hard world, and it is difficult to please every one.

“As regards the dangers which Sir Francis Bell has spoken of, I am unable to find any departure from the constitutional position which he so correctly laid down. I see no desire or any intention to infringe upon the position or upon the principle which he laid down. The Permanent Mandates Commission has made its report only to the Council, as he says it ought to have done, and it is the Council which has submitted to us the reports of the Permanent Mandates Commission as annexes to its report. We are entitled, as members of the Assembly, not merely to the opinions of the Council, but we are also entitled to be placed in possession of the material upon which the Council has formed its opinions. I have been unable to discover any impropriety or any desire on the part of the Mandates Commission, or of the office of the Secretary-General, to depart from the strict canons of propriety. . . .

“It seems to me, however, that it is just possible there may be some misconception in the minds of the responsible statesmen of South Africa with regard to their obligations in this matter. I noticed that in a speech delivered by him some time in September, 1920, General Smuts, the great South African statesman, uttered remarks which seem to me to be not quite reconcilable with the true position of mandated territories. He observed that the territories held under the ‘C’ class mandates were practically annexed—that they were annexed, all but in name, to the territories of the Administration of which they formed a part. It is quite possible that in this view the Premier of the South African Union may regard his obligations in respect of the mandated territories as of a purely temporary character, and it may be that in this view these obligations sit rather lightly upon him. But I venture to think, with all deference to that great statesman, who himself was in no small measure responsible for the theory of mandates, that the territories held under the ‘C’ class mandates cannot possibly be treated as annexed to the territories with which they are administered. The intention of Article 22 of the Covenant seems to me to be perfectly clear. All these territories which are dealt with under Article 22 are regarded as a sacred trust of civilization, and they are all to be administered as trust estates. . . .”

M. Bellegarde (Haiti) spoke next, and in the following words pleaded for the right of direct petition to the League from the inhabitants of the mandatory territories:—

“I have now a few comments to make on the report itself, and especially on the last point—the right of petition.

“My colleagues in the sub-committee will allow me to voice here the misgivings which I feel, and of which I have already spoken to them, regarding the exercise of this right. The right of petition is an essential one; it is the most effective guarantee which we can supply to the populations under mandate, to allow them to lay their complaints before the League of Nations.

“The Committee has expressed, not a recommendation, but a hope that all petitions from inhabitants of mandated territories should be addressed to the mandatory Power. I had given it as my opinion that it would be advisable to seek a more direct means of transmitting the petitions of those who believed themselves to be victims of ill treatment or injustice. It was very justly pointed out that the authority of the mandatory Power would be undermined if the inhabitants were

permitted to apply directly to the Permanent Mandates Commission when they wished to make their complaints known. That is true. I know that all the mandatory Powers are actuated by the most generous motives towards the populations whose territory they administer.

"Governments may have the best intentions, but when it comes to applying the rules they lay down it is another matter. Like the husband in the play, the Government is always the last to know what is happening, and when the population has complaints to make you ask them to communicate their complaints through the intermediary of the mandatory Power; in other words, you ask them to communicate their grievances to the very persons of whom they complain. I have already pointed out that this creates a very delicate situation.

"Some one had pointed out that in the British Empire any subject of the Empire was entitled to appeal to the King; but it is well known that this right is a legal fiction. A person wishing to make a petition is not admitted to the presence of the King himself; he is obliged to apply to a whole series of officials before reaching the King. Now, in these distant territories a petition will have to be handed to the local Administrator: this means that the complaint will have to be communicated to the very person about whom the complaint is made. In these circumstances the chances are that the complaint will never reach the King.

"Some other procedure should therefore be found in order to safeguard the essential rights of the populations. . . ."

The Hon. Sir James Allen's speech contained the following:—

"I wish to say just one word about the publicity question. I only want to refer to one piece of procedure, which I believe has been approved by the Council, by which the Permanent Mandates Commission have to hold a public meeting before their report is submitted to the Council. Might I ask the Council to reconsider that piece of procedure. It is not satisfactory. In my own judgment it would be far better that the report of the Mandates Commission should be sent direct to the Council without a publicity meeting, and with the comments attached of the mandatory country which they desire to attach, together with the comments of the Permanent Mandates Commission.

"I think the report has adopted the soundest plan of procedure—that any petition or report from the population should come through the mandatory Power; and I wish to warn the Assembly, as I think I did last year, of the very grave danger of permitting petitions to come from the Native population or others direct to the Permanent Mandates Commission without their having been seen by the mandatory Power.

"Our experience in Samoa is to the following effect: That the Natives, if left alone, would probably honestly petition what they felt. But the Natives are not left alone. The Natives are influenced by agitators, who, for purposes of their own, would very likely induce the Native population to send a petition to the Permanent Mandates Commission which would not really represent the feelings of the Natives if they had not been so influenced. Therefore it is necessary that any petition should come, not direct to the Mandates Commission, but through the mandatory Powers."

Sir Edgar Walton (South Africa) spoke as follows:—

"I was rather astonished by the solicitude shown by my friend, the delegate from India, in the mandate of the South-west Territory in South Africa, because in point of fact, if I am correctly informed, there is not a single Indian in that territory. But that is nothing to do with the South African Government. No Indians went to the South-west Territory during the German occupation, and none have gone there since. So that, so far as the countrymen of my friend are concerned, they are not interested in that particular part of the Dominion. But I should like to say, as perhaps it is not known, that the racial difficulties in that territory are very great. In the first instance, you have the aboriginal inhabitants—you have the Natives, the barbarian Natives, of whom there are a large number; you have also a half-bred population, half Hottentot and half European, of whom there are also a considerable number, who are different from the barbarian population; you have also the German settlers who were left there after the country was conquered by the South African troops; and you have British settlers. So it is rather fortunate that for the time being, anyhow, we have no Indian settlers as well, because we have the problem of dealing with four races already, and it would be complicated, as I think every one will agree, if we had the addition of any others. . . ."

"There is another point which my friend mentioned which might lead to some misconception. He spoke of a statement made by General Smuts to the effect that the 'C' mandates, as affecting the South-west Territory, amounted to virtual annexation. That is correct. As far as the condition of the people is concerned, and as far as their government is concerned, it is virtually annexation, because they are put under the same rules, the same regulations, and the same laws as the people in our own country. We cannot do more for people than that; we cannot do better for them than treat them as we treat our own people. That is precisely what General Smuts meant by saying that it was virtually annexation. That is the object of the Government. . . ."

Lord Robert Cecil (South Africa) then addressed the Assembly, of whose speech the remarks chiefly relevant to the subject of mandates were as follows:—

"I should like to add my voice to those who have preceded me in praise of the work done by the Permanent Mandates Commission. I am sure every one who has studied their work will be at one on that point. My friend Sir James Allen thought there might be a slight modification in their procedure, and any suggestion coming from such an authority as Sir James Allen must always be received with the greatest attention on a subject of this kind. But at the same time I would ask him to consider whether, on the whole, the advantages of a public meeting of the Commission do not outweigh the disadvantages. It is a matter to be carefully considered; but my opinion is that, on the whole, the public meeting was successful, and did establish the work of the Commission upon a sound and satisfactory basis. . . ."

The Hon. G. E. Rich (Australia) delivered the following address:—

“The matter of the Nauru mandate came before the committee on which I acted as one of the Australian delegates. Australia acts on behalf of the unit of the British Empire entrusted with the administration of Nauru. I should not have intervened in this debate but for the remarks which have fallen from the delegates from New Zealand and India.

“The Australian Delegation considers that the report of the Mandates Commission is, on the whole, highly flattering to their administration of Nauru. I must take this opportunity of thanking the committee for receiving and incorporating in its report explanations made with respect to some matters in regard to which there appeared to be some doubt or misapprehension in the minds of the Mandates Commission. With regard to the employment of Chinese labour, which was commented on by the delegate from India, I would point out that the monopoly over the phosphates was acquired by voluntary sale from the Pacific Phosphate Company. That company, prior to the war, employed a certain number of Chinese in the work of mining the phosphates. The employment of the Chinese has been continued by the Administration, but in fewer and decreasing numbers, and we hope that in the near future their employment will be discontinued altogether.

“I can assure the Assembly that the Administration of Nauru is doing everything in its power to safeguard the interests of the indigenous populations, and is paying the strictest attention to the question of the employment of indentured labour.

“With regard to the point made by Sir Francis Bell, it is no doubt of very great interest, but no decision is required upon it at the present time, and accordingly I do not propose to say anything at all about it.”

The foregoing extracts go a long way toward consolidating rather than diminishing the substance of Sir Francis Bell's protest.

An explanation of how the Permanent Mandates Commission came to arrive at the final terms of their observations, containing as they did certain inaccuracies, appears in the speech of the lady delegate for Sweden, viz.: “The Mandates Commission received Sir Joseph Cook's comments *only after our work was finished*, and that is why I want to say now expressly that this statement, as far as I understand, is exactly the explanation which the Commission wanted in order to set our minds at rest upon this point.” In the light of this, it is difficult to discover any reason for Lord Robert Cecil's saying (quoted above) “that the public meeting referred to was successful.” “We are entitled,” said the delegate for India, in the speech just quoted, “not merely to the opinion of the Council, but we are entitled to be placed in possession of the material upon which the Council has formed its opinion.” It is, however, apparent that the delegate for India did not fully understand the matter, as no opinion had been expressed by the Council. On the contrary, the only opinion expressed, and expressed in public, had been not that of the Council, but only that of the Permanent Mandates Commission. The difficulty of recalling a published statement is well known, and the subject of mandates at the Third Assembly is a forceful illustration of this. Nor can the published observations of the Permanent Mandates Commission, admittedly incorrect, be counteracted by the recommendation of the Sixth Committee that the explanations of the accredited representatives should be noted. Considering the importance conceded to this subject both at the Third Assembly and subsequently, the following correspondence which passed between Sir Francis Bell and the Director of the Mandates Section would appear to be not only a valuable inclusion, but indispensable to this report. It is as follows:—

#### *Correspondence.*

1. From the Hon. Sir FRANCIS BELL, K.C.M.G., K.C., to M. RAPPARD, the Director of the Mandates Section.

DEAR M. RAPPARD,—

Hotel les Bergues, Geneva, 20th September, 1922.

I did not appreciate when you spoke to me yesterday that you were the officer of the Secretariat having principal charge of the Mandates Department, otherwise I should have at once proceeded to give as full an answer as I could to the question you put to me, and I will endeavour to do so now.

It was not for me, when expressing in the Assembly the objections of New Zealand to the present procedure, to appear to dictate to the Council a course of procedure which it might adopt to avoid our objections. I was addressing the Assembly, and could not ask the Assembly to direct the Council on a matter of Council procedure. A comment on the administration and principles of legislation adopted by a sovereign State holding a mandate of the “C” class should be very carefully considered by the Council before its publication to the world. The Council is composed of men who appreciate the delicacy and difficulty of such intervention. The duty of the Mandates Commission is to point to any matter to which its attention is called, whether by the Mandatories' reports or otherwise, and which in its opinion requires consideration by the Council. In performance of that duty the Mandates Commission should not be careful to avoid offence. It should speak plainly, and should point plainly to any matter in respect of which it considers that the Mandatory has departed from the principles of the Covenant. It is then for the Council to consider whether those matters are really of sufficient importance to require explanation from the Mandatories, and to exercise very great judgment in the phrasing of its communications. We all want the Mandates Division to work quietly and effectively, but neither peace nor effect will result if the mandatory Powers are subjected to the tutelage of the Permanent Mandates Commission.

My answer to your request for my own suggestion is—firstly, that in each year the Permanent Mandates Commission should make a separate report to the Council upon each mandate; secondly, that the Council, on receipt of that report, should forward it to the mandatory Power, requesting the mandatory Power to supply the Council with its comment upon the report of the Permanent Mandates Commission; thirdly, that both those documents should be confidential, and should not be printed; fourthly, that the Council should, after receiving and considering both documents, make an official statement, which should be printed. To that official statement the Council might, if it thought fit, append the report of the Mandates Commission and the commentary of the Mandatory Government, but if it did so the Council should in its own official statement state its opinion upon the points at issue. But in some cases it would not be advisable for the Council to append for publication either the report of the Mandates Commission or the commentary thereon by the mandatory Government, confining its official statement to matters which in its opinion were worthy of special attention.

The effect of my suggestion is that the Council, in respect of its mandatory function, should be the Foreign Office of the League of Nations, receiving in that capacity communications from its Permanent Mandates Commission, and communicating freely with the mandatory Governments, but publishing only such matter as is really necessary for the information of the Assembly.

Yours faithfully,  
F. H. D. BELL.

2. From M. RAPPARD, Director of Mandates Section, to the Hon. Sir FRANCIS BELL, K.C.M.G., K.C.

DEAR SIR FRANCIS,—

League of Nations, Geneva, 21st September, 1922.

Pray allow me to thank you for your kind letter of the 20th September, which I shall communicate to the members of the Mandates Commission if you have no objection to my doing so.

I am enclosing a copy of the Rules of Procedure of the Commission, approved by the Council on the 10th January, 1922. As you will note, the procedure therein established is less different from the one you suggest than you might possibly believe. You will also notice that in conformity with your suggestion the Permanent Mandates Commission makes a separate report upon each mandate to the Council; that this report is submitted to the duly accredited representative of the mandatory Power, and is communicated to the Council with his comments.

These documents are not, it is true, as you suggest, considered to be confidential once they have reached the Council. They are, on the contrary, printed and communicated by the Council to all the members of the League.

I have naturally no opinion to express as to the relative merits of the procedure adopted and that which you suggest. I would, however, venture to call your attention to two advantages of the present practice. On the one hand, it would seem fair, and is, I believe, in conformity with the wishes of the great majority of the members of the League, that all documents concerning the mandated areas which are administered by the mandatory Powers on behalf of the League as a whole should in due course be brought to the notice of those on whose behalf they are administered—*i.e.*, of all the State members of the League. On the other hand, I think it would be imposing an extremely arduous and delicate task on the Council if it had to revise critically the whole work of the Mandates Commission, and to publish only such parts of its findings as would seem advisable. The Mandates Commission, which, as you know, is composed of nine members appointed by the Council, and chosen on account of their experience and independence, has this year spent eleven very busy days in discussing the reports of the mandatory Powers. Next year, when it will have before it thirteen complete reports, its session will probably last three or four weeks. The Council has never found it possible to devote more than a few hours at the most to the examination of the work of the Permanent Mandates Commission. It has therefore been content to rely on the tact and judgment of the Mandates Commission, and to communicate the reports of the latter to the members of the League without either associating or dissociating itself with all the opinions expressed in their documents.

I would add that the Mandates Section of the Secretariat is but the permanent Secretariat of the Mandates Commission as well as the administrative organ of the Council and of the Assembly for all matters dealing with the application of Article 22 of the Covenant.

Hoping that these brief statements of facts in reply to your interesting letter may clear up any misapprehension which may have been created.

I beg to remain, &c.,

RAPPARD,

Director of the Mandates Section.

3. From the Hon. Sir FRANCIS BELL, K.C.M.G., K.C., to M. RAPPARD, Director of the Mandates Section.

DEAR M. RAPPARD,—

Hotel les Bergues, Geneva, 25th September, 1922.

I beg to acknowledge and to thank you for your letter of the 21st instant.

I agree with you that my letter of the 20th instant and your reply of the 21st instant, and my present letter, should properly be communicated to the members of the Permanent Mandates Commission. But I also think that a copy of the correspondence should be communicated to the members of the Council of the League. It is probable that the Government of New Zealand will adopt the view which I have expressed on its behalf, and in that case the Council should later receive an official communication from the New Zealand Government on the subject.

I thank you for the copy of the Rules of Procedure of the Permanent Mandates Commission covered by your letter, but I was already aware of the terms of those rules. In view of what took place before the Sixth Committee and in the Assembly with regard to my protest, it is necessary that I should avoid the appearance of attempting to advise either the Council or the Commission on the methods which it might adopt to avoid the difficulties which I am satisfied will result if the present procedure is adhered to, and I must for that reason content myself with an attempt to emphasize the distinction between the present procedure and that which the States holding mandates will ultimately insist upon.

Under the present procedure the Permanent Mandates Commission is exalted to the position of a body authorized not merely to inquire and report to the Council, but to publish and report to the world its opinions upon the performance or non-performance by the mandatory Powers of their obligations under the Covenant. The New Zealand Government does not, and in my opinion never will, agree that its acts as a sovereign State shall be the subject of final or authoritative comment by the Mandates Commission. My proposal is that the Permanent Mandates Commission should make its reports to the Council without publication at that point of time to the public or to the members of the League, and that the Council should then invite the comment of the mandatory Powers upon the reports of the Mandates Commission. Having thus received the reports of its Commission and the replies of the mandatory Powers, the Council should then exercise its discretion (not the discretion of the Mandates Commission) as to the extent to which those reports and the replies of the mandatory Powers to the Commission's comments should be published. In general I have no doubt that the Council would direct publication of the whole, but such publication would be an appendix to the Council's own separate report and statement to the Assembly.

I am unable to appreciate that there is any difficulty in the adoption of such procedure. Some official must prepare reports for the Mandates Commission, and the same official, or another official appointed by the Council, could prepare the Council's report for consideration by the Council.

It is not difficult to anticipate cases in which charges by (*e.g.*) missionaries may be accepted by the Mandates Commission as requiring clear explanation from a mandatory Power. The publication of such charges or exposition of their character before the reply of the Mandatory has been received might produce disastrous effects. Even the publication of the view taken by the Mandates Commission of the sufficiency of the explanation after the publication of both complaint and explanation is undesirable unless such publication is authorized by the Council. It is generally impossible to effectually dispose by explanation of charges which have been published abroad under any countenance of authority.

It must be borne in mind by everybody concerned that in the present year the Council has simply referred the Mandates Commission's reports to the Assembly, that the Assembly has then referred those reports to the Sixth Committee, and that the Sixth Committee has declined to express any opinion of its own, or to recommend the Assembly to form any opinion, upon the merits of any questions which have arisen upon the reports of the Commission, or the sufficiency of the replies of the mandatory Powers. The effect of that process is to substitute for the contractual obligation (of the mandatory Power to the Council and the Assembly) a duty of the Mandatory to administer and legislate in such fashion as to meet the approval and sanction of the Permanent Mandates Commission.

I may be permitted to illustrate one of the dangers which I anticipate. The Government of the United States of America has claimed that no mandatory Power can, under the terms of the Covenant, create preferential duty in favour of any country. That contention is not admitted at present by those British Empire Mandatories which have imposed Customs duties granting preference to the British Empire. The Government of Japan, in order to meet that contention, has declared that the islands which it holds under mandate are treated by Japan as integral portions of its territory, and accordingly that no Customs duties may be imposed upon goods imported into those islands from Japan or exported from those islands to Japan. Can it be supposed that the Empire of Japan will permit the validity of its action in that respect to be determined by the Permanent Mandates Commission, or that the British Empire Mandatories will submit to the Permanent Mandates Commission the determination of their right in a similar respect

under the provisions of the Covenant? That is a single illustration of questions which must arise in the future between the Mandatory and the Council, differing in degree only from the minor matters of administration which have formed the subject of the reports of this year. All such questions must be determined by the construction of the terms of the Covenant, not merely its legal interpretation, but its intent and spirit, and by a body whose authority for that purpose is recognized by the Covenant.

As a separate point I agree with the objection made by Sir James Allen to the public meeting held under the rules. It is not consonant with the position of a mandatory Power that its representatives should be questioned in public by the Permanent Mandates Commission, and I trust the practice will be discontinued in future years.

There is not, and never has been, any intention on my part to speak or write with any disrespect to the Permanent Mandates Commission or to any of its members. But the Commission has been elevated by the present procedure into a position of authority which is not contemplated by the terms of the Covenant, which I believe will not be accepted by the mandatory Powers in general, and which I am confident will never be conceded by New Zealand.

Yours faithfully,  
F. H. D. BELL.

4. From M. RAPPARD, Director of the Mandates Section, to the Hon Sir FRANCIS BELL, K.C.M.G., K.C.

DEAR SIR FRANCIS,—

League of Nations, Geneva, 28th September, 1922.

I beg to acknowledge the receipt of your interesting letter of the 25th September, and to thank you for the interview you were good enough to grant me this morning.

As I explained this morning, I still believe that the procedure actually followed in the matter of mandates is in much closer conformity with your wish that your letter might lead one to believe. As I ventured to point out, the reports of the Permanent Mandates Commission are addressed solely to the Council, and it is the Council alone which possesses the authority to transmit these reports, with the comments of the mandatory Powers, to the Assembly, and thence to the general public.

I beg to confirm also our agreement reached this morning that the correspondence we have exchanged on this matter should not be communicated to the Council, as it would not afford sufficient basis for further action.

Pray allow me to thank you once more for the great courtesy and kindness you have been good enough to show me during your stay in Geneva, and to repeat the hope that we may have the privilege of seeing you here again next year. If your next visit here could coincide with the meeting of the Permanent Mandates Commission I am sure that any existing misunderstanding would rapidly be cleared up.

Wishing you a happy return to London and thence to New Zealand.

I am, &c.,  
RAPPARD.

With reference to M. Rappard's letter dated 21st September, and set out above, the actual facts appear to be that not only were these "documents not considered confidential once they had reached the Council," but they were published before having been submitted to it. A further point made by Sir Francis Bell was that the Mandatories are not represented either on the Council or on the Permanent Mandates Commission; and, this being so, it appears advisable that the present arrangements should be altered so as to render possible further consideration of the points of view of the Mandatories, and their answer to proposed criticism of their administration, and this should be effected whether the report considered by the Assembly is finally decided to be a report from the Council or from the Permanent Mandates Commission. According to present arrangements, as we have seen, a final and authoritative report, even containing inaccurate and incomplete statements on the administration of a mandate, can be compiled and published without first considering the reply of the Mandatories at all, which explanations can be received simultaneously with publication, and which, at the most, may be separately attached to their reports for what they are worth.

Nevertheless the procedure as outlined above and followed this year by the Permanent Mandates Commission undoubtedly complied with the regulations known as "Rules of Procedure" (Document C. 404, M. 295, 1921, VI), drawn up by the Permanent Mandates Commission itself, and approved by the Council on the 10th January, 1922. Sir Francis Bell's protest in the Assembly was merely taken on general grounds; but I respectfully suggest that fundamentally the objection lies to the Rules of Procedure as being in conflict with the meaning of the Covenant, which requires the Permanent Mandates Commission merely to advise the Council, to whom the Mandatories must report. By approving the Rules of Procedure the Council delegated its powers and duties contemplated by the Covenant as belonging to it alone, and the question arises whether this was within its jurisdiction and authority to do.

In any case, arrangements should be made for submission to the Mandatories—or, as this might mean at least six months' delay in certain cases, to the accredited representatives of the Mandatories—of the confidential draft final report, with observations of the Permanent Mandates Commission, before publication. Some such arrangement as this would appear to be indispensable, whether the report to be considered by the Assembly is to issue from the Permanent Mandates Commission or the Council.

I suggest that a remedy may be effected by moving an amendment of the Rules of Procedure, and that immediate consideration be given to the dangers involved in leaving Rule 8 as it is.

In connection with this there is another matter of first-rate importance, with regard to which at various times and places some considerable doubt has been expressed: I refer to the relative powers of the Council and of the Assembly. Considering the constitution and organization of the League, it is possibly inevitable that the general influence and powers of the Council should increase. There would, however, appear to be no doubt that, whatever the powers of the Council may become, they are limited to a domain which cannot be allowed to encroach on the principles and provisions of the Covenant. If, for example, it is held that according to the terms of the Covenant the Mandatories are responsible to give a satisfactory account of their stewardship to the Council of the League, then, in the absence of authority to delegate the rights and duties involved in this arrangement, the Council would appear to have acted *ultra vires* in sanctioning Rule 8 of the Rules of Procedure. In other words, instead of being merely a question of procedure, the provisions of Rule 8 conflict with the rights of members of the League derived from the Covenant itself.



The present want undoubtedly is again chiefly one of liaison, the difficulties of which are accentuated by the distance of Geneva from some of the mandatory Powers and the mandated territories, by the fact that the Permanent Mandates Commission is an independent body of members chosen for their disinterestedness, and by the fact that the secretariat of the Mandates Section, however desirable and useful the contrary practice might be, has adopted the principle of religiously refraining from employing any official, however acquainted with the procedure, facts, or local conditions of the mandate system, "if he be a national of a mandatory Power."

I respectfully suggest that there is therefore all the more reason for a closer liaison between the Secretariat of the League and the representation of the Dominion in London, and that in the meantime this might be effected by a secretariat attached to the High Commissioner's office, replete with information of the latest developments in the mandates administration, as well as performing other similar duties as thought desirable.

GENERAL.

It would seem to be inevitable that certain considerations raised in this report will require decision sooner or later. Some of the difficulties indicated hinge on matters of much larger import, and in the last analysis involve considerations of the present significance of the constitution of the Empire. Some aspects of these problems would appear to be directly related to certain matters contained within the scope of the agenda for the approaching Imperial Conference. In the light of whatever interpretation is taken with regard to them by the Dominion of New Zealand, it would, for example, be interesting to examine the theory of the present relationship one to another of the several self-governing parts of the British Empire, which was recently announced by General Smuts as that which he intends to uphold at the next Imperial Conference. Matters such as the issue of full powers to the representative of a Dominion at an international assembly, or instructions by which a delegate from a Dominion, as a member of the League, is accredited a representative to an Assembly, have a direct relationship not only to the responsibility of the Dominions as members of the League, but to such other matters as the nationality of the inhabitants of "C" mandated territories, the importance of which would appear from the recent amendment to Article 16 of the Covenant.

I have, &c.,

EDWARD O. MOUSLEY.

The Right Hon. W. F. Massey, P.C., Prime Minister of New Zealand.

**FOURTH ASSEMBLY OF THE LEAGUE OF NATIONS.**

New Zealand Government Offices,  
Strand, London W.C. 2, 22nd October, 1923.

SIR,—

*Fourth Assembly of the League of Nations.*

In accordance with the Rules of Procedure, which provide that the Assembly of the League of Nations shall meet every year on the first Monday in September, the Fourth Assembly began its sitting on the 3rd September, 1923.

*Representation of New Zealand.*—I left London for Geneva on Saturday, the 1st September, in order to represent New Zealand at the Assembly. As you are aware, at the last Assembly New Zealand had three delegates, but on this occasion I was the only one appointed. Sir Arthur Steele-Maitland had been invited to act again as a delegate for New Zealand, but was unable to do so. Mr. Knowles, my Private Secretary, was ill, and under treatment at Leysin, in Switzerland. Mr. Burdekin took his place, and Miss Hannam, from my own office, also accompanied me.

*Opening of Proceedings and Election of President.*—Viscount Ishii, the Acting President of the Council, took the chair at the inaugural meeting, and delivered an address, setting out at some length the main work undertaken by the League during the past year (Document "A" attached). As will be noticed, special prominence was given to the successful results so far attained in connection with the financial reconstruction of Austria. Regretful reference was made to the hindrance to the work of the League and to the attainment of economic stability and peace in Europe, caused by the non-settlement of the reparations question. It is pointed out, however, that this matter, like the Near Eastern question, has been really outside the scope of the League's work, as both are direct legacies of the war. Reference is also made to the fact that the Court of International Justice is now definitely in operation. The Court has already given advisory opinions on several questions submitted to it (*vide* Document A. 10), and a judgment of considerable importance in a case known as the case of the s.s. "Wimbledon"—that being the name of a ship carrying munitions to Poland which was refused admission to the Kiel Canal by the German authorities. Judgment was in favour of the Allied Powers (*vide* Document "B").

Steady progress is reported as having been made with regard to various economic questions which are of practical interest to New Zealand, such as the simplification of Customs formalities, facilities for commercial arbitration, measures to prevent fraudulent trade-marks, double taxation, measures to secure greater uniformity in commercial documents (such as bills of exchange) and international statistics.

Reference to the fact that the mandates system has not yet become fully applicable to Palestine, Syria, and Mesopotamia seemed to call for some explanation, and in response to my inquiries on this point the Secretary of the Permanent Mandates Commission furnished me with an explanatory document setting out the position regarding "A" and "B" mandates, a copy of which I forwarded to you on the 12th September.



The references to health and transit questions, disarmament, opium traffic, protection of minorities, &c., do not appear to call for any special comment.

*Earthquake in Japan.*—Immediately following the Chairman's opening address Sir Joseph Cook moved a resolution tendering the sympathy of the Assembly to the Japanese nation in the catastrophe which had just overtaken it. In doing so he specially stressed the regard which was felt in Australia for her neighbour in the Pacific.

*Election of President.*—The Assembly then proceeded to the election of a President. As explained in previous reports, the method adopted is that of a secret ballot; and Monsieur Cosme de la Torriente, principal delegate for Cuba, having obtained an absolute majority at the first ballot, was declared elected.

The only other business transacted on the opening day was the setting-up of a committee to report on the credentials of delegates and the acceptance of the Agenda as circulated (Document A. 8 (1)), with the addition of an item recommended by the Council with regard to the protection of women and children in the Near East.

It was decided, as in previous years, that six committees should be set up to deal with the various items of the Agenda.

*Allocation of Items on Agenda to Committees.*—The Assembly decided that the six committees to be set up should be as follows: (1) Constitutional and legal questions; (2) questions regarding technical organizations of the League; (3) reduction of armaments; (4) finance; (5) humanitarian questions; (6) political questions.

*Representation of New Zealand.*—New Zealand having only one delegate, it was, of course, impossible for me to attend the meetings of all six committees, as at least three committees sat simultaneously each day. I, however, entered my name as a member of each committee, in order to enable me to attend any meetings when a subject was being discussed in which New Zealand was particularly interested. I nominated Mr. C. B. Burdekin as a deputy on Committees Nos. 1, 2, 3, and 5, in order that I might be able to follow the work of the committees as far as possible, even if unable to attend personally.

*Election of Officers of Assembly.*—The committees having elected their Chairmen, the Assembly proceeded to elect its six Vice-Presidents, who, together with the President and the Chairmen of the six committees, form, under the Rules of Procedure, the General Committee of the Assembly, which on this occasion was composed as follows:—

Committee No. 1: Chairman, M. Motta (Switzerland).

Committee No. 2: Chairman, The Maharaja Jam Saheb of Nawanager (India).

Committee No. 3: Chairman, M. Skirmunt (Poland).

Committee No. 4: Chairman, M. Momtchilo Nintchitch (Kingdom of the Serbs, Croats, and Slovenes).

Committee No. 5: Chairman, M. de Mello-Franco (Brazil).

Committee No. 6: Chairman, M. Hymans (Belgium).

Vice-Presidents of the Assembly: Lord Robert Cecil (Britain), Viscount Ishii (Japan), M. Hanotiaux (France), Count de Gimeno (Spain), Dr. Fortoul (Venezuela), M. Pusta (Esthonia).

On the 4th and 5th September the various committees met for the first time, but did no further business than to elect Vice-Chairmen and rapporteurs on the various subjects, and to decide on the order in which the various items allotted to each committee should be dealt with. I may state that the rapporteur elected at these meetings introduces the subject to the committee, and normally, though not necessarily, at a later date, drafts the report for consideration by the committee, and speaks for the committee when its report is dealt with by the Assembly.

*Effect of Italian-Greek Crisis.*—The ordinary routine business having been disposed of, the normal course would have been for the Assembly to commence the discussion on the report on the work of the Council during the past year (Documents A. 10 and A. 10 (a)). Owing to the very delicate situation arising out of the Italian bombardment and occupation of Corfu, however, the Council were particularly desirous that their endeavours to bring about some solution of the problem should not be prejudiced by any premature discussion of the question in the Assembly. The feeling among a great majority of the delegates, particularly of those representing the smaller countries, was very adverse to Italy, and at the request of the Council the General Committee of the Assembly therefore decided that the Assembly should not meet again until Monday, the 10th September, and, even then, only to give effect to the recommendation from No. 6 Committee that the Irish Free State should be admitted to the League, and to elect a Judge of the Permanent Court of International Justice. With the Italo-Greek dispute I will deal later in this report.

*Election of Judge.*—The vacancy was caused by the death of a Brazilian, who was one of the original Judges elected by the Second Assembly, and another Brazilian—M. Pessoa—was elected in his stead. Although the regulations governing the voting are very elaborate (*vide* Document A. 59), as a matter of fact, in almost all cases, the result of elections in the Assembly is a foregone conclusion, owing to private arrangements which precede the election, not only of Judges of the Permanent Court, but of any officers of the Assembly, &c. In this case only one ballot was necessary, as M. Pessoa received thirty-four of the forty-six votes cast. Some time after the election I was rather astonished to learn that the late Judge had never actually sat, although he had been drawing the salary (15,000 florins per annum) appertaining to his office for quite a considerable time.

*Irish Free State.*—The admission of the Irish Free State was agreed to unanimously. The only feature of note was that Mr. Cosgrave, the President of the Irish Free State, who visited Geneva specially in order to be present on the occasion, prefaced his speech of thanks by a greeting pronounced in Erse.

*Reconstruction of Austria.*—The meeting of the Assembly on the 11th September, and the greater part of that on the following day, was taken up with the discussion arising out of the report regarding the reconstruction of Austria. It was probably not altogether accidental that, at a time when many critics were asking whether the League of Nations was of any practical value, this subject should have been brought before the Assembly, for there can be little doubt that the reconstruction of Austria is the most strikingly successful of the achievements of the League to date. An excellent summary of the position regarding this work is contained in Document A. 62, being the speech delivered by M. Ador (who was Chairman of the Brussels Financial Conference) in introducing to the Assembly the resolution proposed by Committee No. 2 on this subject.

*Debate on the Work of the Council.*—After the conclusion of the Austrian debate, there being no other subject reported from the committees, the Assembly commenced the discussion on the report of the Council (Documents A. 10 and A. 10 (a)). Before this was begun, however, the President of the Council addressed the Assembly for the purpose of requesting delegates to abstain from any reference to the dispute between Italy and Greece, as important negotiations were still in progress. This naturally robbed of most of its interest the debate which occupied the Assembly during the latter part of the morning of the 12th September and the two following mornings. The debate was very lacking in continuity, and was largely made up of lengthy statements by the representatives of Bulgaria, Latvia, and Finland regarding questions concerning boundaries and treatment of minorities, in which those countries were especially interested.

*Santiago Conference.*—Of a more generally interesting character was the speech of Monsieur Edwards, the Chilean delegate, outlining what was accomplished at the recent Santiago Conference, at which the Governments of the United States and nearly all the South and Central American States were represented. The solidarity of these Latin-American countries is very marked, and they form a *bloc* disposing of seventeen votes, which, naturally, has a very considerable influence in the Assembly. There is a perhaps not unnatural tendency on their part to feel that the League is unduly concerned with purely European questions, and that the example which they have set by providing for the settlement by joint action of disputes amongst themselves, and of various questions which are still only being discussed by the League, should be followed by the European States. I attach a document, A./III./5, giving the terms of the treaty designed to obviate conflicts between American States which was signed at Santiago on the 3rd May, 1923, by sixteen States.

*Tendency to Formation of Cliques.*—In connection with the reference in the preceding paragraph to the *bloc* of votes of the Latin-American States, I reaffirm what was stated in my reports on the First and Second Assemblies, that there is a marked tendency towards the creation of organized groups of States in the Assembly, which is liable to seriously endanger the chances of the subject being considered solely on its merits, and leads to bargaining one with another for mutual support, especially in regard to election of candidates for any office.

*Dissatisfaction of Small Countries with the Work of the League.*—I would draw your attention to the rather significant speech made at the end of the Assembly's sitting on the 12th September by the Persian delegate (Verbatim Record of Sixteenth Meeting). This illustrates the attitude of a considerable number of the smaller States.

*Greek Refugees.*—The speech of M. Politis on this subject on the 13th September (Verbatim Record of Seventh Meeting) gives an idea of the magnitude of the problem and of the success of the steps taken to check epidemics among the refugees. Only a small beginning has yet been made with regard to the greater question of the permanent settlement of these unfortunate people, numbering well over a million. Arrangements are being made, however, under the auspices of the League of Nations, to float a loan of £6,000,000 in order to finance this permanent settlement. The Greek Government has agreed to allot the necessary land, and that the expenditure of money raised for the purpose of permanent settlement shall be controlled by a Commission of Control appointed by the League, thus ensuring that it shall only be employed for the specific purpose for which it is being subscribed. Mr. Morgenthau, former United States Ambassador at Constantinople, has been selected as President of this Commission.

*Amendments to the Covenant: Delays in Ratification.*—At the meeting on the 14th September I drew attention to the fact that, notwithstanding the special resolution passed by the Third Assembly on the subject, not one of the amendments to the Covenant passed by the Assembly in 1921 has yet come into force. The reason for this is that, under the provisions of Article 26 of the Covenant, it is necessary for amendments to be ratified by every State represented on the Council, as well as by a majority of the whole number of States members of the League. In almost every instance a sufficient number of ratifications has been received to satisfy the latter requirement, but the amendment is still inoperative because one or more of the States represented on the Council has still not ratified. I pointed out how particularly necessary it was that the amendment to Article 6 should be ratified without further delay by the States represented on the Council who had not yet done so. The amendment to this article authorizes the Assembly itself to fix the basis on which the expenses of the League shall be allocated among the various States, and was passed by the Assembly in 1921 owing to the general recognition of the fact that the basis of contributions fixed in the Covenant—namely, the International Postal Union scale—was glaringly unfair. The contributions made towards the 1923 Budget by the various States were based on a provisional scale approved by the Assembly in 1922 as being fairer than the Postal Union basis, though still not considered entirely satisfactory by all States. Owing to the non-ratification of the amendment to Article 6, however, this arrangement has at present no legal standing, and might be repudiated at any time by a State on whom it involves a higher contribution than the Postal Union scale. A further complication arises out of the fact that the amendment to Article 26, passed by the Assembly in 1921, provides that any amendment to the Covenant which is not ratified within twenty-two months shall lapse. Under the original Article 26 no time-limit is

fixed. Should it happen, therefore, that the amendments to Article 26 were ratified before the amendments to other articles, the whole of the other amendments would lapse, as more than twenty-two months has already elapsed since they were passed by the Assembly. In order to ensure that the matter was not lost sight of, I moved that the question be referred to the First Committee for consideration, and that the committee be asked to suggest a solution. No. 1 Committee was unable to suggest any solution except that the Secretary-General should be instructed to again write to all States asking those who had not ratified to do so with as little delay as possible (*vide* Document A. 91). I had really not expected that anything more could be done, but the discussion of the situation has, I think, done good, and the States represented on the Council which had not ratified have since done so, or have promised to arrange for ratification at an early date. It will probably be arranged that one such State shall withhold ratification of the amendments to Article 26 until the amendments to most of the other articles have become operative, so that they shall not be killed by the operation of the twenty-two months' time-limit. You will notice that in the resolution on this subject (Document A. 91), while members who have not yet ratified are requested to expedite the ratification of the amendments to Articles 4, 6, 12, 13, 15, and 26, they are merely asked "to express, if they think proper to do so, their intention with regard to the ratification of the amendments to Article 16." The reason why this distinction is made between the amendments to Article 16 and the amendments to the other articles is that, whereas in regard to the first-mentioned six articles it is understood that the non-ratification of amendments by the various States is merely owing to negligence or pressure of other parliamentary business, and not to any actual objection to the proposed amendments, it is known that both Britain and France object to the wording of the first amendment to Article 16, and do not propose to ratify it in its present form.

*Mandates.*—The question of mandates did not occupy a very prominent place in the proceedings of the Assembly. Owing to pressure of other business, particularly arising out of the Italo-Greek trouble, the Council had not been able to consider the report of the Permanent Mandates Commission before the Assembly dealt with the subject, and, to a very large extent, the delegates adopted the suggestion of the rapporteur on the subject, that the Assembly should refrain from any detailed examination of the report of the Permanent Mandates Commission, allowing this work to be done by the Council. The only matter which gave rise to some debate was the reference in the motion eventually adopted by the Assembly (*vide* Document A. 97) to the Bondelzwarts rebellion in South-west Africa.

*Consideration of Health Sections of Mandates' Reports by Health Committee of the League.*—I propose to give particulars of the new arrangements with regard to the health organization of the League in a later part of this report, dealing with the labours of Committee No. 2; but I would draw attention here to the resolution adopted by the Assembly at its sitting on the 15th September, "That the Assembly is of the opinion that it would be desirable for all health reports presented to the Permanent Mandates Commission to be communicated to the Health Committee of the League of Nations for any recommendations it may desire to make to the Permanent Mandates Commission." This suggestion emanated from Sir Neville Howse, V.C., one of the Australian delegates, who was Surgeon-General to the Australian Forces during the war. In committee he indicated very plainly that, in his opinion, the remarks of the Permanent Mandates Commission in regard to health matters in the mandated territories indicated an entire lack of expert knowledge, and that the Commission was not competent to express any opinion in regard to health matters. The Portuguese delegate (M. Friere d'Andrade), who is a member of the Permanent Mandates Commission, strongly opposed the suggestion in the first place, as infringing the rights of the Mandates Commission, but subsequently, in the Assembly debate, he expressed himself as satisfied that the arrangement suggested in the motion would be useful.

*Women Police.*—At its meeting on the 15th September the Assembly approved the recommendation of the Fifth Committee regarding the traffic in women and children (*vide* Document A. 75). In the course of the debate several speakers, notably Dame Edith Lyttelton (one of the British delegates), strongly urged the usefulness of women police.

*Reparations Question.*—During the third week of September the committees proceeded steadily with their work, but the Assembly met only twice. The greater part of these meetings was occupied with the conclusion of the debate on the report of the Council. Several speakers, notably Dr. Nansen (Norway) and M. Zahle (Denmark), expressed considerable misgivings concerning the future of the League, owing to its failure to contribute in any way to the solution of the reparations problem and the other causes of unrest and unsettled conditions and exchanges in Europe. But the most outspoken of all was Professor Gilbert Murray, who was attending the Assembly as a representative of South Africa. His speech will be found in the Verbatim Record of the Eleventh Meeting of the Assembly. He urged that, as the Allied Governments had failed in four years to find any solution to the reparations problem, the matter should now be handed over to the League. It was anticipated that the French or Belgian representatives would reply to this challenge, but, after a hurried consultation between the delegates of those countries, it was evidently decided not to reply, and almost immediately afterwards the debate came to a sudden and unexpected conclusion.

*Technical Organizations of the League: Effect of Reductions in Budget.*—The Chairman of No. 2 Committee (the Jam Saheb of Nawanagar—better known as Ranjitsinghi), at the meeting on the 22nd September, in opening the discussion on the report of the committee with regard to the communications and transit organization, stressed the fact that extremely useful work had been done by the various technical organizations of the League, but that, as it was necessary, for reasons of economy, to make considerable reductions in the amounts voted for such organizations during the year 1924, it was necessary to realize that the technical organizations would unavoidably suffer in power and potentiality. The reductions referred to will render it impossible to hold a number of conferences,

some general and some regional, which had been proposed. I am not at all sure, however, that this will be a matter of serious consequence. As the Hon. G. R. Graham (Canada) pointed out, many of the resolutions passed at the Barcelona Conference on Communications and Transit Organization, in 1921, have still not been acted on in many countries, and the same thing is true with regard to other conferences which have been held. Unless they are to lead to definite results, the expense of holding numerous conferences in regard to a number of subjects certainly does not appear to be justified.

*Last Week of Assembly.*—During the week commencing the 24th September the Assembly sat daily and at the end twice daily. The meetings were principally occupied in adopting the reports of the committees on various subjects, and, in general, the debates do not seem to call for much comment.

*Shelving of Difficulties.*—One unsatisfactory feature of this, as of previous Assemblies, has been the tendency, after lengthy consideration of a subject presenting any difficulties, to decide to postpone it "until next Assembly," instead of facing the facts and endeavouring to arrive at some definite decision. This happened in regard to quite a number of subjects during the present Assembly.

*Unimportant and Unsuitable Subjects.*—Another dangerous tendency is to overload the Agenda with a number of subjects of little, or at any rate only secondary, importance, and some of them quite outside the proper scope of the League's activities, as I conceive them. The report on the work of the Committee on Intellectual Co-operation (Document A. 102) furnishes several examples—notably Resolution No. vii on page 4 of that document, with regard to the placing of the Charterhouse at Capri at the disposal of artists of all nations. What frequently happens is that a delegate—often at a late stage of the proceedings—brings forward a resolution about some subject in which he may be interested. The Assembly, instead of deciding that it is not a suitable matter for consideration, adopts a resolution that the subject be entered on the Agenda for the next Assembly. As examples of this I would refer to the following three questions, which the present Assembly decided should be entered on the Agenda for the next Assembly:—

Young women travelling alone to be required to furnish themselves with a report from the police authorities at the port of embarkation (Document A. 125).

International arrangements for civil justice for the poor (Document A. 124).

Relations between municipalities (Document A. 123).

The inclusion of such subjects on the Agenda exposes the League to adverse criticism.

*Attempt to increase Budget Item as fixed by Finance Committee.*—The Fifth Committee included in its resolutions of appreciation of the great work accomplished by Dr. Nansen and his staff in the relief of Russian refugees in eastern Europe a recommendation that a sum of 300,000 Swiss francs should be appropriated for continuance of the work in 1924. The Fourth Committee, however, adopted the recommendation of the Supervisory Commission that the amount to be included in the 1924 Budget for this work should be 153,000 Swiss francs only. When the Budget was under consideration by the Assembly an attempt was made to obtain an increase in the amount of this vote, but this was unsuccessful. Although I had the greatest sympathy with Dr. Nansen, and realize to the full the value of the work which he has performed, I voted against the increase, as I considered it entirely wrong in principle for the Assembly to endeavour to override the decisions come to by the Budget Committee after that committee has duly investigated the circumstances of each case.

*Admission of Abyssinia.*—The most picturesque incident of the Assembly took place on the morning of the 28th September, when the admission of Abyssinia to the League was agreed to and the Abyssinian delegates, in the full splendour of native costume, took their seats in the Assembly. Up to the last there was some doubt as to whether the admission would be agreed to, owing to the prevalence of slavery in Abyssinia. Ultimately, however, all opposition was withdrawn, upon the Abyssinian delegates signing a declaration agreeing to adhere to the Convention of St. Germain in regard to slavery and the traffic in arms.

*Questions regarding the Interpretation of the Covenant arising out of the Italo-Greek Incident.*—Although the Assembly did not directly deal with the Italo-Greek crisis, it requested the Council to make a statement regarding the same before the Assembly rose. Accordingly, towards the end of the afternoon's sitting on the 28th September, Viscount Ishii, as Chairman of the Council, made an important statement, which will be found in Document A. 128. It had previously been announced that the actual dispute between Italy and Greece had been settled as the result of the action taken by the Council of Ambassadors. Consequently the statement made by Viscount Ishii related not directly to the incident itself, but to questions arising out of it with regard to the proper interpretation of Articles 12 to 15 of the Covenant.

Document A. 128 makes no reference to Article 10, although, in my judgment, the Italians, having agreed to Article 10, were bound to respect the territorial integrity of Greece. The bombardment of a helpless town and the killing of women and children can by no manner of means be considered as respect of territorial integrity. A perusal of the verbatim record containing the speeches on this subject (Record of Eighteenth Meeting of Assembly) will be found interesting. Lord Robert Cecil, in my judgment, put the case for the Council about as well as it was possible to do under the very difficult circumstances. There is no doubt that many States—the smaller ones particularly—are far from satisfied with regard to the settlement which has been arrived at, and particularly with regard to the methods by which it has been achieved, and they feel that the value of the Covenant as a protection for small States against aggression by their more powerful neighbours has been demonstrated to be very much less than they had hoped and believed. The Council were undoubtedly confronted with a problem of the utmost difficulty and delicacy. It seems to me that there can be little, if any, doubt that the action of the Italians in bombarding the defenceless Town of Corfu was a flagrant act of aggression, and that Italy thereby rendered herself liable to the penalties referred to in Article 16 of the Covenant. The Council had, however, to consider what would have been the practical effect of endeavouring to enforce the penalties provided for in that article. Joint military

action against Italy was obviously out of the question. It was almost equally impossible to invoke the economic weapon with any hope of success. Even in the unlikely event of all States members of the League being prepared to make the sacrifices which the severance of all trade relations with Italy would have entailed on their trade, the blockade would have been ineffective, as the United States and other States outside the League, in my judgment, would not have respected it. In view of the extreme sensitiveness and almost fanatical patriotism of Mussolini, any drastic action by the Council, if such were possible, would, in all probability, have precipitated a conflagration, the extent and result of which no man could estimate. In the circumstances one cannot but feel that the Council adopted a wise course in accepting humiliation and in attempting out of the violated articles of the Covenant to reaffirm some of the principles contained therein. That the Council was to some extent successful can be judged from a perusal of the paragraph in Document A. 128 which restates, with the concurrence of the Italian representative on the Council, "that any dispute between members of the League likely to lead to a rupture is within the sphere of action of the League." On the other hand, what has occurred in regard to this matter has vindicated beyond question the correctness of the opinion I have several times expressed in my reports concerning previous Assemblies, that the only really effective weapon which the League possesses (at any rate, so long as it is not universal) is the power of public opinion. It is probably just as well that any illusions which may have been cherished by some of the smaller Powers with regard to the extent to which the League could protect them and their territorial integrity by the adoption of coercive measures should have been shattered. Although the prestige of the League has suffered as a result of the recent crisis, I think that a true appreciation of the position would convince an intelligent observer that in an indirect way the League did serve a good purpose, and, assuredly, as an exponent of healthy public opinion and friendly relationship between nations, it exercised a restraining influence which led the Italians in the later stages to adopt a more humane attitude than that which characterized their earlier actions.

*Election of Non-permanent Members of the Council.*—The election took place on the afternoon of the 29th September. All the non-permanent members of the Council in 1923 were re-elected except China, which was replaced by Czecho-Slovakia. The recommendation passed at the First Assembly that one of the non-permanent members should be an Asiatic country was thereby ignored; but I think there can be little doubt that Czecho-Slovakia is a desirable State to be represented on the Council, especially as M. Benes is a particularly able man.

#### REPORT ON THE WORK OF COMMITTEES.

A good many subjects dealt with by the various committees have already been touched on in the first part of this report dealing with the work of the Assembly. I will therefore only deal in this section with some of the others concerning which the debates in committee were more important than the debates in the Assembly.

##### COMMITTEE No. 1.—CONSTITUTIONAL AND LEGAL QUESTIONS.

The subjects considered by this committee were—

- (1.) The Canadian proposal *re* amendments to Article 10 of the Covenant.
- (2.) The British proposal *re* alteration in the wording of the first amendment to Article 16 passed by the Assembly in 1921.
- (3.) The rules governing election of non-permanent members of the Council.
- (4.) The legal aspect of the request by Lithuania for submission to the Permanent Court of International Justice of questions concerning the competence of the Council to take the action it did with regard to the Polish-Lithuanian dispute.
- (5.) The delay in obtaining sufficient ratifications of the amendments to the Covenant, to comply with the provisions of Article 26.

*Article 10.*—I wrote fairly fully regarding this matter in my reports on the Second and Third Assemblies. It will be remembered that as long ago as the First Assembly the Canadian delegates put forward, on behalf of their Government, an objection to this article, which deals with the guarantee given by the League to all its members with regard to the preservation of their territorial integrity. The First Assembly decided, however, to postpone the consideration of all amendments to the Covenant until the Second Assembly. At the Second Assembly the Canadians moved the deletion of Article 10, but were unsuccessful. At the Third Assembly they moved two amendments to Article 10 delimiting the liability of States under the article. The Third Assembly, however, after lengthy consideration, decided to postpone a decision on the matter until the Fourth Assembly. No. 1 Committee again considered the matter at a number of sittings this year. As it became apparent that there was no chance of securing the adoption of their amendments, the Canadian delegates agreed that they would be satisfied with the adoption of an interpretative resolution on the subject. The discussion showed that there was a very marked difference of opinion as to the liability imposed on States by the article. Some of the smaller States, and particularly Persia, objected very strongly indeed to anything which could be considered as weakening in any way what they conceived to be the effect of Article 10. Their objections applied, not merely to an amendment, but equally to an interpretative resolution. Other States contended that an amendment or an interpretative resolution was unnecessary, although quite agreeing with the two points made in the Canadian proposals—firstly, that, in any recommendation the Council might make with regard to the discharge of the obligations imposed by this article, account should be taken of the political and geographical circumstances of each State; and, secondly, that no member should be under an obligation to engage in any act of war without the consent of its Parliament, Legislature, or other representative body. They considered that these reservations were implicit in the

original article, and did not require to be specifically defined, and they contended that anything in the nature of an amendment or interpretative resolution would only convey to the world an erroneous impression that a change had been made in the meaning of the article. In the end, however, the persistence of the Canadian delegates had its reward, and the committee decided to submit to the Assembly the resolution contained in Document A. 85. The speech of M. Rolin, the Belgian delegate, in introducing the resolution to the Assembly (see Verbatim Record of Twelfth Meeting of the Assembly) sets out very clearly, and in considerable detail, the reasons which led the committee to recommend an interpretative resolution in preference to an amendment, and also voiced the opinion held by the majority of members of the committee that any recommendation made by the Council under the provisions of this article must be regarded as a *recommendation* only, and not, in any sense, as an *order* to the State concerned as to the action it must take. Indeed, some members of the committee went further and contended that not merely was it a matter for the State's own decision as to what action it should take in order to give effect to the recommendation of the Council, but that each State should have the right of deciding for itself whether the circumstances of the case actually constituted an act of aggression or not. This view was strongly objected to by other members, who considered that the decision of the Council on that point must be accepted as final; but no attempt was made to provide an authoritative interpretation on this point, the interpretative resolution being confined to the two points mentioned in the Canadian amendments. The debate in the Assembly regarding this question will be found in the Verbatim Record of the Thirteenth Meeting. For the reason stated in his speech at that meeting, the Persian delegate voted against the resolution in the Assembly. No other State actually voted against the resolution, but a considerable number of States abstained from voting. Owing to the need of unanimity on such a question the resolution was not adopted. The very large number of States which voted in favour of the interpretative resolution, however, and the fact that they included all the principal Powers, was accepted by the Canadian delegates as expressing the opinion of the Assembly. Even had the interpretative resolution been carried unanimously it would only have had a moral and not a legal value.

The result of the debate regarding this article, coupled with the outcome of the Italo-Greek dispute, has doubtless proved very disappointing to some of the smaller States who joined the League principally on account of the protection which they understood it would afford to them; but, as the Greek delegate very sensibly remarked, if the Great Powers interpreted the Covenant in a much more restricted sense than some of the smaller ones had been doing, it was much better that the fact should be known at once, in order that the small Powers might know exactly where they stood, as "a text to which greater value is attributed than in actual fact it possesses involves the risk that it may cause bitter and cruel disappointment when it is applied."

*Article 16.*—The decision with regard to the British proposal (see Document A. 26) for an alteration in the wording of the first amendment to this article passed by the Assembly in 1921 was that it should be postponed for further consideration at the next Assembly. I am not greatly impressed with the force of the arguments put forward by the committee in support of this decision (see Document A. 86). The wording of the proposed British amendment may be somewhat cumbersome, but it does not appear to me to be ambiguous. As neither Britain nor France is prepared to ratify the amendments to this article passed by the Assembly in 1921 unless the wording of the first amendment is modified, and as ratification by both these States is essential before the amendment can become operative, it would appear that a deadlock has been reached with regard to this matter, and if the amendments to Article 26 are ratified before the next Assembly the whole of the four amendments to Article 16 passed in 1921 will automatically be wiped out, owing to the twenty-two months' time-limit.

*Rules governing Election of Non-permanent Members of the Council.*—This matter affords another example of the difficulties arising out of the protracted delays incidental to the present unsatisfactory procedure for bringing into force amendments to the Covenant. Until the amendment to Article 4 comes into force the Assembly has no power to determine the term of office and conditions of re-election of non-permanent members of the Council. The Committee, therefore, after fairly protracted deliberations, found itself only able to propose the reiteration of the resolution passed by the Third Assembly, referring the matter "to the next Assembly," and that a new rule regarding the actual electoral procedure should be added to the Rules of Procedure of the Assembly (see Document A. 99). The non-permanent members of the Council elected at this Assembly will therefore only hold office for one year (unless re-elected at the Fifth Assembly), instead of being elected for three years, as recommended by the Third Assembly. On the other hand, Belgium, Brazil, and Spain, who were re-elected this year, having all been members of the Council for three years, would not have been eligible for re-election had the recommendations of the Third Assembly been put into effect, as they would have been had the amendment to Article 4 become operative.

*Competence of Assembly to deal with Lithuanian Requests.*—The committee considered the question of the competence of the Assembly to deal with the request of the Lithuanian Government that certain questions arising out of the dispute between Lithuania and Poland should be submitted for decision to the Permanent Court of International Justice. The question at issue was whether, in view of the fact that the Council had already decided against the requests of Lithuania, the matter could be reopened before the Assembly. The committee's decision was that it could; and the Sixth Committee therefore gave consideration to the requests of Lithuania (*vide* remarks on the work of the Sixth Committee, later in this report).

#### COMMITTEE No. 2—TECHNICAL ORGANIZATIONS.

The subjects allotted to this committee were—

- (1.) The financial reconstruction of Austria.
- (2.) The work of the Health Organization of the League (including Epidemics Section).
- (3.) The work of the Economic and Financial Commission.
- (4.) The work of the Advisory and Technical Committee on Communications and Transit.

To a very considerable extent the work of this committee consisted of merely noting the contents of the reports of the various technical organizations regarding the work accomplished during the preceding year, and the programme proposed for the ensuing year.

*Financial Reconstruction of Austria.*—The committee had the advantage of receiving from Dr. Zimmerman, the Commissioner-General appointed by the League to supervise the execution of the whole scheme, an account of the progress made. There then remained little further to be done than to approve the resolutions moved by M. Ador, which will be found at the end of Document A. 62. I have also attached to that document a supplement of the *League of Nations Journal* of the 8th September, containing reports of the speeches of M. Ador and Dr. Zimmerman before the committee.

*Health Organization.*—With regard to this subject, the principal work of the committee was to decide upon the adoption of the proposal put forward by the mixed committee representing the Health Committee of the League and the Office International d'Hygiene Publique. This proposal (particulars of which will be found in Document A. 28) had for its object the elimination of the possibility of duplication of work by the two organizations. As stated in my reports on the Second and Third Assemblies, when the plan for the Health Organization of the League was originally being considered it was thought that it would be possible to absorb the Office International in the Health Organization of the League, but this proved to be impracticable, principally because the United States of America, which is represented on the governing body of the Office International, strongly objected to the proposal. The arrangement put before No. 2 Committee this year appears to represent a very satisfactory compromise, and, although at first considerable opposition to the proposal was manifested in the committee, this disappeared upon the true nature of the scheme becoming understood. By the adoption of the plan put forward by the mixed committee it has now become possible to replace the Temporary Health Committee of the League by a stable organization on the lines of the organizations previously set up in regard to economic and financial matters and communications and transit questions. Baron Adatei's report to the Assembly on behalf of No. 2 Committee with regard to health matters (Document A. 74) gives an admirable summary of the work accomplished by the League in this direction during the preceding year. Fuller details regarding recent activities of the League in respect to matters of health will be found in a document numbered "8," issued by the Ministry of Health for Great Britain, which I also attach. This document was not before the Assembly or committee, but I think it may be of interest to the Public Health authorities in New Zealand. One point I may perhaps specially refer to is the fact that the Rockefeller Foundation makes a very considerable contribution towards the cost of the work of the Health Organization in regard to such matters as the collection of epidemiological intelligence and interchange of public-health personnel. The amount likely to be available from this source towards the carrying-out of the 1924 programme is no less than 481,326 gold francs.

*Epidemics.*—It was gratifying to find from the report of the Epidemics Commission (Document C. 590/1923, Annex) that the steps taken to prevent the spread of epidemic diseases from Russia have been very successful, and that the situation generally in Europe in regard to epidemics has greatly improved and now gives no cause for undue anxiety, although much still remains to be accomplished before the epidemics in various countries are finally stamped out. A proposal to establish a special emergency fund to ensure that money would be available to enable prompt action to be taken in the event of a sudden epidemic outbreak was withdrawn, on the understanding that the Council could, if necessary, vote money for such a purpose out of the sum provided in the Budget for unforeseen expenditure. Subsequently, in No. 4 Committee, however, a doubt was raised as to whether the Council could authorize the use of this vote for such a purpose.

*Work of the Economic and Financial Commission.*—The documents dealing with this subject (A. 11, A. 12, A. 58, and A. 83) are attached, and cover the ground so fully that there is little need for me to comment on them. They are well worth perusal, as they indicate the lines along which the various economic and financial problems are being studied. In regard to several questions of importance the Commission has performed useful work of a very definite character. The financial reconstruction of Austria has already been referred to. The Commission will, in all probability, be called upon almost immediately to undertake similar work with regard to Hungary. Arrangements in this connection are practically complete. It is also responsible for the arrangements with regard to the loan to be floated by Greece for the permanent settlement of refugees, referred to in the first part of this report, and it has also responded to requests made by Albania and the free City of Danzig for assistance in their endeavour to put their finances in a satisfactory condition. Sir Henry Strakosch (South Africa) brought before the committee a proposal that in its report to the Assembly definite reference should be made to the urgent necessity for settlement of the reparations problem, with the suggestion that the League might be able to render valuable aid in that direction. This, however, was opposed by the French Delegation, and Sir Henry eventually withdrew his suggestion, which had been strongly supported by several other delegates. One may hope, however, that the success of the work accomplished in Austria may cause the nations most concerned in the settlement of the reparations problem to seriously consider whether it might not be possible to utilize this branch of the League organization as a medium for solving this great question, which has for so long retarded the recovery of Europe in particular, and the world in general, from the effects of the war. I may perhaps mention that Sir Arthur Salter, the Director of the Financial Section of the Secretariat of the League, has for some months past been making a special study of the reparations problem, with a view to being ready for such an eventuality.

The work of investigation of such general problems as Customs formalities, double taxation, and unfair competition is proceeding, and there is reason to hope that useful results may be obtained, although, as I have said in previous reports, a certain amount of the work of this organization will probably prove to have gone beyond what is capable of being applied practically at present. Owing to the necessity for economy, the Economic Financial Conference, which was to have been held in 1924, has been postponed until 1925.



*Arbitration Clauses in Commercial Contracts.*—The committee decided to make a few drafting changes in the protocol with regard to this matter, which was forwarded to all Governments on the 26th May last. The revised text of the protocol will be found in the Annex to Document A. 83 (attached).

*Communications and Transit.*—The documents connected with this subject are A. 42, A. 70, and A. 87. As it is not a matter in which New Zealand is directly interested, and as there was very little discussion on the reports in the committee, and none whatever in the Assembly, I have no special comments to make.

#### COMMITTEE No. 3.—REDUCTION OF ARMAMENTS.

Unfortunately, I was unable myself to attend the meetings of this committee, nor was it possible for my Private Secretary to be present. The main discussion centred around the question of the possibility of rendering some measure of disarmament possible by means of a treaty of mutual assistance. I dealt fairly fully with this point in my report concerning the Third Assembly. Draft treaties prepared by Lord Robert Cecil and Colonel Requin (France) had been considered during the year by the Temporary Mixed Commission for the Reduction of Armaments and the Permanent Advisory Commission, and, as a result of consideration of these two proposals, and the criticisms made regarding them, a draft Treaty of Mutual Assistance was incorporated in the report of the Temporary Mixed Commission submitted to No. 3 Committee for consideration. The terms of the above treaty will be found in Document A. 35 (Part I). Document A. 35 (Part II), dealing with the private manufacture of arms, limitation of national expenditure on armaments, &c., is also attached, together with Document A. 20 (Parts I and II), containing statistical information regarding national armaments and Budget expenditure on national defence.

The idea on which the Treaty of Mutual Assistance is based is twofold in character. In the first place, it contemplates a general treaty, to be entered into by *all* States members of the League, and, in the second place, partial treaties for mutual assistance, to be entered into by two or more States and to be supplementary to the general treaty. Lord Robert Cecil and others contended that if provision were made to supplement the general treaty by partial treaties, whereby two or more States would guarantee one another *prompt* support, in accordance with prearranged plans, in the event of any such State being the victim of an act of aggression, it would render it possible for many States to reduce their armaments to a considerably greater extent than they would be prepared to do in return for the guarantee afforded by a general treaty only. Such partial treaties would have to be strictly defensive in their nature, and could only be recognized by the League provided that the States entering into them definitely guaranteed, in consideration of the protection afforded by the partial treaty, to materially reduce their armaments within a period of two years. It is proposed that before any partial treaty is recognized by the League its terms should be examined by the Council, in order to ensure that the two conditions referred to above are complied with.

There was no actual opposition to the general-treaty proposal, but there appeared to be a considerable element of doubt as to whether, in practice, it would afford any greater measure of security than is provided already by the Covenant; and, of course, unless it did so, it would prove quite ineffective in securing any reduction in armaments.

The advantage of the partial treaty would be that a State which considered itself liable to be attacked could depend upon *immediate* assistance in the event of such attack taking place, and would also know beforehand the extent of the assistance upon which it could rely and the lines upon which such assistance would be given. The opponents to the plan urged that it involved a grave danger of the return to the pre-war system of alliances, resulting in competition in armaments between rival groups, rather than in any reduction. The strongest argument against this criticism appeared to be that there is nothing in the Covenant to prevent groups of States forming defensive alliances without any provision for disarmament, and that in some cases, notably in the case of the Little Entente, such alliances were already in existence, and that therefore no new danger would be created, while it would be manifestly an advantage that such treaties should come within the ambit of the League. Stress was also laid by Lord Robert Cecil on the fact that the Council would only approve the terms of a partial treaty provided that a material reduction of armaments was agreed to by the States entering into such treaty. The representatives of Holland and the Scandinavian States proved particularly critical of the proposals, while both Italy and Spain were also strongly opposed to the partial-treaty plan. France, on the other hand (no doubt for the reasons mentioned in my report last year), favoured the proposal, which secured the support of a fairly large majority of the members of the committee. It was eventually decided, however, that, as many of the delegates had only been speaking personally and not with the authority of their Governments, it would be necessary for the draft treaty, as amended by the committee in various respects, to be referred to Governments before any further action in the matter could be taken. The terms of the draft treaty in the form eventually agreed upon will be found in Document A. 111. The verbatim record of the debate in the Assembly on this subject, at its nineteenth meeting, will be found interesting.

*Temporary Mixed Commission.*—The French delegates made an effort to abolish the Temporary Mixed Commission, contending that, as the members do not represent Governments, and could therefore only express their own personal views, the Commission would no longer serve any useful purpose. Lord Robert Cecil, in opposing the suggestion, contended that all constructive suggestions so far made with regard to disarmament had emanated from the Temporary Mixed Commission, and that the Permanent Advisory Commission had only been useful as providing expert criticism on proposals put forward by the Temporary Mixed Commission. Eventually a compromise was reached, under which the Temporary Mixed Commission will remain in existence for another year, but the next Assembly will consider whether it is advisable to prolong it after that date, and in the meantime the Council is to endeavour to arrange for closer co-operation between the Temporary Mixed Commission and the Permanent Advisory Commission with a view to preventing any overlapping.

*Traffic in Arms.*—Owing to the attitude of the United States of America, which has declined to adhere to the Convention of St. Germain, it has been found impossible to make any progress with regard to this matter, as most of the principal Powers made their adhesion to the convention conditional upon the adhesion of all the principal Powers. A resolution was therefore adopted by the No. 3 Committee, and confirmed by the Assembly, that the United States Government should be invited to co-operate with the Temporary Mixed Commission in drawing up a new convention, or conventions, on this subject.

*Chemical Warfare.*—This subject is still being considered by a special sub-committee, which has not yet been able to make a report, and will continue its labours during the coming year.

#### COMMITTEE No. 4.—BUDGET AND FINANCE.

The main questions dealt with by this committee were—

The consideration of audited accounts for fourth fiscal period (1922).

Budget for 1924, including Budgets of International Labour Office and Permanent Court of International Justice.

Consideration of reports of Supervisory Commission concerning (a) cost of living in Geneva, (b) pensions scheme.

Question of allocation of expenses among the members.

Question of overdue contributions.

Question of erection of new building to act as Conference Hall.

As in previous years, I took special interest in the work of this committee, attending every meeting of the main committee, as well as acting as Chairman of the sub-committee dealing with cost of living and pensions.

I am glad to say that each year has shown a marked improvement over the previous one with regard to the manner in which the accounts and Budget details have been set out, and also with regard to the improved arrangements for ensuring the economical working of the League, and I feel that a great deal has been accomplished during the last four years in putting the financial working of the League on a sound basis. The general report of the Fourth Committee will be found in Document A. 100.

*Supervisory Commission.*—As I mentioned in last year's report, one of the most effective steps taken to secure economy has been the appointment of the Supervisory Commission, and the proceedings this year have further emphasized how useful this step has been. The three documents (A. 2, A. 14, and A. 43) embodying the results of the four sessions of the Supervisory Commission held since the previous Assembly demonstrate this very clearly. A further improvement in this respect was brought about this year by the adoption of a proposal by the British delegate that the Supervisory Commission should hold a meeting during each Assembly to examine all additions and amendments to the Budget, and that all supplementary credits or proposals involving new expenditure made during the Assembly should be considered by the Supervisory Commission before being adopted. As a matter of fact, the Supervisory Commission was in almost continuous session during the greater part of the present Assembly.

*Sub-committees.*—The committee decided to set up four sub-committees to deal with the following questions: Overdue contributions; new Conference Hall; allocation of expenses; cost of living and pensions.

*Audited Accounts, 1922.*—The audited accounts for the fourth fiscal period (1922) will be found in Document A. 5. The auditor's report in connection with these accounts forms the second portion of the document.

*Budget.*—Each item of the Budget was subjected to close scrutiny, but I would only mention one or two points which may be of special interest.

*Entertainment Allowance.*—I drew special attention to the necessity for considering, when the present contracts of the Secretary-General, Deputy Secretary-General, and Under Secretaries-General of the League expire, the possibility of drastically reducing the amounts provided for in the present contracts for "entertainment allowance." The contracts of all the officials mentioned, except the Secretary-General himself, expire early in 1925. I specially mentioned the fact that the entertainment allowance of the Secretary-General was greater than the total salary paid to the Prime Minister of New Zealand.

*Mandates Commission.*—I proposed a reduction of 29,035 gold francs in the vote for this Commission, but my motion was lost.

*Intellectual Co-operation.*—I supported Sir H. Strakosch in his endeavour to obtain a reduction in this vote, but we were unsuccessful. To my mind, the League is not justified in spending money on this Commission, but many of the European and South American delegates appear to attach great importance to it.

*Greek Refugees.*—Although I had deemed it necessary to vote against the increase in the credit for Russian refugee work asked for by Dr. Nansen, I was glad to be able to support a motion for granting a credit of 50,000 francs to be administered by his organization for the benefit of refugees in Greece. This vote was passed on the understanding that it would not be a permanent charge on the League. It is hoped that by next year the refugees, by means of the loan which is being floated for their permanent settlement, will be in a position to maintain themselves.

*General Budget.*—The estimates, as passed by the Fourth Committee for presentation to the Assembly, will be found in Documents A. 4 (2), A. 4 (a) (2), and A. 4 (b) (2). It will be noticed that

the estimated expenditure as shown therein has been reduced by over 1,500,000 francs as compared with the figures shown in the original estimates (Documents A. 4 (1), A. 4 (a), A. 4 (a) (1), and A. 4 (a) (b))—copies of which were sent to New Zealand some months ago. Before being finally considered by No. 4 Committee, the Budget for the Secretariat was referred back to the Supervisory Commission, on the motion of the French delegate, supported by the Secretary-General (Sir E. Drummond), who stated that, since the original estimates were drawn up, altered circumstances had rendered it possible that considerable reductions might be effected in several directions. The estimates as finally adopted were, with scarcely any exceptions, in accordance with the recommendations made by the Supervisory Commission. The total amount of the Budget, as finally passed by the Assembly, is less by nearly 2,500,000 francs than the amount of last year's Budget, despite the fact that provision is made for an increase to the Working Capital Fund of over 2,000,000 francs, while provision for a Provident Fund is made for the first time, involving a sum of over 400,000 francs.

On the 28th September the Assembly passed the Budget, as recommended by the committee, without alteration, although, as mentioned earlier in this report, an endeavour was made in the Assembly to increase the vote for Russian refugee work.

The adoption of the Budget was carried out under new rules of procedure agreed to earlier in the Assembly (*vide* Documents A. 3 and A. 81). These rules require unanimity, thus settling the point raised last year by the Swedish delegate as to the irregularity of the increase in the vote for intellectual co-operation passed by the Third Assembly not unanimously (*vide* my report on the Third Assembly).

*Budget of International Labour Office.*—In introducing the estimates for the International Labour Office the Director (M. A. Thomas) mentioned that the original estimates for the organization for 1924 had been 9,000,000 francs, but that the governing body of the Labour Office had insisted that this amount be materially reduced, and that in consequence very drastic reductions were made, resulting in the dismissal of a considerable number of employees. He did not, however, consider that any further reductions were possible without gravely compromising the activity of the Labour Office.

As in the case of the Budget of the Secretariat, each item was carefully considered, but it was not found possible in this case to make any further reductions.

*Working Capital Fund.*—The necessity for the large amount provided for under this head arises out of the fact that in the early part of 1923, owing to a considerable number of States having failed to forward their contributions, the whole of the Working Capital Fund of the Labour Office became exhausted in meeting current obligations, and it was necessary for that office to borrow from the Working Capital Fund of the Secretariat, which in turn was ultimately exhausted, and it was only possible to carry on by obtaining a loan from a bank. Later in the year a large number of contributions came to hand, so that there is at present a considerable balance of cash in hand; but it was considered absolutely necessary to restore the Working Capital Fund in case the contributions for 1924 were also slow in coming in. The amounts subscribed to this fund remain the property of the States which contributed them, and are repayable, subject to the approval of the Assembly, in the event of a State leaving the League; while the temporary contributions, amounting to 1,635,274 francs out of the total of 2,077,794 francs included in the Budget for 1924, will be repaid, subject to the Assembly so deciding, as soon as the financial position of the League renders this possible, and this depends to a very large extent upon the payment of arrears of contributions.

*New Conference Hall.*—The sub-committee appointed to consider this question reported that in view of the present financial position of the League they did not consider that any large new expenditure would be justified, and recommended that the question should be referred to the next Assembly (*vide* Document A. 89). The property on which it is proposed that the new hall should be erected was a gift to the League from the Canton of Geneva, and adjoins the building used as the offices of the Secretariat. Undoubtedly the present hall used for the Assembly meetings is unsuitable, the acoustic properties and ventilation being very unsatisfactory. In view of the fact that the erection of the new building for the International Labour Office is to be put in hand shortly on another neighbouring property presented to the League by the Swiss Government, it is obviously necessary that further heavy new capital expenditure should not be undertaken at present.

*Unpaid Contributions.*—Full particulars regarding contributions in arrears will be found in Documents A. 49 and A. 110. The sub-committee on this question recommended that a total sum of slightly over 3,000,000 francs should be written off as unrecoverable (*vide* Document A. 90), and this was agreed to by the Assembly. Undoubtedly this was the only businesslike course to adopt, as there was not the slightest prospect of recovering these amounts. In most cases only a portion of the arrears due by a State has been written off, on the understanding that the balance of the arrears will be paid at an early date. The only State which has, up to the present, paid nothing at all towards the expenses of the League is the Argentine. The position regarding this State is very unsatisfactory. It has not been represented at any Assembly since its delegates made their dramatic withdrawal from the First Assembly. It was stated in the Fourth Committee that the Argentine Senate was at present considering the question of payment of at least a portion of the overdue contributions. If any of these are paid, it was agreed that the amount so received should be utilized to decrease retroactively the contributions of States which in 1922 and 1923 paid higher contributions owing to the fact that Argentine had not been included in fixing the scale of contributions.

*Allocation of Expenditure.*—The report of the Committee on Allocation, which had been considering the matter during the year (A. 23), indicates the difficulty and complexity of the subject. The recommendations of the sub-committee will be found in Document A. 118. You will notice that they recommend that the provisional scale adopted by the Third Assembly be maintained for another year, and that no modifications should be made therein except in cases of absolute necessity. This recommendation was adopted by the Assembly. Owing to the admission of the Irish Free

State and Abyssinia, five additional units have become available. The allocation of the Irish Free State was fixed at ten units, but of these seven will come off the allocation of Great Britain. Abyssinia is to pay two units. The sub-committee recommended that the units thus made available should be used to lessen the contributions payable by Roumania and Greece, on account of exceptional hardships entailed on them by the present rate of contribution. The Assembly, however, decided that the question of the distribution of the five units available owing to the admission of new States be left to the Allocation Committee, which will continue its investigations during the current year.

The ratification of Spain is the only one now required to bring into force the amendment to Article 6, thus enabling the Assembly to fix its own basis of contribution. It is anticipated that this State will ratify very shortly, so that next year the Assembly should be able to deal fully with this matter. The necessity for unanimity with regard to the acceptance of any scale which may be decided upon as a result of the labours of the Allocation Committee is liable to create some difficulty, but this appears to be unavoidable.

I would draw attention to the position regarding Persia mentioned in the sub-committee's report. This State declares that it will only contribute a certain fixed sum decided upon by itself. This, of course, is a quite inadmissible claim.

In recognition of the great financial difficulties which are bound to arise out of the recent catastrophe in Japan, the Assembly unanimously agreed to reduce by twelve units the contributions payable by Japan during the ensuing year. This will result in a slight increase in the amount to be paid by all the other States.

The statements made before the sub-committee by representatives of various States with a view to obtaining a decrease in their allocation indicate the bad financial condition of many of the States, but the sub-committee refused to consider any variation in the provisional scale, as if this were done in one case it would have opened the flood-gate to a whole shoal of applications from other States and reopened the whole subject.

*Financial Regulations.*—A number of amendments to the financial regulations adopted by the Third Assembly were recommended by the Supervisory Commission and agreed to by the Fourth Committee and the Assembly, with slight alterations in some cases (see Annex 2 to Document A. 100). One of the most important was with regard to the acceptance of gifts, the effect of which is that the approval of the Assembly must first be obtained before any gift can be accepted which may involve immediate or ultimate financial liability for members of the League. Another important addition to the regulations was one defining the right of the Assembly to liberate the whole or any portion of the Working Capital Fund for repayment to members in proportion to the payments made by them to the fund.

*Cost of Living.*—The documents relative to this subject are A. 24, A. 24 (a), and A. 121. The sub-committee dealing with this subject went very thoroughly into the question, and examined a number of sets of statistics compiled by different organizations. As they were not all compiled upon the same basis, a great deal of care had to be exercised in drawing conclusions from them. It was, however, pretty definitely established that, taking the figure 100 as representing the pre-war cost of living in Geneva, the average figure for the last six months of 1921 (approved by the Second Assembly as constituting a basic period) was 190·77, and the average figure for the twelve months ended the 31st July, 1923, was 164·21. It therefore appeared to me beyond doubt that a reduction of 29·26 per cent. of the variable portion of the salary was justified by the fall in the cost of living. A majority of the sub-committee, however, considered that the wording of the resolution of the Second Assembly bound them to take the cost of living in 1921 (*i.e.*, pre-war cost *plus increase in cost of living*) as equivalent to the index figure 100, with the result that a fall in the cost of living to pre-war level would result in a fall in the index number to 52·42 only. The net result of this was to lead them to recommend that the reduction in the variable portion of the salary should be only 13 per cent. instead of 29·26 per cent. I attach, as Appendix I, a letter I addressed to the Chairman of the No. 4 Committee pointing out the reasons which led me to believe that the method adopted by the sub-committee entirely failed to carry out the intentions of the expert committee whose recommendations were accepted by the Second Assembly. However, although several of the other members of the sub-committee (notably M. Reveillaud, the French delegate) admitted the logic of my arguments, I failed to carry my point either in the sub-committee or in the main committee. I deem it my duty, however, to bring the matter specially to your notice, as there is not the slightest doubt in my mind that the result is to saddle the Budget of the League indefinitely (unless the arrangement is altered at a later date, which would hardly be possible now) with a larger sum on account of salaries than the circumstances justify.

As a result of my pointing out that it would be hardly reasonable to expect the junior members of the staff to be satisfied with a reduced salary on account of the reduction in the cost of living if the salaries of the higher-paid officials remained unaltered, Sir Eric Drummond, M. Thomas, and the other higher-paid officials in the League whose contracts did not provide that any portion of their salary should be affected by the cost of living agreed to consider 10 per cent. of their salaries as variable. I considered that the amount should have been 20 per cent.; but, as the officials concerned were under no legal obligation to consent to any reduction at all, the result obtained must be considered as fairly satisfactory.

In No. 4 Committee a proposal was moved by the Italian delegate, and adopted by twenty votes to sixteen, fixing the variable portion of the salary at 20 per cent. in all cases (except, of course, the officials referred to in the preceding paragraph), whereas the sub-committee had recommended that it should range from 20 per cent. in the case of the higher officials to 38 per cent. in the case of those receiving salaries of 7,000 francs per annum. I pointed out in vain that this would be absolutely contrary to the procedure adopted in the British Civil Service (on which basis the salaries of the League

officials were originally fixed), and that it ignored altogether the fact that the increases granted to the lower-paid officials on account of the high cost of living were at a far higher rate than in the case of the highly paid ones, and that instead of being a democratic proposal, as claimed by the mover, it was the very opposite, and that in the event of the cost of living in Geneva rising instead of falling it would have a very injurious effect upon the lower-paid members of the staff. The immediate result of the proposal, of course, was to still further diminish the reduction which will be made in the salaries of the staff as from the 1st January next on account of the fall in the cost of living.

With a view to rectifying this matter I moved the following amendment during the sitting of the Assembly on the morning of the 28th September:—

“That the Assembly, having considered very carefully the proposals of the Supervisory Commission as regards a modification of the percentage of the variable portion, and after examining the documents placed at its disposal, decides that the fixed and variable portion of the salaries should be established as follows:—

Salaries. Francs.	Variable Percentage.	Variable Portion. Francs.	Fixed Portion. Francs.
7,000	30·0	2,100	4,900
20,000	22·5	4,400	15,600
40,000	20·0	8,000	32,000

“For salaries above 40,000 francs the fixed portion of the salary should amount to 80 per cent. and the variable portion to 20 per cent. For salaries of 7,000 francs and less of members of the staff not locally engaged, 70 per cent. shall constitute the fixed portion and 30 per cent. the variable portion.”

Owing to a misunderstanding and, I think, wrongful ruling by the President, against which I protested, my amendment, however, was not put before the Assembly.

A further anomalous procedure decided upon by the committee was that in calculating future variations the figure to be taken as the basis should be, not the original variable portion of the salary, but the variable proportion *as reduced by reductions previously adopted*. In this instance, however, I was successful in getting the matter put right when the report of the committee was being considered by the Assembly.

*Rents in Geneva.*—During the investigations of the sub-committee regarding the cost of living in Geneva it was ascertained that, although the cost of living had fallen considerably in most respects, there had been no fall in rents or cost of flats, and that this was principally due to the existence of a ring of house agents who have, under local laws, peculiar powers of controlling rentals. Most of the house property in Geneva is owned by the banks, with whom house agents co-operate in keeping up the rents. At the request of the committee I made a public reference to the matter in the Assembly at its seventeenth sitting. A similar protest with regard to excessive hotel charges which I made at the First Assembly proved immediately effective, and I hope that the same result may follow in this instance.

*Pensions.*—After considering Documents A. 1, A. 1 (a), A. 1 (b), and A. 121, the sub-committee decided to recommend the inauguration of a compulsory contributory provident scheme covering the staff of the International Labour Office and Court of International Justice, as well as the Secretariat, to come into operation from the 1st January, 1924.

#### COMMITTEE No. 5.—SOCIAL AND GENERAL QUESTIONS.

This committee had a large and varied list of subjects allotted to it, viz:—

Traffic in women and children.

Report on work in connection with protection of women and children in the Near East.

Traffic in opium and dangerous drugs.

Intellectual co-operation.

Validity in all States of certain secondary-education diplomas and the establishment of an international university.

Refugee question.

There is very little need for me to say much regarding the subjects dealt with by this committee, as nothing of special interest to New Zealand arises out of any of them.

*Traffic in Women and Children.*—The documents regarding this subject are A. 36 and A. 75. The basis of the committee's discussions was the report of the Advisory Committee on this subject, and the resolution of the Council regarding the same (*vide* Document A. 36). The recommendations of the Advisory Committee included one that “pending the abolition of the system of State regulation [of vice], no foreign woman should be employed or carry on her profession as a prostitute in any licensed house.” It was round this recommendation that most of the discussions centred. The French delegate had strongly opposed it in the Advisory Committee on the ground that it was a matter of purely domestic concern and not an international matter. The Advisory Committee, however, considered that it had a very direct bearing on the question of traffic in women and children, which is an international matter. The matter was fought out again by the French delegate in the Council, and, as a result, the Council, while endorsing the recommendations of the Advisory Committee on other points, only forwarded the resolution on this subject to States “for information.” A number of enthusiastic reformers in No. 5 Committee endeavoured to secure, in the resolutions to be adopted by the Assembly, stronger support for the recommendation of the Advisory Committee on this point, but, as will be seen from Document A. 75, the French delegates were ultimately successful in carrying their point.

*Protection of Women and Children in the Near East.*—Documents A. 69 and A. 103 give particulars of the good work on behalf of women and children refugees carried on in Constantinople and Aleppo under the auspices of the League of Nations. When the credit for this work was considered by No. 4 Committee it was decided that the amount granted this year for work during the first nine months of 1924 should terminate the assistance granted from League funds for this work. After that date it will have to be supported entirely by private philanthropy.

*Opium and Dangerous Drugs.*—The recommendations of the committee with regard to opium, &c., will be found in Document A. 101. It was decided that two conferences should be held during 1924, the first one composed of representatives of Far Eastern countries, and of countries having territories in the Far East, to consider the possibility of reduction in the amount of raw opium still permitted to be prepared for purposes of smoking, and a second, of a more general character, to follow immediately after the conference just referred to, in order to consider the question of limitation of manufacture of dangerous drugs. A notable feature of the meetings of the committee was the participation of representatives of the United States of America, which country is apparently desirous of actively assisting the work of the League in regard to suppression of opium and control of dangerous drugs.

Progress in regard to this question appears to be steady, if somewhat slow, but it is being retarded by the failure of certain countries (notably Switzerland and Persia, which are of considerable importance in this connection) to ratify the Opium Convention, while a considerable number of States have not yet introduced the import-certificate system. Full details will be found in the report of the Advisory Commission (Document A. 13).

*Refugees.*—Document A. 30. Dr. Nansen's report on the work during the past year of his organization for relief of refugees gives very full details of the splendid work accomplished in this connection, and it is sincerely to be hoped that he does not carry out his threat to refuse to take any further responsibility for the work, owing to the smallness of the credit which the Assembly considered it possible to vote him for its continuance. The Fifth Committee's report on the work of the High Commissioner is contained in Document A. 107.

*Intellectual Co-operation.*—Documents A. 31, A. 66, and A. 102. This subject occupied the committee for the greater part of eight sessions, but I do not consider it of sufficient practical importance to merit any lengthy mention here. A glance through the terms of the eight resolutions proposed by the committee and adopted by the Assembly (*vide* Document A. 102) will sufficiently indicate what a variety of subjects the Committee of Intellectual Co-operation has now interested itself in—most of them, in my opinion, subjects quite outside the proper sphere of the League. Acting under my instructions, Mr. Burdekin urged at one of the meetings of the committee the undesirability of attempting to deal with such a large number of miscellaneous subjects, almost all involving the League in a certain amount of expense, but few of the delegates took this view.

Several stormy incidents marked the discussion on this subject, particularly arising out of the jealousy of nations not represented on the Committee of Intellectual Co-operation set up by the Council in accordance with the resolutions of the Second Assembly.

The Resolution No. 1 put forward by the committee and accepted by the Assembly represents an endeavour to conciliate those nations which seem to feel a particular grievance on account of their national culture not being represented on the committee.

*Validity in all Countries of Secondary-education Diplomas; Establishment of International University, &c.*—Documents A. 34 and A. 96 give particulars of proposals of the Spanish Government regarding these matters. I do not think that the League should attempt to deal with such questions.

*Protection of Scientific Ideas.*—Full details of Senator Ruffini's scheme (referred to in Resolution 6—Document A. 102) will be found in Document A. 38. In the committee, and also in the Assembly, the Swedish delegate endeavoured to amend the wording of the resolution on this subject in order to confine the Assembly's action to "noting with interest" instead of "approving the principle of" this scheme. Unfortunately, this eminently sensible suggestion was not adopted.

*Relief of Peoples overtaken by Disaster.*—Particulars of this ambitious and decidedly novel insurance scheme will be found in Document A. 67. I hardly imagine there is much likelihood of its general acceptance, at any rate in the immediate future.

*Travelling Facilities for Boy Scouts, Girl Guides, &c.*—Document A. 122. A harmless but unimportant matter.

#### COMMITTEE No. 6.—POLITICAL QUESTIONS.

This committee considered the following questions: Admission of new States; slavery; Polish-Lithuanian dispute; protection of minorities; Eastern Carelia.

*Admission of New States.*—As already mentioned, the applications of the only two States which asked for admission this year—the Irish Free State and Abyssinia—were both approved. In the case of Abyssinia, however, owing to the existence of slavery in that country, this decision was only arrived at after long discussion and on certain conditions, and remained in some doubt up to the last.

*Slavery.*—Documents A. 18 and A. 117. As this is not a matter of direct interest to New Zealand, and as no very definite conclusions were arrived at, I will refrain from any comment.

*Polish-Lithuanian Dispute.*—Documents A. 7 and A. 138. As will be seen from the latter document it was decided, at the request of the Lithuanian Government itself, to postpone consideration of the question until the Fifth Assembly.

*Protection of Minorities.*—The only point dealt with in the committee in regard to minorities was one of procedure in regard to the circulation to States of copies of any petitions received by the League, together with the remarks thereon of the Government concerned.

I am afraid, however, that the absence of any discussion concerning the treatment of minorities in any particular country cannot be considered as evidence that all States concerned are now satisfactorily carrying out the terms of the Minorities Treaties.

In the case of Bulgaria and Greece, where the treatment of minorities has been a fruitful source of friction, it was announced during the Assembly that the Mixed Commission which has been supervising the carrying-out of the Greek-Bulgarian Emigration Convention has offered its good offices to the two Governments in the application of the Minorities Treaties, and that both States had agreed to accept the assistance thus offered. As the difficulties in connection with minorities are frequently due to mutual suspicion, the help which can be rendered by an impartial body, such as the Mixed Commission, is often extremely valuable.

*Eastern Carelia.*—Document A. 88 gives in summarized form the position regarding this subject. The Finnish Government recognizes the impossibility of the League accomplishing anything practical at present in this connection, but desires to maintain its right to reopen the matter should altered circumstances hold out any prospect of pressure being brought to bear on Soviet Russia to fulfil its obligations under the Treaty of Dorpat.

#### MEETINGS OF BRITISH EMPIRE DELEGATIONS.

Several meetings of the representatives of Great Britain and the various Dominions were held during the course of the Assembly, as in previous years, although on this occasion the meetings were not quite so numerous as usual. One subject of considerable difficulty considered at these meetings arose out of the understanding last year that India's objection to the proportion of the expenses of the League allocated to her under the provisional arrangement adopted at the last Assembly would be met by assistance being rendered by Great Britain and the other Dominions, if necessary, in the proportions mentioned in my report on the Third Assembly. The Indian delegates drew attention to the fact that when they had endeavoured to arrange a discussion between the representatives of the six Governments concerned, in order to settle the details of the assistance to be given to India, they were met by the refusal of the British Treasury to enter on such a discussion except on the preliminary understanding that in no conceivable circumstances could the British Government increase its share of the total Empire liability beyond the 95 units for which, apart from Lord Balfour's undertaking, it would, in any case, have been separately liable. Ultimately Lord Robert Cecil, as principal British delegate, stated that the Treasury had agreed to the matter being considered by the Imperial Conference, and on this specific understanding the Indian delegates allowed the matter to drop for the time being.

#### DOCUMENTS.

For convenience of reference, the Assembly documents referred to in this report are arranged in numerical order. The text of all the resolutions adopted by the Assembly will be found in Special Supplement No. 11 to the *Official Journal* for October, enclosed. Complete sets of verbatim reports of Assembly meetings and of the *Official Journal* are also included with the documents forwarded.

#### CONCLUDING REMARKS.

I have referred fairly fully to the Italian-Greek trouble in this report, and have only to add that the prestige of the League of Nations was undoubtedly damaged by the precipitate and unjustifiable action of the Italians.

The report of the President of the Council contained the following paragraph:—

“The members of the Council being in agreement that any dispute between members of the League likely to lead to a rupture is within the sphere of action of the League, and that if such dispute cannot be settled by diplomacy, arbitration, or judicial settlement, it is the duty of the Council to deal with it in accordance with the terms of Article 15 of the Covenant.”

The concurrence of the Italian delegate on the Council in this resolution may do something to rehabilitate the League, but there still remains the one great defect in a League of Nations organization whilst the United States of America, Germany, and Russia remain outside the fold.

There are two other questions to which it seems necessary for me to allude—firstly, the propaganda work done inside the League by individual nations, and sometimes by groups thereof, for their own particular interest; and, secondly, the financial situation. On the latter point I have submitted to you my opinion in previous reports, and it remains for me to say that, in my judgment, the expenditure for highly paid officials and for the staff generally as arranged at this Assembly is more than can be justified by comparison with the British staff, which, being the highest-paid staff amongst the various nations, was taken as the basis in fixing the salaries of the members of the League's staff.

I have, &c.,

The Hon. the Acting Prime Minister, Wellington, New Zealand.

J. ALLEN.



## APPENDIX.

To the Chairman, No. 4 Committee.

My colleagues on No. D Sub-committee have adopted a method of fixing the index for the base period in 1921, and of calculating the fall in the cost of living, with which I cannot agree. They have based their conclusion, in adopting 100 as the index for 1921, on the No. 2 Assembly Report, C. 424, M. 305, page 27. It is difficult to conceive what was meant by the Assembly, but one thing is clear—namely, that the Expert Committee which reported in 1921 intended that the variable portion of the salary should disappear altogether when the cost of living fell to the pre-war standard. As evidence of this, I quote from the records of the Fourth Committee during the meeting of the Second Assembly, page 25 :—

“ Sir George Perley (Canada) inquired whether, if the cost of living in Geneva again sank to its pre-war level, the whole of this variable portion of the salaries of officials would disappear.

“ Colonel Johnson replied that, in this improbable event, the answer was in the affirmative.”

The method adopted by my colleagues on No. D Sub-committee will not achieve this end: on the contrary, there will be left, when the cost of living falls to pre-war standard, 52·42 per cent. of the variable portion of the salary untouched; in other words, there will be added to the fixed salary 52·42 per cent. of the variable portion. This, as I have indicated, was not the intention of the Expert Committee.

I informed the sub-committee that if it could be proved that the salaries of the League were too low it would be better to increase the ratio of the fixed to variable portion rather than to achieve this by indirect means: indeed, during the discussion I pressed for a higher rate for the lower-paid staff than that suggested by the Expert Committee, which had suggested 55 per cent. for a salary of 7,000 Swiss francs. In consequence of this the sub-committee did increase the fixed salary to 62 per cent. for those receiving 7,000 Swiss francs, and I would have gone to 65 per cent., but the sub-committee did not see their way to agree to this. Before leaving this point may I remind the committee of the basis on which the Expert Committee determined the salaries in 1921. They took the British Civil Service pay, as being the highest in the world. To this they added for the lower-paid staff 50 per cent. for expatriation and 20 per cent. for cost of living. A specific instance is recorded in the reports of the No. 4 Committee in 1921, page 25 :—

“ An official whose salary in London was £200 per annum would receive in Geneva 50 per cent. increase for expatriation. He would then receive, in respect of the cost of living, 20 per cent. of his original salary. His salary in Geneva would thus be £340 per annum.”

I have recently made personal inquiries, and find that the increases proposed by the Expert Committee were not ungenerous.

Referring again to page 27 of the Second Assembly Report, C. 424, M. 305, there will be found the following :—

“ It will be the task of the Salaries Adjustment Committee to compare the cost of living in Geneva at various times.”

This has been done by the Salaries Adjustment Committee and No. D Sub-committee, and the result for the four items food, fuel, rent, domestics, weighted as No. D. Sub-committee recommends, may fairly be stated for—

1914	..	..	..	..	..	..	..	..	100·00
1921 (average, July to December)	..	..	..	..	..	..	..	..	190·77
1923 (average for year to 31st July)	..	..	..	..	..	..	..	..	164·21

The reduction in the cost of living from the base in 1921 to 1923 would, on this basis, be 26·56 points—*i.e.*,  $\frac{26\cdot56}{90\cdot77}$ , or 29·26 per cent. of the variable portion of the salary, instead of 13·29 per cent. as recommended by my colleagues.

It will be realized that the reduction in variable portion of salary as determined by my method (which I believe is admitted to be logical by most of my colleagues) is not unfair as compared with reductions made in the salaries of officials in Great Britain for an approximately similar period, when it is known that from September, 1921, to March, 1923, British bonuses for extra cost of living were reduced by 38 per cent. I summarize these figures :—

British bonus reduced	..	..	..	..	..	..	..	..	Per Cent.
My proposal for reduction in variable portion of League salaries	..	..	..	..	..	..	..	..	38·00
No. D Sub-committee's proposal for reduction in variable portion of League salaries	..	..	..	..	..	..	..	..	29·26
	..	..	..	..	..	..	..	..	13·20

The only remark I wish to add is that I fear this will arouse unfavourable comment when the facts become known to the public, and to remind the committee that there has been adverse criticism already with regard to the remuneration of the staff of the League.

NOTE.—Copies of the documents referred to in the foregoing reports have been placed in the General Assembly Library for convenience of reference.

*Approximate Cost of Paper.*—Preparation, not given; printing (680 copies), £55.

By Authority: W. A. G. SKINNER, Government Printer, Wellington.—1924.

