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"The Assembly endorses and would recall the principles concerning the staff of the Secretariat contained in the report which Lord Balfour submitted to the Council in agreement with a memorandum drawn up by the Secretary-General, and which was adopted by the Council on the 19th May, 1920. In the words of this report, the Secretary-General, in making appointments to posts on the Secretariat, 'had primarily to secure the best available men and women for the particular duties which had to be performed. But in doing so it was necessary to have regard to the great importance of selecting officials from various nations. Evidently no one nation or group of nations ought to have a monopoly in providing the material for this international institution.' Lord Balfour emphasized the word 'international' because the members of the Secretariat, once appointed, are no longer the servants of the country of which they are citizens, but become for the time being servants only of the League Their duties are not national, but international.

"The Assembly believes that the observance of these principles constitutes an essential

factor in the confidence which the members of the League of Nations repose in the Secretariat. "The Assembly relies on the Secretary-General and on the Council, which in virtue of Article 6 of the Covenant is responsible for approving the nominations made by the Secretary-

General, to uphold in their entirety the principles stated above.

"The Assembly requests the Council to submit to the members of the League of Nations in good time before the tenth ordinary session of the Assembly a list of the appointments, promotions, and resignations of officials of the rank of members of section and above that

have taken place since this Assembly, and of the salaries allotted in each case.'

The Budget of the International Labour Office is always closely examined and severely pruned before it is submitted to the Fourth Committee, since, before it is considered by the Supervisory Commission, it undergoes close scrutiny by the governing body of the organization. most of the delegates on the Fourth Committee indicates that, in their view, it is unnecessary to press strongly for reductions. This year there were long discussions on two points. In 1929 there will be two Conferences—the Annual Labour Conference and a Maritime Conference. Budgeting was for non-consecutive Conferences, but the British delegate contended that no difficulty would arise if they were held consecutively, and, moreover, a saving of money would thus be effected. He did not put forward a formal motion, but asked the Director to make a beau geste in the interests of economy. The only result of a long debate was the passing of a resolution recommending that if in the future the International Labour Organization decided to hold two Conferences in the course of the same year the dates might, for reasons of economy, be so chosen that these Conferences might take place consecutively.

The other point at issue was the question of the creation of seventeen new posts, involving an expenditure in 1929 of nearly 220,000 francs. A motion to omit the item, and another to reduce it by 150,000 francs, were heavily defeated, but a third motion to refuse the creation of the most important of the posts (Chief of Division), although lost, received strong support. Many of the delegates had an uneasy feeling that these new creations had a political significance, especially as it came to light in the course of the debate that nationals of some of the countries members of the organization were not on the staff. It was also suspected that one of the proposed posts was the result of pressure which had been brought to bear on the Director. It is, however, due to the Director to say that he made an effective reply to criticism, and that it is learned from an independent source that in one section at least a good deal of work which Governments have requested the organization to perform

The Budget of the Permanent Court of International Justice was passed without comment.

New work approved by the other committees involved supplementary credits, of which one (to meet the cost of the proposed Commission to the Far East to consider the situation as regards prepared opium) was the subject of a long discussion. Eventually the question was referred to a sub-committee, whose recommendation to inscribe 100,000 francs on the Budget was ultimately accepted.

As the Secretariat feels that it cannot cope with two Conferences of the magnitude of a Disarmament Conference and a Conference on the Codification of International Law in one year, there will be a paper saving, the Fourth Committee having passed a resolution to the effect that only if the Disarmament Conference is not held in 1929 will the other Conference be called. For the Codification Conference 208,500 francs will be required, the Dutch Government having generously offered, subject to parliamentary approval, to make itself responsible for the amount (up to a maximum of 128,500 francs) by which the expenses will exceed the former sum should the Conference be held at The Hague, as is contemplated.

The salaries of the staff have hitherto been variable, depending on fluctuations in the cost of The Fourth Committee passed a resolution recommending the Assembly to stabilize the salaries of officials of the Secretariat and the International Labour Office at the nominal rates adopted in 1921, and the salaries of the officials of the Permanent Court of International Justice at the nominal rates of 1922, provided that the proposal is accepted by the officials before the 1st January, 1929. In the event of the proposal being rejected by the staff the variable salaries, with some modifications, will remain in force. Should the proposal be accepted, an addition to the Budget of 288,681 francs would

Although the supplementary credits total no less a sum than 562,736 francs, considerable savings, amounting to 405,700 francs, were effected by deferring certain work and making readjustments on The net increase amounts to 157,036 francs, and the total of the Budget as passed by the Assembly is 27,026,280 francs. Exchanged into sterling this represents a sum of about £1,074,600.

On items on which there was a saving comment need be made on one only. One delegate contended that a saving could be effected if the League discontinued the purchase of the annual reports of the Mandatory Powers. As he pressed the point, the Fourth Committee reduced the vote of the Mandates Section by 100 francs, to mark its desire that the Mandatory Powers should increase the number of free copies supplied. It is for the Governments concerned to say whether they will make a