

(3.) The Secretary of State shall have all such powers as may be necessary for carrying out his obligations under any scheme made in pursuance of this Act :

Provided that —

(a.) The Secretary of State shall not agree to any scheme without the consent of the Treasury, who shall be satisfied that the contributions of the Government or organization with whom the scheme is agreed towards the expenses of the scheme bear a proper relation to the contribution of the Secretary of State ; and

(b.) The contribution of the Secretary of State shall not in any case exceed half the expenses of the scheme ; and

(c.) The liability of the Secretary of State to make contributions under the scheme shall not extend beyond a period of fifteen years after the passing of this Act.

(4.) Any expenses of the Secretary of State under this Act shall be paid out of moneys provided by Parliament :

Provided that the aggregate amount expended by the Secretary of State under any scheme or schemes under this Act shall not exceed one million five hundred thousand pounds in the financial year current at the date of the passing of this Act, or three million pounds in any subsequent financial year.

Short Title.

2. This Act may be cited as the Empire Settlement Act, 1922.

No. 12.

New Zealand, No. 76.

MY LORD, —

Downing Street, 21st April, 1922.

With reference to my despatch, No. 126, of the 30th June, 1921, I have the honour to transmit to Your Excellency, for the information of your Ministers, a copy of the reply [21st March, 1922] sent on behalf of His Majesty's Government to the circular letter from the Secretary-General of the League of Nations of the 17th January, on the subject of the limitation of expenditure on armaments during the next two financial years.

I have, &c.,

WINSTON S. CHURCHILL.

Governor-General His Excellency the Right Hon.

Viscount Jellicoe, G.C.B., O.M., G.C.V.O., &c.

Enclosure.

SIR, —

21st March, 1922.

His Majesty's Government have received, and had under consideration, your letter of 17th January (C.L. 3, 1922), calling their attention by direction of the Council of the League, to the recommendation adopted by the Second Assembly on 1st October, 1921, on the subject of the limitation of expenditure on naval, military, and air forces during the next two financial years.

2. I am happy to be able to inform you that the further economies foreshadowed in the reply of His Majesty's Government dated the 2nd June, 1921, to the similar recommendation of the First Assembly have proved capable of realization, and the forthcoming estimates to be presented to Parliament of their national expenditure on armaments will demonstrate the very considerable reductions in all directions provided for during the next financial year.

3. As pointed out in the letter of the 2nd June, 1921, above mentioned, the policy of His Majesty's Government on the question must be liable to reconsideration if the recommendation of the Second Assembly is not adopted by other Powers.

I have, &c.,

H. A. L. FISHER.

The Secretary-General, League of Nations, Geneva.

No. 13.

New Zealand, No. 78.

MY LORD, —

Downing Street, 27th April, 1922.

I have the honour to acknowledge the receipt of Your Excellency's despatch, No. 60, of the 4th March, and to request you to convey to your Ministers an expression of His Majesty's Government's appreciation of the action which they propose to take to facilitate the work in New Zealand of the mission which is visiting the self-governing Dominions in connection with the forthcoming British Empire Exhibition.

I have, &c.,

WINSTON S. CHURCHILL.

Governor-General His Excellency the Right Hon.

Viscount Jellicoe, G.C.B., O.M., G.C.V.O., &c.