

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