

During the discussion which preceded the examination of the items there were many protests, which I am informed are made every year. With one of these I am in complete sympathy, if only on the grounds of economy—i.e., the protest against holding Conferences convened under the auspices of the League in cities other than Geneva.

The supplementary credits, as modified by the Supervisory Commission, were passed by the Fourth Committee, and the considerable addition to the Budget entailed by the committee's action was also voted. The Budget for 1931, as it emerged from the Fourth Committee, shows a grand total of 31,637,501 francs for the Secretariat, the International Labour Office, and the Permanent Court of International Justice. This figure, compared with that of 28,210,248 francs for the current year, shows an enormous increase.

I draw your attention to Document A. 55, relating to the construction of the new Assembly Hall, Secretariat, and Library, which was before the Fourth Committee.

The report of the Fourth Committee (Document A. 84) was passed by the Assembly on the 3rd October.

#### CONTRIBUTIONS IN ARREARS.

In addition to arrears, small in amount, of current year's contributions, six States owe the League more than 11,000,000 francs, and, unfortunately, arrears are increasing.

The sub-committee which examined the question believes in following a policy of patience in regard to countries suffering from temporary political instability and economic depression.

#### SECRETARIAT.

It will be recollected that for some time past there has been doubt whether the international spirit which was said to permeate the members of the Secretariat in the early years of the League was being maintained. These doubts became vocal in 1928, and last year, by resolution of the Assembly, a committee of thirteen persons was appointed to "examine what steps could be taken to ensure in the future, as in the past, the best possible administrative results." The committee held two sessions, and the results of its labours are embodied in several documents bearing the number A. 16. (See also Document A. 23.) It will be observed that on some points the committee did not reach unanimity, and that on these points the views of the minority are given in a separate report.

The Fourth Committee approved, after some discussion, Chapter 1 (dealing with the "General Obligations of the Staff") of the report of the Committee of Thirteen, on the understanding that there should be inserted in the Staff Regulations an article requiring all officials entering the service of the League in future, to make the following written declaration: "I solemnly undertake to exercise, in conformity with Article 1 of the Regulations, in all loyalty, discretion, and conscience, the functions which have been entrusted to me as an official of the Secretariat of the League of Nations."

The Fourth Committee then turned to the subject of "Duration of Engagements" (Chapter 2). There was a long discussion, but ultimately the committee approved the proposals contained in the majority report regarding both permanent and temporary appointments, age-limit, terminations of appointment, and voluntary resignation.

When Chapter 3 ("Principal Officers of the Secretariat") came up for consideration it was deemed advisable to take first the proposal, contained in the minority report, that the Under-Secretaries-General should form a select committee, which the Secretary-General would be bound to consult. Sir Eric Drummond, in a few words, condemned the proposal. A vote was taken, and the proposal was negatived.

The Norwegian delegate then proposed the abolition of the posts of Under-Secretaries-General. This proposal eventually emerged in the form of a draft resolution reading as follows:—

"The Assembly decides to constitute a committee to go into the question of the maintenance or the suppression, the increase or the decrease of the posts of Under-Secretary-General together with the consequences following therefrom. The committee will be requested to make a report at latest by 1st May, 1931, in order to leave time enough for its conclusions to be considered by the members of the League and submitted to the next Assembly."

This resolution was carried unanimously.

For some years a Provident Fund has been in existence. It has always been understood that it was but a prelude to a scheme of pensions similar to the schemes in force in the various national services. Part 4 (pages 24-26) of the report of the Committee of Thirteen deals with pensions, and accompanying this was a series of draft regulations (Document A. 25). The Fourth Committee approved the principle of granting pensions, but took exception to some of the conditions, so the draft regulations were remitted to a small sub-committee, with directions to produce a new draft amended in the light of the debate.

Of the various points which were examined I will deal with two only—pensionable emoluments, and the method of applying the scheme to Division II of the locally recruited staff. The rate of remuneration of most grades of officers (with some exceptions which I will deal with later) is probably the highest in the world. It includes a sum (which varies) termed "expatriation allowance." Quite properly, the Committee of Thirteen had recommended the exclusion for pensionable purposes of all emoluments other than salary and the value of the occupation of any residence attached to the post or of allowance in substitution of such residence. Some members of the Fourth Committee felt that the expatriation allowance also should be excluded, and personally I felt such exclusion was justified; but the point was not pressed.