

proposals to be considered, one advocated the abolition of all the posts of Under-Secretary-General, and another the increase in number of these officers from three to five or six? Although the new Committee of Thirteen voted, almost unanimously, against the maintenance of the *status quo*, the net result is actually the maintenance of it with a provision that new or renewed contracts concluded with the Deputy Secretary-General, or the Under-Secretaries-General, should have a maximum duration of three years, and should contain a clause under which they may be denounced within one year from the date on which the Secretary-General officially notifies the Council of his intention to resign. These recommendations, together with others concerning length of office of a future Secretary-General and a future Deputy Secretary-General, salaries of the principal officers and of directors (no increase recommended), indeed all the report (A. 8) down to and including paragraph 20, obtained the approval of the Fourth Committee after a long discussion. A decision on paragraphs 21, 25, and 26, recommending increases of salaries of the Treasurer (an officer of the Secretariat), the Deputy Registrar of the Permanent Court, and of Chiefs of Section was deferred until the Committee had before it the report of the Supervisory Commission on the reduction of the Budget, but not before a vote was taken as to whether a pronouncement should be made at once on the principle involved or not. The size of the majority for deferring the decision was such that it would perhaps have been better for all concerned to have made a definite pronouncement without delay.

Paragraphs 22, 23, and 24 of the report of the Committee of Thirteen relating to the Registrar of the Permanent Court of International Justice were referred to at a subsequent meeting of the Committee. A long and quite unnecessary debate followed regarding the powers of the Assembly in the matter of finance. There is no doubt that the Assembly in the matter of finance has sovereign powers, and of these it is very jealous. Ultimately these paragraphs of the report of the Committee of Thirteen were likewise referred to the Supervisory Commission. When the report of the latter Commission came before the Fourth Committee it was found that the Commission had recommended the postponement of a decision relating to the increase of salaries. This recommendation was accepted by the Fourth Committee which, however, agreed to give the Treasurer the rank of Director, but without an increase of salary in 1932.

The report of the Fourth Committee (Document A. 91) was adopted by the Assembly at its meeting on the 29th September.

COUNSELLORS AND SEPTENNIAL LEAVE.

The suggestion to create eight special posts of Counsellor, promoting members of the Secretariat to fill them, with, of course, an increase of salary, and the further suggestion that officers of the First Division be granted three months' special leave after seven years' service was, on the motion of the Secretary-General, postponed until 1932 (Document A. 15).

PENSIONS.

You will recollect that a pensions scheme was established by the Eleventh Assembly. The first report of the Administrative Board of the Staff Pensions Fund (Document A. 20) was considered by the Fourth Committee on the 22nd September, when the Chairman of the Board, Mr. Rappard, made a brief statement on the operations of the Board. As the option of the present members of the staff to join the fund does not expire till the 31st December, the information given in the report, although interesting, is not of much value from an actuarial point of view. The Board is advised that it should receive an average rate of interest on its investments of $4\frac{1}{4}$ per cent., but apparently there has been difficulty in obtaining sound securities in sufficient quantity to bring in interest at this rate. The Board has been somewhat unfortunate in one of its early investments, since a security maturing shortly and payable in sterling, is likely to show capital depreciation when converted into Swiss francs. A suggestion that the staff of the Institute of Intellectual Co-operation in Paris and that of the Nansen International Office of Refugees be affiliated to the Pensions Fund was mentioned in the Fourth Committee. It remains a suggestion to be studied by the Board of the fund and for decision in the future.

SUPERVISORY COMMISSION: ELECTION OF MEMBERS.

Count Moltke, having resigned membership of the Supervisory Commission, and the term of office of Lord Meston being due to expire, although under the Financial Regulations he was eligible for reappointment, the Fourth Committee elected by secret ballot two members to fill their place. Thirty votes were given to Lord Meston and twenty-nine to Mr. Hambro.

The Assembly confirmed the election (Documents A. 57 and A. 90).

ALLOCATION OF EXPENSES.

As you know, the present scale of allocation is provisional. Normally the question would have been definitely dealt with next year, but the small standing committee which is charged with the study of the question has recommended that the drawing-up of a new scale be deferred until 1934, owing to prevailing economic and financial conditions. The Assembly at its meeting on the 29th September passed a resolution requesting the Council to ask the Allocation Committee not to submit its draft revised scale until the 1934 Assembly, and, at the same time, it accepted a recommendation to fix at fourteen the number of units allocated to Mexico, which country had been recently received into the League (Document A. 92).

CONTRIBUTIONS IN ARREARS.

This year no less than fourteen States were in arrear.