1933.

NEW ZEALAND.

THE LEAGUE OF NATIONS.

REPORT OF THE REPRESENTATIVE OF THE DOMINION OF NEW ZEALAND ON THE THIRTEENTH ASSEMBLY OF THE LEAGUE OF NATIONS, HELD AT GENEVA, IN THE YEAR 1932.

Presented to both Houses of the General Assembly by Command of His Excellency.

THIRTEENTH ASSEMBLY OF THE LEAGUE OF NATIONS.

New Zealand Government Offices, 415 Strand, London W.C. 2, 21st November, 1932.

SIR,-

I have the honour to inform you that the Thirteenth Assembly of the League of Nations was opened in Geneva on Monday, 26th September, by Mr. E. de Valera (principal Delegate of the Irish Free State) in virtue of his occupancy of the Presidential Chair of the Council, then in session.

OPENING OF PROCEEDINGS.

The first meeting was devoted to the appointment of a committee to examine the credentials of the delegates (which committee reported in the course of the meeting), the election of a President, the examination and adoption of the agenda (Document A. 2 (1)), and the appointment of an Agenda Committee to examine new items proposed for inclusion in the agenda during the course of the Assembly.

The Assembly elected His Excellency M. Nicolas Politis, head of the Greek Delegation, as President. M. Politis has been closely associated with the League practically throughout its history, and his knowledge of League procedure and ripe experience in League affairs peculiarly fitted him to hold such high office.

The proceedings followed the normal course. The following five committees were constituted, and I append the name of the Chairman of each:—

First Committee: Legal Questions. Chairman: M. Beelaerts van Blokland (Netherlands). Second Committee: Technical Organizations of the League. Chairman: Mr. C. te Water (South Africa).

Fourth Committee: Organization of the Secretariat and Budget of the League. Chairman: Dr. A. de Vasconcellos (Portugal).

Fifth Committee: Social and Humanitarian Questions. Chairman: Count Carton de Wiart (Belgium).

Sixth Committee: Political Questions. Chairman: Dr. C. L. Lange (Norway).

Committee No. 3 was not constituted. The Disarmament Conference had been adjourned, although the Bureau of that Conference was then in session, and it seemed unnecessary that yet another body of the League should discuss questions affecting disarmament.

The Assembly also elected the following Vice-Presidents:—

(1) Baron Aloisi (Italy)		 	 44	votes.
(2) Sir John Simon (United Kingd	om)	 	 42	,,
(3) M. Herriot (France)		 	 $\dots 42$,,
(4) M. von Neurath (Germany)		 	 42	,,
(5) M. Medina (Nicaragua)		 	 38	,,
(6) M. Nagaoka (Japan)		 	 34	••

The President, the Vice-Presidents, the Chairmen of Committees, and the Chairman of the Agenda Committee constitute the Board which directs the labours of the Assembly, and is known as the Bureau. This year there were two additions to that body, M. Motta, President of the Swiss Federation and principal delegate of Switzerland, and Mr. Paul Hymans, principal delegate of Belgium, they having been elected honorary members of the Bureau.

REPRESENTATION OF NEW ZEALAND.

This year, in deference to the need for greater economy, the New Zealand Delegation consisted only of myself and my personal staff, Mr. C. Knowles and Miss E. M. Hannam. Having been appointed by the Government sole delegate, it seemed advisable that I should nominate myself as the member of each committee, but, at the same time, to appoint Mr. Knowles substitute. It would, however, have been quite impossible to attend every committee meeting, so it was decided that preference should be given to those meetings at which any subject of importance or interest to New Zealand would be discussed.

DEBATE ON ANNUAL REPORT.

The Assembly opened in an atmosphere of pessimism, and I am doubtful whether the speech of Mr. de Valera dispelled it. Some attempts were made to give life to the debate on the annual report, but they cannot be said to have resulted in complete success; indeed, but four sittings were devoted to the debate, in which a number of subjects were touched upon.

There is no doubt that the Assembly was overshadowed by many issues of grave consequence to the world. These issues bore heavily and caused a lassitude which even affected the majority of the optimistic enthusiasts whose speeches have been hitherto a regular feature of the Assembly. Certainly M. Herriot, who is not to be numbered amongst the pessimists, made a speech which was one of the few bright patches in the prevailing gloom, but he was immediately followed by Lord Cecil, whose advocacy of the League does not diminish in strength as the years pass. He made an interesting and thought-provoking speech and summed up in a neat phrase what many were thinking—that the League was "extravagantly doing nothing"—although it is true he did not subscribe to that view. His speech, if not gloomy, showed that he realized the position to which the League has been brought by certain failures. Perhaps it is unfair to the League to forget its many brilliant successes and to dilate on what it has not done when put to the supreme test; and Lord Cecil himself made a distinction between the League as an organ and the Governments which form it.

ELECTION OF THREE NON-PERMANENT MEMBERS OF THE COUNCIL.

Peru, Yugoslavia, and Poland were due to retire as members of the Council and it was desirable to elect their successors as soon as possible. On the 27th September Poland requested that she should be declared re-eligible for membership of the Council, and on the morning of the 3rd October she was declared eligible. On the afternoon of the 3rd October the election took place. Poland received forty-eight votes and Czechoslovakia and Mexico forty-six votes each.

COMMITTEE OF NINETEEN.

The recent elections to the Council having changed its composition, it became necessary to elect to the Committee of Nineteen (which has charge of the Chinese-Japanese dispute) a member not represented on the Council. Turkey was elected a member on the 14th October.

The Assembly rose on Monday, 17th October.

COMMITTEE No. 1.

RATIFICATION OF THE PROTOCOL CONCERNING THE REVISION OF THE STATUTE OF THE PERMANENT COURT OF INTERNATIONAL JUSTICE.

The position has not materially altered since the Twelfth Assembly. Eight States which ratified the Protocol of 1920 setting up the Court have not yet ratified that concerning the revision of the statute, and the revised statute is therefore not yet operative. Document A. 27 sets out the position, and in the course of the debate on the motion by the Rapporteur, M. Pilotti (Document A. 1/3), M. Huber, who himself has been a Judge of the Court, gave it as his opinion that, in the case of a multilateral convention creating a collective body, a protocol for the revision of such convention must be ratified by all the States parties to it. The motion was amended in the light of the debate and was embodied in Document A. 45, which received the assent of the Assembly on the 14th October.

Proposal to amend Articles 4 and 17 of the Rules of Procedure.

This proposal by Norway to amend Articles 4 and 17 of the Rules of Procedure of the Assembly had as its object the avoidance of precipitate decisions and the safeguarding of the resort to normal procedure, which consists in the reference of the subject in question to one of the committees of the Assembly. An amendment providing for not more than ten signatures to a proposal for placing a new question on the agenda of the Assembly, or to a resolution, amendment, or motion, was, according to one speaker in the debate, against parliamentary procedure, which tended to fix a minimum and not a maximum of signatures in such a case; whilst other speakers who endorsed the principle preferred a larger number, and ultimately the Norwegian representative agreed to fifteen signatures. The committee decided to recommend the Assembly to accept the amendment, and this was done at the Assembly's meeting on the 11th October (Document A. 47).

Deletion of Article 12 of the Rules of Procedure.

The proposal to suppress Article 12 of the Rules of Procedure, which provides for the keeping of a list of attendance at each meeting of the Assembly, emanated from the Bureau and was referred to the First Committee. As originally drafted the rule reads as follows:—

"A list of attendance at each meeting of the Assembly shall be kept by the Secretariat, and only those representatives who are listed as in attendance shall be permitted to take part in the voting."

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But the concluding phrase was deleted when the rules were under consideration, and, personally, I think this particular rule has been ineffective in practice, since even a delegate who is most scrupulous in regard to attendance may be momentarily absent from the Assembly when the list is brought to his seat for signature. The Committee agreed to recommend the Assembly to suppress the rule, and the Assembly did so on the 11th October. (Documents A. 1/6 and A. 44.)

NATIONALITY OF WOMEN.

This question has been a source of great trouble to Governments and to their delegates at Geneva. The task of the latter was not lightened by the presence in Geneva of representatives of a number of women's organizations who interviewed and circularized delegates, attended as members of the public meetings of the First Committee, and secured faithful representation of their claims through women members of the committee. Several Assembly papers (numbered A. 15), together with papers A. 23 and A. 33, and a quantity of committee documents, some of which will be referred to specifically later, deal with the question, which, as you know, originated, so far as the League is concerned, in the Conference for the Codification of International Law which sat at the Hague in

March and April, 1930.

Amongst the conventions produced at the Conference was one relating to the conflict of nationality laws, which contains a chapter (III) of four articles relating to the nationality of women. These articles represented the limits to which the Conference as a whole was prepared to go, and embody a provision, the inclusion of which in national laws would remedy what is at present a defect—that is, the loss by a woman of her nationality consequent on marriage with a foreigner when the act of marriage does not automatically confer on her the nationality of her husband. This provision, and certain others which one would have thought would have given satisfaction, was not welcomed by the majority of women's organizations not because it was not of value, but because, in their view, it wrote into international law a differentiation of the sexes. Reassuring statements by many delegates that, whilst the Hague Convention was as far as most Governments could go, the door to greater changes was not shut, had no effect, and to meet the women's claim for equality the Belgian delegate, who admitted that a new attempt at codification, or a revision such as was suggested by the Chilian and Colombian delegates (Document A. 1/4), would meet with no success, suggested that the word "wife" in the four articles mentioned above should be replaced by the word "person" (Document A. 1/8). I doubt whether the question of inequality was seriously considered by those who drafted the convention, which was drafted to settle certain conflicts. I think the Vice-Chairman of the First Committee, M. Limburg, a Dutchman, gave the best possible advice to the women's organizations: that they should direct their efforts to the national field, and when they had succeeded in convincing public opinion in the majority of countries represented at Geneva it would be time to return to Geneva and take up the matter again.

Leaving aside for the moment the international aspects of the question, the matter is of importance to the British Commonwealth of Nations, since it is desirable that no part of the Commonwealth should take action which would result in British citizenship being recognized in one part but not in another. However, the question of the nationality of women of British birth married to foreigners had become a pressing one in Canada, where it is said there are some thousands of women who are married to citizens of the United States and who had lost their nationality without acquiring that of their husbands; and Canada took legislative action after the Imperial Conference of 1930, when

the question was under review.

At the conclusion of a long debate all motions were referred to a sub-committee.

The report of the sub-committee takes account of all points of view to which expression had been given in full committee. It recognizes that, on the whole, Governments are not prepared to call another Conference in order to revise the wording of the articles in question. It points out that the convention represents an improvement in the local status of married women who are victims of the differences between nationality laws, and it stresses the difficulties which even the slight amendment suggested by the Belgian delegate might cause if adopted. The report concludes with a long draft resolution, based on the Canadian delegate's draft, and this, with slight amendments, was adopted by the First Committee and was subsequently passed by the Assembly at its meeting on the 12th October (Document A. 61).

COMMITTEE No. 2.

ORGANIZATION FOR COMMUNICATIONS AND TRANSIT.

The work of this organization is of only general interest to New Zealand, but it is imposed on the League by Article 23 of the Covenant. For information on the subject I refer you to pages 68-71 of Document A. 6, to pages 42-44 of Document A. 6 (a), and to the Rapporteur's report (Document A. 52), which was approved by the Assembly on the 10th October.

The supervisory Commission, when examining the estimates, reduced the credit proposed for the organization, and the Advisory and Technical Committee duly protested (Document A. 11/4).

HEALTH ORGANIZATION.

Doubtless the Health Department and other Departments interested in New Zealand receive the publications of the Health Organization. It is they who are the best judges of the value of the work done, but in the absence of comment I took the view that the organization should continue to receive the support of New Zealand. Owing to the smallness of the delegation it was not possible to devote a great deal of time to the Second Committee, but when the Health estimates were under consideration by the Fourth Committee I took no exception to them. On the whole, the money voted A.—5.

in the past has been well spent, and the fact that the organization has been in receipt of subsidies from outside sources is an indication of the importance which is attached to it. An admirable report on the work of the organization from January, 1931, to September, 1932, has been published (Document A. 28), and to this and to the Rapporteur's report (Document A. 50) I refer you. (See also Documents A. 11/1 and A. 32.)

International Circulation of Films of an Educational Character.

The question of facilitating the circulation of films of an educational character by the abolition of Customs duties came before the Council of the League in 1930. By decision of the Council a draft convention was communciated to States' members in that year. It was fully expected that the subject would be dealt with by an international conference, and I received from you instructions to represent New Zealand if one were called. At the same time you informed the Secretary-General of the League of the Government's general attitude to the question. No conference was called, but in the meantime a committee of experts met to revise the draft convention in the light of observations received from a number of Governments. It was thought advisable to convert the draft into a protocol, and this was referred by the Assembly to the Second Committee (see Document A. 9). The task of examining the draft was entrusted to a small sub-committee, which made considerable changes in the text. The new text came before the Second Committee on the 10th October, when the representative of New Zealand made a statement based on the information furnished by you to the League in October, 1930. He pointed out that the question had assumed a new aspect so recently as July last, and that it had been impossible within so short a time for the New Zealand Government to give the question the further consideration it required. This attitude was reflected in speeches made by other delegates, and, as a result, the committee recommended that a meeting of Government delegates should be convened at a time considered suitable by the Council, and, if possible, when the Assembly is in extraordinary session later in the year. This recommendation was embodied in a resolution which was passed by the Assembly on the 12th October.

There seemed to be general readiness on the part of delegates to accord the principle of the admission free of duty of films of an educational character, with, of course, the necessary safeguards, whether exhibited for profit or not. The draft convention will be found in Document A. 62.

Article II accords exemption from Customs duties and accessory charges, except statistical fees and stamp duties, on educational films as defined in Article I.

Article III provides the machinery for determining whether a film comes within the definition of Article I. I draw your attention to the second paragraph of this article, which states that decision as to whether a film is to be regarded as entitled to exemption from Customs duties rests with the competent national authorities of the importing country, subject, however, to Article IV, which provides machinery for appeal from an adverse decision by the competent national authorities.

Article VI affirms the right of States to censor or prohibit the import and transmission of films, and there are the usual articles regarding signature, ratification, adhesion, denunciation, and exclusion of territories from the operation of the Convention.

ECONOMIC AND FINANCIAL QUESTIONS.

On the general economic and financial position I think it advisable to say nothing at this stage. It is hoped that the general conference on economic and monetary questions will be held in the New Year. The time of meeting, however, is dependent on the rate of progress made by the preparatory committee which has been set up. Although this committee is working within the framework of the League, it has the advantage of American co-operation.

The Second Committee sent to the Assembly a report (Document A. 56) which will give you information on the present position of a number of questions which came under the committee's notice. I refer you particularly to the first section entitled "General observations." Paragraph 2 of this section treats of the abandonment of the gold standard by a number of countries following the example set by the United Kingdom and the consequences of that abandonment. In this connection I refer you to a valuable publication which accompanies this letter (The Report of the Gold Delegation of the Financial Committee), (Document C. 502, M. 243).

The Financial Committee of the League has been occupied lately with the financial difficulties of certain States, particularly in Central Europe. The parlous condition in which some States find themselves has international consequences, sometimes of a grave nature. In at least one instance a general moratorium has been declared owing to the impossibility of obtaining the necessary foreign currency for the service of the interest on debt contracted abroad, and, furthermore, the interest on some of the loans raised under the auspices of the League is in default. The international repercussions of these various troubles justify the League concerning itself in matters which perhaps, at first sight, are of national rather than of international importance; but, apart from this, the fact that the League can command the assistance of experts of international fame causes the smaller countries to have recourse to a growing extent to the League for advice.

The Assembly adopted the draft resolution with which Document A. 56 concludes as its own, and passed it on the 12th October.

COMMITTEE No. 4.

The examination of the estimates and of the other matters submitted to the Fourth Committee was prefaced by a general discussion. Economy is now the order of the day.

The financial position of the League is grave, and one speaker ventured to suggest that the League might easily next year find itself in the position of not being able to pay the salaries of the staff without recourse to a loan.

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What are the circumstances likely to give rise to such a state of affairs? Countries are not paying their current contributions with their wonted alacrity, and it is possible that next year States who have not hitherto figured amongst those in arrears may be placed in that unfavourable position. Non-payment or partial payment of money due abroad is caused by a variety of reasons, including, nowadays, the impossibility of obtaining foreign currency. I invite your attention to Document A. 29 entitled "Financial position, 1931–1932," and particularly to Annex A. The position had slightly improved when the Assembly met. It is hoped that the improvement will be maintained, and that it may be possible to balance the budget at the end of the year, since some countries, like New Zealand, which is shown as owing half a year's contributions (due to the Government's decision to pay in quarterly instalments) will by the 31st December have discharged their current liabilities. When the statement was under discussion the Secretary-General announced that he had been able to effect a saving on the current year's working-expenses of about 4,750,000 francs, and that the League had received 100,000 francs from the United States of America as a contribution towards the expenses of the Disarmament Conference. There had, however, been a deficit of 432,176 francs in 1931. No doubt the extremely unsatisfactory financial situation as regards 1932 is largely due to the depression, but I am sure the officers of the Secretariat and the Committee of Control have been obliged year after year to over-budget in order to make up expected deficiencies in contributions. Arrears, some of which date back ten years, now amount to more than 17,000,000 francs, and this sum does not truly represent the money owing, since in the case of some countries arrears have been compounded and interest is not charged.

We have heard much in previous years of the "malaise" from which the Secretariat is suffering. Such a condition gives no cause for wonderment. The staff largely consists of men and women divorced from their home countries and obliged to speak one or two languages which are not their own; and they are constantly reminded that ability is not necessarily the high road to promotion, since sometimes in the apportionment of posts national as opposed to international considerations have undue weight.

Now, rather more than a year ago there arose a definite demand for the reduction of salaries. National administrations had been forced to economize, many of them in a most drastic manner; it was therefore natural that criticism should be levelled at the Secretariat of the League. But it was uncertain whether the Assembly could reduce salaries. Most of the staff have contracts to which the League, as an employer, is a party; and many delegates took the view that these contracts were of a private nature and could not be broken except by agreement between the parties. Had the Assembly the legal right to break them? The position had to be made clear, and after a lengthy debate the Fourth Committee passed a resolution requesting the President of the First Committee to invite a small number (three to five) of jurists to give a legal opinion at the earliest possible moment as to the power of the Assembly of the League of Nations to reduce the salaries of the officers of the Secretariat. I will not attempt to summarize the discussion (which is reported in the Journal) nor the discussion on a motion by Great Britain, having as its object (1) the reduction by 10 per cent. of the salaries of members of the staff not subject to contract, (2) a small reduction in the case of new contracts, and (3) a scaling-down of salaries in the case of promotions. I felt that this motion should receive my support, but with the qualification that it should not be applied to those officers drawing a salary of 10,000 francs or less. I thought the qualification justified, and I refer you to a speech which I delivered on the 1st October, reported in No. 7 of the Journal, in which I drew attention to the high prices in Geneva, as represented in sterling, of certain commodities. Geneva has been described as the dearest city in Europe. On the cost of living in Geneva and its repercussion on salaries, I would also refer you to the speech by the Chairman of the Committee of Control (see pages 13 and 14 of the Provisional Minutes of the Sixth meeting of the Fourth Committee).

On the 10th October the Fourth Committee received an opinion on the right of the Assembly to reduce the salaries from five members of the First Committee. The opinion, which is unanimous, is that—

"The Assembly does not have the right to reduce the salaries of the officials of the Secretariat, the International Labour Office, and the Registry of the Court unless such a right has been expressly recognized in the contracts of appointment."

Arguments for and against the proposal were carefully weighed, and are contained in Document A. IV/27. The Fourth Committee accepted the opinion as final, and then proceeded to debate further the motion of Great Britain referred to above. This motion, which is based on suggestions made by the Supervisory Commission, was accepted and passed by the Fourth Committee in the following form:—

"The Assembly decides that for a period of two years from 15th October, 1932-

"(1) All future contracts, whether contracts for the retention of the services of officials of the Secretariat, the International Labour Office, or the Registry of the Permanent Court of International Justice whose appointments expire, or contracts with new officials, shall be made on the basis of a 10-per-cent. reduction of the existing salary scales of the categories of officials in question (such reduction applying also to the increments), and shall provide that the Assembly shall be entitled unilaterally to change the salaries fixed thereby:

"(2) Members of the staff of these organizations, on promotion to a higher grade, shall be placed upon rates or scales of salary lower by 10 per cent. than those now payable to the grades in question, except that the initial salary payable after such promotion shall not be less than the salary received prior to promotion:

"(3) It is understood that the above provisions will apply neither to temporary staff engaged on short-term contracts and serving on rates of pay already reduced nor to officials who receive a salary equal to or less than 6,500 francs per annum."

When the estimates were under discussion I moved a number of motions which, if accepted, would undoubtedly have effected a reduction in the estimates for 1933, and a considerable reduction in years to come. These motions included the concentration of the statistical work of various sections in a branch of one section or in a section to be created, and the suppression of the branch offices in London, Paris, Berlin, and Rome. I may here say that my motion for the suppression of branch offices was later extended to cover the European branch offices of the International Labour Organization. I, of course, supported by my vote other motions for economy which I thought would be in the common interest. On the concentration of the statistical personnel there was no debate, but the Secretary-General characterized the suggestion as a valuable one, and said it would be taken into consideration when the rationalization of the Secretariat was being examined. I may here remark that one section of the Secretariat, the Economic and Finance Section, has been rationalized, and with most satisfactory results.

My suggestion for the abolition of the branch offices caused a lengthy discussion, in which a number of delegates took part. Even if my motion had succeeded, the saving next year would probably not have been considerable, since there are in existence contracts not only with the personnel but in respect of premises, &c. The debate had not progressed far before I became aware that my motion had no chance of success, so I had to be content with a promise that the question would be studied by the Supervisory Commission. Reasons for the retention of the offices were given by the Secretary-General.

The estimates as presented to the Fourth Committee for consideration are shown on page 2 of Document A. 4, and the details of the estimates for the three organizations composing the League—the Secretariat, the International Labour Office, and the Permanent Court of International Justice—are given in that document and in Documents A. 4 (a) and A. 4 (b). There were supplementary estimates, particulars of which are shown in Document A. 4 (d). The total estimates amounted to 33,367,148 francs.

The Fourth Committee effected considerable savings, principally on salaries and on the Health Section, but, at the same time, some additions were made, all insignificant with the exception of two items. These are 435,900 francs for the World Economic and Monetary Conference and 45,000 francs in respect of an inquiry on rationalization. The decision to hold the Economic Conference was taken whilst the Assembly was in session. With regard to the inquiry on rationalization, much good has resulted from a limited inquiry into the rationalization of the Financial and Economic Section of the Secretariat, and if the inquiry into other sections should promise results equally good the money will have been well spent.

The total Budget for 1933 amounts to 33,429,132 francs (see Document A. 69 (a)), showing a saving of rather more than 250,000 francs on the budget for 1932. Grave words of warning uttered in the course of the debate, the many admonitions to the staff to effect every possible saving, the fact that the League is entering on a very critical period of its history—all these are in favour of economies in the future. Considerable hope is engendered by the promised inquiry on rationalization, particularly of the Secretariat and the International Labour Office. Then, again, the burden in francs on States members should be lightened by the admission of Turkey and Iraq to the League (assessed at respectively 10 and 3 units), although reduction in the amount of contributions will not have any marked effect on States with a depreciated currency.

The Fourth Committee's Report (Document A. 69) came before the Assembly on the 17th October, when the estimates were passed. M. Rappard, representative of Switzerland and a member of the Permanent Mandates Commission, was Rapporteur, and I draw your attention to the speech which he made to the Assembly when presenting his report. It is published in No. 20 of the Journal of the 18th October. I quote the following passage:—

"The League of Nations had no reserves and could not borrow money. Either it must over-budget in order to make up in advance for a deficiency in its revenue. Or it must establish a genuine and well-considered budget subject to no margin, and under those circumstances it ran the risk under present conditions of paralysing its activities. It was essential that an end should be put to a system under which certain of its members had brought the League face to face with such alternatives."

As I have remarked before, there is over-budgeting in order to cover anticipated deficits due to the non-receipt of contributions. The growth in League expenditure, due to many causes, is not least due to States which again and again have failed to pay. This leads me to make brief mention of—

Contributions in Arrears.

The usual resolution was passed by the Assembly (see Document A. 66). Two documents marked "confidential," bearing on the subject are the Report of the Secretary-General to the Fourth Committee (A. IV/2) and the report of the sub-committee specially appointed to deal with the question (A. IV/31). It will be observed that arrears amount to a sum sufficient to cover more than half the budget for 1933.

Pensions.

The Rapporteur's report also deals with the Pension Fund, on which subject there are two documents, bearing Nos. A. 8 and A. 14. The provision of pensions has placed a considerable additional burden on the League. The principle is sound and was, indeed, advocated by the New Zealand representative in the early years of the League, but, unfortunately, it took effect at a time when the financial depression showed signs of becoming acute. Already provision had been made in the estimates for a sum of more than 400,000 francs towards the amortization of the deficit resulting from the application of the pension system to officials who entered the service of the League before the scheme came

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into force; and now that the Pension Fund has taken over the assets of the old Provident Fund in respect of those officials who have transferred to the Pensions Fund, the League has shouldered the responsibility of making good, in a period of thirty years or longer, the depreciation on the purchase price of these assets. The contribution paid by the League in respect of each official is 9 per cent. of his salary.

Higher Officials.

If you will refer to my reports on the eleventh and twelfth Assemblies, you will find I dealt with the burning question of the higher officials of the Secretariat. The present holder of the office of Secretary-General, Sir Eric Drummond, will retire shortly, and the Council had given expression to the hope that the question of the higher officials would be finally disposed of by this year's Assembly. There was an extremely long debate, during which a number of motions were tabled. Few new reasons were advanced for the retention, augmentation, or the suppression of the posts of Under Secretaries-General, but the debate provided M. Hambro, the Norwegian delegate, with the opportunity of making what was perhaps the most forceful speech ever delivered by him at Geneva. Whilst one cannot agree with all he said, much of his criticism is sound, and it certainly represents, to a great extent, the opinions of many thinking men and women. It is reported in No. 11 of the Journal. At the conclusion of the debate a sub-committee of fifteen was constituted, and to this the motions were referred, with instructions to examine them in the light of the debate, and to report. The subcommittee had several meetings and produced a report which, as was foreseen, was in the nature of a compromise. There had been little hope that the posts of Under-Secretaries would be abolished; on the other hand, there had been reason to fear that they might be increased. The solution suggested by the sub-committee was the creation of an additional post of Deputy Secretary-General "in order to give the members which are not permanently represented on the Council a larger share in the responsibilities devolving on the principal officers of the Secretariat." The post carries with it a salary of 60,000 francs plus an allowance of 25,000 francs. The sub-committee also proposed certain economies in salaries and allowances, and modifications in organization which will make for economy. Its report, Document A. 68, was accepted by the Assembly on the 17th October (see also Documents A. 20 and A. 21).

COMMITTEE No. 5.

Prison-administration.

Certain penal and penitentiary questions were mentioned in my report on the Twelfth Assembly, Their introduction into that Assembly was the subject of vigorous protest by the British delegate, based on the fact that they had not been inscribed on the agenda. The documents before the Fifth Committee were A. 6 (pages 85–87) and A. 6 (a) (page 48). As a result of the resolution of last year's Assembly, the International Penal and Prison Commission is examining the Standard Minimum Rules for the Treatment of Prisoners. The Secretary-General has, under the instructions of that Assembly, co-operated with organizations dealing with the international aspect of penal and penitentiary problems. On the unification of penal law and the establishment of co-operation of States in the prevention and suppression of crime, subjects which were before the Fifth Committee in 1931, there was a divergence of opinion in the committee this year as to whether they should be thoroughly discussed. Ultimately a compromise was agreed upon in the shape of a direction to the Secretary-General to communicate the relevant documents to States' members of the League, and generally to keep those States informed of the position. The committee's report to the Assembly (Document A. 58) was approved on 11th October. (See also Document A. V/4 and D. 16/1932.)

OPIUM-CONTROL.

There are a large number of documents bearing on this subject, including A. 6 (pages 87–96), A. 6 (a), (pages 46 and 47), A. 35 (report on the work of the Central Opium Board), A. V/1, A. V/2 (which concern the 1931 Convention for Limiting the Manufacture and Regulating the Distribution of Narcotic Drugs), and C. 70, M. 36 and C. 577, M. 284, which have reference to the suppression of opium-smoking.

The Rapporteur stated that there had been a marked decrease in the manufacture and export of narcotic drugs, although the illicit traffic is still considerable. But the Italian representative did not quite agree with the picture which was presented, and he questioned the completeness of the

statistics

The Convention for Limiting the Manufacture and Regulating the Distribution of Narcotic Drugs has not yet entered into operation as it lacks the necessary number of ratifications. The Commission of Control proposed to suppress the credits for the supervisory body provided for in this convention believing, no doubt, that it could not enter into force before 1934. The Italian representative of the Fifth Committee tabled a motion for the reinsertion of the credit in the Budget for 1933. After hearing from delegates particulars of the attitude of their countries towards ratification, the committee decided to endorse the Italian proposal.

The matter eventually came before the Fourth Committee, which restored the credit on information received to the effect that ratifications expected shortly would be sufficient in number to

bring the convention into operation in 1933.

Amongst papers bearing on the subject will be found the text of the agreement drawn up by the Conference for the Suppression of Opium Smoking, which was held in Bangkok late in 1931 (Document C. 70, M. 36). There has been some criticism on the attitude of certain Governments having

possessions in the East because of their adherence to a system of monoply, but these Governments take the view that to prohibit the system of monoply would not be a cure for opium-smoking, since legitimate imports of opium might be replaced by smuggled imports, and prohibition might even lead to the introduction of yet more dangerous drugs.

The Fifth Committee's Report (Document A. 64), which was accepted by the Assembly on the

14th October, gives a good account of the past year's work in connection with opium.

TRAFFIC IN WOMEN AND CHILDREN.

I refer you to pages 80-84 of Document A. 6, to Document C. 504, M. 245, which gives the results of an inquiry into the position of the central authorities established in virtue of Article I of the International Agreement of 1904, and to Document C. 503, M. 244, dealing with the question of the abolition of the age-limit provided in the conventions of 1910 and 1921.

Under Article 23 of the Covenant the League is entrusted "with the general supervision over the execution of agreements with regard to the traffic in women and children." This supervision is exercised through a Standing Committee, which has accomplished good work. Two of its present main tasks are the abolition of the age-limit and the repression of the activities of souteneurs. It is, however, not out of place to remark here that even the present conventions cannot become completely effective until they are universally applied, and many members of the League have not yet signed them, while five which have signed have not ratified. It is, of course, open to the various national legislatures to legislate, and, indeed, many have in respect of the age-limit, as the document bearing particularly on the subject shows. Miss Forchhammer, the Danish delegate on the committee, who has been associated with the Assembly, I think, from its first session, acted as Rapporteur, and her report (Document A. 55) received the approval of the Assembly on the 11th October.

PROTECTION OF CHILDREN.

Much of the future happiness of the race depends on the proper care and education of the child,

and a good deal of the work of the Child Welfare Committee is beyond praise.

Information regarding a popular movement in one country can be brought to the notice of other countries through the medium of the League, and with the happiest results. For instance, the extension of the Youths' Hostel Movement, which has been such a success in Germany and is now making headway in Great Britain and other countries, must make for the happiness of members of the younger generation, who, with the knowledge that they are able to obtain a night's lodging at a reasonable charge, can plan tours of their own in other countries and enjoy the beauties of Nature.

In the course of the debate of the Fifth Committee on the work of the Child Welfare Committee (see pages 82 and 83 of Document A. 6 and Document C. 395, M. 221), Dr. Osborne, the Australian delegate on the Fifth Committee, deplored that whilst the replacement by machinery of skilled hand labour had resulted in the increased employment of young girls recently at school, boys of the

same age were unable to obtain employment.

Some members of the Fifth Committee complained that the budget of the child-welfare section was small compared with that of other sections. The complaint does not merit serious investigation. One task well performed and leading to satisfactory results is surely preferable to the dissipation of money, especially on inquiries, which are not only not essential, but, by reason of their character, are outside the scope of the League.

To the documents mentioned above and others (C. 265, M. 153 and C. 975, M. 540) I refer you for information on the work of the Child Welfare Committee, whilst the Rapporteur's report is Document A. 48, and this was considered by the Assembly at its meeting on the 11th October.

COMMITTEE No. 6.

Admission of Iraq to Membership of the League.

Iraq was admitted a member of the League on the 3rd October by the unanimous vote of the Assembly, the Sixth Committee having found that the country fulfilled all the requirements for admission (Document A. 42). The history of Iraq's emancipation from foreign rule, the experiment of the mandatory system, followed by membership of the League, is too recent to need comment here. All concerned rejoice that so much has been accomplished in so short a time (see also Document A. 17).

MANDATES.

The item "Mandates" was, as usual, inscribed on the agenda in the early days of the Assembly on the proposal of the Norwegian delegation, and the item was discussed by the Sixth Committee on the 1st October. The discussion was brief, and, so far as New Zealand is concerned, was limited to two points—the late trouble in Samoa (on which I was able to reassure the Committee, having regard to the information at my disposal), and the question of the Permanent Mandates Commission reverting to two sessions a year. The mandatory system, as we know it, was created by the covenant, and the Permanent Mandates Commission is one of the organs of the League provided in the covenant. I therefore felt that I should be acting in accordance with the spirit of your instructions by supporting a reversion to two sessions a year should the budgetary situation warrant it (Document A. 7).

The report to the Assembly is Document A. 53, and the resolution with which it concludes was

passed on the 10th October.

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Refugees.

The question of refugees has been dealt with in reports on previous Assemblies, and occasionally at some length. You are familiar with the arrangement which was made by the Eleventh Assembly when the office known as the Nansen International Office for Refugees was created and entrusted with the political and legal protection of refugees, work which it is hoped will be completed by 1939.

The paper before the Sixth Committee is numbered A. 24, and the Director of the Office, M. Huber, gave an account of the work to the committee. Undoubtedly the world economic and financial crisis has seriously retarded the work of settlement, but a good deal has been accomplished and the office

seems to have justified its existence.

The League made itself responsible for refugees in its early years, and at a time when, perhaps, it could be dealt with only internationally. Lord Ceeil acted as Rapporteur on the question, and his report (Document A. 51) was approved by the Assembly at its meeting on 10th October.

SLAVERY.

This item was sent to a sub-committee without prior discussion in the full committee. The sub-committee's report (Document A. VI/9) endorses a proposal contained in the report of the Committee of Experts (Document A. 34) to constitute a permanent Slavery Commission, which would be an advisory body for the purpose of studying information and reporting to the Council. The proposal met with the full support of the Sixth Committee, which drafted a resolution for submission to the Assembly. But the constitution of a permanent Commission involved expense, and the opinion of the Fourth Committee had to be sought. On the Fourth Committee the necessary two-thirds majority for inscribing the credit in the Budget was not forthcoming, and the request was refused. Of course, the decision of the Fourth Committee had to be accepted by the Fifth Committee, and the latter decided to recommend the Assembly to set up a committee of experts and to request the Secretary-General to include the necessary credits in his estimates for 1934 (see Document A. 57, which was approved by the Assembly on the 12th October, and Document A. 13).

Co-operation of Women in the Work of the League.

This question was remitted to the Sixth Committee. It was raised last year by means of a motion moved by the Spanish delegation, and the Twelfth Assembly passed a resolution requesting the Council to examine the possibility of women co-operating more fully in the work of the League. By decision of the Council study of the question was divided into two parts—co-operation with the Disarmament Conference, and general collaboration in the work of the League—and it is the second of these two parts that was first considered by the Sixth Committee, with the aid of the report of the Secretary-General (Document A. 10), which contains a number of proposals made by women's organizations. Many speakers in committee supported a proposal that women should be afforded greater opportunities to collaborate in the work of the League, and various points made during the debate are reflected in the Rapporteur's report (Document A. 49), which received the approval of the Assembly on the 10th October.

MINORITIES.

The debate this year on "Minorities," a question in which New Zealand has no direct interest, was in no respect inferior to its predecessors. It was initiated by the representative of Germany, who made suggestions for improvement of procedure in the examination of petitions and in the protection of minorities, and he was followed by other delegates, who, if they did not support him in every respect, were at least critical of the arrangements now in force. Journal No. 11, pages 204–207 and 222–225, gives an account of the debate in committee, whilst the Rapporteur's report (Document A. 60) embodies the various suggestions made in the course of the debate. This report received the approval of the Assembly on the 11th October.

INTELLECTUAL CO-OPERATION.

For an account of the work on intellectual co-operation reviewed by the Sixth Committee I refer you to the Rapporteur's report (Document A. 54). In the course of the debate the French representative introduced a motion inviting the international organization for intellectual co-operation to secure the opinion of representatives of the press on the methods which could be applied to develop, through the press, a better understanding among peoples. Eventually this motion was accepted in the following terms:—

"Requests a study, taking the advice of the National Committees on Intellectual Co-operation, and of representative journalists, as to the methods by which the press might contribute to the better understanding between peoples by perfecting their knowledge.

"The conclusions of this study will be submitted to the Fourteenth Assembly."

The report mentioned above received the approval of the Assembly on 10th October. (See also Documents A. 11, A. 19, A. VI/1, and A. VI/2.)

THE WORK OF THE COMMISSION OF INQUIRY FOR A EUROPEAN UNION.

Very little need be written about this item. Some particulars will be found on page 14 of Document A. 6 and in Document A. 16. The work has been taken over by the League, and although the Budget is increased thereby it is certainly better that the inquiry should be conducted within the League than that it should have been entrusted to an independent body.

Proposals for extending preferences to various products came before the committee set up to study the extension of preference to agricultural products other than cereals, but it was thought impossible to consider the extension of such facilities to agricultural products other than cereals; indeed, it has yet to be shown whether the facilities granted in respect of cereals are of value. Tobacco was included in the "other products." I gather that the tobacco-grower in eastern Europe is in a sorry plight, but he has to compete with American-grown tobacco, which is meeting more and more the public taste, and, at the moment, it does not seem that anything useful can be done. Nevertheless, the representatives of eastern European countries have recently pressed for special study of the question.

The draft resolution submitted by the Sixth Committee, and reading as follows, was passed by the Assembly on the 10th October:-

"The Assembly takes note of the report of the Secretary-General to the Assembly on the work done by the Commission of Inquiry for European Union during the past year;

"It requests the Commission to pursue the work undertaken in conformity with the principles laid down in the resolution of 17th September, 1930:

"It requests the Commission to submit a report on its further work to the next ordinary session of the Assembly.' (Document A. 46.)

Co-operation of the Press in the Organization of Peace.

This question was raised last year by the Spanish delegation in the form of a request to the Council to consider the possibility of preventing, with the assistance of the press, the dissemination of false information likely to hinder the maintenance of peace and good will among peoples, and a resolution on such lines was passed by the Twelfth Assembly. I refer you to Document A. 31, which gives the replies of a large number of press organizations to a communciation addressed to them by the Secretary-General.

In the course of the debate by the Sixth Committee this year the Polish delegate submitted a motion on a subject in which the Poles have actively associated themselves in connection with the Disarmament Conference—i.e., the problem of moral disarmament. The object of the Polish motion was to draw the attention of the Disarmament Conference to the desirability of an International Press Conference. Leaving aside the problem of false news, and concentrating on press publicity in connection with the League, I may say that a section of the press has recently been saying hard things about the League, forgetting that it is the Governments which compose the League and which direct its policy. I feel sure that, on the whole, the League has the good will of the press.

Lord Cecil acted as Rapporteur, and his report (Document A. 59), which was accepted by the Assembly on the 11th October, contains some suggestions for improved publicity. It will be seen from the resolution passed by the Assembly that the Secretary-General is to report next year on any further developments which may arise.

I have the honour to be, Sir,

Your obedient servant,

THOMAS M. WILFORD,

High Commissioner for New Zealand.

The Right Honourable the Prime Minister, Wellington, New Zealand.