

- (2.) *The Compensation Account*, which deals with compensation awarded to British nationals by the Mixed Arbitral Tribunal under Article 297 (e) in respect of any damage to property, rights, and interests in Germany which resulted from emergency war legislation. The amounts so awarded are payable in cash by Germany, subject to an agreement dated at London, 23rd November, 1921, regarding Article 297 (e) of the Treaty. There is but one side to this account, since any claim by German nationals in respect of similar damage to their property must be made against the German Government under Article 297 (i).

LAST DATE FOR RECEIPT OF CLAIMS UNDER ARTICLE 297.

61. In *New Zealand Gazette* No. 97, dated 17th November, 1921, the Controller of the New Zealand Clearing Office announced that the 15th December, 1921, was the latest date on which claims could be submitted through the New Zealand Clearing Office by British nationals in New Zealand for the proceeds of liquidation of property in Germany, or for compensation under Articles 297 and 300 (b) of the Treaty of Versailles in respect of damage inflicted on their property, rights, and interests in Germany by the application of exceptional war measures, measures of transfer, or measures of execution.

CREDITS BY THE GERMAN CLEARING OFFICE UNDER ARTICLE 297.

62. Credit sheets have been received from the German Clearing Office admitting two claims totalling £1,162 13s. 11d., made by New Zealand nationals in respect of their property liquidated in Germany. Payment of these claims has been arranged through the High Commissioner for New Zealand in London out of the proceeds of German property liquidated in New Zealand.

In accordance with the scale fixed by the Controller of the Central Clearing Office, commission at the following rate is deducted from the amount of the claims admitted by Germany under Article 297 : 2½ per cent. on the first £2,000, 2 per cent. on the next £3,000, 1½ per cent. on the next £5,000, 1 per cent. on the next £90,000, ½ per cent. on all further sums.

COMPENSATION CLAIMS.

63. In order to facilitate the settlement of claims for compensation, the Director of the Ministerium für Wiederaufbau intimated that Germany would be prepared to facilitate the settlement of claims for compensation by making voluntary offers in all cases where liability was admitted, and thus avoid the expense and delay of at once submitting to the Mixed Arbitral Tribunal cases in which amicable settlement of the claim could doubtless be arrived at. To give effect to this proposal an agreement, dated 31st December, 1920, was entered into between the two Governments, and a subsection of the Ministerium für Wiederaufbau was created to act in conjunction with the Berlin Branch of the Central Clearing Office in the discussion and settlement of such claims. When offers for compensation are received they are forwarded to the Central Clearing Office, and submitted to the claimants, and, if accepted, they will be presented by the Central Clearing Office to the Anglo-German Mixed Arbitral Tribunal for a formal award giving effect to the settlement arrived at. In the event of the claimant refusing to accept the offer, or if the whole claim is contested, the claimant is entitled to refer the matter to the Mixed Arbitral Tribunal. This agreement does not in any way interfere with the right of the claimant to refer at once his claim to the Anglo-German Mixed Arbitral Tribunal without awaiting the result of the negotiations between the two offices. Two offers have been received in connection with New Zealand claims, and these were duly accepted by the claimant. As soon as formal judgment of the Mixed Arbitral Tribunal is given payment will be arranged. A uniform rate of 2½ per cent. commission is deducted from all amounts payable to British nationals under this section.

REGISTRATION OF CLAIMS AGAINST RUSSIA.

64. Three claims, totalling £3,775 9s. 4d., were registered with the Public Trustee by persons in New Zealand, in accordance with a notice published in the *Gazette* in March, 1919, requiring all persons, firms, and companies of British nationality in New Zealand owning property in territory which on the 1st August, 1914, formed part of the Russian Empire, or having claims against the Russian territory, or against any person, firm, or company, or municipal or other local authority, in that territory, to transmit particulars of their claims to the Public Trustee at Wellington for registration by the Foreign Claims Office, London. No information has been received as to the prospects of a settlement of these debts.

ANGLO-GERMAN MIXED ARBITRAL TRIBUNAL.

65. The Anglo-German Mixed Arbitral Tribunal was appointed in 1920 in accordance with the provisions of Article 304 of the Treaty of Versailles. The personnel of the Tribunal is—President, Professor Eugène Borel; British member, Mr. R. E. L. Vaughan Williams, K.C.; German member, Dr. jur. Adolph Nicolaus Zacharias. Although certain rules of procedure were laid down in sections 3 to 7 of Part X of the Treaty, it was found necessary that a more complete set of rules should be put forward by the Tribunal itself in order to give general information to persons interested as to the method in which cases should be submitted to the Tribunal and presented to them for hearing. These rules were published in the *New Zealand Gazette* Extraordinary, No. 13, dated 10th February, 1921.

With the exception of appeals under Article 296, claims must, as a rule, be lodged within twelve months of the publication of the rules; but there is an exception under Article 297 where the claimant