11 A.—5.

The much-debated item "Unforeseen expenditure" again had a good deal of attention paid to it; but in this respect also the steps taken by the Supervisory Committee left no room for concern, as, so far as the Budget for the Secretariat and special organizations is concerned, expenditure under the item must be restricted only to cases that could not possibly have been foreseen.

This system, however, does not apply to the Budget of the International Labour Office, as the governing body of that organization can, and does, transfer expenditure from "Unforeseen expenditure" to other items. Beyond criticizing the difference, and drawing attention to it on the Supervisory Commission's report, no definite action was taken to place the various organizations of the League on the same footing.

HEALTH ORGANIZATION.

The only other question of interest raised on the consideration of Document A. 4 (1) was with regard to the recommendation of the Second Committee for the inclusion of a contribution towards the cost of the Bureau of Epidemiological Intelligence at Singapore. The Sixth Assembly decided to restrict the Budget of the Health Organization to 1,000,000 francs annually, but prior to the above-mentioned request being made to it the Supervisory Committee had reduced item 23 of A. 4 (1) to 991,115 francs. The importance of the work, however, was recognized and the item increased to the maximum of 1,000,000 francs, the increase representing a contribution from the League to the work being done at the Singapore Bureau.

PERMANENT COURT OF INTERNATIONAL JUSTICE.

The anomalous position that has arisen with regard to emoluments of Judges of the Court, as explained in paragraph 51 of the report of the Supervisory Commission, was brought before the Conference by several delegates, and, after some discussion, was left in the hands of the Supervisory Commission for further consideration.

MANDATES COMMISSION.

The proposal contained in Document A. 11 for a special allowance to members of the Mandates Commission who have sat for more than thirty days in any one year was not received by the Fourth Committee altogether with enthusiasm. The Committee noted, however, that the Supervisory Commission had examined the matter with extreme care, and that weight should be given to its recommendation, to which it had attached the following remarks:—

"It must be understood that this allowance may be revised or withdrawn later, according to the number of days on which members of the Mandates Commission are required to attend."

LEAGUE BUILDING FUND.

A full summary of the discussions in connection with the League Building Fund may be found in Document A. 105, page 4, and shows that the fund has been placed on a very sound basis. As the outcome of a suggestion by the French delegate, the Secretary-General promised to furnish States with statements for 1927, showing contributions due after deducting sums payable to them as annuities, such allowances to be made on the same basis as adopted by the various States in paying their annual contributions—i.e., quarterly, half-yearly, or annually. This will enable States to complete their transactions in respect of the League's finances within the one financial period.

CONTRIBUTIONS IN ARREARS.

The meetings of the Fourth Committee were held in private to consider the report of the sub-committee which had been set up in connection with contributions in arrears. Sir Herbert Ames, of the Canadian Delegation, who is a member of the sub-committee, drew attention to the very serious situation that, in his opinion, would arise if States did not pay their contributions regularly. Speakers generally realized the difficulties that had been encountered in securing payments in certain cases, and a general doubt existed as to what power the League of Nations possesses to enforce payment of arrears of contributions. It was therefore decided to adopt paragraph (4) of the following resolution, which was finally agreed to:

"The Assembly—

"The Assembly—

- "(1) Authorizes the Secretary-General, as the result of previous negotiations, to write off from the accounts of the League the sum of 22,478.71 gold francs due from Panama for the financial year 1925:
 - "(2) Requests the Secretary-General—

"(a) To give his support, when necessary, to any steps which he may consider useful with a view to the recovery of arrears:

"(b) To submit to the Council at its session of June, 1927, a detailed report on the position with regard to contributions in arrears:

"(3) Requests China to propose effective and concrete methods, acceptable to the League of Nations, with a view to the payment of her contributions in arrears:

(4) Requests the Council to have a study made of the legal position of States which do not pay their contributions to the League of Nations, with a view to informing the Assembly at its Eighth Ordinary Session."

COMMITTEE No. 5.

Report on the Work of the Advisory Committee on Traffic in Opium and other Dangerous Drugs.

The committee spent two meetings in the examination and discussion of the report (Document A. 20) of the Advisory Committee on Traffic in Opium and other Dangerous Drugs. Some members of the Advisory Committee were present during the discussion, either as delegates for their countries or as advisers to delegates, and the debate was followed with great interest.