

to find in it a powerful help in their business ; has decided to propose the creation of an International Institute of the Educational Cinema, to be established in Rome, which, according to Article 24 of the Covenant, has to be placed under the direction of the League of Nations. For this purpose the Royal Government offers the funds necessary for the first establishment of the Institute and for its ordinary maintenance, together with a seat in the historical palace of the Stamperia in Rome. It will thus be possible for all nations to participate under conditions of perfect equality and without laying any pecuniary burden on them or on the budget of the League of Nations."

This was referred to the Second Committee. A question of principle is involved, and during the debate in the Second Committee it was proposed that the Council should be asked to study and determine the principles and methods followed in establishing autonomous organizations under the auspices of the League of Nations. A motion to this effect was submitted to the Assembly on the 22nd September, and referred back to the Second Committee for consideration. In this connection it is not out of place to refer to that part of the report of the Fifth Assembly dealing with the gift by the French Government of an Institute of Intellectual Co-operation in Paris. The procedure then followed was recalled in committee, and the discussion on the draft resolution to the Assembly was animated.

The question of the Educational Cinematographic Institute at Rome was referred to a sub-committee, which submitted a unanimous report. This report (Document A. 65) was approved for submission to the Assembly, which, on the 20th September, took note of the generous offer of the Italian Government.

On the 26th September the Assembly invited the Council to arrange a study of the question of the relations between the League of Nations and institutes or bodies set up under its authority, and asked that a report be submitted to the Ninth Assembly in 1928. (Documents A. 94 and A. 107).

SETTLEMENT OF GREEK REFUGEES.

An account was given in last year's report of the scheme for the settlement of Greek refugees, numbering some one and a half millions, most of whom arrived in the Mother-country after the disastrous war with Turkey in Asia Minor which followed the Great War. The loan raised for the purpose of settlement has been insufficient, and Greece has spent in addition some £5,000,000. As a consequence there are considerable Budget arrears. The position created by this vast influx of immigrants and expenditure of money has become serious, and Greece has turned to the League for aid in raising a loan of £9,000,000 and in effecting currency and banking reform. The Finance Committee has been considering the request, and an account of its work will be found in Document A. 53.

The loan, when raised, will be applied as follows: One-third to complete the work of resettlement, one-third towards paying off Budget arrears, and one-third to pay the debt of the Greek State to the existing National Bank. This last amount will, however, be passed to the account of a new bank of issue, to be known as the Bank of Greece, which will exist side by side with the National Bank. We have therefore a complete scheme of financial organization and currency stabilization.

The Second Committee's report (Document A. 91) was before the Assembly at its meeting on the 22nd September, when the resolution with which it concludes was passed.

INTERNATIONAL RELIEF UNION.

At the conclusion of the Conference for the creation of an International Relief Union, held in Geneva in July last, a report was addressed to the New Zealand Government, and there does not appear to be any necessity to give details regarding the scheme itself or the convention drawn up by the Conference. Prints of the minutes of the Conference and the convention (Documents A. 36 and C. 364, M. 137) are attached, and these were before the Second Committee.

The Assembly passed at its meeting on the 22nd September a resolution expressing gratification at the success of the Conference, and endorsing the proposal of the Council that the Preparatory Committee should continue to meet to prepare draft regulations, and to submit to the Council any proposals that might facilitate the putting into force of the convention. (Document A. 89).

WORK OF THE FINANCIAL COMMITTEE.

The Financial Committee is another permanent organization of the League, created as a result of the Brussels International Financial Conference of 1924. Its best-known work has been in the region of reconstruction and in framing schemes for the reform of currency and financial administration. Former reports have dealt with financial reconstruction of both Austria and Hungary. In the reports placed before the Second Committee this year (Documents A. 38 and A. 53) will be found an account of the Financial Committee's work in connection with the reorganization of the finances of the Free City of Dantzig, and the reform of banking and currency in Estonia. Work not quite so well known, but equally important, consists of inquiries into double taxation and evasion, and the counterfeiting of currency. In connection with the former question, preliminary drafts of four conventions have been prepared dealing with double taxation in the sphere of direct impersonal or personal taxes, double taxation in the special matter of succession duties, administrative assistance in matters of taxation, and judicial assistance in the collection of taxes. As a collective convention does not, in existing circumstances, seem possible, the aim of the committee is that the drafts may serve as types when Governments are negotiating bilateral conventions. In the matter of counterfeiting currency there is in existence a draft for an international convention which will shortly be submitted to the Council.