

The committee then drafted two motions for submission to the Assembly, and these were ultimately adopted as resolutions :—

“ The Assembly, being convinced that it is imperative not further to increase the Budget of the League for 1932, which will have to provide for the expenses of the International Disarmament Conference, and hoping that it will even be possible to reduce the draft Budget,—

“ Makes a strong appeal to its committees to follow the principles of economy dictated by present circumstances,

“ Requests these committees to limit and, if possible, to reduce to the indispensable the programme of work to be undertaken in 1932 and especially to abstain as far as practicable from making recommendations which might involve avoidable expenditure.”

“ The Assembly, impressed by the difficult situation through which most of the States members of the League are passing, and by the possible effects of that situation on the finances of the League, and convinced that in the present circumstances it is important that the whole of the appropriations provided in the Budget for the present financial year should not be expended,—

“ Requests the competent officials of the three organizations of the League to limit to the utmost possible extent the expenditure incurred between now and the end of the year ; and

“ Makes a strong appeal to the Council and the Governing Body of the International Labour Office to endeavour to postpone or cancel the sessions of Conferences and committees convened or contemplated for the last quarter of this year, provided always that such postponements or cancellations do not interfere with the essential work of the League.”

In due course the Supervisory Commission completed its labours and the result was shown in a substantial reduction, although a few members of the Fourth Committee had hoped for a rather larger one. Salaries were not touched.

During the progress of the Assembly the committees put forward proposals involving additional expenditure, and the demands for money were considered by the Supervisory Commission. I need comment on only one of these proposals. The Sixth Committee had decided to recommend the Assembly to propose the appointment of a small Committee of Experts to examine the material upon slavery which had been supplied or transmitted by Governments since the signature of the Slavery Convention of 1926. Slavery had been brought within the orbit of the League on a motion introduced by one of the New Zealand delegates in 1922. The matter is fully dealt with in later pages of this report. Here it suffices to say that the information at my disposal was such that I felt the Dominion should support the credit, even in face of the recommendation of the Supervisory Commission that it be deferred. As a result of efforts made in the Fourth Committee, to which I materially contributed, an amount of 10,000 francs was voted on the understanding that any balance required to complete the work would be met from private sources.

The Budget, as passed by the Assembly at its meeting on the 29th September, amounts to 33,687,994 gold francs, showing a substantial reduction on the draft Budget, but, unfortunately, an increase of rather more than two million francs on the amount voted last year. However, when one considers that the most important Conference (the Disarmament Conference) ever held under the auspices of the League will meet next year, and that for this a sum of more than four million francs has been voted, I am sure you will agree with me that the result is, on the whole, satisfactory.

The report of the Fourth Committee on financial questions is numbered A. 90, and to that I refer you for information on a number of minor points to which I have not made specific reference above.

#### AUDITED ACCOUNTS, 1930.

This document, A. 3, gave rise to little discussion. Some apprehension was shown regarding the possibility of depreciation of investments held by the Provident and Pensions Funds. It was pointed out that these investments are long-dated securities, and that interest thereon is regularly received.

#### NEW WORK INVOLVING NEW EXPENDITURE ON THE PART OF THE LEAGUE.

Document A. 32 gives particulars of new expenditure, and it will be seen that this year there has been heavy drawing on the vote for unforeseen expenditure. Most of the money required is in respect of work undertaken outside the European continent. The Fourth Committee took note of the items.

#### ORGANIZATION OF THE SECRETARIAT AND OTHER ORGANIZATIONS OF THE LEAGUE.

If you will refer to my report on last year's Assembly, you will find that several pages are devoted to the organization of the Secretariat, the International Labour Office, and the Permanent Court of International Justice. I endeavoured to give within as brief a compass as possible an account of the course of the debate in the Fourth Committee on the report of a special committee known as the Committee of Thirteen, set up to deal with various questions of organization, salaries, pensions, &c. On some of the points the Fourth Committee last year was not able to arrive at a decision, and these points were referred to a new committee of thirteen members. This new committee sat and reported and its recommendations will be found in Document A. 8.

No one acquainted with the work of the League committees will be surprised to hear that the recommendations are in the nature of a compromise. What else could be expected when, of several