

embodying it. The Fiscal Committee has given further consideration to the allocation of the income of business enterprises between States for taxation purposes, in this instance with particular reference to insurance companies. Its conclusions are, under the resolution of the Council, to be communicated to Governments.

The results of the inquiry into the behaviour of fiscal systems during the depression, a subject with which the committee proposes to deal, will be awaited with considerable interest (see also Document C. 51).

PERMANENT CENTRAL OPIUM BOARD.

The Board's report came before the Council in October, but it was incomplete in that the usual statistical tables and comments thereon were not then available. The present report to the Council (Document C. 48) deals with the omission, and a few of the more striking figures are quoted. No definite action by the Council was necessary (see also Document C. 449, M. 265).

NUTRITION.

This is a matter in which New Zealand as a producer of primary products is closely interested. The aspect of the subject dealt with by the Rapporteur had reference to an exchange of views between national nutrition committees which have been set up in various countries. Last year's Assembly was of the opinion that it was desirable to co-ordinate the activities of these committees and it suggested a meeting. The time being considered ripe for action on these lines, the Council passed a resolution which requires the Secretary-General to organize a meeting after consultation with the Chairman of the appropriate committee of the League—in this case, the Mixed Committee on Nutrition (see Document C. 38).

FRONTIER BETWEEN TANGANYIKA AND MOZAMBIQUE.

There has been an exchange of letters between the Governments of the United Kingdom and Portugal defining the frontier, but effect is not to be given to the agreement arrived at until its terms have received the approval of the Council of the League. The letters in question will be found in Document C. 21, which, together with the Rapporteur's Report (Document C. 50), will be presented to the Council. As Tanganyika is administered by the United Kingdom under Mandate, the Council was recommended to give the Permanent Mandates Commission an opportunity of offering observations, if it so wished, on the agreement, and a resolution embodying this was passed by the Council.

COMMITTEE OF STATISTICAL EXPERTS.

The representative of Sweden also acted as Rapporteur on questions of statistics dealt with in the Report of the Fifth Session of the Committee of Statistical Experts. This report will be communicated officially to the New Zealand Government by the Secretary-General of the League under the resolution of the Council, and will doubtless receive careful consideration in Wellington. I would, however, draw your attention to the fact that the committee has undertaken an examination of timber statistics. It has made a number of recommendations on which it seeks the comments of the various Governments (Documents C. 456, M. 270, and C. 19).

CONDITIONS OF VOTING REQUESTS FOR ADVISORY OPINIONS FROM THE PERMANENT COURT OF INTERNATIONAL JUSTICE.

A highly controversial question is involved: should an advisory opinion of the Court be requested by a unanimous vote, or will a simple majority suffice? The matter came before the Assembly of 1935, and a section of the New Zealand delegate's report on that Assembly is devoted to it. Article XIV of the Covenant provides for the giving by the Court of an advisory opinion upon any dispute or question referred to it by the Council or by the Assembly, but the method to be adopted in order to seek the opinion is not defined. The first and second paragraphs of Article V of the Covenant deal with procedure in the Assembly and the Council. Is the question at issue one of procedure for which a majority vote will suffice, or is it of the nature of those cases requiring unanimity? The Members of the League were invited by the Council to express their views, and a number of Governments have done so (see Document C. 543, M. 351). These views are worth studying. They represent, roughly, three schools of thought: that which considers unanimity essential, that which would treat the matter as one of procedure only, and that which may be called the middle school, which would divide the cases on which advisory opinions are sought into two categories—those of procedure and those of substance. The letters from the United Kingdom, Danish, and Netherlands Governments reflect these varying views, but all the letters are worth consideration. A member of my staff who was present at the debate in the First Committee in 1935 informs me that that debate was of great interest, for it dealt not merely with legal points, but with others which have considerable political bearing. The Rapporteur to the Council on the subject is the President himself. You will see from his report (Document C. 53) that he invited his colleagues' opinions before submitting proposals to the Council. The invitation was accepted by several members of the Council, and as the question is of importance I invite your attention to the debate as recorded in the minutes. The Swedish representative proposed that the question should be referred to the special committee which is considering the application of the principles of the Covenant (commonly referred to as the Committee of Twenty-eight), and this suggestion met with some support. After thanking those of his colleagues who had