11 A.--5.

held under League auspices in Mexico City in December, 1938. So far, the Argentine Republic, Bolivia, Brazil, Canada, Chile, Colombia, Cuba, the Dominican Republic, Ecuador, Guatemala, Mexico, Panama, Peru, the United States of America, Uruguay, and Venezuela have expressed their intention of taking part in this Conference.

Migration was discussed at the Second Committee, but not to any considerable extent or to lead to any positive conclusions. As in 1936, the subject was raised by Poland, a country that feels the need of emigration-openings for agricultural people. The representative of India explicitly, and all other representatives implicitly by their silence, took the view that emigration does not afford a solution of a country's problems or that it is not a subject towards which League of Nations discussions can make a useful contribution. The Assembly, on the recommendation of the Second Committee, did no more than decide that the subject of international migration should be placed on the agenda of its next ordinary session, and that meantime its organs, and the International Labour Office, should study this and allied problems.

Raw materials, with particular reference to the question of equality of access thereto, were before the 1937 Assembly in the form of the report by the Special Committee set up pursuant to a resolution of the 1936 Assembly. This resolution, it will be recalled, arose mainly from the complaints of certain States, not being members or at any rate not active members of the League, and not possessing colonial territorics, that the hardships of their people are due to their being deprived of raw materials through not having sovereignty over such territorics. Substantially, these complaints were shown by the Committee's report (League Document A. 27, 1937, II (b)) to be baseless. It noted, however, the growth of preferential tariffs, and observed that "any preferential system must tend to have some adverse effect in the countries to which it does not apply"; and it made also the pertinent comment that "the difficulties in procuring a number of raw materials have been increased by the heavy expenditure on armaments incurred by most countries."

General "conomic and financial matters" were again reviewed by many Governments' representatives, at greater or less length, and with always the consciousness, as I mentioned at the outset of this part of my report on the Second Committee's work, that more urgent problems were pressing on the attention of the League and the world. Almost all representatives, and the published documents of the League, agreed in showing some anxiety lest the recovery so far made from world depression, incomplete as this recovery still is, will not be long sustained. That there are grounds for this anxiety nobody who is honestly observant of the nature of the recovery, or of its dependence to at least some extent on nations' feverish rearmament activity, will for a moment deny. But that is not the whole story. If Geneva is a watchtower from which some events may be objectively regarded, and if account be taken as best it can both of the dangers and of the brighter possibilities ahead of us, we can quite positively say that material progress and increasing security are within our grasp. That these rights are denied to so many, and are enjoyed by others with a sense of fear for what the future may hold, is due to man-made conditions, which can be changed. These conditions are indeed being changed before our eyes. The excuse for inaction, "no country can do much—or no Government can do anything to improve the purchasing-power of its people, for thus its competitive power in the world will be damaged," is seen for the flimsy thing it is. This is not to suggest that such bogeys are not still resurrected in Geneva, as in other centres of government. But, fortunately, these fearful imaginings are more and more being offset by the substantial achievements of people, who are, in fact, through their Governments, collectively bettering their material conditions. It is no small contribution by the present Government in New Zealand that they are taking their part in bringing high ideals into reality; nor can the wide significance of this service be anywhere more adequately appreciated than at the League of Nations review of the world's economic and financial problems.

The documents covering the discussions of the Second Committee are :-

Urban and Rural Housing.

Work of the Health Organization.

Nutrition.

A. 46, 1937, III: A. 48, 1937, III: A. 57, 1937, II (b): A. 58, 1937, VIII: Work of the Communications and Transit Organization during the Year 1936-37.

A. $72, 1937, \Pi(b)$: Economic and Financial Questions.

THIRD COMMITTEE.

New Zealand Delegate: Mr. W. J. Jordan. Substitute Delegates: Mr. R. M. Campbell; Mr. C. A. KNOWLES.

As already mentioned, the Third Committee was set up by the Assembly on the 15th September. I understand that prior to the Conference for the Reduction and Limitation of Armaments the Committee played an important part in the deliberations of the Assembly. No one can dispute the opinion held by all competent organs of the League that the general political and economic situation is not such as to ensure the success of a resumption of work on all questions coming within the orbit of the Conference. The calling together of the Third Committee was little more than a gesture to the world, but it was an outward sign that hope still lingered, and that once there existed a better frame of mind the material was at hand for a resumption of the discussions from which much was expected in the early years of the present decade.

The Committee met twice. The first meeting was opened by the Chairman with a speech which

summed up the existing situation. After referring to decisions taken by the Third Committee of the Seventeenth Assembly and to the Council action which had resulted in the convocation of the Bureau of the Conference for the Reduction and Limitation of Armaments for the 31st May last, he stated that,