

[Distributed to the Council,
the Members of the League
and the Delegates at the Assembly.]

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GENEVA,
June 6th, 1925.

LEAGUE OF NATIONS

Report to the Sixth Assembly of the League
on the Work of the Council, on the Work of
the Secretariat and on the Measures taken to
execute the Decisions of the Assembly.

R7055

NOTE.

The present report summarises the work of the Council, of the Conferences and Committees of the League of Nations and of the Secretariat from the date of the meeting of the fifth Assembly until the thirty-fourth session of the Council (June 1925).

A supplementary report, which will be distributed on the opening day of the sixth Assembly, will summarise the work of the thirty-fourth session of the Council, of the Conference for the Supervision of the International Trade in Arms, Ammunition and in Implements of War now in session at Geneva, as well as the work of Committees which will meet between June 1st and September 1st, 1925, more especially, the Financial Committee, the Permanent Mandates Commission, the Slavery Committee, the Advisory Committee on the Traffic in Opium and other Dangerous Drugs, and the Committee on Intellectual Co-operation.

In conformity with the procedure adopted for the last two years, a special chapter of the supplementary report will give the situation to date in regard to the progress of international conventions and engagements as indicated by instruments deposited with the Secretariat of the League or by treaties which particularly concern the organisations of the League.

In accordance with the recommendation of the fifth Assembly, a report prepared by the Registrar of the Permanent Court of International Justice on the work of the Court, and a report by the Director of the International Labour Office on that of the International Labour Organisation, will be distributed at the same time as the supplementary report.

Geneva, June 6th, 1925.

SUMMARY OF CONTENTS.

	Page
1. LEGAL QUESTIONS :	
I. Progressive Codification of International Law	5
II. Foundation of an International Institute for the Unification of Private Law: Offer of the Italian Government	7
III. Legal Assistance for the Poor	8
IV. Ratification of Amendments to the Covenant	8
V. Protocol relating to an Amendment to Article 16 of the Covenant (Sub-Paragraph to replace the second Sub-Paragraph of the first Paragraph of Article 16), adopted by the Fifth Assembly of the League of Nations on September 27th, 1924.	8
2. FINANCIAL ADMINISTRATION OF THE LEAGUE	9
3. REDUCTION OF ARMAMENTS :	
I. Arbitration, Security and the Reduction of Armaments	11
II. Right of Investigation in the States subject to Investigation under the Treaties of Versailles, St. Germain, Trianon and Neuilly.	13
III. Statistical Enquiry on the Trade in Arms, Munitions and Implements of War	15
IV. Private Manufacture of Arms, Munitions and Implements of War	15
V. Chemical Warfare.	16
VI. Publication of the Military Year-Book.	16
4. POLITICAL QUESTIONS :	
I. Question of the Frontier between Turkey and Iraq	22
II. Expulsion of the Œcumenical Patriarch from Constantinople	27
III. Moslems of Albanian Origin in Greece.	28
IV. The Question of the Frontiers of Albania	30
V. Appeal by the Albanian Government in accordance with Articles 12 and 15 of the Covenant	30
VI. Exchange of Greek and Turkish Populations.	31
VII. Communication from the German Government relative to the Conditions for Germany's Admission to the League	33
5. ADMINISTRATIVE QUESTIONS :	
I. Territory of the Saar Basin	37
II. Free City of Danzig	40
6. PROTECTION OF MINORITIES :	
I. Treaties and Declarations relative to the Protection of Minorities.	43
II. Minorities in Albania	45
III. Greek Minority in Bulgaria.	45
IV. Bulgarian Minority in Greece.	46
V. Minorities in Lithuania	47
VI. Acquisition of Polish Nationality	47
7. MANDATES :	
I. Iraq	48
II. Work of the fourth Session of the Permanent Mandates Commission	48
III. Work of the fifth Session (Extraordinary) of the Permanent Mandates Commission.	51
IV. Composition of the Permanent Mandates Commission	54
V. Loans, Advances and Investment of Private Capital in Mandated Territories	55
VI. Mandates Documents	55
8. SLAVERY	56
9. WORK OF THE TECHNICAL ORGANISATIONS :	
I. Economic and Financial Organisation :	
A. Work of the Economic Committee :	
(1) Protocol on Arbitration Clauses	56
(2) Convention for the Simplification of Customs Formalities.	56
(3) False Declarations in Customs Matters (Article 8 of the Final Act of the Conference on Customs Formalities)	57
(4) Unfair Competition.	57
(5) Resolution of the Fifth Assembly for the Abolition of Import and Export Prohibitions and Restrictions	58
(6) Treatment of Foreign Nationals and Enterprises.	59
(7) Economic Crises and Unemployment	60
(8) Unification of Methods in Economic Statistics.	61

	Page
B. Work of the Financial Committee :	
(1) Financial Reconstruction of Austria	61
(2) Financial Reconstruction of Hungary	68
(3) International Loan and Work for the Settlement of Greek Refugees	74
(4) Danzig Municipal Loan	76
(5) Albania	77
(6) Esthonia	77
(7) Double Taxation and Tax Evasion.	78
C. Publications of the Economic and Financial Organisation :	
II. Organisation for Communications and Transit	81
III. Health Organisation.	86
10. HUMANITARIAN QUESTIONS :	
I. Traffic in Opium and Other Dangerous Drugs	97
II. Traffic in Women and Protection of Children.	102
III. International Federation for Mutual Assistance in Relief of Peoples overtaken by Disaster	107
11. MEASURES TO HELP REFUGEES	108
12. FAMINE IN ALBANIA	110
13. WORK OF THE COMMITTEE ON INTELLECTUAL CO-OPERATION	110
14. INTERNATIONAL BUREAUX	114
15. PRESENT SITUATION WITH REGARD TO INTERNATIONAL ENGAGEMENTS REGISTERED WITH THE SECRETARIAT OF THE LEAGUE OF NATIONS	115

1.

LEGAL QUESTIONS.

I. PROGRESSIVE CODIFICATION OF INTERNATIONAL LAW.

On the proposal of the Swedish delegation, the fifth Assembly on September 22nd, 1924, adopted the following resolution :

“ The Assembly . . .

“ Requests the Council :

“ To convene a Committee of Experts, not merely possessing individually the required qualifications but also as a body representing the main forms of civilisation and the principal legal systems of the world. This Committee, after eventually consulting the most authoritative organisations which have devoted themselves to the study of international law, and without trespassing in any way upon the official initiative which may have been taken by particular States, shall have the duty :

“ (1) To prepare a provisional list of the subjects of international law, the regulation of which by international agreement would seem to be most desirable and realisable at the present moment ;

“ (2) After communication of the list by the Secretariat to the Governments of States, whether members of the League or not, for their opinion, to examine the replies received ; and

“ (3) To report to the Council on the questions which are sufficiently ripe and on the procedure which might be followed with a view to preparing eventually for conferences for their solution. ”

Further, in a resolution dated September 30th, 1924, the Assembly included this Committee of Experts among the organisations to be consulted by the Council, with a view to the conclusion of all agreements necessary to ensure the establishment, continuity and proper working of the International Institute for the Unification of Private Law which the Italian Government had offered to found.

The Council, on December 12th, 1924, at its Rome session, accordingly decided on the composition of the Committee of Experts for the Progressive Codification of International Law. The Committee consists of the following members :

- M. HAMMARSKJÖLD, Governor of Upsala (Sweden) (Chairman);
- Professor DIENA, Professor of International Law at the University of Pavia (Italy) (Vice-Chairman);
- M. C. BOTELLA, sometime Professor of Law at the University of Madrid, Legal Counsellor to the Spanish Embassy at Paris, President of the Mixed Franco-German Tribunal (Spain);
- Professor BRIERLY, Professor of International Law at the University of Oxford (England);
- M. FROMAGEOT, Legal Adviser to the Ministry of Foreign Affairs of the French Republic (France);
- His Excellency Dr. J. GUSTAVO GUERRERO, Minister of Salvador in Paris (Salvador).
- Dr. B. C. J. LODER, former Member of the Supreme Court of the Netherlands, Judge, and former President, of the Permanent Court of International Justice (Netherlands);
- Dr. BARBOZA DE MAGALHAES, Professor of Law at the University of Lisbon, Barrister, former Minister for Foreign Affairs, Justice and Education (Portugal);
- His Excellency Dr. Adalbert MASTNY, Czechoslovak Minister in London, President of the Czechoslovak Branch of the International Law Association (Czechoslovakia);
- His Excellency M. M. MATSUDA, Doctor of Law, Minister Plenipotentiary (Japan);
- Dr. Szymon RUNDSTEIN, Barrister at the Warsaw Court of Appeal, former Legal Adviser to the Polish Ministry for Foreign Affairs (Poland);
- Professor Walther SCHÜCKING, Professor at the Commercial Sciences College, Berlin (Germany);
- Dr. José León SUAREZ, Dean of the Faculty of Political Sciences of the University of Buenos Ayres, (Argentine);

Professor Charles de VISSCHER, Professor of Law at the University of Ghent, Legal Adviser to the Ministry of Foreign Affairs (Belgium);

Dr. WANG-CHUNG-HUI, Deputy Judge of the Permanent Court of International Justice (China);

Mr. George W. WICKERSHAM, former Attorney-General of the United States, Member of the Committee of International Law of the American Bar Association, and President of the American Law Institute (United States of America).

The Council's resolution of December 12th, 1924, provided for the appointment of a jurist with expert knowledge of Moslem law on the Committee of Experts for the Progressive Codification of International Law. The Acting President of the Council designated Sir Abdur Rahim as member of the Committee, but the latter was unfortunately unable to accept the invitation and no definite nomination could accordingly be made before the first session of the Committee. In May 1925, the Acting President of the Council appointed Sir Muhamed Rafique, who has accepted the invitation.

The Committee met for the first time at Geneva from April 1st to 8th, 1925. In conformity with the terms of reference laid down under the Assembly's resolution, the jurists composing the Committee endeavoured to ascertain the subjects of international law the regulation of which by international agreements would seem to be most desirable and realisable. The subjects thus selected were then distributed for preliminary examination among a number of small Sub-Committees consisting of certain members of the Committee. These members will submit their reports to the Committee at its next session, which will be held at the end of the year or early next year. In indicating these subjects, the Committee had no intention of finally determining the subjects which might be communicated to the Governments for the purpose of obtaining their views on them. Its sole object for the moment was to make a first preliminary examination of the ground which would have to be explored with a view to the framing of detailed proposals to be elaborated at a later date. Only after this work has been done will the Committee be able to submit to the Council a report on the questions which are sufficiently ripe and on the procedure which might be followed with a view, when the time comes, to preparing for conferences for their solution.

The special points which will be examined by the Sub-Committees relate to the following subjects :

PUBLIC INTERNATIONAL LAW.

(a) The Committee appointed a Sub-Committee to enquire :

(1) Whether there are problems arising out of the conflicts of laws regarding nationality, the solution of which by way of conventions could be envisaged without encountering political obstacles ;

(2) If so, what these problems are and what solution should be given to them.

(b) The Committee appointed a Sub-Committee to examine whether there are problems connected with the law of the territorial sea, considered in its various aspects, which might find their solution by way of conventions and, if so, what these problems are and what solutions should be given to them. In particular, the Sub-Committee will enquire into the rights of jurisdiction of a State over foreign commercial ships within its territorial waters or in its ports.

(c) The Committee appointed a Sub-Committee to examine what questions concerning diplomatic privileges and immunities would be suitable for regulation by way of conventions and what provisions on this subject could be recommended.

(d) The Committee appointed a Sub-Committee to enquire into the legal status of Government ships employed in commerce, with a view to the solution by way of conventions of the problems raised thereby.

(e) The Committee appointed a Sub-Committee to examine whether there are problems connected with extradition which it would be desirable to regulate by way of general conventions and, if so, what these problems are and what solutions should be given to them.

(f) The Committee appointed a Sub-Committee to examine :

(1) Whether, and in what cases, a State may be liable for injury caused on its territory to the person or property of foreigners ;

(2) Whether, and, if so, in what terms, it would be possible to contemplate the conclusion of an international convention providing for the ascertainment of the facts which may involve liability on the part of a State and forbidding in such cases recourse to measures of coercion before the means of pacific settlement have been exhausted.

(g) The Committee appointed a Sub-Committee to examine the possibility of formulating rules to be recommended for the procedure of international conferences, and the conclusion and drafting of treaties, and what such rules should be.

(h) The Committee appointed a Sub-Committee to examine whether, and to what extent, it would be possible to establish, by an international convention, appropriate provisions to secure the suppression of piracy.

(i) The Committee appointed a Sub-Committee to examine whether, and to what extent, it would be possible to draw up treaty provisions concerning the application in international law of the conception of prescription, whether as establishing or as barring rights, and what such provisions should be.

(j) The Committee appointed a Sub-Committee to enquire, with reference, *inter alia*, to the treaties dealing with the subject, whether it is possible to establish, by way of international agreement, rules regarding the exploitation of the products of the sea.

(k) The Committee appointed a Sub-Committee to examine whether it is possible to lay down, by way of conventions, principles governing the criminal competence of States in regard to offences committed outside their territories, and, if so, what these principles should be.

The various problems connected with war and neutrality were adjourned for consideration at a later date.

PRIVATE INTERNATIONAL LAW.

Examination of the problems which fall within the field of private international law was adjourned to the next session of the Committee. In the interval, a Sub-Committee was appointed to draw up a list of such problems for discussion by the Committee.

The Sub-Committees appointed to investigate the foregoing questions are composed as follows :

- (a) M. RUNDSTEIN, Rapporteur, Dr. DE MAGALHAES, Professor SCHÜCKING.
- (b) Professor SCHÜCKING, Rapporteur, Dr. DE MAGALHAES, Mr. WICKERSHAM.
- (c) Professor DIENA, Rapporteur, Dr. MASTNY.
- (d) Dr. DE MAGALHAES, Rapporteur, Professor BRIERLY.
- (e) Professor BRIERLY, Rapporteur, Professor DE VISSCHER.
- (f) Dr. GUERRERO, Rapporteur, Professor DE VISSCHER, Dr. WANG-CHUNG-HUI.
- (g) Dr. MASTNY, Rapporteur, M. RUNDSTEIN.
- (h) M. MATSUDA, Rapporteur, M. WANG-CHUNG-HUI.
- (i) Professor DE VISSCHER (only member).
- (j) Dr. SUAREZ (only member).
- (k) Professor BRIERLY, Rapporteur, Professor DE VISSCHER.

Questions of private international law : Professor BRIERLY, Rapporteur, Professor de VISSCHER.

The following institutes have been invited to collaborate with the Committee of Experts

International Law Association.	American Institute of International Law.
Institut de droit international.	Union juridique internationale.
Société de législation comparée.	American Society of International Law.
Institut ibérique de droit comparé.	Comité maritime international.

II. FOUNDATION OF AN INTERNATIONAL INSTITUTE FOR THE UNIFICATION OF PRIVATE LAW : OFFER OF THE ITALIAN GOVERNMENT.

The fifth Assembly, in a resolution adopted on September 30th, 1924, expressed its gratitude to the Italian Government for its generous offer to found at Rome an international institute for the unification or the assimilation and co-ordination of private law, under the direction of the League of Nations.

The Assembly invited the Council to accept this offer in the name of the League of Nations ; resolved that the powers and duties of the new institute, together with the constitution of its Governing Body and Committee of Directors, should be defined by the Council in agreement with the Italian Government ; and asked the Council, after consultation with the competent organs of the League, to conclude with the Italian Government all agreements necessary to ensure the establishment, continuity and proper working of the Institute. It was understood that the general principles to be embodied in these agreements would be analogous to those laid down for the International Institute for Intellectual Co-operation which was to be established in Paris.

The Council, on October 3rd, 1924, accepted the offer of the Italian Government on behalf of the League of Nations, together with the proposals contained in the resolution of the Assembly. At the same time, it requested the Italian representative to communicate to it in due course any suggestion for the execution of the Assembly resolution which it might desire to put forward as a basis for its further deliberations.

The Italian Government, in response to this request, submitted a draft statute for the international institute, and the Council, on December 13th, 1924, adopted the following resolution :

“ The Council,

“ Having received a communication from the Italian representative containing a draft Statute for the International Institute for the Unification of Private Law ;

“ Considering that the Council is invited, under the terms of the resolution of September 30th, 1924, to conclude, after consultation with the competent organs (including the Committee of Experts contemplated by the resolution of the fifth Assembly dated September 22nd, 1924, the Committee on Intellectual Co-operation and the Technical Organisations of the League of Nations), all agreements necessary to ensure the establishment, continuity and proper working of the Institute ;

“ Requests the Secretary-General to communicate to the above organisations the text of the draft Statute of the Institute prepared by the Italian Government, the resolutions adopted by the Assembly and the Council and the present report,

and to invite these organisations to give, in accordance with this report, their opinion on the Italian draft, with a view to the conclusion of agreements with the Italian Government ;

“ In view of the fact that the Committee which is provided for by the Assembly resolution of September 22nd, for the study of the progressive codification of international law, may not be able to meet for some months, decides that a Sub-Committee of this Committee, consisting of five members, all staying in Europe, may be formed by the Chairman of the Committee for the purpose of submitting a report to the Council on the question. ”

Pending the execution of this procedure, the Italian Government felt it desirable to undertake a further examination of its draft Statute, the results of which will be transmitted, as soon as received in the Secretariat, to the competent organisations mentioned in the Council's decision.

III. LEGAL ASSISTANCE FOR THE POOR.

Following upon the report submitted to it by the Secretary-General, the fifth Assembly, on September 20th, 1924, adopted a resolution inviting the Secretariat: (1) to prepare a list of the agencies, both public and private, and of international organisations which are interested in securing legal assistance or free legal advice and consultation for poor persons, and (2) to collect the various treaties, laws, etc., regulating legal assistance to poor persons in the various nations and between the various nations ; while, further, (3) each Government was invited to nominate an authority or other duly qualified person who would answer enquiries from authorities in other countries with regard to the facilities afforded for giving legal assistance to poor persons of alien nationality, and, finally, (4) the Secretary-General was requested to ask the various States, including States not members of the League, whether they would be disposed to become parties to a Convention dealing with free legal aid for the poor on the basis of the principles formulated in Articles 20 to 23 of the Hague Convention of July 17th, 1905, and whether possibly they would desire to propose any modification of such principles.

In pursuance of this resolution, the Secretary-General sent to the various Governments two letters, dated February 24th and 26th, 1925. In the first letter, the Secretary-General explained the nature of the information referred to in points 1 and 2 of the Assembly resolution. The second letter referred especially to points 3 and 4 of that resolution.

IV. RATIFICATION OF AMENDMENTS TO THE COVENANT.

In addition to the amendment to Article 6 (last paragraph) of the Covenant which came into force on August 13th, 1924¹, there came into force on September 26th, 1924, the Protocols relating to the amendments to Articles 12, 13 and 15 of the Covenant of the League, which were ratified on this date by the Members of the League whose representatives sit on the Council and by a majority of the Members of the League whose representatives compose the Assembly (see C. L. 136, 1924, and *Treaty Series*, Volume XXIX, pages 67 to 83).

V. PROTOCOL RELATING TO AN AMENDMENT TO ARTICLE 16 OF THE COVENANT (SUB-PARAGRAPH TO REPLACE THE SECOND SUB-PARAGRAPH OF THE FIRST PARAGRAPH OF ARTICLE 16), ADOPTED BY THE FIFTH ASSEMBLY OF THE LEAGUE OF NATIONS ON SEPTEMBER 27TH, 1924.

The Secretary-General, in pursuance of the resolution of the fifth Assembly, has addressed to the Members of the League a letter (C. L. 160, 1924. V) forwarding them a certified copy of this Protocol, and notifying them that, in accordance with the resolution of September 27th, 1924, there is no further need to proceed with the ratification of the amendment to Article 16, paragraph 1, of the Covenant adopted by the second Assembly of the League of Nations.

Up to June 13th, 1925, the amendment to Article 16 adopted by the fifth Assembly has been signed by ten members. Up till now only the ratification by Salvador has been deposited with the Secretariat of the League of Nations.

¹ See Supplementary Report to the fifth Assembly on the work of the Council, *Official Journal*, Special Supplement No. 23, page 333.

2.

FINANCIAL ADMINISTRATION OF THE LEAGUE.

I. GENERAL FINANCIAL POSITION.

83.2 per cent of the amount of the contributions due for 1924 was received from the States Members during the course of the year, as against 61.7 per cent of the budget for 1923 during the previous year.

The receipts on account of arrears were also higher than during the previous financial period, the payments made in 1924 amounting to 8,266,396 gold francs as compared with 5,782,748 gold francs in 1923.

Moreover, as a result of the fact that, during the larger part of the year, the Swiss franc (in which currency a large proportion of the expenditure was incurred) stood at a discount as compared with the gold franc (which was used as the medium for the payment of contributions) the profits on exchange amounted to the sum of 1,435,074 gold francs. It should be noted, however, that this situation will not recur in the future : owing to the prompter payment of contributions, the payments on account of arrears will obviously be reduced and the profits of exchange will vanish, since the Swiss franc has, for practical purposes, reached parity with the gold franc.

Mainly as a result of these unusual circumstances, the three autonomous organisations of the League showed the following surpluses on December 31st, 1924 :

	Gold francs.
Secretariat	5,974,280.51
International Labour Organisation	2,400,652.10
Permanent Court of International Justice	1,020,788.74
Total	<u>9,395,721.35</u>

The various questions affecting the administration of the finances of the League since the last Assembly may perhaps most conveniently be considered by referring to the work of the Supervisory Commission, which met on three occasions since last September.

The Commission was composed of the same members and the same officers as last year, namely :

- M. Stefan OSUSKY, Czechoslovakia, *Chairman*.
- Lord MESTON OF AGRA, India, *Vice-Chairman*.
- Dr. J. A. NEDERBRAGT, Netherlands, *Rapporteur*.
- M. Jean RÉVEILLAUD, France.
- M. Luis WADDINGTON, Chile.

II. ACCOUNTS FOR 1924.

At its sixteenth session the Commission received the report of Dr. Vivaldi, who had been deputed by the League's auditor, M. Ceresa, to draw up the report on the accounts. The observations made by the Deputy-Auditor in his report were discussed by the Commission and were, in most cases, adopted, with the full concurrence of the competent officials of the various organisations of the League.

As regards the surplus for 1924, the Commission recommended to the Assembly that it should be used to constitute a special fund out of which should be met the balance of the cost of the new International Labour Office headquarters, and the amounts necessary for the erection of such buildings as the sixth Assembly might decide to construct as a result of the recommendations of the Jury of Architects.

The Commission, in agreement with the Secretary-General of the League and the Director of the International Labour Office, inserted in the budget for 1926 a new "Part" called "Buildings at Geneva, 1 375,000 francs". The object of this credit was, in the first place, to complete the amount necessary for the building programme to be adopted by the sixth Assembly. Once the sum necessary for the building operations has been reached, the amount of 1,375,000 francs would be retained in the budget as long as required in order to repay such Members of the League as, by the prompt and regular payment of their contributions, had made it possible to constitute the 1924 surplus. The Commission requested one of its members to make a study with a view to determining the share of each State in the surplus for 1924 ; the results of this study will be communicated to the Members of the League before the sixth Assembly.

III. BUDGET FOR 1926.

1. The Commission noted that the League budget had now attained practical stability and that subsequent variations would be relatively small. The budget for 1926, as forwarded to the Members of the League for consideration by the Council and the Assembly, amounts to 22,445,302 gold francs, as compared with a budget of 22,658,138 gold francs for 1925 and 23,328,686 gold francs for 1924.

2. The Commission recommended that care should be taken to maintain a certain equilibrium as between the various organisations within the Secretariat.

3. The Commission noted that the budget of the International Labour Office for 1926 showed a reduction of 306,757 francs on the previous budget, this reduction being partly due to the inclusion in the budget for 1926 of a credit corresponding to the contribution of Germany for 1926 towards the expenses of the International Labour Organisation.

4. Notwithstanding the discrepancy between the expenditure for 1924 and the estimates for 1926, the Commission approved the budget of the Court in view of the fact that the estimates are intended to cover the cost of three annual sessions lasting 200 days each year, and that, in the present circumstances, these assumptions may be taken as entirely reasonable.

(5) The Commission recommended that as from January 1st, 1926, the Working Capital Fund should be placed in a single bank account and that interest earned on that part of the fund not in actual use should be added to the capital until the total should reach the sum of 5,000,000 gold francs. The Commission also requested the Secretary-General to submit to each Assembly a statement showing the share of the Working Capital Fund standing to the credit of each Member of the League as on August 1st of that year.

IV. REVISION OF STAFF REGULATIONS.

In accordance with the decision of the fifth Assembly, the Supervisory Commission devoted part of its fourteenth and sixteenth sessions, as well as the whole of its fifteenth session, to a discussion of the revision of the Staff Regulations consequent upon the entry into force of the Staff Provident Fund Regulations. The decision of the Commission in the matter may be briefly summarised as follows :

It has suppressed the indemnities payable under the present regulations in cases of retirement on termination of contract, sickness or death, from causes not imputable to the official's employment, as these cases now come under the Staff Provident Fund and the Death and Invalidity Fund.

It has codified and standardised the rules to be observed in cases of accident or invalidity where the cases may be imputed to the service or in cases of abolition of posts, termination of contracts at the end of each period of seven years, or of dismissals for inefficiency.

V. BUDGETARY AND ADMINISTRATIVE QUESTIONS.

The Supervisory Commission examined the proposal made at the last Assembly that a system of amortisation should be applied to the purchase money of real estate belonging to the League, in order to equalise the burdens borne by the original Members of the League and those which joined it at a later period. In view of the many difficulties to which the application of this scheme would give rise, the Commission came to the conclusion that it was perhaps not advisable that the proposed system should be adopted—at least, for the time being. Similarly, the Commission agreed that the establishment of a printing press managed by the League for the use of the Secretariat and of the International Labour Office was inadvisable in the present circumstances.

The Commission also considered a number of questions of detail which are referred to in its various reports.

VI. STAFF PROVIDENT FUND.

At its session held in October 1924, the Council appointed the members of the Board of Management of the Staff Provident Fund. It also entrusted the Financial Committee with the duty of acting as Investments Advisory Committee to the Board of Management.

VII. ALLOCATION OF EXPENSES OF THE LEAGUE.

The fifth Assembly, in 1924, entrusted the Committee on the Allocation of the Expenses of the League with three tasks :

1. To determine the number of units to be attributed to the Dominican Republic, which was admitted to the League in 1924.

2. To divide the units made available by the admission of the Dominican Republic and the resumption of payments by the Argentine, taking into consideration the claims of States Members for whom the existing allocation was particularly heavy.

3. To continue its researches with the object of preparing a fresh provisional scale to be submitted to the 1925 Assembly.

At its session in October last year, the Committee reduced the allocations of Brazil, China, Czechoslovakia, Greece, Haiti, India, Norway, Persia, Portugal, Roumania and the Kingdom of the Serbs, Croats and Slovenes, and the cost of each unit to the benefit of all the Member States by the addition of three to the total number of units.

During its session in April 1925 the Committee considered further economic and financial data collected by the Secretariat and drew up a new provisional scale which, if approved by the Assembly, might be applied for a period of three years.

3.

REDUCTION OF ARMAMENTS.

I. ARBITRATION, SECURITY AND THE REDUCTION OF ARMAMENTS.

The discussions of the fifth Assembly on the reduction of armaments, with which question the Assembly had linked up the questions of arbitration and security, resulted in a certain number of resolutions, the tenour of which was to recommend to the earnest attention of all the Members of the League the acceptance of the draft Protocol for the Pacific Settlement of International Disputes which was drawn up at Geneva on October 2nd, 1924, and to open immediately this Protocol for signature by those representatives of Members of the League which were already in a position to sign it, and to hold it open for signature by all other States.

Article 17 of the Protocol is as follows :

“ The signatory States undertake to participate in an International Conference for the Reduction of Armaments which shall be convened by the Council and shall meet at Geneva on Monday, June 15th, 1925. All other States, whether Members of the League or not, shall be invited to this Conference.

“ In preparation for the convening of the Conference, the Council shall draw up, with due regard to the undertakings contained in Articles 11 and 13 of the present Protocol, a general programme for the reduction and limitation of armaments, which shall be laid before the Conference and which shall be communicated to the Governments at the earliest possible date, and at the latest three months before the Conference meets.

“ If by May 1st, 1925, ratifications have not been deposited by at least a majority of the permanent Members of the Council and ten other Members of the League, the Secretary-General of the League shall immediately consult the Council as to whether he shall cancel the invitations or merely adjourn the Conference to a subsequent date to be fixed by the Council so as to permit the necessary number of ratifications to be obtained.”

The Assembly, considering that the work of the League of Nations as regards the reduction of armaments was entering upon a period of reorganisation which required the direct attention of the Council, had already, by a decision taken on September 27th, 1924, entrusted to the Council the question of the co-ordination of the work of its Commissions for the reduction of armaments. This decision ended by enumerating the principles which the Assembly recommended to the Council with a view to a reorganisation of the Temporary Mixed Commission for the Reduction of Armaments which had been set up in accordance with a decision of the first Assembly.

The Council, giving immediate effect to this resolution of the fifth Assembly, adopted on October 3rd, 1924, on the proposal of the representative of Czechoslovakia, the following resolution :

“ 1. With a view to the preparation of the Conference for the reduction of armaments, the Council decides to form itself into a Committee. The representatives on the Council who consider that it will not be possible to attend the Committee in person will, as soon as possible, send to the Secretary-General the names of their substitutes on this Committee.

“ The Committee will hold its first meeting on November 17th in order to draw up a general programme of the work connected with the application of Article 12 of the Protocol and with the reduction of armaments.

“ The Governments of the States represented on the Council are requested to give their representatives on the Committee the necessary instructions in order that the general lines of the programme may be laid down during its meeting of November 17th. The Secretary-General will invite the Governments of the States Members of the League not represented on the Council to forward through him to the Committee any suggestions which they may think useful with a view to the preparation of this programme.

“ 2. The Secretariat is requested to collect the data necessary for the economic and financial investigations relative to the application of Article 12 of the Protocol and is authorised to distribute these data to the competent organs of the League (Economic and Financial Organisation, Transit Organisation) with a view to the work which will subsequently be required of them by the Committee.

“ The Secretariat will obtain information from the official documents at the disposal of the League or from documents which might, if necessary, be furnished by the Governments.

“ 3. In conformity with the Assembly resolution, and in order to assist the Committee in co-ordinating the preparatory work for the Conference, the Temporary Mixed Commission shall be reorganised and shall take the name of the Co-ordination Commission, which will be composed as follows :

- “ (a) The Committee of the Council (ten members), assisted by :
- “ (b) The President and one member, or two members of each of the three organisations, Economic, Financial and Transit (six members) ;
- “ (c) Six members appointed by the Permanent Advisory Commission (six members) ;
- “ (d) Two members of the Employers Group and two members of the Workers' Group of the Governing Body of the International Labour Office, appointed by the latter (four members) ;
- “ (e) If considered advisable, a certain number of experts, jurists and others appointed by the Council.

“ The Secretary-General is requested to invite at a suitable moment the above-mentioned organisations to appoint their representatives.”

During the extraordinary session held by the Council at Brussels at the end of October, 1924, the representative of Czechoslovakia informed the Council that the President of the Czechoslovak Republic had ratified on October 28th the Protocol for the Pacific Settlement of International Disputes, and the Acting President of the Council announced that thirteen States had signed the Protocol¹. During the same session, Lord Parmoor, representative of the British Empire, intimated to his colleagues that it was not desirable for the Committee of the Council to meet on November 17th, in view of the political situation in Great Britain. The British Parliament had been dissolved, and new general elections were taking place.

The Council, therefore, decided to postpone the meeting of November 17th, and itself to undertake at its next ordinary session, which was fixed for December 8th, the work of preparing for the Conference on the Reduction of Armaments.

On November 15th, 1924, the new British Government notified the Secretary-General that, owing to its very recent accession to office, it would not be able, for some time, to form a considered opinion on the terms of the Protocol. It would be equally impossible for the British Government to furnish, for the next session, proper instructions to its representative on the Council for the purpose of the preparatory work for the proposed Conference on the Reduction of Armaments. The British Government was, therefore, obliged to request that this question should be adjourned to a later session.

The question having been adjourned according to the desire of the British Government, Mr. Austen Chamberlain, during the session held in March, 1925, opened the discussion on the question by reading an official statement regarding the inacceptability of the Protocol to the British Empire, and putting forward various new suggestions. This declaration was followed by answers and statements, in which the other members of the Council explained the policy of their Governments as regards the Protocol. The text of these declarations will be found in the *Official Journal* for April, 1925, page 445 *et seq.*, as well as in a special document which will be distributed to the Assembly. The document to the Assembly will also contain the replies which may be received from other Governments.

The Council, as a result of the declarations made by its members, adopted on March 13th, 1925, the following resolution :

“ The Council, having heard the statement of the representative of the British Empire on the Protocol for the Pacific Settlement of International Disputes, and also the declarations of the other members of the Council ;

“ Considering that the fifth Assembly, by a resolution unanimously adopted on October 2nd, 1924, decided to recommend to the earnest attention of all the Members of the League the acceptance of the said draft Protocol, and that in the same resolution it invited the Council to undertake certain preparatory work provided for in various articles of the draft Protocol ;

¹ The Protocol has, up to now, been signed by eighteen States : Albania, Belgium, Brazil, Bulgaria, Chile, Czechoslovakia, Esthonia, Finland, France, Greece, Haiti, Latvia, Paraguay, Poland, Portugal, Kingdom of the Serbs, Croats and Slovenes, Spain and Uruguay.

“ And considering that the Council decided on October 28th, 1924, to undertake itself the work of preparing for the Conference on the Reduction of Armaments, which it had originally asked the Committee of the Council to undertake at a meeting to be held on November 17th, 1924 ;

“ Decides :

“ (a) To refer to the sixth Assembly the above-mentioned declarations of the representative of the British Empire and the other members of the Council, together with any declarations on the same subject which may be communicated to it by the Governments of the Members of the League, and instructs the Secretary-General to place this question forthwith upon the agenda of the sixth Assembly ;

“ (b) To postpone the work of preparation which it had decided to undertake until the sixth Assembly has given a decision on the question submitted to it.

II. RIGHT OF INVESTIGATION IN THE STATES SUBJECTED TO INVESTIGATION UNDER THE TREATIES OF VERSAILLES, ST. GERMAIN, TRIANON AND NEUILLY.

Since the last Assembly the Council has continued its examination of the question of the right of investigation conferred upon it by the Treaties of Versailles, St. Germain, Trianon and Neuilly. It has co-ordinated a series of measures designed to ensure the application of this right of investigation.

First, in conformity with the opinion of the Committee of Jurists set up under its resolution of June 17th, 1924¹, the Council decided that, when discussing the question of the right of investigation, it would retain its normal constitution and that representatives of other States should not be added. This decision was communicated to the Governments concerned.

The Hungarian Government, however, urged upon the Council its right to be represented. After an exchange of correspondence, the Council maintained its decision and stated that “ it intended to exercise the right of investigation conferred upon it in a spirit of complete impartiality and with due regard to all the interests involved ”.

On June 17th, 1924, the Council adopted the following resolution :

“ The Council decides to instruct the Permanent Advisory Commission, following the decision of the Council of December 12th, 1920, to continue the examination of the question of the organisation to be placed at the disposal of the Council with a view to the exercise of the right of investigation contemplated by Articles 159 of the Treaty of St. Germain, 143 of the Treaty of Trianon and 104 of the Treaty of Neuilly, and asks it to prepare and submit to the Council proposals to this effect. The plans proposed should take into account the necessities of the present moment. ”

The Permanent Advisory Commission met on August 28th, 1924, to examine this question.

In reply to a question raised by the Permanent Advisory Commission, the Council, on September 9th, 1924, completed the foregoing resolution with the statement that the organisation which the Commission was required to consider was to be adapted to the exercise of the right of investigation as contemplated also in the Treaty of Versailles.

The Permanent Advisory Commission undertook the required examination and on September 17th, 1924, submitted to the Council a scheme for the organisation with a view to the exercise of the right of investigation. This draft had been adopted unanimously by the Commission, with the exception of certain provisions relating to the nationality of the experts to be appointed as members of the Commissions of Investigation.

The Council took the draft as a basis of discussion, and on September 27th, 1924, finally adopted the scheme for the organisation of the right of investigation².

With a view to giving effect to Chapter IX of the scheme, which reads as follows :

“ *Chapter IX. Entry into force.* — The organisation proposed above shall be ready to function for each of the States subject to investigation before the withdrawal of the Inter-Allied Commissions of Control, ”

the Permanent Advisory Commission met at Geneva from November 12th to 14th, 1924, and submitted to the Council proposals designed to complete the organisation which had been set up. At its December session, the Council approved certain of the detailed measures proposed concerning the preparation of lists of experts composing the Commissions of Investigation, the constitution of their archives, the secretariat of the commissions, etc.

It further decided that the Chairmen of the Commissions of Investigation for the first period of one year should be nominated by the President of the Council. It also decided that the Council would be entitled to take its decisions by a majority vote when determining the composition of the Commissions of Investigation. The foregoing provisions will all be found in Annex I to the present Chapter.

The Permanent Advisory Commission had further proposed that the Council should order an enquiry into the ways and means of making practical provision for the diplomatic

¹ See Supplementary Report to the fifth Assembly. (Document A. 8 (a) 1924); *Official Journal*, Special Supplement 23, page 338.

² See *Official Journal*, October 1924, page 1592.

privileges and immunities of the members of the Commissions of Investigation, and as to the ways and means of ensuring the free execution of the duties entrusted to these Commissions.

With regard to diplomatic privileges and immunities, the Council decided that the members of each Commission should receive, in addition to their diplomatic passport, an identity certificate, issued by the Secretary-General on behalf of the Council, indicating their official capacity.

As regards the free execution of the duties entrusted to the Commissions, the Council took the following resolution :

“ The Council decides :

“ (1) To instruct the Permanent Advisory Commission to draw up a report determining, both from a practical and a technical point of view, the ways and means of ensuring the free and complete execution of the duties entrusted to these Commissions ;

“ (2) To instruct its President to appoint a Committee of three Jurists, which will examine, together with the representatives appointed by the Permanent Advisory Commission, the latter's report on this subject. This Joint Committee will draw up in a legal form the proposals of the Permanent Advisory Commission. Its report shall be ready in time to enable the Council to take its decision at its March session. ”

In conformity with the foregoing resolution, the Permanent Advisory Commission met from February 5th to 10th, 1925, and drew up certain regulations which were referred to the Joint Committee set up under the foregoing decision. The latter, on March 10th, 1925, submitted to the Council the report of the Permanent Advisory Commission drawn up in legal form.

On March 14th, 1925, the Council adopted the regulations submitted to it (Annex II), and further decided :

“ To request the Secretary-General to cause a study to be made as to whether, and, if so, to what extent, the system approved as above will necessitate legislative measures on the part of the countries subject to the right of investigation and to furnish a report thereon for the information of the Council.

“ To authorise the Secretary-General immediately to notify to the four countries which have given undertakings to submit to any investigation, the decisions taken as regards the organisation of the right of investigation and as regards the ways and means required to ensure by their co-operation its execution, in order to enable these countries to take the necessary measures to ensure that, as soon as an investigation is decided upon by the Council, the rights recognised to it by the treaties can be exercised. ”

In order to give effect to the foregoing resolution the Secretary-General communicated to the German, Austrian, Hungarian and Bulgarian Governments the documents containing all the various provisions and resolutions relative to the right of investigation.

As soon as each of these decisions had been taken by the Council, the Secretary-General communicated with the Governments concerned, either in their capacity as Members of the Council or as signatories to the treaties of peace and bordering on the States subject to investigation and having obligations towards them, informing them of these decisions and requesting them to take preparatory measures with a view to the ultimate application of the right of investigation. The majority of these Governments have intimated that they have taken the necessary measures in the matter.

Concurrently with the general question of investigation, the Council has had to consider that of the application of the system approved by it for the Rhine zone demilitarised under the Treaty of Versailles. At its meeting of December 11th, 1924, it adopted, on the proposal of the French representative, the following resolution :

“ The Permanent Advisory Commission is instructed to submit practical proposals for the application of Chapters I and V of the Council's resolution of September 27th, 1924, to the Rhine zone demilitarised by the Treaty of Versailles. ”

In accordance with the above resolution, the Permanent Advisory Commission, at its session held from February 5th to 10th, 1925, engaged in a discussion on this question, in which the British and Swedish delegations refrained from taking part, and submitted a report to the Council.

At its meeting of March 14th, 1925, the Council took the following decision :

“ The Council decides to adjourn to a subsequent session, with a view to a more exhaustive study, the question of the system of investigation to be applied to the demilitarised Rhine zone. ”

In a letter dated January 6th, 1925, the Conference of Ambassadors informed the Secretary-General that the Inter-Allied Naval Commission of Control in Germany had been officially dissolved on September 30th, 1924. This letter has been communicated to the Members of the League.

III. STATISTICAL ENQUIRY ON THE TRADE IN ARMS, MUNITIONS AND IMPLEMENTS OF WAR.

On September 27th, 1924, the fifth Assembly adopted the following resolution :

“ The Assembly, having taken note of the statistical data relating to the trade in arms, munitions and implements of war published by the Secretariat of the League of Nations in pursuance of a decision of the Council, expresses its satisfaction with the work accomplished and requests the Council :

“ (1) To instruct the Temporary Mixed Commission carefully to consider the information already published and to submit a report on the characteristic features of the trade in arms, munitions and implements of war, as disclosed by this enquiry, based on official and public documents and on the conclusions to be drawn therefrom ;

“ (2) To ensure the periodical publication by the Secretariat of the statistical data concerning the trade in arms, munitions and implements of war ;

“ (3) To invite States Members and non-Members of the League of Nations to transmit to the Secretariat all documents which they may consider likely to be of assistance in the preparation of this work. ”

On September 30th, 1924, the Council adopted the following resolution :

“ On the proposal of the Assembly, the Council decides to instruct the Temporary Mixed Commission carefully to consider the information already published and to submit a report on the characteristic features of the trade in arms, munitions and implements of war as disclosed by this enquiry, based on official and public documents and on the conclusions to be drawn therefrom ;

“ To instruct the Secretariat to ensure the periodical publication of the statistical data concerning the trade in arms, munitions and implements of war ;

“ To instruct the Secretary-General to invite States Members and non-Members of the League to transmit to the Secretariat all documents which they may consider likely to be of assistance in the preparation of this work. ”

The Secretary-General accordingly communicated with the Governments, asking for their assistance in the publication of statistics relating to the trade in arms, munitions and implements of war.

The Council subsequently adopted, on December 9th, 1924, the following resolution :

“ The Council decides to invite the Co-ordination Commission to consider also the effect to be given to the decision taken by the Council in pursuance of the Assembly's resolution regarding statistical information on the traffic in arms, munitions and implements of war. ”

The question having been examined by the Co-ordination Commission, the Council on March 11th, 1925, adopted the following resolution :

“ The Council decides : to invite the Governments which will take part in the Conference for the Control of the International Trade in Arms, Munitions and Implements of War which will meet in Geneva on May 4th, 1925, to undertake the study of the question of statistical information on the trade in arms, munitions and implements of war, so that they may, if possible, give to their delegates the necessary instructions and powers in order that the question of the standardisation of nomenclature and statistical systems for the trade in arms, munitions and implements of war may be usefully discussed at the said Conference. ”

The Secretary-General communicated the foregoing resolution to all Governments invited to the Conference.

IV. PRIVATE MANUFACTURE OF ARMS, MUNITIONS AND IMPLEMENTS OF WAR.

On September 27th, 1924, the fifth Assembly adopted the following resolution :

“ The Assembly,

“ Having taken note of the reports of the Temporary Mixed Commission and the Economic Committee on the control of the private manufacture of arms, munitions and implements of war :

“ (1) Requests the Council to invite the Temporary Mixed Commission to investigate this question anew and with an entirely open mind, and to prepare a draft International Convention, taking into account any new circumstances which may have arisen since the report of the Temporary Mixed Commission was submitted to the fifth Assembly.

“ It is intended that this draft Convention shall serve as a basis for the discussions of an International Conference to be convened for the purpose of concluding

a Convention for the Control of the Private Manufacture of Arms, Munitions and Implements of War.

“(2) The Assembly also requests the Council to consider the question of inviting the Government of the United States of America to send representatives to co-operate with the Temporary Mixed Commission in preparing the draft Convention for the Control of the Private Manufacture of Arms, Munitions and Implements of War.”

On September 30th, 1924, the Council, considering that it would first be necessary to determine the organisation of the Commission designed to replace the Temporary Mixed Commission and its programme of work, adjourned the question to its December session.

On December 9th, 1924, the Council adopted the following resolution :

“ The Council,

“ In view of the resolution adopted by the fifth Assembly regarding the private manufacture of arms, munitions and implements of war :

“ Decides :

“ To convene the Co-ordination Commission to meet at Geneva on February 16th, 1925, at 11 a.m., under the chairmanship of the representative of the member of the Council acting as President at that time ;

“ To refer the above-mentioned resolution of the Assembly to the Co-ordination Commission for all necessary action ;

“ To invite the Co-ordination Commission to notify the Council when its work is sufficiently advanced for the Government of the United States of America to be invited to send representatives to co-operate with the Commission in the work of preparing an international convention on the control of the private manufacture of arms, munitions and implements of war.”

Following on the examination of the question by the Co-ordination Commission at its first session held from February 16th to 19th, 1925, the Committee of the Council considered that the drafting of a Convention should be adjourned until it was possible to judge of the results obtained by the Conference on the Control of the International Trade in Arms, Munitions and Implements of War, and thought that the interval involved by this postponement should be employed in collecting information likely to facilitate the subsequent proceedings of the Commission.

It proposed to the Council to set up a Committee of Enquiry which would be instructed to draw up, in co-operation with the organisations represented on the Co-ordination Commission, a questionnaire concerning the manufacture of arms to be sent to the various Governments. As soon as the information required was received, the Committee of Enquiry would submit a report to the Committee of the Council.

On March 11th, 1925, the Council approved the proposal for the constitution of the Committee of Enquiry, and instructed the Committee to draw up a questionnaire to be forwarded to the organisations represented on the Co-ordination Commission.

The Committee of Enquiry, consisting of M. Guani, Chairman, M. Veverka and M. Cobian, has prepared a draft questionnaire, which was forwarded by the Secretary-General to the organisations represented on the Co-ordination Commission for their observations.

When the form of this questionnaire has been finally approved, the Committee of the Council will be authorised to address enquiries to the Governments.

V. CHEMICAL WARFARE.

Following on the resolution adopted by the fifth Assembly on September 27th, 1924, emphasising the great danger to civilisation of the means which modern science places at the service of warfare, and the desirability of meeting this danger by the weapon of publicity, the Council associated itself with the following opinion expressed by the representative of Czechoslovakia in his report of September 30th, 1924 :

“ A solemn resolution by the Assembly is, I believe, the best method of drawing the attention of the public to this question. The Council has, indeed, every ground for trusting that the delegates of those Governments which have unanimously voted in favour of this resolution will do everything in their power to give it the greatest possible publicity in their countries.”

VI. PUBLICATION OF THE MILITARY YEAR-BOOK.

Following on the resolution of the fifth Assembly concerning a Military Year. Book of general statistical information on the land, naval and air armaments of the various countries, the first volume of which was prepared by the Secretariat and published in 1924, the representative of Czechoslovakia, acting as Rapporteur, submitted to the Council on September 30th, 1924, the following report and resolution, which were adopted by the Council :

“ The Council, like the Assembly, has no doubt appreciated this valuable work which, as is stated in the Assembly's resolution, represents a genuine step towards the fulfilment of the obligations of the signatories of the Covenant in the final paragraph of Article 8. I accordingly propose that the Council should adopt the following resolution :

“ On the proposal of the Assembly, the Council instructs the Secretariat to continue the periodical publication of the Military Year-Book of General Statistical Information on Armaments, on the lines laid down by the fourth Assembly, to which the Secretariat has adhered in preparing the first volume, special attention being given to that part of the Year-Book which deals with industrial and economic resources capable of being utilised for war.”

ANNEX I.

ORGANISATION WITH A VIEW TO THE EXERCISE OF THE RIGHT OF INVESTIGATION IN THE FOUR STATES SUBJECTED TO INVESTIGATION BY THE TREATIES OF VERSAILLES, ST. GERMAIN, TRIANON AND NEUILLY.

(Adopted by the Council on September 27th, 1924¹.)

CHAPTER I. — NATURE AND EXTENT OF INVESTIGATIONS.

The investigations provided for in :

Article 213 of the Treaty of Versailles,
Article 159 of the Treaty of St. Germain.
Article 143 of the Treaty of Trianon,
Article 104 of the Treaty of Neuilly,

shall, when the Council so decides, cover such demilitarisation of territory as may be laid down in the said Treaties, and any or all the military, naval and air clauses of the said Treaties, and particularly :

- (a) Legislation, such as military laws, budgets ;
- (b) Strengths ;
- (c) Material existing or under construction (including aeronautical material, plant for manufacture of munitions, implements of war) ;
- (d) Training for war ;
- (e) New warship construction.

CHAPTER II. — INITIATIVE.

(a) Without prejudice to the right of an individual member of the Council to bring any matter to the direct notice of the Council, every Government Member of the League of Nations may communicate to the Secretary-General, for consideration by the Council, any reports or information which, in the opinion of that Government, call for exercise by the Council of the right of investigation. Copies of such reports or information shall be forwarded as soon as received to the Permanent Advisory Commission.

(b) On each occasion when the Council has decided to exercise the right of investigation as authorised by the Treaties, it will notify the Governments concerned without informing them of the details of such investigation.

CHAPTER III. — COMPOSITION AND FUNCTIONS OF THE PERMANENT ADVISORY COMMISSION.

Any State, not being a Member of the Council, neighbour of a State which has given to the former State undertakings by the terms of one of the Treaties of Peace to submit to investigations shall be represented on the Permanent Advisory Commission, for all questions contemplated in the present rules, as regards investigations concerning the latter State.

The Permanent Advisory Commission is responsible to the Council for preparing the organisation for any investigations upon which the Council may decide.

To facilitate the decision of the Council :

(a) The Permanent Advisory Commission shall submit to the Council for approval each year for the ensuing year, if necessary, a programme of the investigations which it recommends. This programme will be based on the reports or information which the Permanent Advisory Commission has received officially and shall be accompanied by draft instructions for the President of each Commission of Investigation, constituted as laid down in Chapter IV ;

(b) At each session of the Council the Permanent Advisory Commission may propose such additions as may be necessary to the programme of investigation mentioned in paragraph (a) above ;

¹ The additions and amendments subsequently adopted by the Council are reproduced in footnotes.

(c) Should any reports received necessitate an urgent meeting of the Permanent Advisory Commission, the latter shall advise the Council thereon, who may direct the Permanent Advisory Commission to make the necessary arrangements for an investigation.

CHAPTER IV. — CONSTITUTION AND OPERATION OF THE COMMISSIONS OF INVESTIGATION.

Commissions of Investigation shall be constituted as follows :

(a) The members shall be chosen from a list of experts qualified in the various matters likely to form the subject of investigations. The Permanent Advisory Commission will draw up a preliminary list for the approval of the Council as soon as the present scheme has been approved ¹.

The list shall consist of experts appointed by the Governments of States which are represented on the Council at the date the list is drawn up ².

Each State shall furnish an equal number of experts, who shall at all times be available in their respective countries.

At any time when a change takes place in the normal permanent or elected constitution of the Council, this list shall be revised so as to be brought into line with the composition of the Council.

(b) When a Commission of Investigation has to be appointed for the case of a particular State, the Permanent Advisory Commission will propose to the Council the exact composition of that Commission according to the nature and importance of the investigation. The Commission will consist of experts specially qualified to undertake the investigation in question and selected from the list referred to in paragraph (a). It will include, in principle, an equal number of experts from each State (and at least one from each State) taking part in the investigation as defined in paragraph (c) ³.

(c) Subject to the terms of paragraph (f) below, the States represented on the Council at the time when an investigation is decided upon will be represented on every Commission of Investigation. Should the Council not contain any representative of a State which is a signatory of the Treaties of Peace and at the same time bordering on the State under investigation, or any representative of a non-signatory State of the Treaties of Peace, the Council shall select a State from each of these categories and the experts of these selected States shall be added to those of the States represented on the Council ⁴.

(d) Every local investigation shall be carried out by at least three experts of different nationalities.

(e) The members of the Permanent Advisory Committees shall not take part in investigations.

(f) The nationals of States subjected to the right of investigation shall not form part of any of the Commissions of Investigation.

(g) The members of the Commissions of Investigation shall enjoy full diplomatic privileges and immunities.

(h) Should the Council decide to hold an investigation comprising various objectives in the same State, it will be undertaken by one Commission constituted as laid down in paragraphs (b) and (c) of this chapter with one President, who will be responsible to the Council for the whole of the investigation.

¹ On December 11th, 1924, the Council approved the following list drawn up by the Permanent Advisory Commission :

LIST OF MILITARY (NAVAL, AIR)
OR CIVIL EXPERTS TO BE HELD AVAILABLE BY EACH GOVERNMENT.

Categories.	Number.	Categories.	Number.	Categories.	Number.
<i>Military and General Questions :</i>		<i>Naval Questions :</i>		<i>Air Questions :</i>	
(a) Organisation, legislation, mobilisation, effectives.	4	(a) Gunnery	1	(a) Motors	2
(b) Existing arms, munitions and other war material.	4	(b) Torpedoes and mines	1	(b) Machines	2
(c) Manufacture { Artillery	2	(c) Submarines	1	(c) Dirigibles	2
Small arms	2	(d) Engineering	1	(d) Training	2
Munitions	2	(e) Naval construction	1		
(d) Chemical warfare	3				
(e) Fortifications	2				
(f) Communications	2				

As it was possible that all the Governments called upon to furnish experts for the list in question would not be able to supply the maximum numbers laid down above (either because they lacked certain categories of experts or because the remoteness of their country only allowed them to employ experts living near to the countries subject to investigation), the Commission recommended to the Council that the various Governments concerned should communicate the number of experts of each category which could at all times be held available.

On December 9th, 1924 :

“The Council decided that each State might, in drawing up its list of experts to serve on the Commission of Investigation, indicate the particular country or countries for which certain of these experts were appointed.”

² On October 28th, 1924, the Council approved the following addition to the second paragraph of Chapter IV (a) :
“and by the Government of any State selected by the Council under paragraph (c) of this chapter.”

³ On December 10th, 1924, the Council adopted the following resolution :

“The Council agreed that a decision of the Council as to the composition of Commissions of Investigation could be taken by a majority vote.”

⁴ In conformity with paragraph (c) of Chapter IV, the Council decided on December 9th, 1924, that the Kingdom of the Serbs, Croats and Slovenes should be chosen to appoint experts to sit on the Commissions of Investigation for Bulgaria.

(i) Presidents of Commissions of Investigation will be nominated in advance, by the Council in all cases, for the period of one year renewable. They will not reside in the State subject to an investigation, except during such periods of investigation¹.

(j) Within the limits of their instructions received from the Council, Presidents will themselves arrange the order of their work and ask the Secretary-General to notify the Government concerned of the date on which they have decided to commence investigation.

They shall have full latitude in the convening of their Commissions and in the internal organisation of them, subject to the reservation laid down in paragraph (d) above:

(k) In order to retain an element of surprise, the President of a Commission of Investigation need not disclose his exact objectives until the last moment. Within the limits of his instructions, he is also authorised to accord such freedom of movement to the groups of his Commission as will enable their work to be brought to a definite conclusion.

(l) Commissions of Investigation may, during a period fixed by the Council, either carry out the operations without interruption or intermittently.

(m) It is the duty of the Commission of Investigation to confine itself to the establishment of facts.

(n) When difficulties arise during the course of an investigation, the Presidents of Commissions will inform the Council, and, in the case of technical difficulties, the Permanent Advisory Commission also. The latter will, if the matter comes within its competence, provide the President of a Commission of Investigation with such additional technical advice or assistance as may be necessary. The Permanent Advisory Commission will not issue any orders or in any way vary the original instructions approved by the Council.

CHAPTER V. — DEMILITARISED ZONES.

Within the period fixed by the Council and with its approval, the President of a Commission of Investigation may detach groups to remain at points in the demilitarised zones where continuity of investigation is required.

CHAPTER VI. — INFORMATION.

1. The Permanent Advisory Commission will furnish the Council with all the information it requires as to the observance of the disarmament clauses of the various Treaties of Peace.

This will entail upon the Secretariat of the Permanent Advisory Commission additional duties as follows :

(a) To receive and collate the final reports of the Inter-Allied Commissions of Control, reports of Commissions of Investigation, together with copies of all military laws, budgets and legislation ;

(b) To receive from Governments of Members of the League all military, naval and air information relative to the clauses of the four Treaties referring to the right of investigation ;

(c) To collate the information so received and circulate it to the members of the Permanent Advisory Commission ;

(d) To receive and collate all information furnished by Governments concerning the application of any rules which may be in force for discriminating between military and civil aviation.

The work required by the Permanent Advisory Commission will constitute the first charge on the present members of the Secretariat of the Commission, who will be relieved of all such duties as may prevent them from carrying out that work.

¹ On December 9th, 1924, the Council adopted the following resolution :

“ The Council decided, in accordance with the terms of Chapter IV, paragraph (i), of the plan of organisation for the right of investigation, to invite its President to appoint in due course persons to act for the first period of one year as Presidents of the four Commissions of Investigation provided for in the said plan or organisation.”

Pursuant to this resolution, the President of the Council made the following appointments on the dates given :

Commission of Investigation for Germany :	General DESTICKER (January 12th, 1925).
Commission of Investigation for Austria :	General J. MARIETTI (February 12th, 1925).
Commission of Investigation for Bulgaria :	General (Reserve list) JUNGSTEDT (January 12th, 1925).
Commission of Investigation for Hungary :	Major-General W. M. St. G. KIRKE, C.B., C.M.G., D.S.O. (February 5th, 1925).

Secretariat of Commissions of Investigation.

On December 11th, 1924, the Council adopted the following resolution :

“ The Council decides that :

“ 1. The President of each Commission of Investigation shall choose his own secretary in addition to the members of the Commission and subject to the reservation laid down in Chapter IV (j). This secretary shall be entitled to the allowances provided for the secretaries of Presidents of Commissions of the League of Nations during the periods when the Commission of Investigation is regularly constituted and on active service.

“ 2. The remainder of the secretariat staff of the Commission of Investigation shall be organised by the Secretary-General of the League of Nations. Should this organisation call for the services of members of the Secretariat, the Secretary-General will be authorised, if necessary, to replace temporarily the members of the Secretariat thus placed at the disposal of the Commissions of Investigation and to charge the expenses thereby incurred to the budget item concerning the exercise of the right of investigation.”

2. Any information required for the purpose of investigation shall be supplied to the Presidents of the investigating Commissions by the Permanent Advisory Commission.

CHAPTER VII. — REPORTS.

The Presidents of Commissions of Investigation will forward their reports, together with any minority reports, to the Council and the Permanent Advisory Commission. The latter will forward their reasoned opinion of the report to the Council.

CHAPTER VIII. — FINANCIAL PROVISIONS.

1. The allowances for the members of the Commissions of Investigation shall not be less than those payable to members of other Commissions of the League.

2. Unless the Council otherwise determines, the expenses of any investigation will be borne on the general funds of the League.

3. The necessary advance of funds shall, within the limits of the budget and subject to the Regulations for the Financial Administration of the League, be made to the members of the Commissions of Investigation by the Secretariat of the League.

CHAPTER IX. — ENTRY INTO FORCE.

The organisation proposed above shall be ready to function for each of the States subject to investigation before the withdrawal of the Inter-Allied Commissions of Control.

ANNEX II.

ORGANISATION FOR THE EXERCISE OF THE RIGHT OF INVESTIGATION IN THE FOUR COUNTRIES SUBJECT TO INVESTIGATION BY ARTICLE 213 OF THE TREATY OF VERSAILLES, ARTICLE 159 OF THE TREATY OF ST. GERMAIN, ARTICLE 143 OF THE TREATY OF TRIANON, ARTICLE 104 OF THE TREATY OF NEUILLY.

WAYS AND MEANS OF ASSURING TO COMMISSIONS OF INVESTIGATION FREE AND COMPLETE EXECUTION OF THE DUTIES ENTRUSTED TO THEM.

Regulations adopted by the Council on March 14th, 1925.

CHAPTER I. — POWERS OF COMMISSIONS OF INVESTIGATION.

(1) Commissions of Investigation, within the scope of the programme decided upon in each case by the Council of the League of Nations, shall have authority and it will be their duty to extend their investigations to all matters comprised in those programmes with a view to the establishment of the relevant facts, and in particular they shall be entitled to take all such steps as they may deem necessary or expedient to satisfy themselves :

(a) That the recruitment, organisation, numerical strength and armament of the Army, Navy and Police Forces and other similar organisations are in conformity with the existing provisions of the relevant Treaty of Peace ;

(b) That no preparations for mobilising military or naval personnel are being made and that no such mobilisation has been carried out :

(c) That no institution, association or society of any kind engages in military training or is connected either with the Ministry of War or with any other military authority ;

(d) That the legislation of the country where the investigation is in progress is maintained in conformity with the military, naval and air clauses of the relevant Treaty of Peace and that such legislation is duly observed.

(2) The Commission of Investigation or any Sub-Commission or group thereof may proceed to any place in the country where the investigation is in progress and may remain there for the time indispensable for such inspections and operations as it may consider necessary or desirable for the execution of its duties.

(3) The Commission or any Sub-Commission or group thereof may in the course of any such inspection enter or search any building or locality (whether belonging to the State or to any local or other authority, civilian or military, or to a private individual) or any war- or other vessel, or any fortifications or defences of any kind, or transport material of any nature.

For the purposes of any such entry or search, only such notification will be given in advance of the identity of the actual place to be inspected (Government building, private factory or other private building) as will enable the necessary preparations to be made for the inspection.

(4) The Commission or any Sub-Commission or group thereof shall also in the course of any such inspection be entitled to examine any books or documents relating to the transport of goods by whatever method. In particular, such examination may be made on or in connection with frontier stations on railways and navigable waterways or on or in connection with seaports and aerodromes.

(5) Every local investigation shall be carried out by at least a group of three members of the Commission of different nationalities.

(6) Members of a Commission of Investigation shall enjoy full diplomatic privileges and immunities and shall be in possession, in addition to diplomatic passports, of identity certificates issued by the Secretary-General on behalf of the Council stating their official capacity. Such members shall furthermore have the right to complete freedom of movement in the discharge of their duties.

(7) The Commission shall have the right to require of the Government of the country where the investigation is in progress the provision for its members of first-class hotel accommodation, first-class transport by rail and all such other facilities for transport by other means of locomotion as may reasonably be demanded. The expenses thereby incurred shall be met by the members of the Commission as provided for in Chapter VIII of the Plan of Organisation of the Right of Investigation approved by the Council on September 27th, 1924.

The prices for any expenses incurred by the Commission or its members shall be in accordance with those current locally.

CHAPTER II. — FACILITIES TO BE GIVEN BY THE GOVERNMENT OF THE COUNTRY SUBJECT TO INVESTIGATION.

(1) It will be the duty of the Government concerned, on receipt of a notification from the Council of the League of Nations that it has decided to exercise the right of investigation under the relevant Treaty provisions, to take all measures to ensure that the Commission appointed by the Council for that purpose may accomplish its mission to the fullest extent in complete freedom and without encountering resistance, whether active or passive, on the part of any authority or of the local population, and that it shall be assisted in the exercise of the powers provided for in Chapter I above, in order that in all cases it may possess legal means for the execution of its mission.

In particular, and without prejudice to the generality of the foregoing obligations, the Government of the country where the investigation is in progress will afford to Commissions of Investigation the following facilities :

(a) The Government shall designate a Minister or a Ministerial Department (hereinafter referred to as "the Appointed Ministry") where all communications on the subject of investigations prescribed by the Council of the League can be addressed. It is understood that the Commission of Investigation will, through its President, make all necessary arrangements direct with the Appointed Ministry.

(b) The Appointed Ministry will supply to the Commission all information or documents which the Commission may request with a view to ascertaining that the demilitarisation clauses as well as the military, naval or air clauses of the relevant Treaty are being observed, and all other Ministries, when so requested by the Commission of Investigation through the Appointed Ministry, shall place at the disposal of the Commission all archives and correspondence within their possession or power bearing on the subject-matter of the investigation, and in particular the detailed lists showing the exact location and quantities of arms, munitions and war material, as well as the returns relative to the effective strength of units.

(c) A duly qualified military or naval officer and a representative of the Appointed Ministry shall be attached to the Commission of Investigation for the duration of its mission and shall be continuously at its disposal as liaison officer.

The Commission shall also be entitled to require that one or more liaison officers shall be detailed for any Sub-Commission or group constituted by the Commission.

(d) All liaison officers shall be in receipt of formal written orders from the Appointed Ministry to comply with any request duly made in the course of its mission by the Commission of Investigation or any member thereof, and shall also be furnished with a written authority, signed by the Minister or other authority of the Appointed Ministry, giving them full powers in relation to any military, naval or civil authority or any individual to enforce the rights of the Commission of Investigation.

(e) The Government shall issue instructions to all provincial Governments, military and naval commanders, railway, aerodrome and dock authorities,

municipal authorities, owners, managers and heads of factories and local police authorities, enjoining them to comply at once with any request of the Commission for the purpose of conducting its investigation under the relevant Treaty and further requiring the police authorities to supply whatever assistance or protection may be required. In particular, these instructions shall notify the authorities of the obligations contained in the next following paragraph :

(f) In the event of the liaison officer failing to present himself at any appointed rendezvous, the President of the Commission or the Sub-Commission or group concerned shall be entitled :

(i) To call upon the local authority in whose district the investigation is to be made to accompany him officially when making the immediate enquiries which he may consider necessary, upon the same conditions as the absent liaison officer.

(ii) Should the local authority refuse its assistance, to proceed himself to the said enquiries so far as the resources at his disposal permit.

(g) A copy of all orders, formal authorities and instructions provided for in sub-clauses (d) and (e) hereof shall be furnished by the Government concerned to the Council of the League of Nations and shall be accompanied by a certificate of that Government to the effect that they are fully effective in its national law.

Copies of the same orders and formal authorities provided for in sub-clause (d) shall also be forwarded by the Government concerned to all the authorities and persons mentioned in sub-clause (e) above.

4.

POLITICAL QUESTIONS.

I. QUESTION OF THE FRONTIER BETWEEN TURKEY AND IRAQ.

This question was brought before the Council by a letter dated August 6th, 1924, from the British Government, in accordance with the procedure prescribed in Article 3, paragraph 2, of the Treaty of Peace signed at Lausanne on July 24th, 1923. Under the terms of this article, the frontier between Turkey and Iraq was to be laid down in a friendly arrangement to be concluded between Turkey and Great Britain within nine months. In the event of no agreement being reached within the time mentioned, the dispute was to be referred to the Council of the League of Nations. The negotiations, which were begun on October 5th, 1923, led to no result, notwithstanding the endeavours to reach an agreement made at the special conference held at Constantinople between May 19th and June 5th, 1924.

At a meeting on August 30th, 1924, the Council, in view of a request for postponement submitted by the Turkish Government, which had not yet received official notice of the deposit of ratifications provided for in Article 143 of the Treaty, decided to postpone consideration of the question until the representative of Turkey could arrive to take part in the discussion.

This discussion was begun on September 20th, when the British Government's case was put by Lord Parmoor, British representative on the Council, and the Turkish Government's case by Fethi Bey, President of the Turkish Great National Assembly.

(a) CASES OF THE TWO GOVERNMENTS.

The Council received two memoranda prepared under the instructions of the Governments concerned. The British memorandum dealt first with the definition of the question, as follows :

“ While, therefore, the question now being submitted to the Council, as the British Government conceive it, is not whether the Mosul vilayet should belong to Turkey or Iraq, but rather what should be the actual northern boundary of the Iraq State, it is necessary that the present memorandum should not only justify the frontier-line now proposed but should recapitulate the reasons for which the British Government have found it necessary to reject the demand for the rendition of the whole Mosul vilayet. ”

The reasons for the frontier-line proposed in the memorandum, whereby the territory of Iraq would include the whole Mosul vilayet, together with certain places further north belonging to the Hakkari vilayet, were summed up as follows :

“ From the racial point of view, it has the sole disadvantage of including in Iraq a few scattered settlements of Turkomans with Turkish sympathies. Even in their case economic relations are with Bagdad and not with Anatolia. The Turkish claim, that, because of their existence, there should be included in Turkey a compact body of pure Arabs and another of Christians, numbering, with the Yezidis, considerably more than four times the total of the Turkomans, is palpably impracticable. Any line which would include in Turkey the Turkomans, but exclude the Arabs, would be both economically and strategically impossible, and would also give to Turkey the Assyrians, who have repeatedly announced their determination to emigrate or fight to the death rather than to submit once more to Turkish domination. The British Government do not believe that this disadvantage — namely, the inclusion in Iraq of a few Turkoman settlements — is of any real importance. They have for long been very closely connected with Bagdad ; they at present supply a large number of Government officials, civil and military, in both the Bagdad and Basra vilayets. But the point has been dealt with at some length because it appears to be the real, though remarkably slender, foundation upon which the whole structure of the Turkish claim is based. Politically and economically, the whole of the area under consideration naturally turns to Bagdad. Strategically, the proposed frontier is nearly ideal, and the fact that for the greater part of its length it consists of a barren no-man's land, which cannot possibly be coveted by the neighbours on either side, is of great importance. There are Arabs to the north-west as far as Diarbekr, there is a large tract of erstwhile Assyrian country to the north of the proposed frontier, and various Kurdish tribes to the north of the line have from time to time made overtures to the Iraq Government. The British Government claim not the utmost extent of valuable territory for which it would be possible to make out a plausible case, but a frontier which, they are convinced, after due and careful consideration, will conduce more than any other to the peaceful development and prosperity of the surrounding districts. ”

The Turkish memorandum stated that that Government claimed the vilayet of Mosul up to a line running from north-west to south-east, along the Jebel Hamrin, the Jebel Fouhoul, the Wadi Tartar and the Jebel Sinjar. The main points of the memorandum were summarised as follows :

“ (1) The question at issue between the two Governments consists solely in determining whether the vilayet of Mosul shall remain under Turkish overignty, or whether it shall be annexed to the State of Iraq.

“ (2) All ethnographical, political, historical, geographical, economic and strategic considerations require the maintenance of Turkish sovereignty over the vilayet of Mosul.

“ (3) The British Government admits a majority of Turks and Kurds, as compared to Arabs, who only form a minority of the population, a negligible minority, according to Turkish estimates.

“ (4) The chief argument adduced by the British Government in claiming the annexation of the vilayet to the State of Iraq is the desire attributed to the population for separation from Turkey. The documents of British origin quoted in the present statement confirm the fact that an overwhelming portion of the population does not desire the union of their country with Iraq, which can lay no claim to the territory in dispute.

“ (5) Notwithstanding the evidence of these facts, the British Government insists on the tendency of the population to separate from Turkey. The Turkish Government, on the other hand, maintains the contrary view.

“ This divergence of opinion on one and the same question of fact, on the decision of which would depend the settlement of the question at issue, renders necessary recourse to an equitable method of establishing the facts. This can only consist of a plebiscite.

“ (6) Therefore the frontier between Turkey and Iraq can only be settled after the fate of the vilayet of Mosul has been determined with the assistance of a plebiscite carried out under a minimum of guarantees to ensure freedom of vote. ”

(b) STATEMENTS MADE BEFORE THE COUNCIL : DEFINITION OF THE QUESTION.

The Council heard the views of each Government in turn at its meeting held on September 20th, 1924. The British representative first asked that the Council should, either itself or by other means, define the exact scope of the question which had been referred to it under the Treaty. “ The British Government ”, he said, “ invites the Council to rule that the problem as submitted to it is to define the frontier of the State of Iraq as it actually exists, and not the disposal of the Mosul vilayet, which has been administered as part of Iraq since its occupation nearly six years ago. ”

As regards procedure, the British Government was opposed to the principle of defining the frontier by a plebiscite for the following reasons. It had already undertaken to accept the

decision of the Council; the population in the vicinity of the frontier could hardly be regarded as competent to deal with the complicated problems of a boundary settlement; and, lastly, the holding of a plebiscite in the vicinity of the frontier would be liable to cause disturbances. The British Government considered that the Council should adopt its ordinary procedure in such cases of referring the matter to a Commission of disinterested and unbiased persons who would be provided with the various documents and any further information they might require, and who, if they thought this necessary, might undertake an enquiry on the spot.

The Turkish representative then recapitulated his Government's views on the nature of the question brought before the Council. "The problem for settlement," he said, "consists in determining whether the vilayet of Mosul ought to remain north or south of the frontier-line between Turkey and Iraq. The Minutes of the Lausanne Conference leave no doubt as to this point."

The Turkish representative then summarised the geographical, economic, ethnical and strategical considerations contained in the Turkish memorandum, and pointed out the divergences in the information supplied by the two Governments both as regards nationality statistics and as regards economic relations between the Mosul vilayet and the neighbouring districts. He urged upon the Council the necessity of consulting the population in accordance with the most recent precedents, and opposed the British suggestion that the search for a solution should be entrusted to a Commission of Enquiry. "It is difficult," he said, "to believe that the necessarily small number of persons with which such a Commission could come into contact would be able faithfully to interpret the general feelings of the population.... The only just and equitable means of settling the dispute is, in the view of the Turkish Government, to hold a plebiscite."

The British representative urged that the Council should first examine the preliminary question of the definition of the problem, and should decide upon the best method for settling this question.

The Turkish representative then again summarised the two arguments put forward on this point. "The question raised by Lord Parmoor," he said, "is whether the Council has only been called upon to settle a frontier between Iraq and Turkey, irrespective of the future of the vilayet of Mosul.... In the Turkish Government's view, this question of a frontier is as follows: Should the frontier pass to the north or to the south of the vilayet of Mosul?"

(c) DEFINITION OF THE COUNCIL'S TASK : UNDERTAKINGS OF THE TWO GOVERNMENTS.

On September 25th, the Swedish representative, who had been appointed Rapporteur, asked the British and Turkish representatives to make statements concerning the scope of Article 3, paragraph 2, of the Treaty of Lausanne, which provided for the submission of the question to the Council, as the latter would require to know exactly the part it had to play as a result of the agreement between the two parties. First, did both parties consider themselves bound in advance by the Council's decision? The British representative appeared to interpret the Treaty provisions in this manner, but the Turkish representative had not expressly indicated his views on the point.

Secondly, the Council was confronted with mutually incompatible definitions of the question submitted to it. Did both delegations agree that the duty of the Council was not strictly limited to the mere choice between these opposing conceptions, but that the Council might seek any other solution which it might consider equitable?

The first of these two preliminary questions was answered by the British representative in the affirmative. "The British Government," he said, "does regard the Treaty as placing the Council in the position of an arbitrator, whose ultimate award must be accepted in advance by both parties. Therefore, in the most explicit terms, I desire to say that the British Government would consider itself bound by the decision of the Council."

In regard to the second question, he thought there was more difficulty. Ought not the Council first to come to a decision regarding the definition of the question submitted to it according to the Treaty. The Council had to decide this point in such a way as it might think right to decide what was really a juridical question. "When," he said, "we have an interpretation of this article of the Treaty of Lausanne, the Council will retain complete freedom of action to rectify the existing frontier in any manner it may deem equitable."

Dealing with the first point, the Turkish representative replied that the Turkish Government recognised the full powers of the Council as conferred upon it by Article 15 of the Covenant.

As regards the second question, he said that, while his Government still claimed the southern frontier of the vilayet of Mosul, it was willing to accept any frontier based upon the wishes of the inhabitants. "The finding of an equitable solution," he said, "would mean the complete settlement of the whole dispute."

The Swedish representative noted that both Governments were willing to recognise the Council's decision, but that they were still in disagreement as to the second question, and asked the Council to postpone the discussion in order to enable him to consider, in consultation with the two parties, this latter point. The result of his conversations with the opposing parties was communicated to the Council on September 30th, 1924, as follows:

"Lord Parmoor reminded me that the effect of his declaration to the Council was that his Government accepted in advance the Council's decision regarding the frontier between Turkey and Iraq. He observed that the problem before the Council was to find the best possible frontier. The British Government has already indicated

where, in its opinion, this should be drawn, but the undertaking referred to above, to abide by the eventual decision of the Council, shows that the British Government fully recognises the right of the Council to draw the frontier between Turkey and Iraq on any line which the Council may adopt, after due investigation and consideration.

“ His Excellency Fethi Bey, to whom I communicated the results of this conversation, informed me that the misunderstanding which had arisen appeared to him to be dispelled, and that he agreed to the question being submitted in the form indicated by Lord Parmoor. . . .

“ I asked His Excellency Fethi Bey if he could, on behalf of his Government, now give an undertaking to accept the Council's recommendation. His Excellency Fethi Bey replied that on this point there was no disagreement between his Government and the British Government and that he would be prepared to make a declaration in the sense referred to, at the same time adding that he was convinced that the Council would base its decision, in the first place, on the wishes of the inhabitants.”

(d) RESOLUTION ADOPTED BY THE COUNCIL.

After the British and Turkish representatives had confirmed their declarations as given to the Swedish representative, the latter proposed the following resolution, which was adopted by the Council :

“ The Council, having had the question of the delimitation of the frontier between Turkey and Iraq referred to it under Article 3, paragraph 2, of the Treaty of Lausanne ;

“ Having heard the statements of the representatives of the British and Turkish Governments, who undertook on behalf of their respective Governments to accept in advance the decision of the Council on the question referred to it ;

“ With a view to collecting the facts and data which it requires to fulfil the mission entrusted to it under Article 3, paragraph 2, of the Treaty of Lausanne ;

“ Decides to set up a special Committee of three members. This Committee shall lay before the Council all information and all suggestions which may be of a nature to assist it in reaching a decision. It shall give due consideration to the existing documents and to the views expressed by the interested parties both as regards the procedure and as regards the substance of the question. It shall receive all communications which the parties may wish to transmit to it. It may proceed to investigations on the spot and in that case may avail itself of the services of advisers appointed respectively by each of the two Governments concerned.

“ The Committee shall fix its own procedure. The Secretary-General shall furnish it with the necessary staff and shall advance it the funds which it may require, such advances to be refunded to the League in equal proportions by the Governments concerned. The Council instructs its President and its Rapporteur on this question to appoint the members of the said Committee by common agreement.

“ The Council notes the declarations of the British and Turkish Governments to the effect that, pending the decision to be reached on the subject of the frontier, no military or other movement shall take place which might modify in any way the present state of the territories whose final fate will depend upon that decision.”

(e) INCIDENTS ON THE PROVISIONAL FRONTIER.

The inclusion of the last paragraph in the foregoing resolution was due to the charges made by both the British and Turkish Governments as regards infractions of the undertaking given at the end of Article 3 of the Lausanne Treaty, which reads as follows :

“ The Turkish and British Governments reciprocally undertake that, pending the decision to be reached on the subject of the frontier, no military or other movement shall take place which might modify in any way the present state of the territories, of which the final fate will depend upon that decision.”

At the meeting held on September 20th, the Turkish representative intimated that his Government had just sent a note of protest to the British Government with regard to certain operations conducted beyond the *status quo* frontier by the air forces stationed in Iraq, leaving dead and wounded on the Turkish side. The Turkish Government feared lest the effect of these operations might be to create a *de facto* situation north of the line in question. The British representative replied that his information was not in accord with that supplied by the Turkish Government, no forces from the Iraq side having, so far as his information went, crossed the provisional frontier.

On September 25th, Lord Parmoor in turn informed the Council of a protest made by the British Government against the movements of Turkish troops in the vicinity of Zakhō and Amadia, south of the *status quo* frontier. These movements had called for intervention by British aircraft, whose machine-guns had caused losses among the invaders. The British Government regarded the incursion of Turkish regular troops into the zone administered by the British authorities at the date of the signature of the Lausanne Treaty as constituting a violation of Article 3, paragraph 2, of the Treaty and desired to call the Council's attention

to these facts as being likely to affect international relations, under the terms of Article 11 of the Covenant.

The resolution adopted on September 30th, 1924, was immediately accepted by both parties. With regard to the frontier incidents the British representative stated that, on behalf of the British Government, he gave the most absolute undertaking that the obligation mentioned at the end of Article 3 of the Lausanne Treaty would be observed. The Turkish representative, while declaring that the Turkish Government had remained faithful to its undertaking, gave an assurance that his Government would do nothing to modify the *status quo* frontier-line.

(f) BRITISH GOVERNMENT'S APPEAL : DEFINITION OF THE STATUS QUO FRONTIER-LINE
(Brussels, October 1924).

On October 14th, 1924, the British Government intimated that a dispute had arisen between it and the Turkish Government in regard to the real intention of the Council in adopting the last paragraph of the resolution of September 30th, 1924, relative to the maintenance of the *status quo* on the provisional frontier. The Turkish Government had offered to submit its interpretation of the resolution to the Council. The British Government accepted this offer and asked that the Council should be urgently convened in order to settle the question.

The Council met at Brussels on October 27th, 1924, when the British representative pointed out that the resolution of September 30th repeated verbatim the provisions of Article 3 of the Lausanne Treaty relative to the observance of the *status quo*. The "present state" of the territories could only mean their state at the time of signing the Treaty. In their recent movements the Turkish troops had crossed the boundary line of the territories effectively administered at that date, and since, by the Iraq authorities. Moreover, another district further north in the upper waters of the Greater Zab and inhabited, since the time when they fled from their homes in 1916, by certain Christian Assyrians, was not, at the time of signing the Treaty, either occupied or administered by Turkey; this district should, in the British Government's view, be maintained in the *status quo* existing at that date, pending the Council's decision fixing the final frontier line.

Since the Council's decision of September 30th, 1924, Turkish forces had not merely been retained in their positions beyond the *status quo* line, but had advanced even further and the British Government, after protesting to the Turkish Government, had notified the latter on October 9th that, unless the withdrawal of the Turkish troops was effected by October 11th, it would resume complete liberty of action. In view, however, of the further session of the Council of the League for the purpose of removing any doubt as to the meaning of the undertakings given by either party at Geneva on September 30th, the British Government had instructed the British forces in Iraq to refrain from attacking or driving back the Turkish forces. Notwithstanding the reiterated charges made by the Turkish Government since December 1923, no British aircraft had at any time flown over territory occupied by Turkey. If the situation created by the advance of the Turkish forces were to continue, the British Government apprehended the probability of serious incidents.

The Turkish representative stated that his Government recognised the maintenance of the *status quo* as on July 24th, 1923, as obligatory under the Treaty, but held that this *status quo* had not been observed by Great Britain, since Sulaimanieh had only been occupied by the British authorities one year after the signature of the Treaty and certain deputies for Mosul vilayet, which was disputed territory, had been admitted on April 3rd, 1924, to the Iraq Assembly. The Turkish Government did not insist upon an interpretation of the decision of September 30th, 1924, to the effect that the present state of the territories in question would be their state on the date on which the Council's decision was taken. The *status quo* line, however, could not go beyond the administrative frontier of Mosul vilayet, for Turkish sovereignty over the vilayet of Hakkari, which was immediately north, had never been contested. In the Turkish Government's opinion this administrative line corresponded approximately to the *status quo* line, although the latter, in point of fact, was somewhat further south. It was for the Council accordingly to find an accurate definition of this line which should be respected by both parties. The Turkish Government was prepared to accept the Council's decision.

At the meeting held on October 29th, 1924, the Swedish representative, who, in conjunction with two of his colleagues, had first conferred with the representatives of both parties, proposed that the Council should settle the difficulties which had arisen with regard to the definition of the *de facto* position at the date of signing the Treaty by laying down a line which would mark the extreme limit of the territories which might be occupied or administered by either party pending the establishment of the final frontier between Turkey and Iraq. The resolution adopted by the Council gives a description of this line¹, and prescribes that "any area which at present is occupied or administered in contravention of the terms of the present resolution shall be evacuated not later than November 15th, 1924".

The British and Turkish representatives accepted the resolution, which was put into force without any difficulty arising.

(g) COMMISSION OF ENQUIRY.

The composition of the Commission of Enquiry appointed to examine the question of the frontier between Iraq and Turkey was announced on October 31st, 1924. It consists of Count Paul TELEKI, former Prime Minister of Hungary, M. de WIRSEN, Swedish Minister Plenipotentiary at Bucharest, and Colonel PAULIS (retired), Belgian Army. The Commission met at

¹ See *Official Journal*, November 1924, page 1660, and map, page 1671.

Geneva on November 13th and chose as President M. de WIRSEN. After studying the various records and visiting the British Government in London and the Turkish Government at Angora, it went to Mesopotamia to continue its enquiry on the spot. The Commission returned to Europe in April and immediately began the preparation of its report to the Council.

II. EXPULSION OF THE ŒCUMENICAL PATRIARCH FROM CONSTANTINOPLE.

By a telegram dated February 11th, 1925, the Greek Government informed the Secretary-General that the Turkish authorities at Constantinople had ordered His Holiness Mgr. Constantine, Œcumenical Patriarch and Archbishop of Constantinople, to leave Constantinople, and had conducted him forcibly to the frontier. The Greek Government considered that this expulsion constituted "a serious infringement of the Lausanne agreements regarding the constitution of the Patriarchate and its activities, an infringement of Article 12 of the Convention for the Exchange of Greek and Turkish Populations¹, an infringement of the Mixed Commission's decision of January 28th, 1925², and of the decisions taken at Brussels before the Council on October 31st, 1924, in virtue of which Turkey undertook to carry out loyally all decisions adopted by the majority of the Mixed Commission". The Greek Government, considering that the situation thus created threatened to affect the relations between Greece and Turkey, felt obliged to appeal to the League, in virtue of paragraph 2 of Article 11 of the Covenant, and requested the Secretary-General to place the dispute before the Council as soon as it met.

On March 1st, 1925, the Turkish Government informed the Secretary-General that, in exchanging Mgr. Constantine, the Constantinople authorities had based their action on a decision of the Mixed Commission — the only authority competent to deal with this matter — which recognised that Mgr. Constantine came within the category of exchangeable persons by reason of his place of birth and the date of his arrival in Constantinople, and that the authorities had merely carried out the provisions of the Exchange Convention, which were compulsory. There was no clause in this Convention by which a person fulfilling the conditions rendering him liable to compulsory exchange might be exempted therefrom on the grounds of his office or status.

The Turkish Government failed to see what connection there could be between the Patriarchate and the departure from Turkey of a person subject to compulsory exchange. The Patriarchate was a Turkish domestic institution, the constitution and administration of which were governed by Turkish laws and regulations; there were no provisions whatever in the Treaty of Lausanne on which a contrary view could be based. There existed no clause giving one or several foreign Powers the right to intervene in the constitution and administration of this institution; furthermore, notwithstanding the assertions contained in the Greek Government's communication, neither the Treaty of Lausanne nor the agreements, conventions, declarations, protocols and letters signed at that place contained the slightest allusion to the Patriarchate.

As regards the declaration made by the representative of Turkey at Lausanne on January 10th, 1923, withdrawing his original demand that the Patriarchate be removed from Constantinople, the Turkish Government did not see in what particular it had failed to conform to it. The Turkish Government categorically denied the assertions of the Greek Government that the expulsion of Mgr. Constantine constituted an infringement of Article 12 of the Convention, of the Mixed Commission's decision of January 28th, 1925, and of the decisions taken at Brussels on October 31st, 1924, in virtue of which both Governments would loyally fulfil whatever decision the majority of the Mixed Commission might take.

Mgr. Constantine was exchanged because the Sixth Sub-Committee of the Mixed Commission itself declared him to be exchangeable. In deciding first of all that Mgr. Constantine would, as an individual, fulfil the necessary requirements rendering him subject to exchange, and stating that it "was not competent to decide in the case of this prelate in view of his status as a metropolitan", the Mixed Commission was acting in accordance with the Convention signed at Lausanne; and on the strength of these statements the Turkish authorities were entitled to exchange Mgr. Constantine, seeing that, under the Exchange Convention, this Commission and its organisations were alone competent to decide whether any person was individually subject to compulsory exchange and that it was not within their competence to take a person's status or office into consideration. The Mixed Commission was not empowered to modify the clear categorical stipulations of the Convention, which made compulsory the exchange of any person classed as exchangeable by reason of his place of birth and the date of his arrival in Constantinople.

The Turkish Government considered, therefore, that it had scrupulously respected the powers conferred upon the Mixed Commission and loyally carried out its decisions in accordance with the Convention. Had it been otherwise, the Commission would have made representations to the Turkish Government and would have declared that it had not respected the Convention. So far as the Turkish Government was aware, nothing of the kind had occurred up to the present.

¹ This article provides that the Mixed Commission shall supervise the emigration provided for in the Convention, shall settle the methods to be followed as regards the emigration, and, in a general way, shall have full power to take the measures necessitated by the execution of the Convention and to decide all questions to which the Convention may give rise.

² In this decision, the Mixed Commission recognised that the conditions required for compulsory exchange would apply to Mgr. Constantine considered as a private individual, but that, in view of his ecclesiastical quality, it was not within its competence to give a decision in his case.

The Turkish Government was of opinion that the Greek Government wished to take advantage of this opportunity to endeavour to make the Patriarchate into an international institution and so interfere in Turkish domestic affairs, whereas no international treaty or convention contained any provisions regarding that institution.

The Turkish Government felt thus compelled to prevent an international character being conferred upon the Patriarchate, to prevent the modification of the terms of the Convention on the Exchange of Populations by confusing the question arising out of the exchange of a compulsorily exchangeable person with that of the maintenance of the Patriarchate, whose existence no one was thinking of threatening, and, finally, to prevent a pretext being found for future interference in Turkish domestic affairs.

The Turkish Government considered it would be a breach of proper legal procedure if a question which the Mixed Commission was exclusively competent to decide, and had in fact finally settled, should be referred to another authority. It could not in any case be so referred without the consent of the contending parties, and the Turkish Government saw no reason for divesting the Mixed Commission of its authority.

The Turkish Government had the greatest respect and the highest esteem for the League of Nations. Whenever Turkey had been asked by the Council to attend its meetings for the consideration of matters which were not domestic, and the settlement of which had not been referred to some other authority under a treaty or convention, it had made a point of complying with the invitation ; on several occasions it had even suggested of its own accord that the matter at issue should be laid before the Council. This was a sufficient indication of the Turkish respect for the League of Nations. The circumstances which had led to the invitation just received by the Turkish Government from the Secretary-General to attend the forthcoming session of the Council were, however, wholly different in character, for, of the two issues which Greece wished to raise, one, that of the Patriarchate, was for Turkey a domestic matter, while the other, that of the exchange of Mgr. Constantine, was properly a matter for the Mixed Commission set up under a convention signed by Greece itself. Under the circumstances, the Turkish Government regretted that it could not agree to these two questions being laid before the Council of the League. It therefore urged the Council not to consider the appeal of the Greek Government in this matter.

The appeal of the Greek Government came before the Council on March 14th, 1925. The representative of Greece was present, but the Council was informed that the representatives of Turkey present at the session for other questions were not empowered by their Government to attend for the consideration of this question.

The Rapporteur pointed out that the Turkish Government had raised a question of a legal character upon the answer to which would have to depend subsequent proceedings, since the limits of the competence of the Council in the matter would have to be determined. He therefore suggested that the Council should ask the Permanent Court of International Justice for an advisory opinion. The Council decided to ask the Court for an opinion on the following question :

“ Do the objections to the competence of the Council raised by the Turkish Government in its letter of March 1st, which is communicated to the Court, preclude the Council from being competent in the matter brought before it by the Greek Government by its telegram to the Secretary-General of the League of Nations dated February 11th, 1925 ? ”

In addition to asking the above question, the Council expressed its “ sincere hope that it would be possible for the question at issue to be settled by private negotiation, perhaps with the good offices of the neutral members of the Mixed Commission ”.

The Greek Government, by a letter dated June 1st, 1925, informed the Secretary-General that it wished to withdraw the request made to the Council on February 11th, 1925. In the letter from the Greek Government, it is stated that the private negotiations recommended by the Council had taken place and had been successful, and that “ the Turkish representative on the Mixed Commission for the Exchange of Greek and Turkish Populations had declared that he withdrew definitely the dossiers relating to the exchangeability of the members of the Holy Synod. The question having therefore been settled and the Greek Patriarch having abdicated, the Holy Synod will proceed with the election of a new Patriarch ”.

In this same letter, the Greek Government asked the Secretary-General to be good enough to inform the Permanent Court of International Justice, in due course, of the solution of the question.

III. MOSLEMS OF ALBANIAN ORIGIN IN GREECE.

The Albanian Government, by a letter dated August 11th, 1924, brought before the Council, by virtue of Article 11, paragraph 2, of the Covenant, the question whether the Greek Government was carrying out the undertaking entered into at the Conference of Lausanne not to include in the compulsory exchange of populations between Greece and Turkey Greek Moslems of Albanian origin.

At the Council meeting of September 29th, 1924, the representative of the Greek Government stated that the undertaking entered into at Lausanne was being and would be loyally and fully carried out by the Greek Government, but that this undertaking created no juridical obligation as between that Government and the Albanian Government. He added that the Greek Government considered that the question of ascertaining whether the Albanian minority in Greece was being treated in conformity with the engagements binding the Greek Government in this matter constituted a minorities question properly so called and should be dealt with as between the League of Nations and the Greek Government, without the intervention

of any other State. The Greek representative stated that his Government was prepared to accept any suggestion which the Council of the League of Nations might see fit to make and, should the necessity arise, to accept the supervision of the League.

The Rapporteur stated that the matter had been brought before the Council by virtue of Article 11, paragraph 2, of the Covenant, in accordance with which it is declared to be "the friendly right of each Member of the League to bring to the attention of the Assembly or of the Council any circumstance whatever affecting international relations which threatens to disturb international peace or the good understanding between nations upon which peace depends". This provision in Article 11 did not necessarily imply a conflict between two States but a situation which might subsequently engender a conflict.

When the matter was first laid before the Council¹ the Council considered the Convention concluded between the Greek and Turkish Governments with regard to the exchange of populations between the two States and referred the matter by its resolution dated December 17th, 1923, to the attention of the Mixed Commission created under the Convention. The results of the enquiry held by that Commission were communicated to the Council.

The juridical situation with regard to the Council of the League of Nations had in the meanwhile changed owing to the entry into force on August 6th, 1924, of the Minorities Treaty signed by the Greek Government at Sèvres on August 10th, 1920, the stipulations of which had been placed under the guarantee of the League of Nations by virtue of a resolution of the Council passed on September 26th, 1924. As a result of this, the League of Nations had undertaken to protect the minorities in Greece, including the minority of Albanian origin, and to ensure them equal treatment with other Greek citizens.

The Council was therefore faced with two international instruments: a convention which imposed upon certain Greek nationals the obligation to be transferred to another State and to renounce their Greek citizenship, and a treaty placed under the guarantee of the League according to which the Council was bound to ensure equal treatment to all Greek nationals. It was beyond dispute that the two provisions co-existed, and that the Minorities Treaty could not be set in opposition to the carrying into effect of the Convention on the Exchange of Populations. The duty of the League of Nations, according to the Minorities Treaty, was to make sure, if the fact were disputed, that the carrying into effect of the Convention on the Exchange of Populations did not go beyond the precise stipulations of that Convention as limited by the Greek Government itself at the time of the Lausanne Conference in the declaration concerning individuals of Albanian origin.

This new juridical situation appeared to the Rapporteur to indicate the procedure to be followed in reaching a solution of the matter raised by the Albanian Government. The League of Nations could now itself undertake an examination of the matter considered as a minority question. It was invited to do so by the Greek Government.

Without wishing in any way to express doubts as to the intentions of the Greek Government with regard to the integral carrying-out of its engagements taken at Lausanne and to the stipulations of the Minorities Treaty, the Rapporteur thought it would be to the advantage of that Government that full light should be thrown on all the facts relating to the case; and he noted with the greatest satisfaction that the Greek representative, by his statement before the Council, seemed himself to have adopted this point of view.

The Council on September 30th, 1924, decided:

- (1) To retain the matter on its agenda but to treat it as a question of the application of the Greek Treaty for the Protection of Minorities;
- (2) To instruct its Rapporteur to collect all information required to enable him to submit a report upon the question at the next session of the Council;
- (3) To request the Greek Government to take the necessary measures to avoid creating any *fait accompli* which might prejudice a final solution of this matter.

Certain aspects of the problem were considered at the extraordinary session of the Council held at Brussels in October 1924.

At the session of the Council in December 1924 the Rapporteur made his final proposals, which were adopted by the Council and were to the following effect. He pointed out the close relation of the problem to the Mixed Commission and to the League, and indicated that the closest possible co-operation should therefore be established. He thought in consequence that it would be inexpedient for the Council to appoint new commissioners to carry out an enquiry or to make recommendations, and he advised the Council to request the neutral members of the Mixed Commission for the Exchange of Greek and Turkish Populations to agree to act as the mandatories of the Council for the protection of the Albanian minority in Greece. He indicated the procedure which they might wish to follow, that is, the nomination, as agents, of the Chairmen of the Sub-Commissions in the affected areas, who would report to them and deal with local events. By the use of the services of these gentlemen, expert knowledge would be available and no considerable extra expense would be involved. He proposed that the Chairmen of the Sub-Commissions should be entitled to have at their disposal a person of Albanian origin of their own selection, who would assist them in obtaining information. If possible, these persons should be Greek nationals, or, if this were found to be impossible, persons of other nationalities might be chosen in the Chairman's discretion.

The Greek and Turkish Governments gave their consent to this procedure, as did also the three neutral members of the Mixed Commission. Preliminary reports have already been received from the neutral members mandatories of the League.

¹ See *Official Journal*, Special Supplement No. 23, page 268.

IV. THE QUESTION OF THE FRONTIERS OF ALBANIA.

Various questions concerning the delimitation of the frontiers of Albania were brought before the Council by the Albanian Government during its thirtieth session in September 1924.

The Albanian Government, by a letter dated September 27th, 1924, complained of the frontier remaining unsettled in the neighbourhood of Koritza, of San Naoum and of Vermoshe.

As regards Koritza, the representative of Greece informed the Council that the decision of the Conference of Ambassadors allotting to Albania fourteen villages in the neighbourhood of Koritza would be carried out by his Government. A draft law authorising the carrying-out of this decision was about to be submitted to Parliament.

As regards San Naoum, the Council, on June 17th, 1924, had asked for an advisory opinion from the Permanent Court of International Justice as to whether the Principal Allied Powers, by a decision of the Conference of Ambassadors of December 6th, 1922, had exhausted, in regard to the frontier between Albania and the Kingdom of the Serbs, Croats and Slovenes at the Monastery of San Naoum, the mission, such as it had been recognised by the interested parties, which was contemplated in a unanimous resolution by the Assembly of the League of Nations of October 2nd, 1921.

The Court made known its opinion on September 4th, 1924, which was to the effect that the Conference of Ambassadors had exhausted its mission. The Council decided to communicate the opinion of the Court to the Conference of Ambassadors.

As regards Vermoshe, the representative of the Albanian Government stated that this district had already been assigned to Albania by the Conference of Ambassadors but that, in view of certain objections raised by the Government of the Kingdom of the Serbs, Croats and Slovenes, the question had been held over for further investigation.

The Albanian Government further complained of a frontier incident which had occurred in this region. The representative of the Government of the Kingdom of the Serbs, Croats and Slovenes informed the Council that such a frontier incident had, in fact, occurred, but expressed different views as to the responsibility for it.

At the time that the matter was discussed before the Council (October 3rd, 1924), the incident had in fact been liquidated, and the representatives of both Governments informed the Council of their desire to see their common frontier finally delimited with as little delay as possible.

The Council, on the same day, decided to address a communication to the Conference of Ambassadors expressing the opinion that incidents endangering the good relations between neighbouring countries were to be expected so long as the frontiers between them were not settled, and that the only fundamental solution of such misunderstandings was to draw well-defined and understood frontiers which might subsequently be respected by all.

The Council therefore most earnestly urged the Conference of Ambassadors and the Powers represented on it to complete the delimitation of the Albanian frontiers at the earliest possible moment, and, in any case, before the beginning of the forthcoming winter.

V. APPEAL BY THE ALBANIAN GOVERNMENT IN ACCORDANCE WITH ARTICLES 12 AND 15 OF THE COVENANT.

On December 20th, 1924, the representative of the Albanian Government, at that time presided over by Mgr. Fan Noli, informed the Secretary-General that acts of aggression had been committed by the forces of the Kingdom of the Serbs, Croats and Slovenes on the north and north-eastern frontier of Albania. The Albanian Government requested that the matter be laid before the Council in accordance with Articles 12 and 15 of the Covenant of the League of Nations. Acting in conformity with paragraphs 1 and 2 of Article 15, the Secretary-General requested the Governments of Albania and of the Kingdom of the Serbs, Croats and Slovenes to furnish him with any information which might be of value for the investigation provided for in Article 15.

In a letter dated December 24th, 1924, the Minister for Foreign Affairs of the Kingdom of the Serbs, Croats and Slovenes replied to the allegations of the Albanian Government, which he described as having absolutely no foundation; the troubles then occurring in Albania were stated to be entirely due to the discontent of the population, and it was with a view to concealing the real reasons for this discontent that these accusations were brought against a neighbouring State. The letter concluded by saying that in regard to the events then occurring in Albania, which were a purely domestic matter and in which no official or agent of the Kingdom of the Serbs, Croats and Slovenes had played any part whatsoever, the Government would maintain the attitude of a disinterested spectator, and that its one and only aim in its Albanian policy was to promote the development of the independent State of Albania.

During the month of February 1925, after the political change which had taken place in Albania, the Albanian Government, at that time presided over by His Excellency Achmet Bey Zogou, who had been elected by the Assembly at Tirana as President of the Albanian Republic, requested the Secretary-General to withdraw from the agenda of the March session of the Council the request laid before it by the previous Albanian Government in virtue of Article 15 of the Covenant. The communication stated that the accusations brought against the Government of the Serbs, Croats and Slovenes were unfounded and were not endorsed by the new Albanian Government.

VI. EXCHANGE OF GREEK AND TURKISH POPULATIONS.

GREEK MINORITY IN CONSTANTINOPLE AND TURKISH MINORITY IN WESTERN THRACE.

This matter first came before the Council at its extraordinary session held in October 1924. The Greek Government informed the Council that, during the autumn of 1924, the Mixed Commission for the Exchange of Greek and Turkish Populations was called upon to give a decision regarding the definition of the word "established" contained in paragraph 2 of Article 2 of the Convention on the Exchange of Greek and Turkish Populations (Annex 6, Treaty of Lausanne). According to that paragraph, all Greeks who were already "established" before October 30th, 1918, within the areas under the Prefecture of the City of Constantinople, as defined by the law of 1912, were not to be included in the compulsory exchange provided for by Article 1 of the Convention.

The Greek Government stated that, owing to obstacles and delays due to the Turkish delegation on the Mixed Commission, the work of the Commission had been interrupted, and that later the Turkish members had tried to bring forward proposals which constituted a modification of the Convention. On the refusal of the Greek representatives to accept these modifications, the Turkish Government, on its own initiative, had proceeded to arrest Greeks who were Turkish subjects, on the plea that they had been established in Constantinople subsequently to October 30th, 1918; but, as a matter of fact, they had arrested them indiscriminately. The Turkish Government had therefore arrogated to itself the powers of the Mixed Commission, which alone was competent, after having given an interpretation of the term "established", to decide who should leave Constantinople and who should remain there.

The Treaty of Lausanne having thus, in the opinion of the Greek Government, been infringed by these measures on the part of the Turkish Government, the Greek Government, in virtue of Article 11 of the Covenant, appealed to the Council, considering the matter to be one which affected international relations and threatened to disturb international peace and the good understanding upon which the good relations between nations depend. It was represented in the Greek note that the Turkish Government had violated the Convention :

- (1) By arrogating to itself the duties of the Mixed Commission and by carrying out on its own initiative and by its own agents the removal of the Greeks whom it alleged to be subject to exchange ;
- (2) By giving to the term "established" a meaning which was at variance with that laid down by the Treaty and the minutes of the negotiations ;
- (3) By not awaiting the decision of the Mixed Commission on this point but endeavouring to force the Commission to adopt the Turkish point of view by dilatory measures, intimidation and by creating a *fait accompli*.

The Greek Government stated that it considered its appeal to be justified also by Article 14 of the Covenant, since in a general way a formal violation of the rights of minorities had been committed by the arbitrary extension of the measures of exchange, which were to have been applied within the narrow and strictly defined limits laid down by the provisions of the special Convention.

The matter was discussed at a meeting of the Council held on October 31st, 1924. The representative of Greece added to the information given above that on October 18th and during the five following days the authorities at Constantinople had arrested some 4,450 persons, of whom, according to him, 3,782 were arrested arbitrarily and illegally. In view of this a situation was created to which Article 11, paragraph 2, of the Covenant applied. Fortunately, continued the representative of Greece, the mere announcement that the Greek Government intended to appeal to the Council was sufficient to ease the tension. On October 24th the Turkish authorities agreed that persons who were declared non-liable to exchange were to be finally set free, and persons whose exchange was in dispute were to be furnished with special certificates and protected from any further arbitrary arrest. Thus, the conflict was fortunately no longer acute, but a conflict did still remain, since the parties had not yet reached an agreement on the meaning of the word "established" and were awaiting a final decision from the Commission.

In addition, the representative of Greece informed the Council that, in accordance with Article 16 of the Convention on the Exchange of Populations, persons not liable to exchange might, if they were at the time outside Turkish territory, return unhindered to Constantinople and freely dispose of their property. He stated that, in fact, it was materially impossible for these Turkish nationals of Greek origin to return. They were treated as absentees of unknown domicile, and on these grounds a law was applied to them which was passed in respect of so-called abandoned property. In many cases they had given a power of attorney to agents on the spot, but the latter never succeeded in carrying out their duties. Such a situation created bitter feelings and prevented the Greek Government attaining that mutual understanding which it was anxious to establish with the Turkish Government. He mentioned the precarious situation of Greek banking establishments whose property and the deposits of whose clients were still sequestered. He referred to the precarious position of the Œcumenical Patriarchate, the authority of which was accepted by the Lausanne Conference but which, in fact, was not able to carry out its duties because the prelates who formed the Holy Synod were requested to leave Constantinople on the pretext that they were not established there.

The representative of Turkey replied to these charges, stating that at no time had the Turkish Government encroached upon the duties of the Mixed Commission, nor had it carried

out any expulsions on its own initiative. Any such measures had been taken solely in execution of the decisions of the Mixed Commission. He explained that the date of evacuation of the inhabitants of Constantinople liable to exchange had, as early as May 9th, 1924, been fixed by the Mixed Commission for the month of October; a certain class of these persons was therefore to leave the country, in virtue of a decision of the Sub-Committee, during the month of October, with a time-limit of ten days. It was only upon the expiration of this time-limit and in conformity with the Commission's decision — and not on its own initiative — that the Turkish administration had taken measures.

As regards the question of the interpretation of the word "established", the Turkish Government had always accepted and would always accept the Mixed Commission's decisions. He denied that obstacles had been placed by the Turkish delegation in the way of the work of the Commission, and stated on behalf of his Government that the latter acknowledged the Mixed Commission's authority, conferred upon it by the Convention. He added that the representative of Greece had introduced into his statement before the Council questions not mentioned in the Greek Government's official note. He had referred to Greeks who, under the terms of the Convention, should have been allowed to return to Constantinople and were prevented from doing so by the Turkish authorities and were therefore not able to resume possession of their property. The Turkish representative pointed out to the Council that an even greater number of Turks were in the same position. More than 50,000 Turks in Western Thrace, whose property had been confiscated by the Greek Government, were not able to resume possession of their property and were in a state of lamentable destitution.

As regards the rights of minorities, the Turkish Government would remain faithful to the undertaking it had entered into in virtue of the Treaty of Lausanne; but if an enquiry were instituted regarding the treatment of minorities in both countries, outside the competence of the Mixed Commission, the Turkish Government would welcome an enquiry on the position of Turks in Western Thrace as well as that of Greeks in Constantinople; this question of the rights of minorities was not within the competence of the Mixed Commission. He relied entirely on the Council of the League of Nations to decide whether such an enquiry should be instituted. The Greek representative subsequently associated himself with the representative of Turkey in submitting to the decision of the Council the question whether an enquiry should be made into the treatment of minorities.

On the same day, October 31st, 1924, the Rapporteur submitted proposals to the Council, which were adopted. He noted that both Governments agreed that the Mixed Commission for the Exchange of Greek and Turkish Populations was the authority competent to deal with the difficulties at issue and that everything should be done to facilitate its task. There could therefore be no doubt that both Governments would arrange, when the President summoned a full meeting of the Commission, to be duly represented. He suggested that the President of the Commission, who was present at the Council table, should, as soon as he returned to Constantinople, convoke an early meeting of the full Commission in order that the points at issue in regard to the Convention might be finally determined. The Council could feel assured that both Governments would not only refrain from any prejudicial action pending such determination but would also, in accordance with the Convention, loyally fulfil whatever decisions the majority of the Mixed Commission might take. Should, however, the members of the Commission feel that there were in the Convention points of great legal difficulty which they doubted whether they had sufficient juridical knowledge to interpret, it was always open to them to ask the two Governments signatories of the Convention to place the matter before the Permanent Court of International Justice, whose special duty it was to undertake the interpretation of treaties. The Council would be willing, should the Mixed Commission desire it, to ask the Court for an advisory opinion on such points. If any such action were taken, it would, of course, be necessary that, pending a pronouncement by the Court, nothing should be done which would prejudice in any way the personal and material interests of the populations which might be affected directly or indirectly by the decisions taken. In view of the appeal to the Council under Article 11 of the Covenant, the Rapporteur suggested that the Council would feel happy if the Commission found it possible to send it from time to time, for its information, reports as to the progress which was being made.

As to the question of the treatment of minorities proper, the Council had taken note of the statements made that the two parties agreed to an enquiry being undertaken, if necessary, by the Council as to the position of the minority of Greek race in Constantinople and the minority of Turkish race in Western Thrace. The treatment of these minorities had, however, only been brought before the Council that very afternoon, and the Council could hardly take a decision on a matter of such importance without full knowledge of the facts. The Rapporteur therefore asked the representatives of the two Governments to send full statements, so that the Council might duly consider the subject at its next session in December.

At its meeting on December 13th, 1924, this question again came before the Council, under two aspects. The Council was asked by the Mixed Commission to obtain from the Permanent Court of International Justice an advisory opinion on the dispute regarding the interpretation of Article 2 of the Convention for the Exchange of Greek and Turkish Populations signed at Lausanne on January 30th, 1923. The Council decided to ask the Court the following question :

"What meaning and scope should be attributed to the word established in Article 2 of the Convention of Lausanne of January 30th, 1923, regarding the exchange of Greek and Turkish populations, in regard to which discussions have arisen and arguments have been put forward, which are contained in the documents communicated by the Mixed Commission? And what conditions must the persons

who are described in Article 2 of the Convention of Lausanne under the name of 'Greek inhabitants of Constantinople' fulfil in order that they may be considered as 'established' under the terms of the Convention and exempt from compulsory exchange?"

The reply of the Court was received in time for the Council to take note of it at its meeting on March 11th, 1925, and the Secretary-General was directed to transmit it to the Mixed Commission. The opinion of the Court was to the effect:

"(1) That the purpose of the word 'established' in Article 2 of the Convention of Lausanne of January 30th, 1923, regarding the exchange of Greek and Turkish populations, is to indicate the conditions in point of time and place on which depends the liability to exchange of Greeks and Moslems who respectively inhabit Constantinople or Western Thrace; that this word refers to a situation of fact constituted, in the case of the persons in question, by residence of a lasting nature;

"(2) That, in order that the persons referred to in Article 2 of the Convention of Lausanne as 'Greek inhabitants of Constantinople' may be considered as 'established' under the terms of the Convention and exempted from the compulsory exchange, they must reside within the boundaries of the Prefecture of the City of Constantinople as defined by the law of 1912; have arrived there, no matter whence they came, at some date previous to October 30th, 1918; and have had, prior to that date, the intention of residing there for an extended period."

The Rapporteur hoped that, as a result of the opinion given by the Permanent Court of International Justice, the task of the Mixed Commission would be rendered much easier, as he had no doubt that the Mixed Commission would attribute to this opinion the same high value and authority which the Council always gave to the opinions of the Permanent Court. The representatives of Greece and Turkey associated themselves with this view.

At the December session of the Council, further consideration of the question of the Greek minority in Constantinople and the Turkish minority in Western Thrace was postponed, the memoranda of the two Governments having been received too late to be considered during that session. In view of the inevitable delay involved by this postponement, the Rapporteur, with the agreement of the interested parties, renewed the recommendation that, pending further action by the Council, nothing prejudicial to the personal and material interests of the populations involved should be allowed.

At the meeting of the Council on March 11th, 1925, the Rapporteur stated that, after studying the documents submitted by the two Governments, he had come to the conclusion that the wisest course that the Council could take was to follow the same procedure as had been taken in the case of the Moslems of Albanian origin in Greece, that is, to request the neutral members of the Mixed Commission for the Exchange of Greek and Turkish Populations to undertake, on behalf of the League of Nations, the desired enquiry into the position of the Greek minority in Constantinople and the Turkish minority in Western Thrace as regards the rights under Article 16 of the Convention concerning the Exchange of Greek and Turkish Populations. The neutral members, who subsequently accepted the mission they were asked to undertake, were requested to send a report to the Council in time for it to be considered at the June session.

VII. COMMUNICATION FROM THE GERMAN GOVERNMENT RELATIVE TO THE CONDITIONS FOR GERMANY'S ADMISSION TO THE LEAGUE.

On December 12th, 1924, the German Government sent to the Secretary-General a letter relative to the conditions under which Germany might at a later date apply for admission to the League. This letter, which the German Government requested the Secretary-General "to place before the competent authorities of the League", was accompanied by a memorandum which the Government had previously forwarded to the Powers represented on the Council.

(a) THE GERMAN GOVERNMENT'S LETTER.

Considering that political developments during the past year had rendered it possible for Germany to join the League of Nations, the German Government had resolved in September 1924 to consider the question of its admission to the League in the near future. For this reason, it had first entered into communication with the Governments represented on the Council and submitted to them a memorandum having for its object the elucidation of certain important problems connected with Germany's co-operation in the League.

Having received the answers to the memorandum, the German Government noted with pleasure that its decision had been accorded full approval by the Members of the Council. It believed that the replies justified it in concluding that its wish for Germany to have a seat on the Council was being favourably considered by the Governments now represented on that body.

As regards a second point, that of Germany's participation in the sanctions contemplated by Article 16 of the Covenant, the replies of the Members of the Council had not yet led to the conclusion desired by the German Government. The latter was desirous of finding a way out of the difficulties in which Germany, on account of the Reich's peculiar situation, might

become involved by the application of Article 16. In their replies, the Governments had either left these difficulties out of consideration or had not sufficiently appreciated the apprehensions of the German Government. They had all given expression to the opinion that Germany's application for admission to the League should be made without reservations and without restrictions, and, as regards the other questions raised by the Reich, confined themselves to stating that the League was the competent body to decide them.

The problem at issue appeared to the German Government to be of such extraordinary importance that it could not simply leave it for later consideration ; it saw no alternative but to submit the problem to the League itself, in the hope that the latter would recognise the necessity for a prior discussion.

The sanctions contemplated by Article 16 against a Covenant-breaking State " bind the Members of the League to economic and military measures such as in general have hitherto implied a state of war ; in any case, the States participating in such measures must expect to be treated as belligerents by the State affected ". The Covenant offered no sure protection against this danger, although provision was, of course, made for conducting military operations, but the part to be taken by each Member of the League was left to its discretion. The success of sanctions, moreover, might be jeopardised when they were directed against States having at their disposal a powerful war equipment. The risk involved in this state of affairs was, in the German Government's opinion, particularly formidable for a country like Germany, centrally situated and completely disarmed.

The letter then goes on to recapitulate the military clauses of the Peace Treaty, which prescribe the limitation of the German army's effectives to 100,000 men, the abolition of compulsory service, the prohibition of the training of reserves, and of all mobilisation measures, the suppression of heavy artillery, military aircraft and tanks, the destruction of fortified works, except a few antiquated fortresses, the demilitarisation of a zone 55,000 square kilometres in area to the advantage of Germany's neighbours, the restrictions placed on the manufacture of war material in existing factories, the demolition of machinery rendering impossible any rapid adaptation of other factories in the event of international complications, and, finally, the reduction of the fleet far below the limits fixed in the Washington Agreement of February 6th, 1922. On the other hand, the possibilities of the other European States as to land armaments were entirely unlimited and their output of modern war material subject to no restriction.

Germany, " militarily quite impotent in the midst of a heavily armed Europe ", would accordingly be incapable of effectively protecting her territory against a military invasion should the measures provided for in Article 16 of the Covenant lead to hostilities. Completely dependent upon such protection as the other Members of the League might voluntarily afford, " she would be predestined to be the scene of European League wars ". In the most favourable circumstances she would have to rely on the support of foreign troops who would not be directly concerned in the defence of German soil, while her own troops, in view of their small numbers and lack of all modern means of warfare, would be reduced to a secondary role.

The organisation of the League is bound up with the principle of a general reduction of armaments, but, even if that reduction were effected in accordance with the programme of the League, it would never exceed, so far as the other States were concerned, the requirements of national safety or of the enforcement of the international obligations imposed by the Covenant. The general standard of armaments therefore would even then be far higher than that of Germany's armaments as stipulated in the Treaty of Versailles.

It was the opinion of the German Government that there was only one way out of the difficulties arising from this disparity. In the case of Germany's participation in the execution of sanctions, Germany ought to be at liberty to determine how far she would take an active part in them. " This is no special privilege which Germany is demanding. She merely asks that her peculiar position be taken into consideration when her obligations as a Member of the League are being fixed. Otherwise, by her becoming a Member of the League of Nations, she would be compelled to waive her right to neutrality, the last defence of a disarmed people. "

The German Government was not able to judge in what form its desire could be fulfilled. According to Article 11 of the Protocol on the Pacific Settlement of International Disputes, drawn up by the fifth Assembly, the geographical and military situation of the individual States as regarded their participation in sanctions was to be taken into account, but, apart from the fact that the Protocol had not yet come into force, the obligation of all Members to participate in blockade measures, to give active support to economic sanctions, and to suffer the passage through their territory of the participating forces remained unaffected by the said provision. This would deprive all Members of the possibility of remaining neutral. Thus, Germany, even after the coming into force of the Protocol, would still be faced with all the dangers indicated above.

The German Government hoped that the League of Nations would recognise the justification of its apprehensions and would discover means of removing them. It thought it possible to do so without doing violence to the organisation of the League or to its work.

A copy of the memorandum forwarded by the German Government to the States Members of the Council followed.

(b) MEMORANDUM FROM THE GERMAN GOVERNMENT TO THE GOVERNMENTS OF THE STATES MEMBERS OF THE COUNCIL.

In the memorandum, the German Government intimated its resolution, which had been made possible by political developments, to apply for admission to the League. It thought it advisable, however, to request the Governments represented on the Council to communicate

to it their views with regard to " certain questions which are of paramount importance for the future co-operation of Germany in the great work of the League of Nations ".

1. *Permanent seat on the Council.* — Germany did not consider that she was asking for a privilege in thinking that she should, immediately upon her admission, be included among the Powers holding a permanent seat on the Council.

2. *Participation in the sanctions contemplated in Article 16 of the Covenant.* — The German Government drew attention to the dangers involved, for a people which had been disarmed by the Treaty of Peace, by the obligation to take part in the sanctions contemplated in Article 16. It stated that in applying for admission it would be obliged to make a reservation on this point.

3. *Observation of international obligations (Article 1 of the Covenant).* — The German Government stated that it was prepared, notwithstanding the guarantees, which it considered undeniable, of Germany's sincere intention to observe her international obligations, to confirm this intention by a formal declaration. It desired, however, to reiterate that the declaration referred to should not be understood to imply admission by the German Government of those assertions on which Germany's obligations were based and which laid a moral responsibility upon the German people. It added that " an essential condition for the carrying out of the London Agreement is the speedy re-establishment in the Rhineland and Ruhr of conditions compatible with the provisions of the Treaty of Peace ".

4. *Colonial mandates (Article 22 of the Covenant).* — Excluded since her defeat from all colonial activities, Germany expected that in due time she would be given an active share in the working of the mandates system of the League.

The Government felt convinced that, if the considerations developed in the memorandum were taken into account, conditions would be created which would react favourably not only on the interests of Germany but also on those of the League. Her admission would constitute an appreciable step towards the establishment of the universality of the League, and this must be regarded as an essential condition for the development of the spirit of reconciliation and good will which should preside over the solution of all those problems that still divided the peoples. " The German Government will always consider it its foremost duty to bend all its endeavours towards the attainment of this goal ".

(c) SWEDISH GOVERNMENT'S REPLY TO THE GERMAN GOVERNMENT'S MEMORANDUM.

On January 17th, 1925, the Swedish Government requested the Secretary-General to communicate to the Members of the League the reply which it had sent on November 22nd, 1924, to the memorandum from the German Government to the Powers represented on the Council.

The Swedish Government expressed its extreme satisfaction at the German Government's desire to become a Member of the League, and pointed out that this desire corresponded to the wish urged on frequent occasions by the Swedish Government itself that the League should become universal. In agreement with public opinion in Sweden, it considered it important that Germany should become a Member of the League.

The Swedish Government confined itself to taking note of the German Government's declarations under points 3 and 4 of its memorandum. As regards point 1, it considered that Germany should be given the same place in the League as was held by the other great Powers who are already Members of it, and consequently should, as soon as she was admitted, be granted a permanent seat on the Council.

Under point 2 of the memorandum, relating to participation in sanctions contemplated under Article 16 of the Covenant, the Swedish Government directed attention to the fact that, under Article 1, all States Members of the League were bound to accede to it without reservation, with the special exception of Switzerland, whose position as a permanently neutral Power was recognised under the treaties.

The Swedish Government considered " that it would hardly be compatible with the provisions of the Covenant, or of the principles upon which it was based, that Germany's adhesion to the League should be conditional on a reservation concerning the important obligations laid down in Article 16 of the Covenant, obligations which are, moreover, reciprocal, and upon which, therefore, the right to the assistance of other Members of the League depends ".

According to the resolution adopted by the 1921 Assembly, however, some account may be taken, as regards the application of Article 16, of the particular situation of each State, " and hence also of a fact such as the limitation of armaments imposed upon Germany by the Treaty of Peace ".

The Swedish Government concluded with the " earnest hope that the German Government will not regard the provisions of Article 16 of the Covenant as an obstacle to Germany's entry into the League of Nations ".

(d) REPLY OF THE COUNCIL TO THE GERMAN GOVERNMENT'S LETTER OF DECEMBER 12TH, 1924.

At the Council meeting on March 15th, 1925, the Spanish representative read a draft reply to the German Government's letter of December 12th, 1924. The draft, which reads as follows, was unanimously adopted by the Council :

" The Council of the League of Nations has given careful consideration to the communication of the German Government, dated December 12th, 1924, regarding Germany's entry into the League.

“The Council notes with satisfaction the declaration, with which that communication opens, that the German Government are of the opinion that the ‘political developments during the past year have rendered it possible for Germany to join the League’, together with the statement in the enclosed memorandum that the German Government have ‘decided to seek the early admission of Germany’ to the League of Nations.

“The German Government have already consulted the ten Governments who are represented on the Council and have received authoritative replies from all of them. Any observations which can now be made by the Council, composed as it is of representatives of these same Governments, will obviously not be at variance with those replies. The Council is glad, therefore, to learn that, with one exception, which is dealt with later, the replies are satisfactory to the German Government.

“The Council observes that the German Government state, with reference to the conditions in which Germany desires to enter the League, that they have no intention of ‘claiming special privileges for Germany’, but that they expect she shall enter on a footing of equality.

“The Council notes that all the ten Governments are in complete agreement with this condition.

“The Council, indeed, regards this principle of equality, involving as it does both equal rights and equal obligations for all, as being of the essence of the League’s constitution.

“At the same time it feels bound to point out that this principle has an important bearing on the special question which the German Government raise with regard to Article 16 of the Covenant. Though it is only in relation to this one article that Germany asks for an exceptional position, this article is, of capital importance for the whole structure of the League, comprising as it does an important part both of the safeguards enjoyed, and the responsibilities accepted, by all the Members.

“The German Government, in stating its position on this subject, calls attention to the military position of Germany resulting from the Treaty of Versailles and express the fear that, if the measures provided for in the article lead to hostilities, she would be incapable of protecting her territory against a military invasion. The Government add that, in their view, there is only one way out of the difficult situation in which Germany would be placed: ‘Should international conflicts arise, Germany ought to be at liberty to determine how far she will take an active part in them’. Later in the communication, the Government express Germany’s objection to being compelled, by virtue of entry into the League, ‘to waive the right to neutrality’.

“The Council considers that the following observations on this point may serve a useful purpose. The character and extent of a Member’s active co-operation in military measures undertaken by the League in pursuance of the Covenant must vary with the military situation of the Member in question. Under the existing provisions of the Covenant, it is the duty of the Council to recommend what effective military, naval or air forces the Members of the League shall contribute to the armed forces to be used to protect the covenants of the League, and it would be for Germany herself to say to what extent she was in a position to comply with the recommendations of the Council. The Council would further remind the German Government that a Member of the League, and of the Council, would always have a voice in deciding the application of the principles of the Covenant.

“As regards economic measures, the States Members of the League themselves decide, either separately or by prior agreement, the practical steps to be taken for the execution of the general obligation which they have undertaken. But the provisions of the Covenant do not permit that, when action is undertaken in pursuance of Article 16, each Member of the League should decide separately whether it shall take any part in that action. The Council feels bound to express its clear opinion that any reservation of this kind would undermine the basis of the League of Nations and would be incompatible with membership of the League. It seems to the Council impossible that a Member of the League, and of the Council, should, in the event of operations undertaken against a covenant-breaking State, retain a status which would exempt its nationals from the general obligations imposed by the Covenant. The Council need hardly point out that other countries whose military forces have also been limited by the provisions of the existing Treaties, have, on entering the League, accepted the obligations of the Covenant without reservation.

“The Council trusts that these observations may be of use in elucidating the attitude of its Members with regard to the questions raised by the German Government.

“The general conditions of entry of new Members are contained in Article 1 of the Covenant, which leaves the decision to the Assembly, which has on repeated occasions declared itself in favour of the universality of the League. Only by active co-operation as a Member can a country have its due influence in the decisions of the League — decisions which cannot fail to be of far-reaching importance.

“In conclusion, the Council wishes to express to Germany its sincere wish to see her associated in its labours, and thus play, in the organisation of peace, a part corresponding to her position in the world.”

5.

ADMINISTRATIVE QUESTIONS.

I. TERRITORY OF THE SAAR BASIN.

At its sessions held in August to September 1924, December 1924 and March 1925, the Council dealt with several questions concerning the Saar Territory, such as the appointment of the members of the Governing Commission, the control of goods imported from Germany into the Saar Territory prior to January 10th, 1925, public education, French troops and local gendarmerie in the Territory. The representative of Italy acted as Rapporteur. The Council has been kept informed of the various questions concerning the Saar through three periodical reports from the Governing Commission (published in the *Official Journal*, November 1924, March and May 1925), and through two general reports by the Secretary-General (published in the *Official Journal*, November 1924, and May 1925).

1. SAAR QUESTIONS CONSIDERED BY THE COUNCIL.

(a) *Composition of the Governing Commission.*

The Governing Commission is actually composed as follows :

M. KOSSMANN (Saar),
M. LAMBERT (Belgian),
M. RAULT (French member and Chairman),
Mr. STEPHENS (Canadian),
M. VEZENSKY (Czechoslovak),

M. Vezensky, Judge of the Supreme Court of Saarlouis, was appointed by the Council in September 1924 to succeed Colonel Espinosa de los Monteros (Spaniard), member of the Governing Commission who died in August 1924. On March 13th, 1925, the term of office of all the members of the Governing Commission was prolonged for a year as from April 1st, 1925. For this period the salaries of the Commissioners were maintained, as a provisional measure, at the rate of 125,000 French francs per annum, on account of the cost of living in the Territory.

In a note dated February 27th, 1925, the Swedish Government suggested that, in electing the Chairman of the Governing Commission of the Saar Basin, the Council should, as far as possible, bear in mind the advantage in having the post of Chairman held by all the members of the Commission in turn. In his report submitted to the Council on March 13th, 1925, M. Scialoja, representative of Italy, expressed himself as follows on the subject :

“ I have carefully considered this proposal, but I hesitate to recommend the Council to adopt it, for the simple reason that in my view the Council should, according to the Treaty of Versailles, retain absolute independence in regard to the appointment of the five members and of the Chairman of the Commission, which it has to make every year. The Council might, it is true, adopt a system by which the post could be renewed or even held in turn by the members, but I think it would hardly be possible to place an obligation upon the Council to nominate in future any particular member or any particular individual as Chairman of the Governing Commission.

“ I think that the Council might prolong for a further year the terms of office of the five members and the Chairman of the Commission, but what I have said implies that this appointment should in no way prejudice the Council's entire freedom of action, when in a year's time it has to take a fresh decision on the composition of the Commission and on the question as to who shall be appointed Chairman.

“ No member of the Commission should have the right to expect his term of office to be renewed from year to year, seeing that the appointments made by the Council are for one year only.”

In view of these explanations, M. UNDEN, the Swedish representative on the Council, stated that he would not insist on his proposal.

(b) *Control of Goods imported from Germany to the Saar Territory prior to January 10th, 1925.*

At its session in June 1924, the Council, while postponing consideration of the question, decided to forward to the German Government the observations of the Governing Commission concerning the complaint of the former with reference to the control exercised by the Governing Commission over goods imported free of duty from Germany into the Saar Territory up

to January 10th, 1925, the date of the inclusion of the Saar Territory in the French Customs regime.

In September 1924, the Council, to whom further notes from the German Government and from the Governing Commission had been submitted, after hearing the opinion of the British representative on the matter, took note of the intention of the Governing Commission to act in a liberal spirit, and expressed the conviction that the Governing Commission which, under the Versailles Treaty, had power to decide the question, would give the widest possible interpretation to the relevant stipulations of the Peace Treaty.

The Governing Commission, in its periodical report for October-December 1924, has informed the Council that, in accordance with the views expressed by the Council, it has applied in a liberal spirit the measures which it deemed necessary to take in connection with the duty-free importation of German goods intended for local consumption in the Territory prior to January 10th, 1925.

(c) *The French Troops and Local Gendarmerie in the Territory.*

In September 1924, the Council considered a request from the German Government to appoint a fixed date in the near future for the final constitution of the Saar local gendarmerie and for the withdrawal of the French troops from the Territory. The Council, after hearing a statement from the Chairman of the Governing Commission, requested the Commission to submit its programme for the increase of the local gendarmerie during the financial year 1925-1926, as well as further information concerning all the police forces in the Territory, and requested the Governing Commission to consider the possibility of constituting a reserve force of gendarmes.

In response to the Council's request, the Governing Commission submitted a report explaining why it did not consider it possible to constitute a reserve force of gendarmes, and giving detailed information with regard to the police forces in the Territory. The local gendarmerie would be increased during the financial year 1925-26 by 250 men, thus bringing this force up to 1,005 men on March 31st, 1926. The Commission, moreover, informed the Council that the French repair park for small arms at Saarlouis would be removed from the Saar, and the French gendarmerie stationed in the Saar reduced from 105 gendarmes and four officers to 24 rank and file under the command of a single officer. These French gendarmes would now be employed as military police forces solely in localities in which there are French garrison troops.

The German Government, in a note dated February 19th, 1925, again urged the League that the question of the withdrawal of the French troops should be finally settled. On March 14th, 1925, the Council adopted the following resolution :

“ The Council of the League of Nations,

“ After having heard the Italian representative's report, the observations of the representative of Great Britain, and the explanations of the Chairman of the Governing Commission :

“ (1) Approves the Governing Commission's proposal to increase the local gendarmerie by 250 men during the financial year 1925-26 ;

“ (2) Requests the Governing Commission to submit to it for consideration a report on the manner in which it would be possible, in the absence of troops, to carry into effect sub-paragraph 3 of paragraph 30 of the Saar Annex to the Treaty of Versailles, which lays down that it will be the duty of the Governing Commission to provide in all cases for the protection of persons and property in the Saar Basin. In preparing its report, the Governing Commission should take into account the possibility of obtaining the assistance of troops stationed outside the Saar Territory ;

“ (3) Requests the Secretary-General to communicate a copy of this resolution to the German Government, in reply to its Note of February 19th, 1925. ”

In the periodical report of the Governing Commission for the period January-March 1925, the Chairman of the Governing Commission informs the Council that, in conformity with his verbal statement made during the Council meeting on March 13th, 1925, a battalion of French *chasseurs à pied* quartered in the Territory would be withdrawn by April 25th, 1925, and that the French troops would henceforward consist of one regiment of infantry, one battalion of chasseurs and one cavalry regiment.

(d) *Public Education in the Saar.*

At its session held in December 1924, the Council considered the question of public education in the Saar, in view of a series of notes from the German Government protesting against the educational system in force in the Territory as being contrary to the Treaty of Versailles.

According to the German Government, the Treaty of Versailles only gives the French State the right to establish primary or technical schools for the French employees of the mines and their children, and the instruction in those schools should be given in the French language only, whereas the schools of the French Mining Administration were open to children of persons not employed in the mines and the instruction was given in German. Moreover, the German Government declared that pressure of various kinds had been used in order to compel German children to attend the French schools. The German Government also submitted two legal opinions on the question by a German and an American jurist.

The Governing Commission, in answer to these complaints, gave detailed explanations with regard to its interpretation of the Treaty of Versailles and to the actual situation. Only

5,300 children frequented the French Mines schools, whereas the number of pupils attending the State schools of the Saar was 125,000. Children other than those of the employees of the mines were only admitted to the mines schools on special request from their parents.

On December 11th, 1924, the Council, after having heard the report of the Italian representative, approved the following conclusions of his report :

“ The Council will no doubt agree with me that the matter before us is essentially a question of interpretation of certain provisions in the Annex to the Treaty of Versailles regarding the Saar Territory. Apart from the legal points of view set forth in the documents which I have just summarised, the French representative has recently transmitted to me the legal opinion of an English jurist, Mr. Mitchell Innes, and the Swedish representative a memorandum based on the opinion of a Swedish jurist. These two documents are before you, and you will probably be of opinion that the Secretary-General should communicate them to the Governing Commission of the Saar Territory for any action that might be necessary.

“ Furthermore, the very detailed reports that the Governing Commission has sent us show that it is aware not only of the legal aspect of the problem of public education in the Saar, but also of its political and moral aspects, and, in particular, of the importance which public opinion in the Territory attached to the problem. These circumstances give to the question of the French schools a wider bearing than would result from a mere comparison between the inconsiderable number of pupils which frequent these schools and those who frequent the ordinary schools of the Territory. Personally, I rely on the wisdom of the Governing Commission, and I am fully confident that it will find the means of allaying the anxiety which this matter seems to have aroused in certain sections of the Saar population. ”

The Council decided to forward a copy of this report to the German Government for its information.

The Governing Commission, on February 18th, 1925, informed the League that it had published a declaration in the *Official Journal* of the Saar concerning the attendance of the Saar children at the French mines schools, in order to carry into effect the resolution of the Council.

2. GENERAL QUESTIONS.

On May 15th, 1920, the Council approved an arrangement according to which the Governing Commission should furnish to the League full information on political, economic, financial, social and other matters of interest to the League of Nations, in the Saar Basin, as well as all official publications of the Governing Commission. In conformity with this arrangement, the Governing Commission has forwarded its 19th, 20th and 21st periodical reports dealing with the third and fourth quarters of 1924, and the first quarter of 1925 respectively. Certain of the questions dealt with in these reports are considered here.

(a) *Political Situation.*

The Saar Advisory Council and Technical Committee were in session during the period from March to July 1924 and from October 1924 up to the end of March 1925. Several draft decrees concerning fiscal and other measures, which had been submitted to the two bodies by the Governing Commission for their advisory opinion, have been examined by them.

A decree replacing that of May 2nd, 1923, concerning the picketing, which was mentioned in the report to the fifth Assembly on the work of the Council, was promulgated by the Governing Commission on July 15th, 1924, after having been submitted to the Saar Advisory Council. This decree recognises the legality of picketing, but gives sufficient power to the Courts to prevent any abuse. It is mainly based upon a British law.

The principal decrees examined during the first quarter of 1925 concern the establishment of a Saar Labour Chamber, indirect taxation, the revaluation of debts and credits and the organisation of public relief.

(b) *Economic and Social Situation.*

The periodical reports of the Governing Commission contain information on the output of the French coal mines and on the metallurgical production. The number of unemployed in the Saar has been decreasing and fell in March 1925 to one of the lowest figures recorded since 1920. During the third quarter of 1924, the credit crisis from which the Territory was suffering was slightly improving, and in the last quarter of 1924 the French Mining Administration, in order to stimulate industrial activity, reduced the price of small coal for coke. Trade was particularly good during the last quarter of 1924 and the economic position of the territory was not unfavourable during the first quarter of 1925.

As the miners of the French Mines had given notice that they would terminate their contract with the Mining Administration with effect from January 15th, 1925, the Governing Commission took steps to bring about negotiations between the miners and their employers. These consultations resulted in an agreement under which the wages of the miners were raised as from January 15th, 1925. Similar adjustments took place in the majority of trades.

The Customs frontier between France and the Saar ceased to exist as from January 10th, 1925, when the Territory was completely incorporated in the French Customs regime, as provided for by the Peace Treaty of Versailles. The Governing Commission has taken several measures

in this connection. It ensured that all goods consigned free of duty to Germany should have crossed the frontier before midnight on January 10th, 1925, and that facilities should be given to enable German goods imported to the territory before midnight on that date to secure exemption from duty even if the Customs formalities had not been completed by the end of the day. A barrier for *regie* purposes is still being maintained between France and the Saar, and will be abolished when the two conventions between the French Government and the Governing Commission concerning the prevention of fraudulent dealings in tobacco and with regard to the taxes on commodities come into force. A special Customs Court has been created in the Saarbruck Regional Court.

With regard to the economic prosperity of the Territory, the greatest importance must be attached to the issue of the negotiations proceeding with a view to the conclusion of the Franco-German Commercial Agreement.

(c) *Administrative work of the Commission.*

With regard to the administration of the Territory, the periodical reports of the Governing Commission also give detailed information on various subjects, such as the financial situation (the budget for 1925 amounts to a little more than 220 million French francs and shows a balance of a little over 270,000 francs), measures taken on behalf of Government officials and workmen ; public works ; justice and education ; commerce, industry and labour (a decree establishing the principle of the eight-hour working day was promulgated) ; public relief (detailed accounts are furnished on the relief given to the poor and to disabled service men) ; social hygiene (statistical data have been supplied with regard to the health of the population) and agriculture.

3. PETITIONS FROM THE INHABITANTS OF THE TERRITORY.

Several petitions emanating from organisations or individuals in the Territory have been forwarded by the Governing Commission to the Council for its information, in virtue of the Council's resolution of May 15th, 1920. They were accompanied by such observations as the Commission considered it desirable to make in each case. The petitions dealt with various matters, such as economic conditions in the Territory (special situation of the Territory during the Franco-German commercial negotiations, Customs policy, currency, system of housing control and that of accident insurance, etc.); administration of the Territory (composition of the Governing Commission, its policy, etc.).

4. DOCUMENTS PRESERVED FOR THE PLEBISCITE IN 1935.

As stated in the report to the fifth Assembly on the work of the Council, M. Bonzon, Provisional Records Commissioner for the Saar Basin Plebiscite, made in October 1923 certain recommendations providing for a formal notification to the Secretariat of the League and to the Saar Governing Commission of any changes in the situation of the documents preserved in view of the plebiscite, as shown in the original returns drawn up by him. In conformity with these recommendations, periodical reports for the period since the establishment of the original returns up till March 31st, 1925, have been sent in by the seven sub-prefects of the Territory and the Mayor of the town of Saarbruck, and by the Governing Commission, for the period up till December 31st, 1924. The local authorities have also continued to send in special notification of each change in the situation as provided for in the same recommendations.

At the request of M. Bonzon, the Governing Commission in September 1923 applied to the German Government in order to obtain the return of certain documents to the Saar Territory, for purposes of preservation in view of the plebiscite, in conformity with the decree of May 9th, 1923. The documents in question were the electoral registers of the elections to the German Constituent Assembly at Weimar and to the Prussian and Bavarian Constituent Assemblies, as well as certain census returns. The German Government acceded to the request of the Governing Commission, and on March 30th, 1925, the Secretary-General of the Governing Commission informed the Secretary-General of the League that the documents in question had been delivered to the Governing Commission by the German authorities. The text of the minutes drawn up on the delivery, which took place in Mannheim on February 2nd, 1924, has been communicated to the Council.

II. FREE CITY OF DANZIG.

The Council and the High Commissioner of the League of Nations, in dealing with the problems resulting from the special position of Danzig under the Treaty of Versailles, have been primarily concerned, since the last report to the Assembly on the work of the Council, with the question of solving certain differences of opinion between the Danzig and Polish Governments. At the Council meeting held on March 13th, 1925, the general question of the Danzig and Polish relations and, in particular, the question of procedure in the case of appeals against the High Commissioner's decisions was discussed. In addition to the questions concerning the Danzig-Polish disputes, the Council has had to provide for the post of the High Commissioner of the League in Danzig and that of the President of the Danzig Harbour Board. The financial situation of the Free

City was also dealt with by the Council and a full report on the subject will be found in the Chapter on the work of the Financial Committee in the present report.

The representative of Spain acted as Rapporteur for Danzig questions (with the exception of those concerning the financial situation of the Free City). The President of the Danzig Senate and the Polish Diplomatic representative at Danzig, both assisted by technical experts, the High Commissioner of the League in Danzig and the President of the Danzig Harbour Board were present at the sessions of the Council when Danzig questions were discussed. Poland was also represented by her permanent delegate to the League of Nations.

Members of the Secretariat have visited Danzig in order to acquaint themselves with conditions on the spot.

The Council has had submitted to it by the Secretary-General two general reports on Danzig questions dealing with the periods from April to October 1924 and October 1924 to March 1925 respectively. They have been published in the *Official Journal* of the League — issues of November 1924 and May 1925.

1. THE POST OF THE HIGH COMMISSIONER.

In December 1924, Mr. M. S. MacDonnell (Irish) was re-appointed by the Council as High Commissioner of the League in Danzig for a third year as from February 22nd, 1925. His salary was maintained at the rate of 80,000 gold francs per annum. His office comprises a secretary, a chief clerk and a shorthand-writer. The expenses for the upkeep of the High Commissioner's post are borne by the Danzig and Polish Governments in equal shares.

2. THE POST OF THE PRESIDENT OF THE DANZIG HARBOUR BOARD.

In December 1924, the Council noted a statement of Colonel de Reynier (Swiss), President of the Danzig Harbour Board, that he was unable to accept re-appointment. The Council and the representatives of the Danzig and Polish Governments expressed their thanks for the work Colonel de Reynier had done during his four years of office in Danzig. As the Danzig and Polish Governments had not been able to reach an agreement regarding the choice of his successor, the Council, in accordance with the provisions of the Danzig-Polish Treaty of November 9th, 1920, appointed Colonel Hugues de Loës (Swiss) President of the Harbour Board for a period of three years from the date when he assumed his duties. His salary was fixed at 60,000 gold francs per annum and is paid out of the revenues of the Harbour Board as provided for by the above-mentioned Treaty. Colonel de Loës took up his duties on April 24th, 1925.

3. APPEALS AGAINST THE HIGH COMMISSIONER'S DECISIONS.

Since the time of the fifth Assembly, the High Commissioner has given ten decisions, most of which have been appealed against to the Council by either the Polish or Danzig Government, or by both. Besides these appeal cases the Council, at its sessions held in December 1924 and March 1925, also dealt with previous cases of appeal still pending. Certain cases which had come before the Council were again withdrawn, as the two parties had reached agreements for their settlement. The following are the cases on which the Council was actually giving a decision.

(a) *Expulsion of Danzig Nationals from Poland.*

The Polish Government had appealed against the High Commissioner's decision of August 1st, 1924, and in September 1924 the Council requested certain legal experts to give an opinion whether that part of the High Commissioner's decision dealing with four definite cases of expulsion was in conformity with existing treaties, with international law and with international practice.

The reply of the experts having been in the affirmative, the Council in December 1924 confirmed the High Commissioner's decision.

(b) *Establishment of the Polish Railway Direction in Danzig.*

The Polish Government had appealed to the Council against the decision of the High Commissioner of December 12th, 1922, under the terms of which Poland had no right, except by agreement with Danzig, to establish on Danzig territory a railway direction dealing with the management of railways other than those situated within the territory of the Free City. For nearly two years the parties had endeavoured to reach a settlement by direct negotiations. In December 1924, the Council invited its Rapporteur to appoint, in agreement with the Chairman of the Committee on Communications and Transit, three jurists, one of whom should have made a special study of State Railways, to give an opinion on the question whether the High Commissioner's decision was in conformity with the treaties, decisions and agreements in force. The jurists, M. van Eysinga, Professor at the University of Leyden, M. Niquille, Director-General of the Swiss Federal Railways, and M. Vivante, Professor at the University of Rome, having replied in the affirmative, the Council in March 1925 confirmed the High Commissioner's decision.

(c) *Transfer of Certain Property of the former Prussian Vistula Administration.*

As a result of the Council's resolution of December 1924, the Rapporteur, assisted by two jurists and by the President of the Harbour Board, submitted to the Council a report on certain aspects of the question dealt with in the High Commissioner's decision of November 9th, 1924, against which both Governments had appealed. In March 1925, this decision was replaced by a resolution of the Council providing for an agreement to be concluded between the two parties on certain lines laid down, and, failing an agreement, for a final settlement of the dispute by arbitration.

(d) *Harbour Board Police in Danzig.*

The Council requested, in December 1924, the President of the Danzig Harbour Board to submit a proposal on the problem dealt with in the High Commissioner's decision of November 10th, 1924, against which Danzig had appealed, and made certain suggestions for the solution of the problem. By a resolution of March 1925, the High Commissioner's decision was replaced by the arrangement proposed in the report of the President of the Harbour Board.

(e) *Participation of Danzig in the Stockholm Postal Conference.*

In December 1924, the High Commissioner's decision of November 10th, 1924, against which Danzig and Poland had appealed, was confirmed by the Council with certain explanations given by the Rapporteur.

(f) *Principles applicable to the Conclusion of Danzig-Polish Agreements.*

The High Commissioner's decision of November 7th, 1924, against which Poland had appealed, was replaced by a report adopted by the Council at its session of March 1925.

(g) *Transformation of Public Institutions : the Case of " Die Danzig ".*

In March 1925, the Council confirmed the High Commissioner's decision of November 15th, 1924, against which Poland had appealed. In this connection the Council had considered at its session in December 1924 the question of the expenditure of the High Commissioner to secure expert advice.

(h) *Application in Danzig Territory of the Polish Customs Law, July 31st, 1924.*

The High Commissioner's decision of November 6th, 1924, against which Danzig had appealed, was confirmed by the Council in March 1925, with certain explanations given by the Rapporteur.

(i) *Polish Postal Service in Danzig.*

The Council at its session in March 1925 considered an appeal by the Polish Government against the High Commissioner's decision of February 2nd, 1925, on the subject of the Polish postal, telegraph and telephone services in Danzig and particularly the installation of Polish letter-boxes and the employment of Polish postmen in Danzig.

In his report submitted to the Council on March 13th, 1925, the Rapporteur stated that the affair in question was not perhaps in itself of very great importance, but that it had given rise to a violent discussion in the Press and had finally assumed a certain political importance. He proposed that the matter should be submitted to the Permanent Court of International Justice at the Hague. This proposal was accepted by the Council.

At the request of the Council, an extraordinary session of the Court was convened to deal with this question on April 14th, 1925, and an advisory opinion was given on May 16th, 1925.

4. GENERAL QUESTION OF THE DANZIG-POLISH RELATIONS AND THE QUESTION OF PROCEDURE FOR DEALING WITH DANZIG-POLISH DISPUTES.

The Polish Government and the Danzig Senate, as well as the High Commissioner, having drawn the attention of the Council to the Polish-Danzig relations as a whole, the Council took up this general question at its session in March 1925. The Rapporteur recalled that the general question of the relations between Poland and Danzig had already been considered by the Council on July 7th, 1923 (a detailed record of the report adopted by the Council on that occasion was given in the Supplementary Report to the fourth Assembly on the work of the Council). The Council confirmed and emphasised certain of its findings, pointing out that the future of Danzig is closely bound up with that of Poland and that all antagonism between Danzig and Poland should be removed by mutual endeavours to understand one another and to cooperate in the common task of developing the port of Danzig to the great advantage of both countries. Reconciliation between the Free City and Poland is the only condition under which Poland's rights can be realised in their entirety and the Free City's interests entirely safeguarded.

On the same occasion in 1923 the Council also recommended the two Governments to institute direct negotiations under the auspices of the High Commissioner, in order to settle the large number of outstanding disputes. This recommendation was accepted and led to the agreement of September 1st, 1923, by which a large number of disputes were settled, but unfortunately the situation again became serious. In December, 1924, the High Commissioner

drew the Council's attention to the number of decisions which he had to take and the number of appeals brought before the Council and, at the March session, new questions were added to the already long list of questions to be settled. The Council therefore found that it was essential to bring to an end a state of affairs by which it was constantly obliged to deal with a number of technical details of secondary importance, and which — a much more serious matter — was embittering the relations between Poland and Danzig. The High Commissioner had submitted detailed proposals and suggestions in order to remedy this state of affairs and the Council invited the Rapporteur to prepare, with the assistance of the High Commissioner and the Secretariat, for submission to it at its June session, detailed proposals with regard to the procedure to be followed in dealing with the disputes between Poland and the Free City.

With regard to the question of preventing a dispute between Danzig and Poland from being prejudiced by means of direct action of any kind, and of preventing such action from giving rise to incidents which might involve serious political consequences, the Rapporteur declared that it necessarily followed from the special relations created by the Treaties between Danzig and Poland that the two Governments should never resort to direct action against each other. The real difficulty, however, was to decide what constitutes direct action in any particular case. The Rapporteur expressed himself as follows :

“ Such an action would, I consider, be one which might endanger or prove a serious obstacle to the maintenance of public security in Danzig or which might jeopardise good relations between Danzig and Poland. Such direct action might take the form of passive resistance as well as active measures.

“ The Council, which is the final court of appeal in disputes between Danzig and Poland, is also, of course, the competent organ to decide whether either Government has resorted to direct action instead of employing the methods of redress provided for in the Treaties. If, however, any serious case of direct action arose, it might be dangerous to wait for a Council meeting. The Council should then, I think, leave it to the High Commissioner at Danzig to decide provisionally whether there has been direct action or not. The Government concerned would, of course, be entitled to appeal to the Council, but the High Commissioner's decision should be accepted until the Council has either confirmed, modified or rejected it.

“ I need hardly add that the High Commissioner would naturally exercise his authority with great discretion, in order to avoid any undue restriction of the freedom of action either of the Polish Republic or the Free City. ”

The Council approved this statement, with which also the representatives of Poland and Danzig expressed their agreement.

6.

PROTECTION OF MINORITIES.

I. TREATIES AND DECLARATIONS RELATIVE TO THE PROTECTION OF MINORITIES.

Since the last report on the work of the Council to the Assembly the Council has decided to place under the guarantee of the League of Nations the provisions relative to the protection of minorities contained in two new international instruments.

By a resolution adopted by the Council on the proposal of the Rapporteur on September 26th, 1924, the provisions contained in Articles 1 to 15 of the Treaty of August 10th, 1920, between the Principal Allied Powers and Greece relative to the protection of minorities, in so far as they affect persons belonging to racial, religious or linguistic minorities, were placed under the guarantee of the League of Nations. It should be observed that in conformity with the Protocol signed at Lausanne on July 24th, 1923, the Treaty referred to came into force on August 6th, 1924, and that under the terms of the said Protocol the provisions contained in Article 7, paragraph 2, and Article 15 were abrogated.

As regards the provisions relative to the protection of minorities contained in the Treaty of Peace with Turkey, which was signed at Lausanne on July 24th, 1923, and which came into force on August 6th, 1924, the Council also decided on September 26th, 1924, to place the provisions contained in Articles 37 to 43 of that Treaty, in so far as they affect non-Moslem nationals of Turkey, under the guarantee of the League.

A list of the provisions relative to the protection of minorities by the League and contained in treaties and other international engagements at present in force may advantageously be given here :

A. TREATIES.

(1) *Austria.*

Articles 62 to 69 of the Treaty of Peace with Austria, signed at St. Germain-en-Laye on September 10th, 1919, which came into force on July 16th, 1920. Articles 62 to 68 were placed under the guarantee of the League on October 27th, 1920.

(2) *Bulgaria.*

Articles 49 to 57 of the Treaty of Peace with Bulgaria, signed at Neuilly-sur-Seine on November 27th, 1919, and came into force on August 9th, 1920. Articles 49 to 56 were placed under the guarantee of the League on October 27th, 1920.

(3) *Greece.*

Articles 1 to 16 of the Treaty between the Principal Allied Powers and Greece, signed at Sèvres on August 10th, 1920, which came into force on August 6th, 1924, subject to the modifications contained in the Protocol signed at Lausanne on July 24th, 1923. Articles 1 to 15 were placed under the guarantee of the League on September 26th, 1924.

(4) *Hungary.*

Articles 54 to 60 of the Treaty of Peace with Hungary, signed at Trianon on June 4th, 1920, which came into force on July 26th, 1921. Articles 54 to 59 were placed under the guarantee of the League on August 30th, 1921.

(5) *Poland.*

Articles 1 to 12 of the Treaty between the Principal Allied and Associated Powers and Poland, signed at Versailles on June 28th, 1919, which came into force on January 10th, 1920. Articles 1 to 11 were placed under the guarantee of the League on February 13th, 1920.

(6) *Roumania.*

Articles 1 to 12 of the Treaty between the Principal Allied and Associated Powers and Roumania, signed at Paris on December 9th, 1919, ratified by Roumania and came into force on September 4th, 1920. Articles 1 to 11 were placed under the guarantee of the League on August 30th, 1921.

(7) *Kingdom of the Serbs, Croats and Slovenes.*

Articles 1 to 11 of the Treaty between the Principal Allied and Associated Powers and the Kingdom of the Serbs, Croats and Slovenes, signed at St. Germain-en-Laye on September 10th, 1919, by the Principal Allied and Associated Powers and on December 5th, 1919, by the Kingdom of the Serbs, Croats and Slovenes, which came into force on July 16th, 1920. Articles 1 to 10 were placed under the guarantee of the League on November 29th, 1920.

(8) *Czechoslovakia.*

Chapters I and II of the Treaty between the Principal Allied and Associated Powers and Czechoslovakia, signed at St. Germain-en-Laye on September 10th, 1919, which came into force on July 16th, 1920. These two chapters were placed under the guarantee of the League on November 29th, 1920.

(9) *Turkey.*

Articles 37 to 44 of the Treaty of Peace with Turkey, signed at Lausanne on July 24th, 1923, which came into force on August 6th, 1924. Articles 37 to 43 were placed under the guarantee of the League on September 26th, 1924.

B. DECLARATIONS.

(1) *Albania.*

Albanian Declaration of October 2nd, 1921. By a resolution adopted by the Council on the same date, this Declaration was placed under the guarantee of the League as from the date of ratification by the Albanian Government. Ratification took place on February 17th, 1922, and the instrument was deposited with the Secretariat of the League on March 22nd, 1922.

(2) *Esthonia.*

Resolution adopted by the Council on September 17th, 1923, accompanied by a declaration by M. Pusta, representative of the Esthonian Government, accepting the resolution of the Council and making certain proposals which were then accepted by the Council.

(3) *Finland.*

Guarantees in respect of the population of the Aaland Islands, adopted by the Council on June 27th, 1921.

(4) *Latvia.*

Declaration of July 7th, 1923, approved by the Latvian Government on July 19th, 1923. In a resolution adopted on September 1st, 1923, the Council took note of the Latvian Government's approval of the Declaration.

(5) *Lithuania.*

Lithuanian Declaration of May 12th, 1922. At a meeting on December 11th, 1923, the Council adopted a resolution, according to which it agreed with the Lithuanian Government to regard this Declaration as having come into force and placed it under the guarantee of the League.

C. CONVENTIONS.

(1) *Germany and Poland.*

Convention between Germany and Poland relative to Upper Silesia, concluded at Geneva on May 15th, 1922. Part III: "Protection of Minorities". The exchange of ratifications took place at Oppeln on June 3rd, 1922.

(2) *Lithuania (Memel).*

Article 11 of the Convention relative to Memel Territory and Articles 26 and 27 of Annex I (Statute of Memel Territory), signed at Paris on May 8th, 1924, which came into force, as regards Lithuania, in accordance with the transitory provision of the Convention consequent upon ratification by the Lithuanian Government. The instrument of ratification was deposited at Paris on September 27th, 1924.

II. MINORITIES IN ALBANIA.

On October 2nd, 1921, in the presence of the Council of the League, Albania signed a declaration relative to the protection of minorities in Albania. Article 5, paragraph 2, of the declaration reads as follows :

" Within six months from the date of the present Declaration, detailed information will be presented to the Council of the League of Nations with regard to the legal status of the religious communities, churches, convents, schools, voluntary establishments and associations of racial, religious and linguistic minorities. The Albanian Government will take into consideration any advice it might receive from the League of Nations with regard to this question."

In the report on the work of the Council submitted to the the fifth Assembly, it was stated that during 1922 and 1923 the Albanian Government submitted information on this matter to the Council, more particularly a report dated July 7th, 1922, dealing with the position of the minorities in Albania and the text of a law voted by the Albanian Parliament on June 5th, 1923, concerning the legal status of religious communities in Albania. The report also stated that the Council, at its meeting on September 17th, 1923, noted this information, and instructed the Secretary-General to procede to an examination of the document with the representative of Albania, and to submit his conclusions to the Rapporteur, who would present a report to the Council at an appropriate moment.

A memorandum prepared by the Secretariat was communicated to the Members of the Council at the request of the Rapporteur. The Council has not yet decided to examine this document.

III. GREEK MINORITY IN BULGARIA.

On the proposal of the Rapporteur (the British representative), the Council, at its meeting on September 29th, 1924, accepted certain proposals made by the Bulgarian Government, with a view to ensuring equitable treatment to persons belonging to the Greek minority in Bulgaria in accordance with the clauses dealing with the protection of minorities in the Treaty of Neuilly-sur-Seine of November 27th, 1919.

In accordance with these proposals, Colonel Corfe and Major de Roover, appointed by the League of Nations as members of the Greco-Bulgarian Mixed Emigration Commission¹, were instructed, as special representatives of the League of Nations, to assist the Bulgarian Government, during the term of their appointment to the Commission, in its efforts to achieve the object mentioned above. For this purpose, these two members of the Greco-

¹ This Commission was set up under a convention between Bulgaria and Greece, signed at Neuilly-sur-Seine on November 27th, 1919.

Bulgarian Mixed Emigration Commission act as an advisory body to the Bulgarian Government for Greek minority questions in Bulgaria. They are entitled to give advice to the Bulgarian Government as to the rapid execution of the provisions of the Treaty of Neuilly-sur-Seine relating to the protection of minorities, and for this purpose will undertake an enquiry on the spot into the needs of persons belonging to the minorities, especially in the matter of education and public worship, and will jointly submit to the said Government reports on the measures to be taken.

The two special representatives of the League of Nations are not only at liberty to collect any information which may seem to them desirable or helpful in their work, but are also entitled to receive individual or collective petitions from persons belonging to the minority in question, who consider that the rights accorded to them under the Treaty have been infringed. These petitions must be directed towards the protection of the minorities in conformity with the Treaty, and must not be aimed at the sovereignty of the State. They must come from a well-known and established source and must not be written in violent language.

After examination of each petition, the two representatives of the League will give their joint opinion as to the manner in which the matter can be settled in accordance with the stipulations of the Treaty, and taking into consideration the methods of recourse, whether judicial or administrative, open to the petitioners in Bulgaria. This opinion will be forwarded to the member of the Mixed Commission representing the Bulgarian Government, and he will endeavour to settle the matter on the spot, for which purpose he will receive instructions and full powers from his Government. If he cannot settle the matter on the spot, he will send the opinion to his Government, which will inform the representatives of the League as quickly as possible of its decision thereon. This procedure will not in any way affect the procedure established by the Council of the League with regard to minority petitions.

The Bulgarian Government's proposals then lay down that the representatives of the League will be required to submit to the Secretary-General a detailed report on their work every six months in accordance with the said proposals. Before the expiration of the term of office of Colonel Corfe and Major de Roover on the Greco-Bulgarian Mixed Emigration Commission, the Bulgarian Government will come to an agreement with the League as to the measures to be taken to continue the work of ensuring the effective protection of the Greek minority in Bulgaria, in accordance with the spirit of the present scheme.

Finally, the Bulgarian Government stated that the stipulations of the scheme would come into force as soon as they had been approved by the Council of the League of Nations.

When accepting the Bulgarian Government's proposals, the Council authorised its President and the Secretary-General to sign, with the representative of Bulgaria, a Protocol embodying these proposals and their acceptance by the League of Nations. This Protocol was signed at the same meeting by the representative of the Bulgarian Government, the President of the Council and the Secretary-General.

IV. BULGARIAN MINORITY IN GREECE.

At the same meeting on September 29th, 1924, the Greek Government submitted to the Council proposals relating to the Bulgarian minority in Greece and identical with those submitted by the Bulgarian Government as regards the Greek minorities in Bulgaria.

The Council, again on the proposal of the Rapporteur, accepted the Greek proposals in a resolution framed in similar terms to that adopted as regards the Bulgarian Government's proposals. The representative of the Greek Government, the President of the Council and the Secretary-General also signed at the same meeting the Protocol provided for under the resolution.

In a note dated February 11th, 1925, the Greek Government intimated that the Greek National Assembly had unanimously decided to reject the Protocol signed at Geneva on September 29th, 1924. On the request of the Greek Government, the Council considered the question at its meeting held on March 14th, 1925. On the proposal of the Rapporteur, the Council expressed its deep regret at having proceeded to sign, through its President, an instrument which it felt justified in regarding as a contract between itself and the Greek Government. Although this document, at the moment of signing, so far as the Council is concerned, assumed the character of a complete legal agreement, the Council did not desire to impose on Greece any new obligations which were not provided for in the Treaties, and to which the National Assembly had already refused its consent.

The Council considered it necessary to rectify two contentions in the resolution of the Greek National Assembly, in which it was stated: (1) that the Protocol was at variance with the general provisions of the Minorities Treaties at present in force, and (2) that it instituted a procedure inconsistent with the generally recognised principle that the provisions relating to minorities precluded any interference in the internal affairs of the State. A letter embodying this decision was approved by the President and signed by the Secretary-General, and was despatched to the Greek Government on April 2nd, 1925.

Finally, the Council decided to address to the Greek Government a questionnaire under the following three headings:

- (1) What has been done by the Greek Government since September 29th, 1924, up to date, in order to execute in practice the stipulations of the Minorities Treaty?

(2) What is the programme for the future action of the Greek Government, if it has not been possible up till now completely to execute in practice the stipulations of the Treaty ?

(3) What, in the opinion of the Greek Government, are the needs of the Slav-speaking minority in the matter of education and public worship, and what special measures has Greece taken or does she propose to take in order to satisfy these needs ?

This questionnaire was sent to the Greek Government under cover of the letter from the Secretary-General mentioned above.

M. Veniselos, representing the Greek Government, furnished the Council with explanations concerning the real purport of the resolution in which the National Assembly rejected the Protocol. He gave assurances as regards the Greek Government's reply to the letter addressed to it by the Secretary-General on behalf of the Council. In reply to the first question above, he supplied certain statistical data relative to the situation of the minorities in Greece in so far as education is concerned, and expressed his confidence that the reply of the Greek Government to the two other questions would be of a nature to give the Council every satisfaction.

V. MINORITIES IN LITHUANIA.

In a telegram dated March 11th, 1924, and a letter dated June 1st, 1924, the "Committee of Polish Exiles from Lithuania" sent a petition to the League complaining of the attitude adopted by the Lithuanian authorities in respect of the rights of the Polish minorities in Lithuania, which were guaranteed by the Lithuanian Declaration for the protection of minorities of May 12th, 1922. The same petitioner also sent considerable supplementary information later.

The above-mentioned documents were communicated, for any observations it might care to make, to the Lithuanian Government, which replied by its letters of May 28th and November 4th, 1924.

The various documents in question were examined, in accordance with the Council's resolution of October 25th, 1920, by the Czechoslovak, British and Spanish representatives on the Council, who suggested, in a note dated November 11th, 1924, addressed to the Council, that the Lithuanian Government might be invited to furnish explanations on certain points raised in the petition in order to facilitate an exchange of views with that Government. These points were :

" (1) The assertion of the petitioners that Polish publications are hardly ever permitted by the authorities.

" (2) The assertion of the petitioners that insurmountable obstacles are placed in the way of Polish private teaching in Lithuania.

" (3) Agrarian reform. — In order to appreciate the importance of the complaints of the petitioners on this matter, it would seem desirable that the Lithuanian Government should place at the disposal of the Council statistics showing how agrarian reform has been put into practice. The Lithuanian Government may perhaps also desire to furnish the Council with statistics concerning expropriation, without compensation, carried out in the course of agrarian reform, indicating at the same time the legislative provisions in virtue of which this expropriation was effected. "

The question was placed on the agenda of the session of the Council held in March 1925. On March 6th, 1925, the Lithuanian Government submitted supplementary observations, more particularly with regard to the three points mentioned above, and during the discussion of the question by the Council on March 14th, 1925, its representative made a verbal statement defining his Government's point of view.

On the proposal of the Brazilian representative, acting as Rapporteur, the Council took a decision requesting him to examine the information received and to communicate the results of this examination to the members of the Council. The question has again been placed on the agenda of the Council for its session to be held in June 1925.

VI. ACQUISITION OF POLISH NATIONALITY.

At a meeting on March 14th, 1924, the Council requested the Brazilian representative to invite the Polish and German Governments to continue their negotiations on the subject of the acquisition of Polish nationality under the presidency, in the capacity of mediator and arbitrator, of M. Kaeckenbeeck, President of the Arbitral Tribunal of Upper Silesia. The negotiations took place at Vienna and resulted in the signature of a Convention on August 30th, 1924.

In a letter dated February 9th, 1925, the Polish delegate to the League of Nations communicated for registration by the Secretariat the text of the above-mentioned Convention, the instruments of ratification of which were exchanged at Warsaw on January 31st, 1925. The Convention was registered on February 10th, 1925.

7.

MANDATES.

I. IRAQ.

(a) DECISION OF THE COUNCIL CONCERNING IRAQ¹.

In September, 1924, the Council, at its thirtieth session, considered a draft decision submitted by the British Government relating to Iraq. In this connection the British representative, on September 19th, made a statement drawing attention to the political development of Iraq since 1920. He observed that the Constituent Assembly, which was elected in Iraq in the course of 1924, had ratified the Treaty of Alliance with Great Britain and the agreements annexed to it (Protocol of April 30th, 1923, under which the Treaty will expire as soon as Iraq is admitted as a Member of the League of Nations and, in any case, after a period of four years; agreements of March 25th, 1924, relating to British officials in Iraq, military and financial questions, and matters of judicial administration).

The British Government considered that Iraq had advanced too far along the path laid down in Article 22 of the Covenant for the particular form of control contemplated in that article to be any longer appropriate and that the draft mandate submitted to the Council in 1920 should be replaced by another instrument. The representative of Great Britain explained that the draft decision and subsidiary documents covered all points contained in the original draft mandate. His Government considered that the proposed arrangement would place Great Britain in a position *vis-à-vis* Iraq to discharge its obligations towards the League.

On September 27th, 1924, the Council approved the decision submitted to it, as giving effect to the provisions of Article 22 of the Covenant.

Under the terms of this decision, the British Government assumes responsibility for the fulfilment by Iraq of the provisions of the Treaty of Alliance and undertakes to agree to no modifications of the terms of the Treaty without the consent of the Council. The decision also includes clauses similar to those incorporated in the mandates with regard to the submission of an annual report to the Council and the reference of disputes relating to the interpretation or application of the various texts to the Permanent Court of International Justice. Should Iraq not be admitted to the League before the expiry of the period for which the Treaty of Alliance was concluded, the Council will be invited to decide what further measures are required to give effect to Article 22 of the Covenant.

In conformity with the terms of the decision, certified true copies of that document² were sent by the Secretary-General to all Members of the League.

(b) JUDICIAL SITUATION OF PERSIANS IN IRAQ.

At its meeting held on September 27th, 1924, the Council considered a letter from the Persian Government asking it to recommend the British Government to include Persians in the judicial regime granted in the Treaty between Great Britain and Iraq to the nationals of certain European States, the United States of America and Japan. Prince Arfa-ed-Dowleh, representing Persia, made a statement on the matter to the Council.

On the proposal of the representative of Sweden, Rapporteur, the Council took note of the declarations of the representative of Great Britain, to the effect that the British Government would be prepared to use its good offices in promoting negotiations in the matter between Iraq and Persia. The Council also expressed the hope "that in accordance with these declarations, an agreement will soon be reached on the judicial situation of Persian nationals in Iraq".

II. WORK OF THE FOURTH SESSION OF THE PERMANENT MANDATES COMMISSION³.

The documents relating to the proceedings of the fourth session of the Permanent Mandates Commission were considered by the Council on August 29th, 1924.

¹ See Supplementary Report to fifth Assembly on the Work of the Council, *Official Journal*, Special Supplement No. 23, page 342.

² See *Official Journal*, October 1924, page 1347.

³ See Supplementary Report on Work of Council to fifth Assembly, *Official Journal*, Special Supplement No. 23, page 343.

The Council in the first place adopted the following resolution :

“ The Council of the League of Nations :

“ Having noted the report on the work of the fourth session of the Permanent Mandates Commission, the observations of the accredited representatives of the mandatory Powers and the report submitted by the Swedish representative ;

“ Desires once more to express its satisfaction with the fact that the mandated territories, whose administration is dealt with in the reports submitted by the Mandates Commission, are in general administered in conformity with the spirit and letter of Article 22 of the Covenant and the terms of the mandates ;

“ Addresses its warmest thanks once more to the Mandates Commission for the great ability and zeal which it consistently displays in its difficult work. ”

Having next examined the general observations of the Commission, the Council took the following action :

(a) Equalisation of Import Duties on Alcoholic Liquors in certain Mandated Territories.

The Council endorsed the views of the Commission and decided to “ thank the French and British Governments for giving effect to its recommendation of last year on this point, and to express the hope that the negotiations will lead to the conclusion of an understanding which will check the importation and consumption of spirituous liquors injurious to the material and moral welfare of the population of Togoland and the Cameroons ”.

(b) Frontier between the British and French Cameroons and between French and British Togoland.

The Commission had expressed its satisfaction at the French Government's readiness to enter into negotiations with the British Government in regard to the possibility of making certain rectifications in the frontier between the British and French Cameroons mentioned in its report on the work of the third session. The Commission had also noted the desire expressed by the French Government that negotiations should also be entered into with regard to certain slight frontier rectifications between French and British Togoland.

The Council decided :

“ (a) To express its gratitude to the French Government for the readiness with which it has given effect to the Council's resolution of last year ;

“ (b) In conformity with the Commission's recommendation, to request the British Government to communicate to the Council its views on the subject. ”

(c) Military Recruiting ¹.

On June 4th, 1924, the British Government informed the Secretary-General that they had

“ decided not to maintain their right to recruit natives of a mandated territory who may present themselves for enlistment in His Majesty's forces outside the boundaries of the mandated territory, ”

and that instructions to that effect had been issued to the Governors of provinces adjacent to the territories under British mandate in East and West Africa. At the same time, the British Government expressed the wish that

“ it should be clearly understood that they recede in no way from the attitude taken up by their predecessors as to British sovereign rights in British territory or British-protected territory. ”

The Commission noted with satisfaction the British Government's decision and also the supplementary declarations made by their representative on this subject. It also noted that, according to the declarations of the French Government's representative, the latter Government shared the views of the British Government on this point. The Commission proposed to the Council that the other Powers holding a *B* or *C* mandate should be asked to intimate their views on the question.

The Council decided,

“ (a) To express its satisfaction to the British Government and to the Mandates Commission on the agreement they have reached in pursuance of the Council's recommendation of last year ;

“ (b) To note the French Government's declarations to the effect that it shares the British Government's views on this point ;

“ (c) To request the other mandatory Powers, in conformity with the Commission's proposal, to intimate their views to the Council. ”

(d) Loans, Advances and Investment of Private Capital in Mandated Territories.

See Section V, page 55.

¹ See Report to the fifth Assembly on the work of the Council, *Officiel Journal*, Special Supplement No. 23, page 283

(e) *Land Tenure (State domain).*

After having fully considered the question, the Commission adopted the following text as expressing the opinion which it had formed on this matter :

“ The mandatory Powers do not possess, in virtue of Articles 120 and 257 (paragraph 2) of the Treaty of Versailles, any right over any part of the territory under mandate other than that resulting from their having been entrusted with the administration of the territory.

“ If any legislative enactment relating to land tenure should lead to conclusions contrary to these principles, it would be desirable that the text should be modified in order not to allow of any doubt. ”

The Council took note of the foregoing resolution and requested the mandatory Powers to forward their views on the subject to the Council.

(f) *Education.*

In its report, the Commission noted with satisfaction a growing tendency in several mandated territories in Africa to give prominence to the daily work and needs of the native boys and girls in the course of their instruction (character training and discipline, teaching of agriculture, arts and crafts, elementary hygiene).

In conformity with the request of the Commission, the Council decided to call the attention of all mandatory Powers to this system of education as being, in the opinion of the Commission, particularly suitable to the conditions of life of backward peoples.

(g) *Liquor Traffic.*

The Commission thought that it would be advantageous if an authoritative definition were given of certain terms relating to the traffic in spirituous liquors contained in the Covenant and in the Convention of St. Germain of September 10th, 1919.

Before taking further measures, the Council has requested the mandatory Powers to inform it of their views on the subject, as a basis for the work of the Mandates Commission.

(h) *Contested Zone on the Northern Frontier of South-West Africa.*

The Commission drew attention to the existence between the South-West African mandated territory and the Portuguese colony of Angola of a “ neutral zone ” which is not under effective control. In the interest of law and order, by bringing this zone under administrative control, and in the interest of the economic development and prosperity of the natives, by rendering possible a scheme for the utilisation of the waters of the Cunene River, the Commission recommended the Council to invite the Government of Portugal and the Government of His Britannic Majesty, for and on behalf of the Union of South Africa, to hasten the conclusion of an agreement which would put an end to the existing situation.

The Council, after taking note of the Commission's observations requested

“ the Portuguese Government to inform the Council of its views on the desirability of concluding, at the earliest possible moment, an agreement with His Britannic Majesty's Government, acting for and on behalf of the Union of South Africa, for the purpose of abolishing the contested zone between Angola and the mandated territory of South-West Africa. ”

(i) *Special Observations of the Commission.*

With regard to the special observations of the Commission on the annual reports examined at its fourth session, the Council decided :

“ 1. To forward these observations to the Governments of the mandatory Powers and to request them to take the requisite action.

“ 2. To call the special attention of the other mandatory Powers to the considerations suggested to the Commission by the appointment of Mr. Hofmeyr as representative to the Mandates Commission, and to express the hope that they will find it possible in future years to send the officials personally responsible for the administration of mandated territories as representatives to the Mandates Commission.

“ 3. To request the mandatory Powers in future to make it a general rule to insert in their reports or annex thereto, in at least twelve copies, the complete text of all the general legislative or administrative decisions taken during the period to which the reports refer. ”

(j) *Petitions.*

In accordance with the procedure drawn up by the Council, the Chairman of the Commission submitted a report on certain petitions received from sources other than the inhabitants of the mandated territories. The Commission endorsed the conclusions of the report and

decided to take no further action. It also examined the following petitions and the observations on them of the mandatory Powers concerned :

1. French Cameroons — African Progress Union ;
2. Syria — Emir Abdallah, son of Abd-el-Kader ;
3. French Togoland — Various members of the Adjigo family ;
4. South-West Africa — (a) Mr. E. J. Lange, (b) Mr. John Robertson.

The Council decided to approve the Commission's conclusions, which did not involve any further action except a request for additional information in one case.

III. WORK OF THE FIFTH SESSION (EXTRAORDINARY) OF THE PERMANENT MANDATES COMMISSION.

The Permanent Mandates Commission met at Geneva from October 23rd to November 6th, 1924, in order to complete, in the presence of the representatives of the mandatory Powers, the examination of eight reports which it had been unable to consider at its June session. At this extraordinary session, the Commission examined for the first time the administration of territories under A mandate — Palestine, Syria and the Lebanon. It also discussed the reports on the British Cameroons and British Togoland, New Guinea, Nauru, Western Samoa and the Islands under Japanese mandate.

The Commission's report was considered by the Council of the League on December 10th, 1924. The Swedish representative, who acted as Rapporteur, made special reference to some of the salient points of the report and expressed the hope that administrators in mandated territories would continue in the future to attend the meetings of the Commission in person, since the Commission had unanimously agreed that this system had proved of great practical value. After hearing a statement mainly regarding Palestine (see below), made by the British representative, the Council adopted the following resolution :

“ The Council of the League of Nations,

“ Having taken cognisance of the report of the Permanent Mandates Commission on the work of its fifth (extraordinary) session, of the observations of certain of the accredited representatives of the mandatory Powers, and of the report presented by the Swedish representative :

“ Expresses itself once again satisfied that the mandated territories, the administration of which forms the subject of the report of the Permanent Mandates Commission, are in general administered in accordance with the spirit and letter of Article 22 of the Covenant and of the terms of the mandates ;

“ Desires to repeat to the Permanent Mandates Commission its sincere thanks for the great competence and zeal which it has shown in the execution of its mission ; and

“ Decides :

“ (a) To forward the observations of the Commission to the Governments of the mandatory Powers concerned, with the request that they will take the necessary action ;

“ (b) To approve the conclusions of the Commission with regard to the petition of the Executive Committee of the Palestine Arab Congress, and to instruct the Secretary-General to bring them to the knowledge of the petitioner and of the mandatory Power ;

“ (c) To request the British Government to furnish the Commission as far as possible with information on the question of the C mandates now under discussion between that Government and the Government of the United States, and also with information on the debates of the British Imperial Conference relating to the question of the acquisition of the nationality of the mandatory Power by the inhabitants of the territories under B and C mandates. ”

The observations of the Commission on the reports which it examined may be summarised as follows :

TERRITORIES UNDER A MANDATE.

(a) *Palestine.*

(Representative of the mandatory Power : Sir Herbert SAMUEL,
High Commissioner for Palestine.)

In its report the Commission drew attention first of all to the dualism of principle on which the mandate is based. According to its terms, the mandatory Power is to establish in Palestine a national home for the Jewish people, safeguard the civil and religious rights of all the inhabitants of Palestine irrespective of race and religion, and at the same time develop the institutions of free government.

The Commission pointed out that it was not in any way its duty to contrast these two principles, but, in view of the complaints which had been raised by persons basing their case on one of these principles to the exclusion of the other, the Commission desired to draw the attention of the Council, by way of illustration, to a problem of special importance, namely, immigration. According to the terms of the mandate it is the duty of the Administration of Palestine to encourage — as well as to regulate — Jewish immigration, and the Commission observed that the policy of the mandatory Power as regards immigration gave rise to acute controversy. It also pointed out that the divergencies which bring Zionism and the Arab majority into conflict produced unfortunate results when an attempt was made to create an advisory or legislative council.

The Commission was happy to note that the consequences of this conflict of interests were mitigated by the wisdom and impartiality displayed by the High Commissioner, and expressed the hope that his persistent efforts to secure the co-operation of the Arab majority in the central administration of the territory would shortly be crowned with success, as had been the result in the case of the administration of the municipalities.

The Commission noted Sir Herbert Samuel's statement that his Government would not fail to submit to the Council in 1925 a special report on Transjordan. It also asked for fuller information as to the administrative organisation, immigration and emigration, the armed forces, labour, education and public finance.

In the matter of a petition from the Executive Committee of the Palestine Arab Congress in regard to the situation in the country, the Commission again pointed out that it was not competent to discuss protests against the terms of the mandate itself, and as regarded the complaints alleging administrative abuses, the Commission, after hearing the statement of the High Commissioner, was of opinion that there was no need to recommend the Council to take any action in the matter.

In the course of the discussion by the Council on December 10th, 1924, the representative of Great Britain stated that he was not quite certain that the Commission had entirely appreciated all the efforts made by the Administration in Palestine to fulfil its onerous duty, and that it had not perhaps done full justice to the results achieved by Jewish immigration during the past few years.

The Marquis Theodoli, Chairman of the Mandates Commission, who was present at the meeting, stated that the Commission had never had any idea of criticising the mandatory Power or the High Commissioner for Palestine, but had felt it to be its duty to draw the attention of the Council to the difficulties of the task of the High Commissioner.

(b) *Syria and the Lebanon.*

(Representative of the mandatory Power : M. Robert DE CAIX, formerly Secretary-General of the High Commissariat in Syria and the Lebanon.)

The Commission noted with satisfaction the success with which the mandatory Power had tried to conduct its administration in conformity with the terms of the mandate. In framing the organic law which it was endeavouring to set up, it had followed a method which enabled it to avoid difficulties of a political character and those due to the previous history of the country, while taking account of the organisation established by the authority which preceded it, and also the racial and geographical differences obtaining in various parts of the country. It had also aimed at applying the principle of collaboration with the inhabitants to the greatest possible extent, while retaining the power to enforce its will in order to carry out the trusteeship conferred upon it by the Covenant, "until such time as they are able to stand alone".

The Commission noted the statement of the accredited representative to the effect that at present the number of persons whose presence was considered undesirable during the period of political organisation and who were not yet allowed to re-enter the country was very few. It hoped that conditions in the territory would make it possible for the mandatory Power to extend the acts of grace already carried out.

As regards the right of association and freedom to hold public meetings, the Commission hoped that the mandatory Power would ensure full liberty in this respect, subject only to the exigencies of public order and the application of the mandate.

In its special observations, the Commission asked for fuller information with regard to the judicial system, the application of international conventions, conditions of labour, education, public health, public finance and demographical statistics. It congratulated the mandatory Power on its humanitarian action for the relief of Christian refugees from Turkey, and took note of the explanations given by the accredited representative regarding the delay in the promulgation of the law concerning antiquities provided for in the mandate. The Commission hoped that it would shortly receive a copy of the law.

The attention of the accredited representative was drawn to certain clauses of a Customs Ordinance of April 3rd, 1924, which seemed to introduce, contrary to the principle of economic equality, differential treatment as between goods coming from countries adjacent to Germany and goods coming from other countries which are Members of the League.

TERRITORIES UNDER B MANDATE.

(c) *The British Cameroons and Togoland.*

(Representatives of the mandatory Power : — The Cameroons, Mr. G. J. F. TOMLINSON, Assistant-Secretary for Native Affairs in Nigeria ; Togoland, Mr. H. S. NEWLANDS, Deputy Provincial Commissioner in the Gold Coast Administration.)

The British Cameroons and Togoland have been incorporated by the mandatory Power, for administrative and fiscal purposes, with its neighbouring colonies of Nigeria and the Gold Coast respectively. The Commission was prepared to admit that these measures might be the best calculated to ensure good administration, and that they were, moreover, expressly authorised by the mandate, provided that they did not lead to any infringement of the other provisions thereof. If, however, as a result of this incorporation, the mandatory Power found it impossible to submit a report which would enable the Commission clearly to appreciate the nature and character of its administration, such incorporation would *ipso facto* appear to be incompatible with the spirit of Article 22 of the Covenant.

The Commission noted that, in spite of the evident desire to comply with its wishes, the British reports on the Cameroons and Togoland still showed gaps, especially in financial matters. It was impossible for the Commission to gain a clear idea of the financial situation, or to ascertain whether the efforts made for the well-being of the natives, especially in matters of education and public health, were in full accordance with the principle of trusteeship to which the mandatory Power is pledged. Nevertheless, the declarations made by the representatives of the mandatory Power encouraged it to hope that an attempt will be made, when the next reports are drawn up, to indicate by estimates the approximate proportion of common taxes and expenditure which was attributable to the mandated territories.

The Commission drew attention to the unsatisfactory condition of public health in both territories, and, in particular, to the serious nature of the venereal danger. In view of the small number of medical officials employed in the Cameroons and Togoland, the Commission suggested that the mandatory Power should consider the possibility of calling in medical officers who were nationals of other countries, if it could not supply them itself.

(1) *British Cameroons.*

The Commission noted with interest the methods of indirect administration applied in the British Cameroons. Certain members of the Commission expressed doubts whether the very wide margin of freedom allowed to the native chiefs in part of the territory might not possibly result in the toleration of certain abuses and the perpetuation of practices which it is incumbent upon the mandatory Power, in virtue of its mission of civilisation, to suppress or modify. The Commission noted with satisfaction the replies of the accredited representative on these points. It expressed the desire, however, that the next report should contain more detailed information regarding the numbers and duties of the European staff entrusted with the supervision of native administration.

The Commission again expressed the hope that the closest possible co-operation would be established between the local administrations of the British and French Cameroons for the repression of the smuggling of spirits, and of the cases of slavery which still occur on the frontier.

The Commission wished to lay emphasis on the desirability of training, during the general reorganisation of the educational system in the territory, a larger number of schoolmasters and schoolmistresses.

It also requested fuller particulars as to the system of labour.

(2) *British Togoland.*

The Commission expressed the desire to have information concerning health conditions among workers recruited in Togoland for the Gold Coast mines, and also concerning the danger of the spread of venereal disease by workers returning home, and the possibility of the medical examination of such workers before their return.

Lastly, the Commission asked for fuller information regarding the numbers and types of the arms at present in the territory, and regarding the imports and exports of the mandated territory itself.

TERRITORIES UNDER C MANDATE.

(d) *Western Samoa.*

(Representative of the mandatory Power : the Right Honourable Sir James ALLEN, K.C.B., High Commissioner for New Zealand in London.)

The Commission congratulated the mandatory Power upon the satisfactory way in which it was applying the principles of Article 22 of the Covenant and of the mandate, particularly as regards public health, the liquor traffic, education and the regulation of labour conditions.

The Commission noted the excellent results obtained from the application of the Ordinance regarding free Chinese labour and the abolition of the system of contract or indentured labour, and of penal sanctions for breach of labour contracts.

(e) *New Guinea.*

(Representative of the mandatory Power: the Right Honourable Sir Joseph Cook, G.C.M.G., High Commissioner for Australia in London.)

The Commission again expressed its satisfaction with the form in which the report on the administration of the mandated territory had been presented. It requested the mandatory Power to be so good as to include in its next report fuller information regarding the administration of the Solomon Islands, and the other islands other than New Guinea itself. It also asked for further information as regards labour, the traffic in alcohol, education, land tenure and public finance.

The Commission expressed its appreciation of the evident care taken by the Administration to avoid the dangers arising from over-recruiting in certain districts and the transfer of workers to areas with a different climate. It also expressed a desire to receive information as to the present methods of recruiting labour and as to the conditions of work in the various plantations; in this connection it noted the statement of the Prime Minister of Australia that certain allegations recently made would be the subject of the fullest investigation.

(f) *Nauru.*

(Representative of the mandatory Power: the Right Honourable Sir Joseph Cook, G.C.M.G., High Commissioner for Australia in London.)

The Commission shared the hope of the accredited representative that it might be found possible to substitute, in cases of breach of labour contracts, a civil action in lieu of criminal proceedings, as was already the case in Samoa. The Commission welcomed the information that all the Kanakas recruited for employment in Nauru had been repatriated, as they had suffered in health as a result of the work.

The Commission asked for certain information regarding the administrative organisation of the Island, the use of alcohol, and public finance.

(g) *Islands under Japanese mandate.*

(Representative of the mandatory Power: M. SUGIMURA, Assistant Head of the Japanese Office accredited to the League of Nations, Paris.)

The Commission, while appreciating the difficulties with which the mandatory Power might be faced in the task of administering the 700 Islands of which the territory under mandate is composed, stated that it would nevertheless be glad to receive information regarding the general rules applied in the delegation of legislative and judicial powers among the various Japanese and native authorities.

The Commission expressed the desire that further information might be given in the next report regarding labour, the production and consumption of distilled and fermented liquors, education, the organisation of the Public Health Service, public finance and demographical statistics.

The Commission noted with satisfaction that the mandatory Power was investigating the question of protecting the interests of the natives in respect of the rules governing land tenure.

The Commission noted a passage in the report in which the Japanese Government expressed its views in regard to its rights on the revenues derived from public works in the mandated territories. While drawing attention to the fact that these views were hardly in conformity with the conclusions formed by the Commission or with the views held by the majority of the mandatory Powers, the Commission noted with satisfaction the declaration of the accredited representative that his Government was ready to agree to the same principles as those adopted by the other mandatory Powers in regard to this matter.

IV. COMPOSITION OF THE PERMANENT MANDATES COMMISSION.

(a) RESIGNATION OF M. YANAGHITA AND APPOINTMENT OF M. YAMANAKA.

On September 9th, 1924, the Council took note of the resignation of M. Yanaghita from the Permanent Mandates Commission. On the proposal of Viscount Ishii, M. Chiyuki Yamanaka (Japanese), former Counsellor of Embassy, was appointed to replace him.

(b) APPOINTMENT OF M. RAPPARD AS SUPPLEMENTARY MEMBER.

At its meeting on December 11th, 1924, the Council, as the result of a recommendation made by the Permanent Mandates Commission, decided to appoint M. William Rappard, who was at that time Director of the Mandates Section of the Secretariat, as a supplementary member of the Commission. Professor Rappard entered upon his duties on January 1st, 1925, when he left the Secretariat of the League.

V. — LOANS, ADVANCES AND INVESTMENT OF PRIVATE CAPITAL IN MANDATED TERRITORIES.

(a) GENERAL ASPECTS.

In its report on the work of its third session, the Permanent Mandates Commission drew attention to certain existing or anticipated difficulties as regards the loans, advances and investment of private capital in mandated territories. At the same time, it suggested that the Council might perhaps think it advisable to take certain steps in order to put an end to these difficulties.

On December 12th, 1923, the Council, before taking further measures, decided,

“To forward the suggestions of the Commission with regard to these questions to the mandatory Powers, and to request them to inform the Council of the action which in their opinion it would be advisable to take.”

In its report on the work of its fourth session, the Commission pointed out the urgency of arriving at a definite solution of the question.

The fifth Assembly also had earnestly recommended that a solution should be found as soon as possible for the question of loans, advances and investment of capital in the mandated territories, the present position of which is likely to prove a very serious hindrance to the development of these territories.

At its thirty-third session, the Council had before it the replies from all the mandatory Powers, and decided to request the Permanent Mandates Commission to prepare a draft decision on the subject.

(b) LOAN TO NEW GUINEA.

In a letter, dated July 28th, 1924, the Government of the Commonwealth of Australia informed the Council that it was prepared to make a loan of £67,000 sterling to the Administration of New Guinea for various public works in the mandated territory, but before doing anything which would result in the Administration being under a financial obligation to the Commonwealth the Government considered it desirable that the sanction of the Council of the League should be obtained. In a telegram of a later date to the Secretary-General, the Prime Minister of Australia gave certain explanations regarding the nature of the loan.

At its meeting held on September 25th, 1924, the Council, including Sir Littleton Groom as representative of Australia, proceeded to examine the communications of the Australian Government and a report by the Swedish representative. While recognising that the Australian Government had acted prudently and courteously in submitting the matter to the Council, various members of the Council pointed out that its rôle was to consider whether the terms and conditions of the mandate were being observed by the mandatory Power, and not to deal with questions of internal administration. They did not think, therefore, that it was within their competence either to sanction or to reject a proposal for a loan.

After an exchange of views the Council adopted the following resolution :

“The Council :

“ Having taken cognisance of the request of the Australian Government conveyed in a letter to the Secretary-General, dated July 28th, 1924, that the Council should sanction a proposed loan of £67,000 to the Administration of New Guinea ;

“ Having noted from the telegram of the Australian Government, dated September 19th, 1924, that the Australian Government intends that the loan shall be a charge on the general revenue of the territory and does not intend to create any special mortgage to secure it :

“ Resolves :

“ To take note of and raise no objection to the proposed loan on the general terms indicated in the letter and telegram from the Australian Government,

“ It being understood that the decision of the Council in this particular case does not prejudice in any way the decision which the Council may later take on the question of loans in mandated territories submitted to it by the Permanent Mandates Commission at its third session. ”

VI. MANDATES DOCUMENTS.

(a) REPRINTING AND DISTRIBUTION OF THE ANNUAL REPORTS OF THE MANDATORY POWERS.

In a resolution dated September 22nd, 1924, the Assembly requested :

“ That the reports of the mandatory Powers should be distributed to the States Members of the League of Nations and placed at the disposal of the public which may desire to purchase them. ”

In accordance with this request copies of the reports of the mandatory Powers, examined by the Permanent Mandates Commission at its fourth and fifth sessions, were distributed to the States Members of the League.

The supplementary credit of 25,000 frs. appropriated by the Assembly to cover printing in respect of mandates will make it possible to reprint and place on sale the reports received by the Secretariat from the mandatory Powers in 1925.

(b) ANALYTICAL TABLES OF PERMANENT MANDATES COMMISSION DOCUMENTS.

The Assembly also recommended :

“ That analytical tables should be drawn up as an annex to the reports of the Permanent Mandates Commission. ”

Owing to increased staff, the Secretariat's Indexing Section has been able to begin the compilation of analytical tables of the reports and Minutes of the first five sessions of the Permanent Mandates Commission. These analytical tables will probably be ready by the end of 1925.

8.

SLAVERY.

The Temporary Slavery Commission will hold its second session at Geneva beginning on July 13th, 1925. It will at that time consider the draft report which the General Rapporteur, M. Delafosse, has undertaken to prepare after having received the observations of the different members of the Commission on the matter.

A statement with reference to the work of this session will appear in the Supplementary Report to the Assembly.

9.

WORK OF THE TECHNICAL ORGANISATIONS.

I. ECONOMIC AND FINANCIAL ORGANISATION.

A. Work of the Economic Committee.

1. PROTOCOL ON ARBITRATION CLAUSES.

Following ratification by Finland and Italy, the Protocol on Arbitration Clauses in Commercial Contracts came into force on July 28th, 1924. Since that date, ratifications have been forwarded to the Secretariat by Albania, Belgium, Denmark, Germany, Great Britain and Northern Ireland and Roumania.

Further, in addition to the signatures of the seventeen States which on August 13th, 1924, had adhered to the Protocol, the following signatures have since been appended: Austria, Chile, Latvia, the Netherlands (together with the Dutch Indies, Surinam and Curaçao), Portugal, Salvador, Spain and Switzerland.

Finally, the Secretariat has registered the adhesion of Southern Rhodesia.

2. CONVENTION FOR THE SIMPLIFICATION OF CUSTOMS FORMALITIES.

(a) Signatures and Ratifications.

The Convention, which was opened for signature at Geneva on November 3rd, 1923, has up to the present date been signed by the following thirty-seven States :

Australia, Austria, Belgium, Brazil, the British Empire, Bulgaria, Chile, China, Czechoslovakia, Denmark, Egypt, Finland, France, Germany, Greece, Hungary, India, Italy, Japan,

Lithuania, Luxemburg, the French Protectorate of Morocco, the Netherlands (Dutch Indies, Curaçao, Surinam), New Zealand, Norway, Paraguay, Poland, Portugal, Roumania, the Kingdom of the Serbs, Croats and Slovenes, Siam, South Africa, Spain, Sweden, Switzerland, the Regency of Tunis (French Protectorate) and Uruguay.

The Convention has been ratified by the following twelve States :

Australia (March 13th, 1925), Austria (September 11th, 1924), Belgium (October 4th, 1924), British Empire (August 29th, 1924), Denmark (May 17th, 1924), Egypt (March 23rd, 1925), India (March 13th, 1925), Italy (June 13th, 1924), Netherlands (May 30th, 1925), New Zealand (August 29th, 1924), Siam (May 19th, 1925) and South Africa (August 29th, 1924).

Persia acceded to the Convention on May 8th, 1925.

The Convention, as a result of these ratifications, came into force on November 27th, 1924, in conformity with the provisions of Article 26.

(b) *Reservations formulated by Roumania.*

Roumania, when signing the Convention, taking advantage of the option provided in the last paragraph of Article 6 of the Protocol, made the same reservations as those formulated by certain other States and embodied in this article. After having taken the advice of the technical organisation referred to in Article 22 of the Convention, namely, the Economic Committee, the Council on March 10th, 1925, decided, in accordance with the procedure defined in the article, to admit the reservations of Roumania.

3. FALSE DECLARATIONS IN CUSTOMS MATTERS.

(Article 8 of the Final Act of the Conference on Customs Formalities.)

The Conference on Customs Formalities, in a resolution which appeared as No. 8 of the Final Act, recommended that the possibility and details of action to be taken by States to put an end to dishonest practices arising out of false declarations in Customs matters should be studied by such technical organisation as might be designated for the purpose by the Council of the League.

The Council instructed the Economic Committee to deal with this question, and the Economic Committee has accordingly undertaken an enquiry with a view to obtaining information in regard to the present position of the various relevant laws and Customs regulations. The Committee has already succeeded in collecting detailed information in regard to some thirty countries.

The Economic Committee appointed a special Committee of six members to examine a draft prepared by M. Barboza Carneiro on the basis of Article 8 referred to above, the object of the draft being the conclusion of an international agreement for the suppression of false Customs declarations.

Several Central European countries have already concluded a "cartel" (agreement) for this purpose, and many other countries — notably the Latin-American States — would, in the view of the author of the draft, be very glad to see an international agreement concluded on this subject, to put an end to practices which both deplete their fiscal revenues and are harmful to the reputation of their import trade.

The question is a most difficult one, as it involves not merely Consular invoices and documents used for valuation purposes, but also false declarations as to the nature, origin and composition of imports, and further entails the study of a large number of malpractices commonly included under the term "contraband".

The draft protocol submitted to the Committee enlarges the scope of the bilateral agreements hitherto concluded on this subject. It provides that the importing country is entitled to require from the Government of the exporting country the name of the court, the judicial sentence passed and the measures of suppression, if any, taken in regard to the offence; for this purpose the laws of the country making the claim and those of the exporting country will be combined. The method of effecting the combination, however, will require exhaustive legal investigation.

The Committee of six members specially appointed to study this draft consisted of M. SERRUYS (Chairman), M. BARBOZA CARNEIRO, Sir Hubert LLEWELLYN SMITH, M. DI NOLA (in place of M. Pirelli), M. ENGELL (in place of M. Jensen) and M. BRUNET; it began its work by examining the various kinds of acts constituting offences, and then proceeded, with the help of the Legal Section of the Secretariat, to consider judicial procedure and the execution of sentences.

4. UNFAIR COMPETITION.

The next periodical Conference of the Union for the Revision of the Paris-Washington Convention for the Protection of Industrial Property is to be convened at the Hague on October 8th, 1925, by the Netherlands Government.

The proposals contained in the programme of revision drawn up by the Economic Committee in respect of matters of unfair competition was submitted to the last Assembly and forwarded individually to Members of the League and of the Union for the Protection of Industrial Property. The Assembly in 1924 recommended that these proposals should be supported at the Hague Conference by the States Members of the League. The Government of the Netherlands has intimated that it attaches considerable importance to the Economic Committee participating in the work of the Conference by sending representatives in an advisory capacity, and the

Council, on March 10th, 1925, authorised the Committee to take steps to be represented at the Conference by three of its members.

5. RESOLUTION OF THE FIFTH ASSEMBLY FOR THE ABOLITION OF IMPORT AND EXPORT PROHIBITIONS AND RESTRICTIONS.

The fifth Assembly, on September 25th, 1924, expressed the desire that the Council should invite the Economic Committee to consider the possibility and expediency of an agreement between States Members of the League and States non-Members, with a view to the final suppression of import and export prohibitions and restrictions, and, if necessary, to suggest the most suitable methods of achieving this object. A reservation was made concerning provisions "relating to the protection of the vital interests of States".

The Council, by a resolution adopted on September 29th, 1924, referred the Assembly resolution to the Economic Committee, and, at the same time, drew the attention of the States to the desirability of supplying the Economic Committee without delay with the information which would enable it to begin, as soon as possible, its study of the question.

A large amount of valuable information bearing on various aspects of the question has been obtained in reply to a circular letter of enquiry from the Secretariat addressed to the various States; this information has been supplemented by the personal investigation of members of the Economic Committee.

As it appeared to the Committee that the practical problem is one which is specially interesting for the States of Central and Eastern Europe, it decided to invite the Governments of Austria, Germany, Hungary, and the Kingdom of the Serbs, Croats and Slovenes (of which no nationals are at present members of the Economic Committee) to give their views in the course of the discussion. Accordingly, the following experts, Dr. SCHÜLLER (Austria), M. REINSHAGEN (Germany), Dr. PÉTERY (Hungary), and M. TODOROVITCH (Kingdom of the Serbs, Croats and Slovenes), have been present at meetings of the Subcommittee on the Equitable Treatment of Commerce and of the Economic Committee. The Economic Committee wishes to acknowledge cordially the very valuable assistance which it has received as a result of consultation with these experts.

There appears to be a sufficient consensus of opinion in favour of abolishing, or reducing to a minimum, the system of import and export prohibitions to warrant preparatory steps being taken with a view to some form of international action in accordance with the provisions of Article 23 (e) of the Covenant relating to the equitable treatment of commerce.

The system of import and export prohibitions, especially when coupled with a licensing system, has been repeatedly condemned by authoritative international conferences as constituting a method of restriction which is peculiarly liable to give rise to abuses and, in particular, to inflict on international commerce the grave evils of uncertainty, delay and the possibility of unfair discrimination. For these reasons import and export prohibitions have been categorically condemned by resolutions of the Brussels Financial Conference (1920), the Porto Rosa Conference (1921), the Genoa Conference (1922) and the Geneva Conference on Customs Formalities (1923).

On the above grounds the Committee, while fully recognising that prohibition is only one of several methods by which international commerce may be unduly impeded, thinks that there is sufficient ground for considering that this particular method stands on a special footing, as one that has already been recognised as ripe for an effort at international limitation. It is therefore of opinion that the best prospect of a successful advance is to limit its consideration at the present stage to this particular question rather than to extend it to the more general and controversial problem of tariff policy.

Nevertheless, the Committee recognises the possibility that prohibitions, when abolished, might in some cases be replaced by prohibitive tariffs, which, though in some ways less open to objection, might still offer grave impediment to international commerce, and that the fear of this possibility may prove a considerable obstacle to the successful negotiation of a satisfactory agreement concerning prohibitions.

Confining itself to the subject referred to it by the Assembly, the Committee believes that the prohibitions within the scope of its terms of reference are what may be broadly termed prohibitions "of economic and fiscal defence", i.e., prohibitions having for their object the regulation of foreign trade.

It has therefore been one of the tasks of the Committee to endeavour to enumerate with precision the classes of prohibitions to be excluded from its study. It has accordingly prepared a list of these exceptions, which have always been recognised by international law as being indispensable, in certain cases, to safeguard States.

It would probably be desirable to add to these exceptions a provision making it clear that nothing in the proposed agreement restricts the right of a State to prohibit the importation or exportation of goods which do not conform to the conditions prescribed for the importation or exportation of these goods by its legislation or regulations.

In addition to the categories of prohibitions and restrictions which are to be entirely excluded from the agreement referred to by the Assembly, some exceptions will certainly have to be contemplated to meet the case of extraordinary or abnormal circumstances, or to permit a State to defend its commerce or shipping against unfair discrimination. Possibly some further exceptions may have to be made on other grounds, if the League of Nations desires to take into account the actual conditions existing in certain countries, and to facilitate their adhesion, which is particularly desirable. An agreement of this kind cannot, moreover, be successful, unless a large number of States adhere to it.

The Committee has spent much time in examining these aspects of the problem, some of which present great difficulty and are extremely complex. It is necessary, on the one hand, to avoid the danger of reserves intended to meet exceptional emergencies being used as the means of nullifying the main object of the agreement. It is equally necessary to avoid drafting any agreement so strictly and with so little regard to local conditions as to make it impossible to obtain general adhesion. The Committee is not yet in a position to submit to the Council concrete proposals for this purpose and it intends to continue to explore the matter at its next session.

The Committee considers that, until the problems alluded to above have been provisionally solved, it is premature to make any recommendation as to the precise form and scope of any international agreement to give effect to the conclusions which may eventually be reached.

6. TREATMENT OF FOREIGN NATIONALS AND ENTERPRISES.

In the report of the proceedings of the Economic Committee which was laid before the fifth Assembly (Document A. 52. 1924. II) an account was given of the progress made by the Committee up to that date in the study of the question of the treatment of foreign nationals and enterprises which had been referred to the Committee by the fourth Assembly.

That report fully explained the reasons for which the Economic Committee decided to confine its attention for the present to the question of the rights to be accorded to foreigners who have been legally admitted into a country to exercise therein any particular profession, industry or occupation. Briefly, the reasons are that the question of immigration had been expressly excluded from reference to the Committee and that certain other aspects of the question, including the fiscal treatment of foreigners and foreign enterprises, had already been dealt with in a previous report (Document A. 11. 1923. II). Yet another matter, *viz.* the application of social insurance to foreigners, is under consideration by the International Labour Office.

The report of the Economic Committee to the fifth Assembly concluded by classifying the various classes of professions, industries and occupations for the purpose of the present enquiry. The passage of the report which set out this classification reads as follows :

“ A clear distinction must be drawn between the carrying-on of ordinary occupations the exercises of which does not affect State interest and those special professions and occupations which have a direct bearing on essential national interests and security. Within the former class, again, two categories are to be distinguished, *viz.* (a) the ordinary ‘ open ’ profession, industry or occupation; (b) the liberal professions or other occupations the exercise of which is limited to persons of specified qualification or training, or in the pursuit of which such persons occupy a privileged position; the second class may similarly be divided into two categories: (c) occupations the carrying on of which is conditional on obtaining a concession or permit from the State and occupations the exercise of which by foreigners is prohibited or subject to geographical restrictions for the protection of essential national interests; (d) occupations which are the subject of monopolies. ”

The conclusions and recommendations of the Sub-Committee on the Equitable Treatment of Commerce, which examined this question, have been approved by the Economic Committee and may be summarised as follows :

(a) The general rule for ordinary open professions, industries and occupations should be mutual national treatment, with or without the condition of reciprocity.

(b) In the case of professions, industries or occupations the carrying-on of which is dependent on compliance with a prescribed standard of qualification or of training, it is desirable that States should, so far as practicable, make arrangements by bilateral agreements or otherwise for the mutual recognition of such standards.

(c) The number of professions, industries and occupations into which the entry of foreigners is restricted on the ground of national interest should be limited to the essential minimum required by those interests.

(d) The restrictions placed on foreigners with regard to carrying on professions, industries and occupations of the above categories should be similarly limited to those which are *bona fide* necessary for the protection of national interests.

(e) In applying such restrictions, there should be no arbitrary or unjust discrimination between foreigners on the ground of nationality.

(f) If and when a State finds it necessary to restrict the carrying-on of an occupation to persons holding a special contract or licence, the right to tender for such contract, or to obtain a licence on fulfilling the prescribed conditions, should only be restricted to nationals of the State where such restriction is considered necessary to protect essential State interests, and where such restriction to its own nationals is not enforced there should be no arbitrary and unfair discrimination as between the nationals of different foreign States.

(g) Except in so far as the right of foreigners to reside or travel in certain exceptional areas (*e.g.*, in the neighbourhood of forts, etc.) may be restricted in the national interest, the general rule should be that foreigners duly admitted into a country should be accorded the same freedom of travel and residence as is enjoyed by nationals, subject always to compliance with the national laws with regard to the registration of foreigners, notification of change of address, etc.

(h) If, as a result of the special conditions obtaining in certain countries, and particularly in overseas territories placed under the sovereignty or authority of other countries, the above rules cannot be applied, such countries should still be governed by these principles in ensuring equitable treatment of foreign nationals in this respect.

7. ECONOMIC CRISES AND UNEMPLOYMENT.

The Economic Committee has constituted a Mixed Committee, composed of its Sub-Committee on Economic Crises and of four experts appointed by the International Labour Office, to continue an investigation into the causes and the character of certain economic crises in their relation to unemployment.

The Mixed Committee met for the first time on January 26th and 27th, 1925, just before the fourteenth session of the Economic Committee. It examined the existing position in regard to the negotiations which were taking place concerning the publication of indices prepared by certain non-official organisations. It also discussed the possibility of improving the method of establishing economic barometers, and increasing the number of countries for which indices of this kind were prepared. The economic conditions of the various countries should, it was thought, determine the character of the indices prepared for each of them, it being understood that the scientific standard should not be below that of the best existing indices. The study of the development of the various forms of economic barometers was to be continued, including the question of their international comparability.

The resolutions adopted on these various points by the Mixed Committee were approved by the Economic Committee and the Council.

Moreover, under a resolution adopted by the General Labour Conference of 1924, the Mixed Committee was instructed to undertake the investigations of the different factors, such as the working of credit, general instability of prices and dislocation in the exchanges, which might interfere with the regular coincident expansion of consuming power and of production, and thus affect the stability of employment.

The International Labour Office has submitted to the Committee three memoranda dealing with certain aspects of these questions.

The Mixed Committee, without prejudice to a further examination of other causes or aspects of the economic crisis, has arrived at the following conclusions, which were approved by the Economic Committee :

(a) The Committee considers that it is proved beyond doubt that excessive fluctuations in trade activity as manifested in recent cyclical movements are highly prejudicial to stability of employment, and that it would be very desirable, if possible, to diminish the intensity of such fluctuations.

(b) The Committee also considers that, especially in certain phases of the upward movement of the cycle of trade, the principles on which credit facilities are accorded to industry and trade may be an important factor in accentuating or checking the fluctuation.

(c) The Committee is consequently of opinion that the evils caused to employment by excessive trade fluctuations might to some extent be mitigated if, in arriving at decisions governing credit policy, especially in the circumstances referred to above, due regard were invariably paid to all data as to relevant economic conditions, including the tendencies of employment and prices.

(d) The Committee therefore attaches great importance both to the improvement and extension of the data available, including various indices of economic conditions, and also to their wider diffusion and more general use by financial and other institutions determining or influencing credit policy. In this connection, it refers to the resolutions already arrived at with regard to economic barometers.

Finally, the Mixed Committee decided to invite the collaboration of the Financial Committee in order to study certain aspects of the problem which were outside its competence.

The Mixed Committee again met at Geneva on June 2nd and 3rd, 1925. In addition to the members of the Crises Sub-Committee and the four experts appointed by the International Labour Office, the Mixed Committee included three members appointed by the Financial Committee, namely, Sir Otto NIEMEYER, M. L. DUBOIS and M. WARLAND (substitute for M. A. Janssen).

The Mixed Committee unanimously adopted the following resolutions :

1. " The Mixed Committee on Economic Crises, representing the Economic Committee and the Financial Committee of the League of Nations, as well as the International Labour Office, unanimously confirms the resolutions adopted at its last session, at which the Economic Committee and the International Labour Office alone were represented.

2. " The Mixed Committee, by a unanimous decision, also recalls and adopts the resolutions mentioned in the report of the Financial Committee of the Genoa Conference of 1922, being convinced that the principles laid down in these resolutions are entirely applicable in the present circumstances.

3. " The Mixed Committee decides to ask the two Rapporteurs appointed by the Economic Committee to study the question raised in the report of the International Labour Office concerning the stabilisation of prices and economic problems connected therewith.

4. " The Mixed Committee, having noted the observations made by the delegates of the Financial Committee with regard to the financial and monetary questions raised by the problem of economic crises, requests the Financial Committee to be good enough to submit to the Mixed Committee a report dealing with the following points :

" (i) What financial and monetary measures other than credit control are likely to mitigate the intensity of economic crises ?

" (ii) Considering that, in order to guarantee all the elasticity desired to the credit policy, the existence of adequate metallic reserves must be assured, what are the best means of avoiding, in the course of the process of re-establishing the gold standard, an excessive demand for this metal ?

5. " The Mixed Committee is of opinion that it would be desirable at an early date to learn the views of the representatives of the different organisations dealing with the establishment of economic barometers as to the best methods of preparing such barometers, of introducing them into other countries and the question of their international comparability. "

In accordance with the third resolution above, the Economic Committee appointed as Rapporteurs M. SERRUYS and M. HEER.

8. UNIFICATION OF METHODS IN ECONOMIC STATISTICS.

The Council, at its session in March 1924, approved the proposal put forward by the Economic Committee that the scheme of co-operation with the International Institute of Statistics on the subject of unification of methods in economic statistics, initiated at the end of 1922, should be continued and that a new programme covering industrial statistics should be submitted to the Preparatory Committee engaged upon the work.

This Preparatory Committee has since then been engaged upon the various problems submitted to it in the new programme, and has drawn up a number of reports for submission to the International Institute of Statistics at its meeting in September next. The whole programme has not yet, however, been fully exhausted, and the Economic Committee accordingly recommends that the existing system of collaboration should be continued during the year 1926 and that this Committee be requested to continue its study of the outstanding question of the existing programme.

B. Work of the Financial Committee.

1. FINANCIAL RECONSTRUCTION OF AUSTRIA.

I. MEETINGS OF THE COUNCIL AND OF THE FINANCIAL COMMITTEE.

The discussions at Geneva during September 1924, subsequent to the enquiry conducted at Vienna by the Financial Committee of the League in collaboration with the Commissioner-General, resulted in the approval by the Council on September 16th, 1924, of an Agreement, fixing certain limits for the Austrian budget and enumerating a number of reforms which had to be accomplished before the control of the Austrian State finances by the League could be attenuated or terminated.

The fifth Assembly took note of this Agreement on September 25th, 1924, expressing its satisfaction at the progress made in the financial reconstruction of Austria.

In November 1924 the Austrian Cabinet, presided over by Mgr. Seipel, resigned. The new Government, in which Dr. Ramek is Chancellor, declared at the December session of the Council¹ that it intended to conform, in the same spirit as its predecessors, with the Geneva Protocols and subsequent agreements.

In February 1925 the new Minister of Finance, Dr. Ahrer, as well as the President, the General Manager and the Adviser of the Austrian National Bank, attended the meeting of the Financial Committee.

In its report to the Council, the Committee observed that a number of the measures required under the September Agreement had been taken, but at the same time expressed sense of the extreme importance of the prompt and complete execution of the remaining requirements of the Agreement. The Committee urged the Government to take steps immediately to centralise the Government receipts and payments at the Austrian National Bank, which should be responsible for the cash transactions of the State. It also urged the reorganisation of the Austrian Ministry of Finance in such a way as to enable it to exercise adequate control over the spending departments.

With regard to the Federal Audit Office, the Committee pointed out the advantage of a control by that office over the State enterprises and of co-operation with the Commissioner-General. The Committee finally stated that it was glad to understand that the Austrian Government was renewing negotiations with the provinces in regard to the administrative, financial and fiscal relations of the State and the provinces. The Committee added that it regarded this as a question of great urgency and wished the Government all success in its negotiations.

On March 9th, 1924, the Council adopted the opinions and recommendations of the Financial Committee, adding that it attached the highest importance to their prompt execution.

¹ Declaration made by M. Grünberger on December 8th, 1924, at the thirty-second session of the Council : *Official Journal*, February 1925, page 122.

II. THE STATE FINANCES.

(a) The Budget for 1925.

In the Agreement of September 16th, 1924, the Austrian Government undertook to limit expenditure in the estimates for 1925 to a maximum of 495 million gold crowns, plus 50 million gold crowns for investments. The budget for 1925, which was voted by Parliament on March 24th, 1925, keeps exactly within these limits.

(b) Actual Expenditure.

The actual level of expenditure is at present higher than that estimated in the budget. The monthly closed accounts show the following figures ¹:

	Gold Crowns (000,000's omitted).			
	2nd half-year 1924	January 1925	February 1925	March 1925
Expenditure	667.8	598.2 (44.0)	575.17 (55.2)	699.2.(40.8)
Receipts	580.5	664.3 (1.7)	544.92 (1.5)	637.2 (1.7)
Deficit	87.—		30.25	62.—
Surplus	—	66.1	—	—
Surplus, excluding investments .	—	111.8	26.45	—
Deficit, excluding investments .	—	—	—	19.5

The preliminary budgets for the later months estimate :

	Gold Crowns (000,000's omitted).	
	April 1925	May 1925
Expenditure	649.6 (51.0)	657.0 (59.7)
Receipts	611.3 (3.7)	563.9 (4.7)
Deficit	38.3	93.1
Surplus, excluding investments	16.4	—
Deficit, excluding investments	—	28.7

(c) The Reconstruction Loan.

During the whole year of 1924 a sum of only 10 million gold crowns was liberated by the Commissioner-General to the Austrian Government from the proceeds of the Reconstruction Loan. During the first months of 1925 no liberations took place, though the Commissioner-General made some temporary advances to the Government for urgent cash requirements, which were regularly refunded to the loan account. A sum of 230.7 million gold crowns still remained as balance of the loan on April 30th, 1925.

The balance consisted of the following items :

	Gold Crowns 000,000's (omitted)
(a) Holdings at the Austrian National Bank :	
In foreign exchange, about	136.0
In Austrian currency	0.2
(b) Swiss Government loan	20.0
(c) Temporarily immobilised in bonds of the loan and in various credits	24.9
(d) Advance to the Postal Savings Bank for the end of the month .	20.8
(e) Advance to the Tobacco Monopoly for purchases of tobacco . .	7.3
(f) Advance to the State	21.5

(d) The Pledged Assets.

The gross receipts from the Customs and the Tobacco Monopoly, which are pledged for the service of the loan, continue to come in most satisfactorily :

Gross Receipts recalculated on annual basis ²	2nd half-year 1924	January	February 1925	March	April
	Gold Crowns (000,000's omitted)				
Customs	93.6	130.7	119.6	123.2	126.5
Tobacco	184.6	176.—	168.7	170.6	191.5
Total	278.2	306.7	288.3	293.8	318.0

¹ The figures in the first column have been multiplied by 2 and those in the three other columns by 12, in order to make possible a comparison on an annual basis. The figures in parentheses indicate expenditure on investments which figures on the expenditure side of the budget or is deducted under certain headings on the revenue side.

² The figures have been multiplied by 12 in order to make possible a comparison on an annual basis.

The service of the loan requires a sum of about 70 million gold crowns a year, and is therefore covered several times. The surplus is refunded to the Austrian Government by the Commissioner-General.

III. MEASURES OF REFORM.

At the moment of writing this report (end of May 1925) the majority of the measures of reform contained in the agreement of September 1924 have been carried out. In respect of several others, Bills have been laid before Parliament (the acceptance of which seems imminent), notably for the introduction of gold balance-sheets; the organisation of the State forests and salt mines on an autonomous basis; the reform of the financial and fiscal relations between the State and the provinces, notably by the establishment of a supervision by the Central Audit Office over the financial administration of the provinces. The Cabinet is also preparing a scheme for a further compression of the central services of the Government administration. At the end of April 1925, 73,874 officials had been dismissed, in addition to 10,369 officials formerly belonging to the "Südbahn".

IV. THE MONETARY SITUATION.

(a) *Circulation.*

The situation of the Austrian National Bank shows a great improvement since September 1924. It will be remembered that in order to overcome the crisis on the Vienna money market which occurred in April of that year, the Bank increased its holdings of bills discounted; these were increased from 1,733 thousand million paper crowns on March 31st, 1924, to 3,226 thousand millions on August 31st, whilst the circulation (including sight liabilities) increased from 7,897 to 8,999. On June 5th the Bank raised its rate of discount from 9 per cent to 12 per cent, and on August 13th to 15 per cent¹, whilst shortly afterwards it initiated a very strict discrimination as regards the bills submitted for discount. These measures did not fail to have effect, with the result that the bills discounted were reduced to 906 thousand million on May 15th, 1925, and the total circulation to 7,945 thousand million.

On this date the circulation (including sight liabilities) was covered by the gold and foreign exchange reserve up to 44 per cent, without reckoning the holdings of foreign exchange obtained through transactions in forward exchange the inclusion of which would raise the percentage to 63 per cent. The price level, which had been rising every month during the second half of 1924, reached its highest level at the beginning of 1925: wholesale prices 21,181 in January 1925; cost of living (housing included) 13,895 in February 1925 (1914: 1). The level has since been falling.

(b) *Monetary Reform.*

In conformity with the September agreement, the Austrian Government has established a legal relation between the Austrian currency and a given weight of gold. A new currency has been introduced, the "Schilling", equal in value to 10,000 paper crowns and divided into 100 "Groschen". The Austrian National Bank is obliged to buy gold at sight at the rate of 0.2117208 grammes fine gold to the schilling in exchange for notes. It is not intended to bring gold coins into actual circulation. The Bank's obligation to buy gold at a certain price prevents a rise of the currency; while a fall is prevented by the Bank's foreign exchange policy, which during the past two and a-half years has successfully maintained the stability of the Austrian currency in relation to the dollar. By the introduction of the schilling, Austria definitely ranks in the group of countries which have returned to the gold, or gold exchange, standard.

(c) *Foreign Exchange Market.*

Another important step taken in execution of the September agreement is the reintroduction of free dealings in foreign exchange. The Bank maintains a daily clearing, but participation therein is merely optional. The abolition of the various restrictions tends to attract more business to the Viennese foreign exchange market and, by lowering the cost of transactions, will benefit commercial and industrial circles. But most of all it will increase confidence, in the country itself as well as abroad.

V. THE ECONOMIC SITUATION.

Austria continues to suffer from the consequences of the crisis which started in the spring of 1924 and from which it is recuperating only very slowly. The crisis shows itself most clearly in the number of unemployed, which rose from 74,000 in September 1924 to 189,000 in March 1925, the highest figure reached during the reconstruction period (167,000 in March 1923, 126,000 in March 1924). Owing to seasonal influences, the number of unemployed is at present diminishing (148,000 at the beginning of May 1925), but it still remains on a level which constitutes a most serious burden to the economic life of the country.

¹ The rate was reduced to 13 per cent on November 6th, 1924, and to 11 per cent on April 25th, 1925.

The crisis does not affect all industries in the same degree. The metal and wood industries are suffering from a serious depression and show a certain chronic unemployment. On the other hand, the rubber, paper and chemical industries show hardly any unemployment and can be said to be in a good situation. Unemployment is chronic also amongst bank and clerical commercial employees.

The banking crisis which led to the failing of several smaller and one or two larger banks seems to have come to an end. No further serious failings are expected.

Bankruptcies still continue to be high amongst commercial firms, especially amongst small merchants (254 in 1913 ; 2,690 in 1924 ; 1,326 in the first four months of 1925).

On April 18th, 1925, the Austrian Government requested the Council of the League to arrange for an enquiry into the economic situation of Austria, to be carried out by non-political scientific experts, for the purpose of ascertaining the relations of the economic conditions of Austria with the financial reconstruction.

ANNEX.

The table on the following page, taken from the Twenty-Ninth Report of the Commissioner-General, gives the most recent statistical data in regard to public finance, economic life and the position of the Austrian National Bank.

ANNEX

STATISTICAL DATA

IN MILLIONS

(1) PUBLIC FINANCES.	1925				4th Stage
	Annual basis on figures for				
	May	April	March	From January 1st, 1925	2nd half-year 1924
(a) <i>Gross receipts</i>					
Customs	—	126.5	123.2	125.0	93.6
Tobacco	—	191.5	170.6	176.6	184.6
Total	—	318.0	293.8	301.6	278.2
(b) <i>Preliminary monthly budgets :</i>					
Estimated expenditure ¹	657.0	649.6	702.3	642.5	632.5
Estimated receipts ¹	(59.7)	(51.0)	(41.2)	(51.3)	(51.7)
Deficit	93.1	38.3	97.3	64.2	70.8
Total investments	(64.4)	(54.7)	(44.4)	(55.0)	—
Surplus or } <i>excluding</i> deficit } <i>investments</i>	—	+ 16.4	—	—	—
	28.7	—	52.9	9.2	—
(c) <i>Closed accounts :</i>					
Expenditure ¹	March	February	January	624.2	667.8
Receipts ¹	(40.8)	(55.2)	(44.0)	(46.7)	(51.7)
Deficit ¹	62.0	30.3	—	8.66	87.0
Surplus	—	—	+ 66.1	—	—
Total investments	(42.5)	(56.7)	(45.7)	(48.4)	—
Surplus or } <i>excluding</i> deficit } <i>investments</i>	—	+ 26.4	+ 111.8	+ 39.74	—
	19.5	—	—	—	—

II. REDUCTION IN THE NUMBER OF OFFICIALS

	In April 1925	Personnel discharged	Total discharged
Central Administration and State Undertakings	152	73,874	73,874
	(Südbahn 14)	(Südbahn 10,369)	(Südbahn 10,369)

III. TRADE AND INDUSTRY.	January and February 1925	Monthly averages					
		from Jan. 1st, 1925	1924	1923	1922	1921	1920
Value of imports	360.5	180.25	199.55	160.0	146.3	141.6	141.7
Value of exports	253.7	126.85	114.04	93.5	91.9	75.3	77.7
Trade deficit (excl. of movements of precious metals)	— 106.8	— 53.4	— 85.51	— 66.5	— 54.4	— 66.3	— 64.0

	1925		End of		
	April	March	Fourth Stage Dec. 1924	Third Stage June 1924	Second Stage Dec. 1923
Number of unemployed receiving relief ²	148,503	175,581	154,493	63,556	98,060
(Corresponding month in 1924-23-22)	(82,524)	(106,908)	(98,060)	(92,789)	(117,144)
Number of travellers who stayed at hotels in Vienna ²	36,026	38,966	36,238	41,186	38,740
(Corresponding month in 1924-23-22)	(40,651)	(41,603)	(38,470)	(30,132)	(22,301)
Official index of prices ³ :					
A. In S.	1.5830	1.6225	16,248	14,457	12,860
Food	2.1656	2.1635	21,578	20,634	18,673
Clothing	0.1330	0.1330	1,326	1,002	724
House rent	1.4969	1.5001	14,924	14,673	14,525
Light and fuel					
Cost-of-living index	1.3432	1.3660	13,650	12,442	11,249
ditto, exclud. house rent	1.6534	1.6820	16,810	15,376	13,948
B. Foodstuffs	1.9099	1.9567	20,012	16,765	16,216
Wholesale prices (1st half 1914 = 1) (or else 10,000)	2.2205	2.2751	22,416	21,679	22,582
Mater. required by industr.					
Index of wholesale prices	2.0058	2.0548	20,754	18,282	18,181
Exchange index according to the average gold parity rate fixed for Customs. 1 gold cr. = in Sch. (in pap. cr. respectively)	1.44	1.44	14,400	14,400	14,400
Mean parity of dollar in Sch. (or paper crowns) (pre-war gold parity 4,935 paper crowns)	7.0935	7.0935	£ 70,935	70,935	70,935
FINANCE OTHER THAN PUBLIC².	In millions of gold crowns				
Deposits in savings banks and 9 credit institutions (12 since 1924)	255.55	240.7	175.9	86.9	41.3
	In S.	In S.	In P. C.	In P. C.	In P. C.
Stock Exchange index (first half 1914 = 1) ⁴ (or else 10,000)	0.1085	0.1124	1,194	1,376	2,586
NATIONAL BANK OF AUSTRIA².	Millions of gold crowns at the rate of :				
	14,400				12,834
State Debt to the National Bank (advances during period of inflation)	145.05	146.4	151.3	155.4	197.4
Holdings of bills	73.44	72.6	130.5	213.9	103.0
Gold reserve and foreign currency holdings	249.08	230.14	339.0	228.2	305.0
Value of notes in circulation	553.90	548.47	582.5	533.9	555.0
Percentage of circulation covered by metal reserve	45 %	41.9 %	58.2 %	42.2 %	55 %

² At the end of the month.

³ During the month.

⁴ In the middle of the month.

FOR APRIL 1925.

ANNEX

OF GOLD CROWNS

3rd Stage	2nd Stage	1st Stage	Beginning of Scheme
1st half-year 1924	2nd half-year 1923	1st half-year 1923	Dec. 1922
103.1	83.7	58.3	48.3
158.9	139.6	99.2	72.5
262.0	223.3	157.5	120.8
533.7	525.2	561.9	672.5
499.1	366.9	284.5	215.1
— 34.6	— 158.3	— 277.4	— 457.4
—	—	—	—
—	—	—	—
—	—	—	—
644.7	525.0	540.9	—
630.2	466.7	362.8	—
— 14.5	— 58.3	— 178.1	—
—	—	—	—
—	—	—	—

*Strength on
April 30th, 1925*
171,635
(plus 20,907 employees on
the Südbahn)

REMARKS. £ 1 = about 23.5 gold crowns.
\$ 1 = about 5 gold crowns.

Ad. I (b). The Programme drawn up in 1922 and modified for 1925 by the Geneva Agreements of September 1924 provided for an

Annual basis of (in millions of gold crowns)

	Draft Budget 1925 ¹	Fourth stage	Third stage	Second stage	First stage
Expenditure	544.8 (50.0 invest. ¹)	439.0	478.0	536.0	570.0
Receipts	504.1 (4.2 invest. ¹)	461.0	435.0	378.0	287.0
<i>Deficit</i>	— 40.7	—	— 43.0	— 158.0	— 283.0
<i>Surplus</i>	—	+ 22.0	—	—	—

Total investments : 54.2
Excluding investments, surplus equals + 13.5

¹ The figures in parentheses indicate investments expenditure reckoned under the heading either of expenditure, which is thereby increased, or under the heading receipts, in which case the net amount to be collected is reduced to the figures indicated (similarly as regards I (c)).

Ad. I (c) § Excluding temporary movements of funds advanced and subsequently repaid (current account transactions).

Ad. II. The Reform Programme provided for the discharge of a total of 100,000 officials before July 1st, 1924.
The Südbahn staff was not under the authority of the State administration when the work of reconstruction began.

Ad. III. The Austrian Federal Statistical Office only publishes inclusive figures of the balance of trade for January and February 1925.

End of	Begin. of Reform Scheme	
First Stage June 1923	December 1922	September 1922
95,594 (33,393)	120,525	37,999
30,132 (43,244)	22,301	51,223
in P. C.	In P. C.	In P. C.
14,132	—	—
15,323	—	—
496	—	—
14,364	—	—
11,513	9,375	11,271
14,338	—	—
17,124	—	—
21,061	—	—
18,339	—	—
14,400	14,380	15,100
70,985	71,008	74,976
23.5 In P. C.	7.7 In P. C.	2.1 In P. C.
1,479	719	502
12,834	January 7th, 1923	
198.4	199.3	
55.0	57.0	
203.0	93.0	
423.0	315.0	
47.9 %	29.4 %	

As the Parity Commission for fixing the cost of living came to an end at the beginning of May, there will be no official index numbers in future.

$x =$ } All the indices in this table are calculated according to the present prices in schillings (1 schilling = 10,000 paper crowns) compared with pre-war prices in crowns (co-efficient of high cost of living).
1.9854 } What cost 1 crown in 1914 cost x schillings in the months indicated.
1.44 } Having regard to the relation between the gold crown and the schilling (1 gold crown = 1.44 schilling), the index number of wholesale prices corresponds to a gold price index number of 1.37.
(U.S.A. : March 1925 = 1.61.)

The Stock Exchange index was 1.059 at the beginning of May (compared with the schilling).

The National Bank of Austria began operations on January 2nd, 1923. In accordance with the Statutes, the sums in gold crowns are calculated on the basis of the average rate of exchange for the second half of the preceding year, viz.:

For 1923 : 12,834
For 1924 : 14,400 } paper crowns per gold crown.
Up to March 1st, 1925 : 14,400
As from March 1st, 1925, 1 gold crown = 1.44 sch. (1 sch. = 0.2117 grammes of fine gold = 0.694 gold cr. = 10,000 paper cr.)

2. FINANCIAL RECONSTRUCTION OF HUNGARY.

The report submitted to the last Assembly gave a summary of the scheme for the financial reconstruction of Hungary, and the supplement to that report gave an account of its progress up to the end of June 1924. The Commissioner-General ended the report covering the first month of his work in Hungary, May 1924, with the following observation: "There is no reason apparent why the execution of the Reconstruction Plan should not produce the expected results and instil in the Hungarian people that spirit of confidence and hope for the future which is one of the essential features of the plan".

The progress made during the year which has passed since these words were written has only confirmed this first impression, and, if the following account shows that some difficulties (such as the permanent reform of the State administration) still remain to be overcome, there have been, on the other hand, certain favourable results far surpassing the expectations formed at the time when the Financial Committee first framed its scheme nearly two years ago.

The administration of the plan has worked smoothly, and at its session in March of this year the Council noted that the collaboration between the Hungarian Government and the Commissioner-General had been a conspicuous factor in its successful prosecution.

PUBLIC FINANCE.

It will be remembered that, as in the Austrian plan, provision had been made for a loan to be floated, the proceeds of which were to be used to meet budget deficits during the reform period of two years and two months. This loan, amounting net to 250 million gold crowns, or about ten million pounds sterling, had been successfully floated in the summer of 1924. Of this amount no less than 185 million gold crowns will be available at the end of the first year of reconstruction, the balance having been used to cover the deficit existing for the financial year ending June 30th, 1924. In the five half-yearly budgets covering the reform period from May 1924 to June 1926 and set up in agreement between a delegation of the Council and the Hungarian Government, it had been estimated that out of this 250 million gold crowns about 60 million would be required during the first two months, *i.e.* up to June 1924. This sum was, in fact, used.

During the next half-year, July to December 1924, it had been estimated that the net receipts would amount to about 143.8 million gold crowns, net expenditure to 186.3 million gold crowns, leaving a deficit of 42.5 millions to be met out of the loan. Actually, there was no deficit and no part of the loan was expended. This is due to the fact that, although expenditure was higher than had been contemplated in the Reconstruction Budgets (205.9 million gold crowns) the revenue showed an even greater increase (approximately 40 per cent) over the estimates, and even exceeded the receipts estimated for the end of the period of reconstruction. The Commissioner-General pointed out that the estimated maximum had thus been reached much sooner than was anticipated and that, especially having regard to the fact that this period included some of the best months of the year from the revenue-producing standpoint, it was unlikely that further large increases in revenue could be expected.

This opinion is likely to be confirmed by the results of the next period of six months, January-June 1925, so far as can be judged from the information regarding the first four months at present available, which will be completed in the Supplementary Report to the Assembly. During this half-year it had been estimated that the receipts of the Hungarian Government would amount to 150.3 million gold crowns, its expenditure to about 207.8 million gold crowns, thus leaving a deficit of 57.5 million gold crowns to be met out of the proceeds of the loan. Judging by the preliminary estimates which are submitted every month to the Commissioner-General and which approximate closely to the actual results, the first half of this period, instead of showing a deficit, will, in fact, show a slight surplus. This may be said with confidence, in view of the fact that under the system described in detail later, by which all Government receipts and expenditures are made through the Hungarian National Bank, the Commissioner-General is in a position at any moment to check the cash position of the Treasury from statements supplied by the National Bank. April, for the first time, shows a slight deficit of half a million gold crowns, and the estimates for May show one of about 2 ½ million gold crowns; but, as the Commissioner-General points out in his last report, the deficits for these months are to a considerable extent seasonable, were anticipated at the present stage and will be met from revenue accumulated during some of the best months of the year from the revenue standpoint.

At the present stage, therefore, there remains out of the Reconstruction Loan a sum of 185 million gold crowns, *i.e.* more than double the sum of 90 million gold crowns which would have been left on the conservative estimates originally made.

The level of net expenditure has been in excess of the amounts fixed in the Reconstruction Plan by about 60 million gold crowns, chiefly because the pay given to State employees has been in excess of the amount fixed in the Budget. The details of the revenue of the budget are given month by month in the reports of the Commissioner-General. They show that receipts have been substantially 40 per cent in excess of what had been estimated, the revenues pledged for the service of the loan (Customs, sugar, salt monopoly, tobacco monopoly), in particular, largely exceeding the very conservative estimates made. They reached their highest point in November of last year. The Customs have since then declined; it is perhaps not desirable

that they should continue at the present rate, as many factors, including the commercial agreements now under negotiation with neighbouring countries, will probably tend to diminish them. On a yearly average, their yield has never been less than four times, and sometimes more than six times, the amount necessary to meet the service of the loan, and there is no reason to expect that in any quarter they will fall below the former level.

Another marked feature on the revenue side of the Budget has been the fact that indirect taxes have shown a much greater excess over the estimates than direct taxes.

The two most striking features which emerge from the above account are, first, that the Budget, instead of showing, as contemplated, a deficit of more than 100 million gold crowns during the first year of the reconstruction period, is, in fact, likely to balance; but, secondly, that the general level of the budget is considerably higher than had been planned. This is not due to the larger amount of paper crowns expended but to the appreciation of the paper crown in terms of gold, amounting to about 16 per cent increase.

In view of the favourable position, the Hungarian Government, in February, desired to grant a permanent increase of salary to the Civil Service, involving additional expenditure of 18 million gold crowns per annum and thus raising the permanent level of the budget to 488 million gold crowns instead of 410.4 millions provided for in the Reconstruction Plan.

Before assenting to any new burden of a permanent nature, however, the Council, on the advice of the Financial Committee, in view of the fact that the fiscal burden already involved in the present expenditure was higher than the level fixed for the end of the reconstruction period, desired to have more ample experience of the progress of reconstruction and its effect upon the taxable capacity of the country. At the same time a provisional and temporary increase of 15 per cent in officials' salaries was admitted and has since been given by the Hungarian Government.

The system under which the Commissioner-General of the League has carried out his duties was set up by July of last year, and has been working satisfactorily. It has involved a considerable internal reform in the establishment of a control by the Finance Ministry over the spending departments. Monthly budgets are submitted to the Commissioner-General in the middle of the preceding month, together with a provisional closed account for the preceding month and a monthly statement of liabilities, incurred but unpaid, for each department and each State undertaking. These arrangements, taken in conjunction with statements from the Hungarian National Bank, into which all Treasury receipts are paid and through which all expenditures are disbursed, in accordance with the provisions of the Protocol (Article XIII, paragraph 4), have been of great assistance in the execution of the programme.

This arrangement, which enables the public finances to be administered on practically a cash basis, and supplies complete daily information as to the cash position of the Treasury, has been an extremely valuable feature of the plan and one which permits the Commissioner-General to ascertain at all times the exact position of the Treasury.

NATIONAL BANK OF HUNGARY.

As in the case of Austria, an essential part of the Reconstruction Plan was the foundation of a National Bank independent of State influence. The Statutes of the National Bank of Hungary were drawn up on the Austrian model, with the difference that special provision was made for the representation of agricultural interests on the Board, and for the granting of privileges to agricultural bills in regard to discount facilities. The State debt to the Bank was fixed at an initial maximum of 110 million gold crowns, and the State participation in the profits of the Bank must be applied to the reduction of this debt.

The National Bank came into active existence on June 24th, 1924, and took over the position of the State Note Institute, which it replaced. Among the liabilities of the State Note Institute was a debt contracted towards the Bank of England at the time of the issue of the Reconstruction Loan. When negotiations for American participation in the Loan broke down, the Bank of England bridged the gap by advancing four millions sterling to the Hungarian Note Institute. The Hungarian crown was at the same time stabilised on sterling, and the stabilisation rate on London was so chosen that, when sterling reached parity in New York, Hungarian and Austrian crowns would be, for all practical purposes, interchangeable crown for crown.

For maintaining this rate the National Bank commanded, at the outset, apart from its share capital — which could only be used for exchange purposes in the last resort — a modest stock of less than one million pounds sterling, inherited from the Devisenzentrale, which formed part of the late Note Institute. Nevertheless, a new Exchange Ordinance was published at once, which abolished many of the existing restrictions on dealings in foreign exchange, and, although a certain concentration of exchange business in the hands of the National Bank is still maintained, the fact is that anyone who has a debt to pay abroad has no difficulty in obtaining exchange from the National Bank against Hungarian crowns, promptly and for the full amount. By the end of the year 1924 the National Bank was able to show that, after meeting all demands in full, including the arrears of the Devisenzentrale, the reserves of gold and foreign exchange had risen from less than one million to over seven millions sterling. An interesting difference between the reserve policy of the National Banks in Austria and Hungary is that the National Bank of Hungary has chosen to accumulate a fair proportion of actual gold, in spite of the fact that, while sterling was rising to parity in New York, this stock of gold was consequently depreciating in terms of Hungarian currency.

The liquidation of the State Note Institute resulted in a large and somewhat unexpected surplus, amounting to some three-quarters of a million sterling, which is to be applied to the

reduction of the State debt to the Bank. But by an agreement between the Bank and the State, the reduction is to be spread over a period of four years, so that the State may, in the meantime, have funds with which to promote an issue of mortgage bonds on which loans to agriculture can be secured.

With the restoration of the value of Hungarian money, the note circulation rapidly increased, so that before the end of 1924 it had risen by fully 50 per cent. That this expansion was in part seasonal may be seen from the figures of the National Bank's discounts, which were almost doubled between the middle of July and the end of November, only to fall again by nearly 30 per cent of the maximum before the end of May. That both movements were natural and healthy is shown by the course of retail commodity prices, which have fallen gradually but steadily, since reconstruction began, to a level at which they appeared to be practically stable in the spring of 1925. The National Bank may therefore be said, so far, to have fulfilled its primary function, which is to maintain the internal and the external value of Hungarian money. The bank rate was raised on September 17th from 10 per cent (the rate inherited from the Note Institute) to 12 ½ per cent and was reduced to 11 per cent and 9 per cent respectively in the last week of March and May 1925.

At the end of the first six months of its existence, the National Bank struck a profit and loss account which showed a net profit of 25 ½ milliards of crowns (roughly £75,000) after writing off all the exchange losses incurred as a result of the steady rise in the gold value of the currency. A dividend of 8 ½ per cent was distributed to the shareholders. The report of the National Bank to the end of 1924, with a number of detailed statistical annexes, has been published and is available in French, German and English.

ADMINISTRATIVE REFORM : STATE UNDERTAKINGS.

It has been seen that the payments to State officials and employees have had an important influence on the budget position. The original reconstruction scheme made a provision for the reduction of personnel (by 15,000 employees), which further experience has shown to be of very modest dimensions in comparison with the possibilities — and indeed the necessities — of the situation.

The situation at present shows that, whereas before the war there were 313,000 State employees, there are now over 182,000. On July 1st, 1924, there were 188,000, although Hungary has approximately one-third of the geographical area and 40 per cent of the population as it existed before the war.

In connection with the above-mentioned desire of the Hungarian Government to make a permanent increase in the salaries of State officials, the Financial Committee, in March, called attention to the importance of revising and radically reducing the whole personnel establishment; noted the seriously disproportionate increase in the higher categories of officials and stated that it had become clear that a reduction in personnel much greater than that required among the original conditions of the Reconstruction Plan was practicable, and that nothing could so substantially assist the establishment of Hungarian finances on a sound basis.

The Council, at its March session, confirmed the opinion of the Financial Committee, expressed the hope that the Hungarian Government would devote earnest attention to this question of administrative reform, which would have the effect of placing the budget on a more sound basis, and believed that the Reconstruction Plan would thus be brought to a successful conclusion.

The Hungarian Government had already, in October of last year, appointed an Advisory Committee, consisting, among others, of the Cabinet Ministers or their substitutes, certain members of the National Assembly and special commissioners to be chosen from independent persons who have taken part in public life, to enquire into the administration of the Government departments and consider possible reductions of expenditure and simplification of administration.

The interim report of this Committee is on the point of being issued, and the proposals of the Government in this matter will be contained in the Supplementary Report to the Assembly.

Meanwhile, a certain number of administrative reforms have been accomplished: the Food Ministry, the Refugees Office, the Office of the Coal Commissioner, the Office for the Regulation of Prices, and several small departments have been discontinued; the financial reorganisation of the "Comitats" and "Communes" has been undertaken. Finally, the last report of the Commissioner-General, covering the month of April, states that an important reform in the Public Accountancy Department has been undertaken, under which a Central Accountant Department under the Finance Ministry will be set up for the recording of all salaries and pensions authorised by all branches of the Hungarian administration.

The "personnel" problem arises also in connection with the State undertakings. The State Railways, for instance, which come under the Ministry of Commerce, show a deficit caused by the necessity of finding money for capital expenditures which fall on the budget and have been estimated for the current year at from 17 to 18 million gold crowns. The actual amount required will probably be considerably less owing to the fact that receipts have considerably exceeded current expenditure. But the Commissioner-General has concluded from a preliminary enquiry that, if the railways are to be able to provide for their capital expenditure, the operating expenses, which at present amount to 97 per cent of the gross receipts, must be reduced. Of these, no less than 65.2 per cent go for the wages and pensions of permanent and non-permanent employees, pensions alone amount to 29 million gold crowns or 16.7 per cent, whereas the pre-war figure was between 3 per cent and 4 per cent. There are, in fact, actually

as many pensioners as there are active employees on the permanent staff, whereas in 1913 the number of pensioners was only 16 per cent of the number of employees.

The other important State undertaking is the ironworks. Here the salaries of officials, not including permanent workmen, and pensions together reach 13.9 per cent of the operating expenses, as compared with 6.4 per cent in 1913, in spite of the fact that the annual cost per head amounts in gold crowns to about half of what it was before the war. At the present moment there is some tendency to accumulate stocks rather than to curtail production, which would involve the dismissal of staff; but until economic conditions in Central Europe are more settled it is impossible to determine whether, with their high and long-established reputation, they will not be able to sell at their present rate of production.

It will be seen from the above account that one of the most serious problems confronting modern Hungary is how to deal with this army of civil servants and employees. Out of the total of 15,000 dismissals provided for in the two years covered by the reconstruction plan, about two-thirds had been effected by the end of 1924, but no substantial relief either for the budget or the administrative situation will be afforded by a reduction limited to 15,000. On this subject the Commissioner-General sums up his opinion in his eighth report as follows :

“ Under present conditions, a wholesale dismissal could not well be undertaken, and it is probable that there is no rapid or immediate remedy for the existing situation. It is possible, however, to prepare a plan which, through the abolition of posts as vacancies occur, will in course of time effect a reduction of the number of State employees to proportions consistent with the present needs of the country. In the end this should prove to be of great benefit to the public finance ; funds now devoted to the payment of employees might be used for more constructive purposes or it might be possible to effect decreases in the total expenditures of the Government, with a consequent reduction in taxation. ”

ECONOMIC LIFE.

The progress in the reform of public finance and the return of confidence (due, in particular, to the stabilisation of the crown) has had, on the whole, a favourable effect on economic life. In a country like Hungary, a great deal — the volume of trade, and therefore the yield of many important revenues, the level of prices — depends on the harvest. In 1924 the harvest of maize, sugar-beet, potatoes and other late crops was excellent and nearly half as good again as that of the previous year, thus compensating to some extent for the harvests of wheat, rye, oats and barley, which were below the very large crop of the previous year, but not much below the average of other post-war years. On the whole, therefore, the harvest of 1924 was about an average one. This year, in spite of unusually dry and mild weather in the first half of February, the prospects for winter wheat have considerably improved with the change of weather in the middle of the month. The weather has been favourable to spring sowing, and meadows and pastures are going on well. It is satisfactory to learn from the last available report of the Commissioner-General, covering the month of April, that reports as to the state of winter and spring wheat and other sowings are on the whole favourable.

Apart from the success of the harvests, the factor most likely to influence the volume of trade is commercial and industrial policy. On this subject the Financial Committee had said in its original report that the most vital thing for Hungary was that she should achieve the best production of — and find markets for — the products for which her natural resources and her natural aptitudes best fitted her, that her agricultural production, and to some extent the industries based upon it, were far from attaining their full development and that markets for her surplus, particularly of wine, were not available; while, on the other hand, she was developing certain new industries, under cover of inflation and prohibitions, which had no affinity to her natural resources. The Committee considered it essential that commercial treaties should be arranged allowing of the freer interchange of commodities between Hungary and her neighbours, that all direct impediments to exports — prohibitions, taxes, the maintenance of an artificial rate of exchange which operates as an extra tax on exports — should at once be abolished; and that a rapid reduction of restrictions and prohibitions on imports should also take place. By January of this year, all import and export restrictions were abolished, and restrictions on dealings in foreign currencies had gradually been removed with the constitution of the new Bank. But in the same month a new tariff was introduced which has fallen heavily on manufactured articles and particularly on textiles.

The effects of this new tariff have not so far been mitigated by the conclusion of commercial treaties, except in the case of Poland, with which country a treaty was concluded in March. This treaty includes the reciprocal grant of the most-favoured-nation treatment and for the first time agrees to a reduction by Hungary of her new tariff. Hungarian wines will enter Poland, which was formerly one of the best markets for the heavy wines of the Tokay type, but has latterly been closed to them, on the same terms as wines from other countries with which Poland may have treaties. Prolonged negotiations with Czechoslovakia have also taken place and are continuing. Negotiations with the Kingdom of the Serbs, Croats and Slovenes, Greece and Austria have been begun, and preliminary conversations with other countries are also taking place.

Retail prices reached their highest point in July of last year and have gradually decreased since then, and by the end of April showed a decrease of 12.5 per cent as compared with July of last year. But the prices of textiles, clothes and some manufactured articles are still higher

than in France, Italy and Austria, and, in many cases, than in England and the United States of America. The wholesale price index continued to rise long after the currency was stabilised and reached its highest point in December. Since then it has decreased rapidly, the figure for the end of March of this year being 10 per cent lower than for December 31st, 1924. In both cases the decrease has taken place chiefly in articles of food. The wholesale index for March figured in gold at 145 (1913 prices being 100); of this total, food stands at 139 per cent and textiles at 221 per cent of the pre-war gold level. This is some indication of the effect which the new protective tariff has had upon the prices of clothing.

FOREIGN TRADE.

The gradual reduction in the adverse trade balance which had taken place during the four years 1920-23 was not maintained in 1924, but the total volume of trade increased greatly. In 1924, in comparison with the previous year, imports increased 66 per cent, exports 70 per cent, the adverse trade balance increasing 50 per cent. But the adverse balance is partly explained by the fact that the progressive removal of import prohibitions from one group after another of goods, accompanied by the stabilisation of the Hungarian currency, tended to encourage imports on credit. Since January 1925, the tide of imports has ebbed. As regards the first quarter of this year, the Commissioner-General states in his last report that the totals point to an increased volume of trade, while, though the adverse balance is nearly twice what it was in the first quarter of 1924, it was less in March 1925 than it was in March 1924, and has diminished in a striking manner since the beginning of the present year.

As regards industry, some attention has been aroused by the marked increase in commercial failures which has taken place since the middle of last year. The number of bankruptcies and compulsory liquidations have risen in this period from 199, the monthly average in the second half of 1924 (as compared with 63, the monthly average in the first half of the year), to 286 in the month of April of this year. This may be partly due to the burden of taxation borne by industry, and it is generally agreed that the tax on commercial transactions, for instance, will have to be revised. But, as the Commissioner-General has explained in his last report, it is also due to the large increase in the number of merchants carrying on business in comparison with the pre-war period (9,440 in 1911, 18,370 in 1924). An examination shows that the bankruptcies have occurred chiefly among businesses founded since the war, so that what has happened is to a large extent the disappearance of enterprises based not upon the normal economy of Hungary but upon the artificial conditions attendant upon a period of inflation.

Doubtless the same cause has operated to bring about some increase in unemployment.

A favourable effect of stabilisation is shown, on the other hand, in the increase of deposits in the postal savings banks, which have approximately quadrupled in the same period.

Some detailed comparative figures connected with the above account will be found in the annexed table of statistical information for the month of April extracted from the Commissioner-General's twelfth monthly report (Annex).

CONCLUSION.

In conclusion it may be said, at a point half-way through the reconstruction period, that most of the expectations of the original programme have so far been fulfilled or surpassed. While the level of the budget is at a point which may give cause for some doubt as to whether the fiscal burden involved can or should become permanent, it is nevertheless true that the budget has, in fact, been balanced long before equilibrium was contemplated. The Bank of Issue has been successfully founded and, by a prudent policy, has re-established confidence in the currency, which, after slowly appreciating with the sterling, is now stable. The general economic and industrial life of the country has been slow to adapt itself to new conditions, but, based as it is, in a self-supporting country, on agriculture, it is fundamentally sound, and, with a gradual resumption of more normal conditions of commerce and the interchange of goods, industry should revive.

If, during the next year of reconstruction, the problem of the excessive personnel burdening the finance both of the State and its undertakings can find a comprehensive solution, and if the reform of public finance is accompanied by a development of free economic relations involving, as the Hungarian Prime Minister stated at the last meeting of the Assembly, "an increased exchange of goods and the consequent strengthening of economic ties", there is every reason for Hungary to look forward with confidence to a prosperous future.

ANNEX.

STATISTICS.

**1. RETAIL PRICE INDEX (from the Pester Lloyd)
(July 1914 = 1.)**

1924					
January 31st	April 30th	July 31st	October 31st	November 30th	December 30th
8,167	18,340	22,018	21,222	21,098	20,884
1925					
January 31st	February 28th	March 31st	April 30th		
20,503	19,740	19,281	18,805		

**2. WHOLESALE PRICE INDEX (issued by Hungarian Statistical Bureau).
(1913 = 1).**

1924			
	Price index	Change over preceding month	Comparison with 1913 gold prices
January 31st	10,266	+29.7 %	1.23
April 30th	21,346	+ 2.8 %	1.25
July 31st	22,945	+ 3.9 %	1.45
October 31st	22,852	+ 2.2 %	1.49
November 30th	23,095	+ 1.0 %	1.54
December 31st	23,466	+ 1.6 %	1.60
1925			
January 31st	23,075	— 1.7 %	1.59
February 28th	22,187	— 3.9 %	1.52
March 31st	21,178	— 4.5 %	1.45
April 30th	20,766	— 2.0 %	1.44

3. STOCK EXCHANGE INDEX

(Ten important Securities quoted on the Stock Exchange).
(1914 = 100)

1924					
End of July	End of August	End of September	End of October	End of November	End of December
22.2	22.8	17.4	19.6	23.93	25.4
1925					
End of January	End of February	End of March	End of April		
23.—	21.4	21.7	20.7		

4. DEPOSITS IN THE POSTAL SAVINGS BANKS AND IN THIRTEEN OF THE MOST IMPORTANT BANKS IN BUDAPEST.

(Current Accounts and Savings Deposits).

	1924			1925			
	June 30th	Sept. 30th	Dec. 31st	Jan. 31st	Feb 28th	March 31st	April 30th
<i>Savings Deposits :</i>	Gold Crowns						
(a) In paper crowns.	2,691,210	7,931,319	23,882,286	29,967,265	34,792,200	44,163,006	50,002,357
(b) In foreign currency	470,937	1,577,133	2,512,200	2,815,712	3,088,544	3,057,946	3,041,650
<i>Current accounts :</i>							
(a) In paper crowns.	55,355,130	114,133,211	160,662,446	171,511,770	185,702,588	184,793,043	188,762,011
(b) In foreign currency	18,212,549	20,849,461	44,340,155	42,337,777	39,799,479	39,167,825	41,459,936
<i>Total Deposits.</i>	<u>76,729,826</u>	<u>144,491,124</u>	<u>231,397,087</u>	<u>246,632,524</u>	<u>263,382,811</u>	<u>271,181,820</u>	<u>283,265,954</u>

5. UNEMPLOYED

(Figures relate only to members of the Union of Socialist Workers).
Total membership approximately : 224,000.

1924					
End of July	End of August	End of September	End of October	End of November	End of December
31,134	30,401	26,020	30,120	30,568	33,095
1925					
End of January	End of February	End of March	End of April		
36,641	36,764	36,873	36,360		

3. INTERNATIONAL LOAN AND WORK FOR THE SETTLEMENT OF GREEK REFUGEES.

The Refugees Settlement Commission, which was created to give effect to the Protocol of September 29th, 1923, began its work in December 1923 under the chairmanship of Mr. Morgenthau. Thanks to the temporary advances made by the Bank of England, it was in a position to do a good deal of work even before the issue of the international loan.

The Greek Government wished, however, to obtain certain technical and financial modifications in the Protocol signed in 1923. During September 1924, these modifications were submitted to the Financial Committee by M. Tsouderos, Minister of Finance, and M. Andreades. The modifications were approved by the Council on the recommendation of the Financial Committee, and the Protocol, as well as the Statute of the Commission, was amended by means of an Additional Act signed on September 19th, 1924. The British, French and Italian Governments at the same time signed a declaration respecting the duties of the "International Financial Commission".

Certain terms of the Protocol affecting the lands allocated to the refugees had, from the technical point of view, appeared too narrow. Articles I and II of the Protocol and Articles XII and XV of the Statute were therefore amended.

As regards the financial aspect of the question, the Hellenic Government had pointed out that the maximum of six million pounds sterling laid down for the loan by the former Article IV of the Protocol was insufficient. The Financial Committee and the Council agreed to the increase of the maximum from six to ten millions. On the other hand, with the text of the former Article VI as it stood, the Hellenic Government might have found it difficult to assign public revenues to guarantee a loan which it might wish to contract for the improvement of the economic situation of the country.

The new points, as compared with the situation in 1923, were the following: The Greek Government offered, for administration by the International Financial Commission, receipts to a much greater value than in 1923; the value of the land might be put at about ten million pounds sterling, according to the calculations of the best authorities, whereas in 1923 it was impossible to have any idea of the value of this guarantee. The financial situation has also improved.

Taking into account these different considerations, the Financial Committee approved certain modifications in the text of Article VI, at the same time admitting the principle of increasing the maximum amount of the loan. While requesting the Hellenic Government only to assign its revenues for a productive purpose or in order to comply with its Treaty obligations, the Financial Committee thought that the Hellenic Government might, for such a purpose, again be at liberty to accord a second mortgage on the revenues appropriated to the refugees loan. With regard to the other receipts, the Government undertook only to mortgage them if the Financial Committee came to the conclusion that the nature of these receipts was such that it in no way compromised the proceeds of the guarantees attributed to the refugees loan.

The Assembly adopted a resolution on September 25th, 1924, a few days after the signature of this Additional Act, "expressing the hope that the loan might be successfully issued and that the whole of the undertaking, so vital to the economic and political stability of Greece, might be carried through to a successful conclusion".

The international loan was placed on the markets of London, New York and Athens in December 1924, with complete success and under the conditions contemplated by the 1923 Protocol and the Additional Act of 1924. The total of the loan amounts to a net capital sum of £10,000,000 sterling, and a nominal capital sum of £12,300,000. Of this total, seven and a-half millions were subscribed in London at 88 per cent, nominal interest 7 per cent; two and a-half millions were subscribed in Greece and Egypt at 88 per cent and 7 per cent interest; the remainder, eleven million dollars, was issued in New York at the price of 81 per cent and 7 per cent interest. The success of this loan shows that the financial world had clearly understood that the task of establishing the refugees, to which the League of Nations lent its aid, was not merely a humanitarian enterprise but was of a constructive character, and should make it possible for Greece to transform the influx of refugees into a source of prosperity and economic development.

The guarantees given by the Hellenic Government for the loan are of three kinds:

(1) Fiscal revenues attributed to the service of the loan (monopolies of salt, matches, etc., Customs, tobacco and stamp duties, alcohol and various other receipts of the Greek budget). Part of these revenues was entirely free of any burden, while part was already encumbered with a first mortgage for the service of former loans. These different revenues are all placed under the control of the "International Financial Commission", which has existed in Greece since 1898.

Composed of representatives of Great Britain, France and Italy, this Commission is entrusted with the duty of collecting the revenues assigned as guarantee for various Greek loans. The three States have agreed to entrust the Commission with the duty of collecting the revenues assigned to the refugees loan also. The total of the various revenues in question is calculated at about 1,200,000,000 drachmæ.

(2) As stated above, the Hellenic Government has undertaken to assign land and buildings for the settlement of the refugees. These form a supplementary guarantee, representing a value of about £10,000,000 sterling.

(3) In addition to the above, the fact that the concessions of land are granted by the Commission to the colonists on the basis either of repayment of the purchase price or payment of rent, constitutes a further guarantee in favour of the loan.

Finally, the Hellenic Government places the amount of the taxes payable by the refugees at the Commission's disposal.

These guarantees exceed very considerably the needs of the service of the loan, always supposing that there is no danger either of political difficulties or of general financial difficulties arising in Greece.

THE WORK OF SETTLING THE REFUGEES.

Having acquired the necessary financial means, the Refugees Settlement Commission has drawn up its programme for 1925. Its aim for this year is to afford the agricultural refugees not yet settled the means of leading an independent existence, namely, dwellings, seed, cattle, ploughs, etc. — and the urban refugees, as far as possible, a roof.

The accounts up to December 31st, 1924, will shortly be submitted to the League of Nations and the Hellenic Government.

A. Agricultural Settlement.

(1) *The Work of the Refugees.*

In the plains of Macedonia and on the coast, the villages are in process of development and are already surrounded by fields in full cultivation. The refugees show considerable energy and a real desire to improve their position.

The cultivation of vines and silkworms is rapidly developing. The cultivation of tobacco has given most satisfactory results.

(2) *Statistics regarding the work of settlement for 1924.*

Families established in Macedonia, Thrace and the other provinces between January 1st and December 31st, 1924	62,583	
Families established by the State prior to the creation of the Commission, between September 1922 and December 1923	72,581	
Houses constructed	11,359	
Animals distributed	98,416	
Ploughs... ..	34,615	
Wagons... ..	3,697	
Seed Grain	11,965,447	okes ¹
Forage	11,239,139	"
Subsistence grants in kind (corn)	17,890,765	"
Subsistence grants in money	26,739,220	drachmæ.

(3) *Transfer of Land.*

By a decree of the Minister for Agriculture dated February 6th, 1924, 64 estates, with a total area of 358,053 stremmata, were transferred in full ownership to the Commission.

(4) *The Refugees' Bank and the Commission.*

Certain difficulties which arose with the Commission at the time of the proposed creation of a refugees' bank are now the subject of negotiations with the Government (these difficulties are especially connected with the endowment granted to the bank, forests, pastures and fisheries, which are indispensable to the Commission).

(5) *The Health Situation.*

A proposal is now under discussion for establishing a certain number of dispensaries — about 250 — in Greece. The American Red Cross has sent five tons of quinine and the Commission is shortly to order about eight tons more. It has received information that unless energetic measures are taken to procure fresh milk for the children, infantile mortality, which is already considerable, will greatly increase.

B. Urban Settlement.

The Commission has so far devoted its resources to finishing work already begun and, in many cases, in an advanced state. Later, the success of the loan justified it in contemplating the general question of the settlement of the urban refugees and in drawing up a detailed plan, which took into account, on the one hand, the requirements of the urban refugees and, on the other hand, the funds available. A sum of £1,500,000 was set aside for the purpose. In accordance with the new agreement between the Commission and the Hellenic Government, the former will no longer have to build in the large centres (Athens, Piræus, Salonica and Patras)

¹ 1 oke = 1,280 gr.

and all its efforts will be aimed at co-ordinating the work of urban and of agricultural colonisation. According to experience, every settlement of an agricultural population in a territory granted for that purpose has the effect of increasing in a certain proportion the absorbing capacity of the towns in that territory.

By December 31st, 1924, 17,685 rooms were completed, of which 8,722 were in the urban districts in Athens and the provinces.

C. General Questions.

(1) Agreement of January 25th, 1925, between the State and the Settlement Commission.

An agreement was signed on January 25th, 1925, between the Hellenic Government and the Commission; it came into force after being approved by the Chamber.

Intended to further the progress of colonisation it modifies in various points the Greek decree law, which, together with the Geneva Protocol, forms the basis of the Commission's activities. Article 1 gives the Government the right of choosing the land appropriate for the settlement of refugees and of fixing the categories to be established there. Articles 8 and 9 set up a joint Council, which is, if necessary, to vote for the solution of certain questions and will constitute a connecting link between the Government, the refugees and public opinion. Article 10 contemplates the publication of an official bulletin. Article 11 facilitates the transfer of land in full ownership to the Commission.

(2) Composition of the Commission.

M. Argyropoulos, the Greek member, has resigned and been replaced by M. Eustathopoulos.

Mr. Morgenthau, Chairman of the Commission, has resigned and been replaced by Mr. Charles Howland, who entered on his duties in February 1925. M. Bonzon (Swiss) has held for six months, in a temporary capacity, the post of member of the Commission vacant by the departure or absence on leave of other members.

(3) Conclusions on the Work as a Whole.

To sum up, it may be said that the work of colonisation is in full development and that the results are very favourable, both for the refugees and for the country as a whole.

The Commission, however, which is obliged by the Protocol to keep strictly within the limits assigned to its task, which is, above all, economic and collective, cannot tread the humanitarian path. The health situation is precarious, especially in the Northern provinces, where malaria is particularly rife. Moreover, a great number of the refugees have come to the end of their savings and are destitute, not only of a permanent shelter but even of clothing. Finally, the proportion of widows and orphans is high. The situation is therefore an anxious one both from the humanitarian and the social point of view, and the State is not in a position to deal with it by itself.

It is to be hoped that charitable societies may, once again, be led to take an interest in the lot of these unhappy people.

4. DANZIG MUNICIPAL LOAN¹.

In pursuance of the Council resolution of June 1921, the Financial Committee had already, on several occasions prior to 1925, investigated certain questions connected with the economic and financial position of Danzig.

At the beginning of February 1925, it considered a request from the representatives of Danzig that it should recommend the Council to authorise the association of the League of Nations with a foreign loan which the Municipality wished to raise. After consulting M. Avenol, Deputy Secretary-General of the League, and Mr. Loveday, Head of the Economic Intelligence Service of the Secretariat, who had recently visited Danzig, the Committee stated in a special memorandum the conditions under which it would be willing to give a favourable reply to this request, assuming that the necessary negotiations between Danzig, the Harbour and Waterways Board and the Polish Government were brought to a satisfactory conclusion.

With the Financial Committee's memorandum as a guide, the representatives of the Municipality of Danzig made, in February, an agreement with certain London issuing houses for the raising of a 7 per cent loan of £1,500,000. At the same time, they opened negotiations with the Polish Government, which had to be consulted under the terms of the Paris Convention of November 9th, 1920, and with the Harbour Board, because a portion of the projected loan was to be devoted to harbour development.

Agreements were concluded as the outcome of the negotiations, which came to an end at Geneva during the March session of the Council, and the assent of the League of Nations High Commissioner at Danzig was also obtained. Finally, in March 1925, being satisfied that the various essential terms of the loan would meet the views of the Financial Committee, M. Avenol and Sir Arthur Salter, on the Committee's behalf, recommended that the Council should authorise the issue of the loan under the auspices of the League.

¹ For further details, see Document C. 204, dated March 18th, 1925, with its annex, Document C. 225, dated April 1st, 1925.

The representative of Belgium, Rapporteur, drew special attention to the collaboration between the Polish Government, the Harbour Board and the High Commissioner, and the Council adopted the Financial Committee's proposal. The main clauses of its resolutions adopted on March 14th, 1925, are as follows :

" The Council authorises the issue, under the auspices of the League, of the proposed Municipality of Danzig 7 per cent Mortgage loan of 1925 of £1,500,000 (nominal), which it considers to be essentially of a constructive character, in that it is to be devoted to sound economic development, which is in the interest of Danzig.

* The Council agrees to undertake the responsibilities (including that of appointing a trustee) which it is requested to assume in the agreement for the loan made on February 19th, 1925, between the Municipality of Danzig and the British Overseas Bank, Ltd., and Messrs. Helbert, Wagg and Co., Ltd.

" On the recommendation of the Financial Committee, the Council appoints as trustee for the loan M. C. E. ter Meulen, the Chairman of the Financial Committee. "

The programme for the expenditure of the loan consists of two distinct parts.

The first portion, which amounts to £957,000, relates to the extension of the Radaune water-power electric station, the development of the electric and water supply systems, the acquisition of land for the construction of works on the Niederer front and of dwelling-houses at Brösen, and the construction of sewage filter-beds.

The second part of the projected expenditure amounts to £320,000. This sum will be devoted to harbour works. Under the agreement, signed at Geneva on March 14th, 1925, the Municipality offers £320,000 to the "Harbour and Waterways Board" on the same terms on which it is itself receiving the larger loan from the London bankers, but with the single difference that the £320,000 lent by the Municipality is to be repaid in ten years. The Harbour Board at first provisionally accepted this offer, and gave a definite acceptance on April 1st, 1925. The funds which the Municipality will receive from the Harbour Board on the occasion of this earlier repayment, and which will be available for investment, will be paid back into the loan account under the supervision of the trustee and will be used solely for productive works, such as the second portion of the projected operations at the Radaune water-power electric station, and for the development of the gas-works, or for other purposes under the terms laid down in clause 18 of the loan contract.

The agreement, including the detailed conditions for the grant of advances by the Municipality to the Harbour Board, has been examined by a representative of the banks of issue, who has certified that it does not adversely affect the security given to the lenders of the main loan.

The principal duties of the trustee are to examine the accounts showing the income derived from municipal undertakings and to satisfy himself that the yield from the loan is not expended on any object other than those for which the loan was issued. The mortgages securing the loan will also be in the name of the trustee.

The trustee will be appointed, and his fees determined, by the Council of the League of Nations. The Council will also decide on any changes in the programme of expenditure. The reason for the insertion of this clause was that the Financial Committee did not feel that the responsibility of authorising such changes should be left to the sole discretion of the trustee.

Such, in outline, is the scheme for the municipal loan as approved by the Council. On the Council's approval being given, the loan was placed on the London market on April 3rd, 1925, and was a complete success.

This is the fourth loan issued under the auspices of the League of Nations.

5. ALBANIA.

The question of the cancellation of M. Hunger's contract as financial adviser to the Albanian Government was laid before the Council on September 8th, 1924. The Albanian Government observed that it fully appreciated the great value of M. Hunger's advice to Albania and was already engaged in effecting the economies recommended by him.

The Government had decided to reduce the number of officials and their salaries, and to increase taxation, with a view to balancing the budget. It deplored the action of its predecessors towards M. Hunger, to whom it begged to tender, through the agency of the Council, its sincere regret and its cordial thanks. In view, however, of its financial situation, the Government regretted that it could not ask M. Hunger to resume his duties.

The Council took note of this communication and made a point of expressing its own appreciation of the value of M. Hunger's services to Albania.

6. ESTHONIA.

In September, 1924, the Financial Committee received, through the Council, a request from the Esthonian Government that it should send experts to Esthonia to study the situation and enable the Committee to advise it as to the policy which it should follow, in view of the economic and financial difficulties with which it was beset.

M. Avenol, Deputy Secretary-General of the League, and Mr. Loveday, Head of the Economic Intelligence Service of the Secretariat, went to Esthonia in January, 1925. The Esthonian Government readily placed at their disposal all the information required.

The Financial Committee was specially requested to advise on certain problems of immediate financial policy.

At its seventeenth session, held at Geneva in February, 1925, it considered the results of the mission as set forth by M. Avenol, and examined the documents which had been obtained regarding the economic situation of the Esthonian Republic. It discussed what suggestions should be made to the Esthonian Government, more particularly with reference to the reform of the Central Bank.

At its thirty-third session, in March 1925, the Council noted with satisfaction the semi-official collaboration which had been established between the Esthonian Government and the Financial Committee, and authorised the publication of the Financial Committee's report (Document C. 240. 1925), which has been forwarded to all States Members of the League.

This report contains a survey of the first five years of the Esthonian Republic's history, a general description of the economic situation, and an examination of public finance, the monetary situation and credit policy. It recapitulates the measures which have been taken since the autumn of 1923 with a view to controlling the crisis.

The Committee observes that the present situation is not without signs of strength. Thus, by the end of 1924, Esthonia had for three years been able to maintain a budget equilibrium, and could see some possibility of reducing certain items of capital expenditure in 1925. The organisation of new agricultural estates and the export of dairy products were steadily growing; the exploitation of the shale deposits appeared to present interesting possibilities; and the harvest of 1924 was greatly superior to that of 1923. In the last quarter of 1924, for the first time in 18 months, the trade balance showed a surplus, amounting to over 583 million Esthonian marks. It was expected that the proposed Convention with Latvia would assist Esthonian industries to increase their markets very considerably.

In conclusion, the Financial Committee, in its letter of February 12th to the Esthonian Government (published after the Council session), offered recommendations on two special points:

- (1) The reorganisation of the Bank of Esthonia;
- (2) The foundation of a Mortgage Institute.

1. *Reorganisation of the Bank of Esthonia.*

The Financial Committee suggested that the Esthonian Government might perhaps consider amending the existing statutes of the Bank so as to make it completely independent of the State and to separate it entirely from the Ministry of Finance; this reorganisation might be made on the same principles as governed the foundation of the banks of issue of Austria, Hungary and Danzig. The services of experts acquainted with central banking might be secured.

Handing over the metallic reserve of the State to the Bank of Esthonia, transferring the note circulation to the Bank, and amalgamating the two circulations might perhaps all be considered. The Bank should examine drastically its holdings of bills. Advances and bills not recoverable within ten months should be transferred to another institution quite separate from the Bank.

2. *Foundation of a Mortgage Institute.*

The Government might also consider the question of founding a Mortgage Institute to take over all long-term loan operations; its endowment might consist of such of the Bank of Esthonia's claims and bills as are not recoverable within ten months.

The institute might be given, in the form of fixed or permanent annuities, the credits which the State at present devotes to its long-term loan operations, and these credits might be granted against mortgage bonds duly guaranteed.

The Financial Committee were of opinion that, with the conservative economic policy of the Government, with the foundation of an independent Central Bank, and with the constant determination to maintain a budget equilibrium, Esthonia might make steady progress in her economic policy.

7. DOUBLE TAXATION AND TAX EVASION.

1. RECAPITULATION OF PREVIOUS WORK.

In 1922, in pursuance of one of the resolutions adopted by the Brussels Financial Conference, the Financial Committee undertook the study of the problem of double taxation. It began by calling upon four economists, M. Bruins, M. Einaudi, M. Seligmann and Sir Josiah Stamp, to report on the question. Their report (Document F. 19) was forwarded to the States Members in 1923. At the suggestion of the Financial Committee, made with the approval of the Council, seven Governments appointed high officials in their financial departments to investigate, from the administrative and practical side, both the problem of double taxation and that of tax evasion, which had been brought to the notice of the League by the Genoa Conference. These seven technical experts held several meetings at Geneva and, at their session in February 1925, completed the drafting of their resolutions and report, which they then handed to the Financial Committee.

The Financial Committee will examine their work at its session in June 1925. It has meanwhile given permission for this work to be published and transmitted to all the Members of the League (Document F. 212).

2. ANALYSIS OF THE REPORT OF THE TECHNICAL EXPERTS.

Guided by the previous investigations of the International Chamber of Commerce, by the report drawn up in 1923 by M. Bruins, M. Einaudi, M. Seligmann and Sir Josiah Stamp, and by the treaties which various States have concluded with a view to the avoidance of double taxation, the Committee drew up resolutions indicating possible solutions of the problem, which they divided into the two following sections :

(1) *Impersonal or schedular taxes.* — The principle adopted is that only the State in which the source of income is situated is entitled to impose these taxes. This principle is applied in succession to various kinds of income : movable property, agricultural undertakings, industrial and commercial establishments, mortgages, directors' fees, earned income, transferable securities and various credits.

When an industrial or commercial establishment is carried on in several countries, the profits will be divided by agreement between the various States concerned. In the case, however, of shipping enterprises, the Committee is prepared to grant that the tax should be imposed only by the country in which the real centre of management and control of the undertaking is situated (this exception being made subject to reciprocity).

As regards interest on transferable securities, the State in which the payer is domiciled shall, as a rule, be entitled to levy the impersonal tax, but the Committee recommends the conclusion of agreements whereby, under certain conditions, reimbursement of or exemption from the tax would be allowed, or whereby the tax would be levied either wholly or in part by the State in which the owner is domiciled.

(2) *Personal (income) tax and succession duties.* — The principle adopted is that the general income tax should be imposed only by the State of domicile of the taxpayer.

Provision is made, however, for certain exceptions ; thus bilateral conventions may be concluded whenever, for certain reasons, a State other than the State of domicile finds it necessary to impose an income tax, in particular, on income derived from the immovable property of industrial, agricultural and commercial undertakings (excluding dividends on shares).

In this event, the Committee suggests two methods which it thinks may be of assistance in obviating double taxation :

(1) Deduction by the State of domicile of the taxpayer.

(2) Taxation of only a portion of the income in the country in which it arises, the other portion being taxed in the State of domicile of the taxpayer at the rate applicable to his total income from every source.

(3) The Committee applies the same rules to permanent taxes on the taxpayer's total wealth and to succession duties.

(4) The Committee has endeavoured to offer a definition of the State of domicile without, however, wishing to suggest to Governments any change in their own conceptions on the matter in their civil, administrative and fiscal laws. The fiscal domicile of individuals is defined as the normal residence in the sense of the permanent home (subject to special regulations governing taxpayers who have residences in, or make other than occasional visits to, different countries).

For the purposes of succession duties, the State of domicile is the State in which the deceased had, at the time of his death, chosen to take up his residence with the manifest intention of remaining there. In the case of companies or corporate bodies, the State which has the right to levy the tax is the State in which the head office is situated or the State in which the real centre of management and control of the undertaking is situated.

3. TAX EVASION.

The Committee distinguish two possible forms of evasion :

(1) *Evasion in the assessment of taxes.* — The taxpayer invests his capital or receives his income abroad without informing the Treasury in his own country of his financial position. The Committee is of opinion that the revenue authorities should undertake to supply the necessary information to other countries on a basis of reciprocity ; such information to be limited to any particulars which are in their possession and which they are in a position to obtain in the exercise of their ordinary fiscal procedure.

The most serious difficulty is connected with the inviolability of banking secrecy. This cannot be remedied unless public opinion in the country concerned is sufficiently advanced and unless the Government can see its way to adopt measures which will not outrage public opinion, but will fit in with the requirement of its tax-collecting system.

Another difficulty is that, if only two States conclude agreements, there is some danger of an exodus of their capital to another country which has not signed any convention. The Committee, therefore, considers that the question of tax evasion cannot be satisfactorily solved unless the majority of countries are grouped in an international arrangement and unless these arrangements are concluded simultaneously.

(2) *Evasion in the collection of taxes.* — This is the case of a taxpayer who, being legitimately taxed in his own country, makes collection impossible by living in another country.

The Committee suggest that the administrative and judicial authorities of the State might take action on behalf of another State with a view to recovering any fiscal duties which can be regarded as *res judicata*¹.

4. GENERAL CONCLUSIONS

(1) *Moral and material connection between the two problems.* — The experts' report contains the following passage dealing with this point :

“ Taxpayers alarmed by proposals for fiscal control do not understand that, before or during the forming of measures which may prove embarrassing to them, States do not come to some agreement in order suitably to define their respective jurisdictions as regards taxation and to avoid double taxation. On the other hand, if States, in concluding agreements to avoid double taxation, are driven to make sacrifices in the matter of the yield from taxation owing to the granting of exemption or relief, or a reduction of the rates of their taxes, they may properly endeavour to find compensation for what they thus surrender in measures against tax evasion. Essentially, however, the connection between the two problems is much more a moral than a material one ; the idea of justice in the production of taxes is the predominant consideration in all the investigations which the experts have adopted.

“ The proposed measures against tax evasion are in the interest of all honest taxpayers.

“ The Committee adds that by making good the loss suffered by any Treasury through the concealment of income, States can not only indemnify themselves for the sacrifices necessitated by the abolition of multiple taxation but can also reduce the rates of their taxes.”

(2) *Creation of an international organisation.* — The experts are of opinion that it might be possible to consider the formation of an international organisation which would undertake the duties of conciliation or arbitration on disputed points in international conventions on these questions.

(3) The experts feel that it would be highly desirable to hold another conference of technical experts, the composition (number of States represented) and the terms of reference of which would be enlarged. This Conference should be instructed to ascertain whether it would be possible, on the basis of the present resolutions, to prepare preliminary draft conventions and to draw up a programme for an international conference.

C. Publications of the Economic and Financial Organisation.

(1) In accordance with the instructions contained in the resolutions of the third Assembly, the Economic and Financial Organisation prepared during 1923 a memorandum on the Balance of Payments and Foreign Trade Balances. In the second edition of this memorandum, greater uniformity in the statements showing the invisible balance of payments of the different States has been attained, the synoptic trade tables have been brought up to the end of 1924 and the special chapters in Volume II have been extended to include different States.

(2) In accordance with the general instructions laid down by the Brussels Financial Conference and the recommendations made by the Economic and Financial Commission and subsequently approved by the Council and Assembly of the League of Nations, the Secretariat has this year published, or has in the course of publication, the following documents :

- (a) Memorandum on Currency and Central Banks.
- (b) Memorandum on Public Finance.
- (c) Monthly Bulletin of Statistics.

(a) *Memorandum on Currency and Central Banks.*

Owing to the close connection between the subjects dealt with in the previous memoranda on Currency and Central Banks, it has been thought preferable to combine them into a single document. The first volume contains an introduction summarising the most important developments in currency and banking during the year 1924 and synoptic tables with reference to note circulation, gold reserves, rates of exchange, deposits in commercial banks, wholesale prices, etc. The second volume contains an analysis of the balance-sheets of the central banks in all countries in which such institutions are operating, together with notes recording the most important recent monetary and banking changes.

(b) *Memorandum on Public Finance.*

It is hoped in the memorandum on Public Finance, which will be published during the coming autumn, to review a greater number of countries than in the previous volumes and that it will be possible to give detailed notes on the subject of the balancing of the budget accounts, changes in the fiscal systems and the development of expenditure (especially capital expenditure) in the various States.

¹ Treaties establishing a procedure of this nature have recently been concluded in Central Europe.

(c) *Monthly Bulletin of Statistics.*

This publication consists of a compilation of published current statistical data from which it is possible to appreciate the general trend of economic movements throughout the world. In special introductions, the manner in which certain classes of the statistics published have been compiled in the various States, their scope and object are explained. The *Bulletin* has been expanded since the last Assembly by the insertion of a considerable number of new series of statistics on the special request of Member States which were anxious to contribute or increase their contributions thereto. At the same time the sales of this *Bulletin* have continued steadily to increase.

(3) The Economic and Financial Organisation is preparing the special sections on budgetary expenditure on armaments and commercial statistics for the Military Year-Book (second year), which will be published in the course of the autumn.

II. ORGANISATION FOR COMMUNICATIONS AND TRANSIT¹.

The Organisation for Communications and Transit has, in the period between the last Assembly and the month of May 1925, carried on its work according to the methods already explained at the last Assembly.

The examination of some of the questions which have been dealt with during the preceding years has been completed. A certain number of new questions have arisen, and their examination has only just been undertaken. Speaking generally, the Organisation for Communications and Transit has, up to the present, been satisfied with the method of decentralisation and technical specialisation adopted since the last general Conference.

The appointment of Sub-Committees and Technical Committees, composed partly of members of the Advisory and Technical Committee for Communications and Transit, specialists in certain subjects, and partly of experts appointed for special questions, have made it possible to examine expeditiously the various problems which are summarised below, problems which are widely different in character and require very varied qualifications. The full Committee has proved, on the other hand, an instrument particularly appropriate to deal with the reports on the work of the various Sub-Committees, to co-ordinate them when necessary and to give each Committee or Sub-Committee the necessary instructions. The advisory and Technical Committee held a plenary session in November 1924 for this purpose.

(1) INLAND NAVIGATION.

(a) *Tonnage measurement in inland navigation.*

The work already undertaken for the unification of tonnage measurement in inland navigation has resulted, through the efforts of a special Committee and the Sub-Committee on Inland Navigation in a draft European Convention drawn up with a view to enabling the European States concerned in international inland navigation to recognise reciprocally the tonnage certificates.

The last reports submitted to the Assembly by the Advisory and Technical Committee have already pointed out several times the value of an international agreement between European States which would permit, by means of a certain unification of the methods of tonnage measurement, of the reciprocal recognition by contracting States, of certificates of tonnage measurement. Such a measure would result in a decrease in the expenses and formalities at the frontiers and, in a general way, during international transport by inland navigation. Such transport is destined to increase progressively. The unification of tonnage measurement, and the reciprocal recognition of the tonnage certificate has already been realised since 1898 in Western Europe by a Convention concluded between Belgium, France, Germany and the Netherlands. In regard to navigation on the Elbe, an agreement also exists between the riparian States, but, up to the present, nothing had been done in this respect which would apply, in particular, to the navigation on the Danube or in Eastern Europe. Further, no effort had been made to arrive at a system to include all communication by inland navigation in Europe.

As has been several times pointed out in the reports of the Advisory and Technical Committee, such an effort is particularly necessary at the present time in view of the early completion of the great junction canals between the various river systems, such as the great canal connecting the Rhine with the Danube which is at present under construction and would be navigable for boats of 1,200 tons.

It is obvious that such questions of inland navigation must necessarily be dealt with by continents, but the method of study adopted for Europe may later be applied also to other continents, as necessity may arise.

A regional conference is in contemplation for the autumn of 1925 in order to conclude this Convention. It is permissible to prophesy already the success of this conference. Members of the Committee, or experts representative of the following countries, took part in the debates either of the Committee of Experts, presided over by M. Bouckaert, Director-General at the Belgian Ministry of Public Works, or of the Sub-Committee on Inland Navigation, presided over by M. Silvain Dreyfus, Inspector-General of Bridges and Roads, President of Section in the General Council dealing with the roads and bridges of France : Belgium, France, Great

¹ This section of the report is the report of the Advisory and Technical Committee for Communications and Transit on the work of the Organisation for Communications and Transit, between the fifth and sixth Assemblies.

Britain, Germany, Lithuania, Poland, Roumania, the Kingdom of the Serbs, Croats and Slovenes and the Union of the Socialist Soviet Republics. All these representatives were in favour of the draft.

(b) *Unification of Private Law, in Inland Navigation.*

The examination of the question of the unification of private law in inland navigation, either as between all European countries or between certain groups of countries utilising the same river system, is to be commenced according to the same method previously applied to the unification of tonnage measurement.

(c) *Unification of Inland Navigation Statistics.*

This question is still in a preliminary state of enquiry.

(d) *Health Supervision of Navigable Waterways.*

The Communications and Transit Organisation has collaborated with the Health Committee in the preparation of a draft of a model Convention for the health supervision of navigable waterways. The text adopted, which took into account both the requirements of health supervision and the requirements of the traffic, has been submitted to the Office international d'hygiène publique at Paris.

(e) *General Position of Inland Navigation in Europe: Application of the Resolutions of the Genoa Conference.*

It is impossible to give, in the present report, the results of the study on the general situation of inland navigation in Europe undertaken in accordance with the resolutions of the Genoa Conference. The method which has previously been employed in the case of railways has this year been applied to questions of inland navigation. A general questionnaire has been sent to all European countries. In regard to two river systems of particular importance—the Rhine and the Danube—a special mission was given to Mr. Walker Hines, former Director-General of Transport in the United States and former arbitrator appointed by the President of the United States of America for the allocation of river tonnage in accordance with the Peace Treaties. Mr. Hines, assisted by Major Somervell, has commenced an exhaustive enquiry. The closest collaboration of all the States concerned has been obtained. Mr. Hines will present his report to the next plenary session of the Advisory and Technical Committee, which it is proposed to hold in July 1925. The Assembly will therefore be informed of the results of an enquiry undertaken to elucidate a question the solution of which is of great importance for the technical development of Central and Eastern Europe.

(2) MARITIME NAVIGATION.

It was reported to the last Assembly that the Sub-Committee on Ports and Maritime Navigation, which was examining all the questions relating to safety at sea, had selected a certain number of technical problems the preliminary study of which should be immediately undertaken, that is to say: organisation of life-saving, radio-telegraphic questions concerning safety, the unification of buoyage and lighting of coasts. The question of the organisation of life-saving is still in a preliminary stage of enquiry and is being carried out in collaboration with the Royal Lifeboat Association; the radio-telegraphic questions will be examined later, and in regard to the question of buoyage and lighting of coasts, a special committee has been created which held its first session in December 1924 and which has already been able to examine a certain number of proposals for unification. The work of this Committee will henceforward be conducted in close collaboration with the International Hydrographic Bureau at Monaco. It already seems possible to contemplate the convening of an international conference for the end of 1926 with a view to realising, either universally or as between the greatest possible number of States, the unification of buoyage and lighting of coasts. This unification has been sought for a long time by means of various international congresses, and it would seem that there was now more chance of this question being successfully settled.

(3) RAILWAY TRANSPORT.

Generally speaking, the Sub-Committee on Transport by Rail has attempted to facilitate the application of the principles of the General Convention on the International Regime of Railways by effecting a series of practical improvements.

(a) *General Nomenclature for Goods.*

In order to facilitate all agreements between railway administrations as regards international traffic, the Sub-Committee has continued, in relation with the International Union of Railway Administrations, its efforts to draw up a general common nomenclature for goods.

(b) *The Present Conditions of Transport by Rail in comparison with the Pre-War Period.*

The Sub-Committee is now engaged on an enquiry on the present situation as regards rail transport in Europe in respect both of the tariffs and the delays in transport, with a view to comparing it as far as possible with that existing before the war. This enquiry is being carried out, particularly from the point of view of the users of the railways, in collaboration with the International Chamber of Commerce. The proposals which will be made when the results of the enquiry are known will be communicated later.

The Sub-Committee also dealt with the question of the improvement of rail communications between Geneva and the principal capitals of Europe. It has, in this respect, been represented by its Vice-Chairman at the European Conference on Time-tables. It has been possible to obtain a certain number of improvements. Having had before it the resolutions adopted by the Assembly in regard to the special privileges to be granted to the various categories of travellers, the Sub-Committee adopted the following resolution :

“The Sub-Committee has taken cognisance of the various resolutions adopted by the Assembly with regard to privileges to be granted to various categories of passengers. It recommends that the railway administrations concerned should find a method of meeting, as far as possible, the wishes expressed by the Assembly. The Sub-Committee desires, however, to draw the attention of the competent organisations of the League to the present financial difficulties attending the operation of railways, and to the fact that such operation is obliged to be carried out more and more on a strictly commercial basis. It would also call attention to the fact that the grant of such privileges would involve increased expenditure to be borne indirectly either by the other users of the railways or by the shareholders of the railway companies, or by the budgets of the States.”

(4) RADIO-TELEGRAPHIC QUESTIONS.

The Council and the Assembly have frequently insisted on the necessity of making every effort to facilitate the meeting of an international conference to deal with radio-telegraphic regulations. The Convention in force dates from 1912 and does not correspond in any way with the present technical and commercial development. The Special Committee of Enquiry on Telegraphic Questions during the last two years has tried all means to arrange for the convening of this Conference. It was at first especially desirous of calling a conference on both telegraphic and radio-telegraphic matters. The failure of this attempt resulted in the meeting fixed for September next in Paris of the ordinary Conference of the Telegraphic Union. It is now to be expected that a special radio-telegraphic conference will probably be held at Washington, on the invitation of the Government of the United States of America, with a view to the revision of the Convention of 1912. The Committee has considered that its present task was to facilitate the co-ordination of the work of the two Conferences and to help, more particularly, towards the success of the radio-telegraphic conference at Washington. In this connection it has, after a discussion, transmitted the following proposals to the Administrations Members of the Telegraphic Union or the Radio-telegraphic Union, as well as to the Telegraphic Conference at Paris :

(1) “That the Radio-Telegraphic Conference of Washington, the programme of which will doubtless extend beyond the questions dealt with in the London Arrangement of 1912, should be summoned for 1927 ;

(2) “That the programme of this Conference should be communicated to the administrations not later than the beginning of 1926, account being taken of the results of the Telegraphic Conference at Paris ;

(3) “That a preliminary Radio-telegraphic Conference of European States should be held during 1926. The main object of this Conference would be to assist in preparing the work of the Washington Conference. It might also, if necessary, examine all the questions which were not included in the agenda of the Washington Conference or which might be considered suitable for agreements between European States, such as questions of wireless telephony. The Conference might be summoned on the initiative of the Communications and Transit Organisation in agreement with the administrations concerned and in accordance with the procedure laid down in the resolution adopted by the Conference for the re-establishment of postal, telegraph and telephone services held in Paris in July 1920. A similar procedure might, in the opinion of the Committee, be contemplated by non-European States.”

The Committee, in informing the President of the International Telegraphic Conference of its point of view, stated that it was ready to give to the Conference in Paris any supplementary information that might be required.

Further, the Committee had received a communication forwarding the opinion expressed by the International Federation of Wireless Operators that the excessive communication by wireless of Press news to the large passenger-ships might be such as to interfere in certain cases with the reception of distress signals. The Committee has decided to draw the attention of the Administrations Members of the International Radio-telegraphic Union to this question.

Further, the Committee has decided, in view of the meeting of the Conference for the revision of the Radio-telegraphic Convention of 1912, to draw the attention of the Administrations of the States Members of the Radio-telegraphic Union to the resolution adopted in July 1924 by the Sub-Committee on Ports and Maritime Navigation, expressing the opinion that the framing of international regulations in respect of radio-telegraphic communications relating to safety at sea and the protection of shipping would appear to be a matter of urgency and one which, from the technical point of view, can be completed at a comparatively early date. The Sub-Committee was also of the opinion that any conference to consider this question should be organised in such a way as to take into account not only the technical point of view but also the effects which the settlement of this question will have on international maritime trade.

(5) ROAD TRAFFIC.

The Special Committee on Road Traffic has drawn up a draft International Convention which constitutes a revision of the existing Convention of 1909 and is intended to serve as a basis for the discussions of an International Conference of the States which were parties to the Convention of 1909. The object of the new text is naturally to decrease formalities which are likely to interfere with automobile traffic. This traffic has developed in the last few years to such an extent that it has taken a more and more important place in international communications. The general lines of the draft Convention drawn up by the Committee on Road Traffic are such that it would seem likely that they might fairly readily receive the approval and sanction of the Conference which will probably be summoned this year at Paris by the French Government.

The Committee on Road Traffic is also attempting, by work on a more protracted scale, to prepare, to as large an extent as possible, the unification of the traffic regulations in force in the various countries. The diversity and the complexity of these regulations constitute not only an impediment but often a danger. The work of the Committee is being carried on in collaboration with the automobile clubs, as well as with the representatives of the transport employees concerned.

(6) REFORM OF THE CALENDAR.

The conclusions which the Committee adopted in May have been included in the Supplementary Report submitted to the fifth Assembly¹. The Committee then expressed its opinion that certain religious communities which had not yet been able to explain their views should be given an opportunity to do so. Further, the Advisory and Technical Committee had taken cognisance of the various requests of the religious communities to be represented on the Committee of Enquiry. The Advisory and Technical Committee decided to transmit these requests to the Committee for its opinion.

The Committee of Enquiry met on February 16th, 1925, at Geneva. After examining the new replies to the questionnaire which had been addressed to Governments and to religious communities, as well as to international organisations, it decided to enlarge the scope of its enquiry in order to ascertain whether the need of reforming the calendar was universally felt.

The Committee noted that most of the Governments received favourably the proposal to fix the date of Easter and that the great majority of religious communities raised no objections of principle against the realisation of this proposal. The Committee decided to undertake a supplementary enquiry dealing more especially with the question of the fixing of the date of Easter.

The Committee heard the representatives of several important Jewish communities who unanimously declared themselves against a break in the continuity of the week, which would render more difficult the observance of the Jewish Sabbath. The Committee also heard Dr. Keller, representing a large number of Protestant Churches. Dr. Keller raised no objections of principle to the fixing of Easter.

The Committee estimates that it will be in a position, at the end of this year or at the beginning of next year, to present a general report on this question which interests a large number of circles.

(7) DISPUTES BETWEEN STATES OR SIMILAR QUESTIONS.

(a) *Iron-Gates Loan.*

The Legal Committee, during its session held in September 1924, was invited to give a legal opinion regarding the point raised by the International Danube Commission, namely: whether the dues provided for in Article XXXIII of the Danube Statute could be applied to the service of the 3 per Cent Iron-Gates Gold Loan.

The Legal Committee replied in the affirmative, and this reply was accepted unanimously by the Danube Commission. A sum of 300,000 Swiss francs will probably be available for the service of the loan.

¹ See *Official Journal*, Special Supplement No. 23, pages 351 and 352.

(b) *Disputes regarding the Application of the Articles of the Peace Treaty relating to the Oder.*

The British Government, on August 24th, 1924, referred to the Advisory and Technical Committee a dispute concerning the application of the articles of the Treaty of Versailles concerning the Oder. The point at issue was whether the navigable tributaries or sections of these tributaries of the Oder situated in Polish territory should be under the jurisdiction of the International Commission provided for under Article 341 of the Treaty of Versailles and submitted to international regime.

At the request of the Legal Committee and the Sub-Committee for Inland Navigation, the Chairman of the Advisory and Technical Committee appointed a Commission of Enquiry. The conclusions of this Commission were submitted to a joint meeting of the Sub-Committee for Inland Navigation and the Legal Committee. A draft formula of conciliation was framed by this joint meeting and submitted to the Plenary Committee.

The Advisory and Technical Committee heard the representatives of the riparian States of the Oder basin and adopted the following resolution :

“ Whereas, by virtue of the resolution adopted by the first Assembly on December 9th, 1920, the Committee is entrusted with the investigation of any disputes which may be referred to the League under Articles 336, 376 and 386 of the Treaty of Versailles, and corresponding articles in the other Treaties of Peace, and will endeavour to adjust such disputes whenever possible by conciliation between the parties ;

“ Whereas the duties entrusted to the Committee in connection with disputes provided for in Conventions adopted by General Conferences on Communications and Transit are equally duties of conciliation and friendly settlement ;

“ Whereas the Committee is not called upon to give judgment but to endeavour to bring about the friendly adjustment of the disputes submitted to it, it being open to the parties to submit such disputes for legal settlement to the Permanent Court of International Justice ;

“ Whereas, in order to arrive at a settlement by conciliation, the Committee must necessarily feel fully entitled to submit to the parties any solution tending to a final settlement of the disputes,

“ And after having taken cognisance of the report of the Commission of Enquiry appointed to collect all legal and technical information likely to help in the settlement of the dispute and composed of M. J. Hostie, President, General H. O. Mance and Professor L. Babinski ;

“ With a view to the adjustment of the dispute by conciliation, expresses the following opinion, which appears to it to take into account, as far as possible, the various legal and technical views expressed both by the Commission of Enquiry and in the course of its own proceedings, as well as the general interests of navigation :

“ (1) The jurisdiction of the International Oder Commission should extend up-stream on the Warthe (Warta) to and above Posen (Poznan), and up-stream on the Netze (Notec) as far as Usch (Ujscie) ;

“ (2) From the point on the Netze (Notec) where the jurisdiction of the International Oder Commission would cease as far as its confluence with the Vistula through the Bromberg (Bydgoszcz) Canal, the waterway should be subject to the provisions of the General Convention of Barcelona on the Regime of Navigable Waterways of International Concern.

“ It is understood that these dispositions should be regarded as finally disposing *de facto*, apart from any question as to the interpretation of the Treaty, of the difficulties which have arisen with regard to the regime of the Oder system and that they would not involve any consequences or in any way constitute a precedent or in any other way affect the application of similar articles in the Treaties relating to other waterways. ”

No information will be available until the next meeting of the Oder Commission regarding the action taken by the interested States as a result of the above opinion.

(c) *Jurisdiction of the European Commission of the Danube.*

The British Government, in its letter of September 6th, 1924, submitted to the League of Nations, in virtue of Article 376 of the Treaty of Versailles, a dispute relating to the jurisdiction of the European Commission of the Danube, which had arisen between Great Britain, France and Italy on the one hand and Roumania on the other.

In conformity with the decision taken by the Committee for Communications and Transit during its session of November 1924, the bureau of the Committee appointed a Committee of Enquiry. This Committee was composed of Professor Burckhardt, Chairman, M. Hostie and M. Kröller, and met for the first time in February 1925 at Geneva. It heard M. Comnène, M. Contzesco and M. Popesco, who explained the point of view of the Roumanian Government.

The Committee, during its second session in March 1925, heard statements from the British, French, Italian and Roumanian representatives. It then decided to proceed to Galatz in May in order to make further enquiries on the spot and to complete the evidence.

III. THE HEALTH ORGANISATION¹.

The Health Organisation has, in accordance with the resolution adopted by the fifth Assembly on September 20th, 1924, further defined the details of its procedure in its relations with the Permanent Committee of the Office international d'hygiène publique at Paris. It has continued to assist in the preparation of international conventions and to collaborate closely with the other technical organisations of the League. It has undertaken further enquiries, at the invitation of certain Governments and organisations, and has made considerable progress with the technical and scientific work on which it has been engaged during the last three years. The services organised with the assistance of the grant from the Rockefeller Foundation have been further developed and important results achieved.

A. PROCEDURE OF THE HEALTH COMMITTEE IN RELATION TO THE PERMANENT COMMITTEE OF THE OFFICE INTERNATIONAL D'HYGIENE PUBLIQUE.

The fifth Assembly on September 20th, 1924, adopted the following resolution :

“ The Assembly asks the Council to suggest to the Health Committee the desirability of communicating to the Permanent Committee of the Paris Office international d'hygiène publique the report setting out the questions with which the Health Committee proposes to deal (which is referred to in Article IV of the Regulations for the Health Committee) at such a date as to permit the Permanent Committee to make, before the next Assembly, any observations to the Health Committee which appear to it desirable. ”

The Council of the League on September 27th, 1924, asked the Health Committee carefully to consider this recommendation, and to submit a report on the subject with the least possible delay.

The Health Committee dealt with this question during its third session held at Geneva from September 29th to October 4th, 1924, and drafted a report which was considered by the Council on December 8th, 1924. The Council decided to ask the Secretary-General to insert this report in the annual report of the Council to the Assembly.

The report was as follows :

“ The Health Committee has given careful attention during its present session to the recommendation adopted by the Assembly, in which the suggestion is made that it would be desirable for the Health Committee to communicate to the Permanent Committee of the Office international d'hygiène publique the annual report setting out the questions with which the former body proposes to deal, at such a date as to permit the Permanent Committee of the Office to make, before the next Assembly, any observations to the Health Committee which appear to it desirable.

“ It seems to us that the end which this recommendation is intended to secure will be easily attained as a result of the close and continuous relations which have been established between the Health Committee and the Health Section of the Secretariat, on the one hand, and the Office international d'hygiène publique, on the other.

“ It should not be forgotten that the close collaboration between the two Committees is the result less of the administrative communication of documents than of the actual composition of the Health Committee.

“ As a result of the agreement which was drafted by a Mixed Commission of delegates from the two bodies, and ratified by the Assembly on September 15th, 1923, the Health Committee comprises, in addition to the President of the Permanent Committee of the Office, nine members chosen by that body, of whom, as a matter of fact, eight are actually members of the Permanent Committee of the Office international. Under the terms of the Rules of Procedure of the Health Committee, the President of the Permanent Committee of the Office is *ex officio* a Vice-President of the Health Committee. Finally, the Council of the League of Nations, which has the right to nominate six members of the Health Committee and four assessors, has selected amongst the members thus chosen several who are also members of the Permanent Committee of the Office international.

“ This will indicate how close are the relations between these two bodies. Collaboration is, moreover, made easier by the fact that the meetings of the two Committees are, as a matter of course, fixed as a result of agreement between the Presidents of the two Committees, and it may be anticipated that, unless unforeseen circumstances intervene, the meetings of the Health Committee will precede those of the Permanent Committee of the Office international.

¹ The decisions taken by the Council as a result of the resolutions and recommendations adopted by the Health Committee during its fourth session, held in April 1925, will be referred to in the Supplementary Report to the Assembly to be issued at the opening of the Assembly.

The Supplementary Report will also contain an account of the decisions taken by the International Conference on Sleeping-Sickness, held in London from May 18th to 23rd, 1925.

“ As it is in the interests of the two bodies to ensure ever-closer collaboration and to avoid duplication of work, the Permanent Committee of the Office will have before it, at its April session, an indication of the intentions of the Health Committee with regard to the programme of work it intends to carry out.

“ An understanding could also be reached to the effect that the resolutions taken by the Health Committee at each of its sessions will immediately be brought to the notice of the Permanent Committee of the Office. Thus it will be possible for the latter body to draw up, without delay, if circumstances seem to require it, its observations with regard to the opportuneness and interest presented by the studies which the Health Committee proposes to undertake.

“ It goes without saying that, if new questions should arise between the April and the October session, and more especially if subjects for investigation are proposed by members of the Assembly, there would be no justification for putting them aside owing to the fact that the Permanent Committee of the Office had not been able to present its observations on those particular questions. Not only would this result in a regrettable delay of a year in the examination of these questions, but this line of argument as regards procedure would be opposed to the rights of the Committee and those of the Assembly. The agreement concluded with the Office international by the League of Nations recognises, as a matter of fact, the Health Committee's express power of examining, without previous consultation with the Permanent Committee of the Office, any public health question concerning the League of Nations which may be submitted to it or initiated by the Health Committee itself (Section II of the Agreement ratified by the Assembly on September 15th, 1923).

“ Moreover, important considerations may be urged in support of the transmission of the annual report of the Health Committee to the Permanent Committee of the Office at its ordinary session in October, since it is only then that the budget of the Health Organisation has been fixed by the Assembly and that it is possible to decide definitely as to what will be the questions with which the Health Organisation will deal in the course of the following year.

“ In view of the fact that the annual reports will set out the questions which it is proposed to study and will indicate, subsequently, the progress or conclusion of the work undertaken, all the members of the Permanent Committee of the Office will have the opportunity, both frequently and as a matter of course, of making any observations which may seem to them desirable, and more especially, before any decision has been taken, of giving expression to their views as to the best methods that may be followed. Thus, satisfaction is given to the wish which seems to have moved the proposers of the original recommendation submitted to the Second Committee.

“ In conclusion, it may be said that, whilst reserving the right of the Health Committee to examine all public health questions concerning the League of Nations which may be submitted to it or which the Committee itself may initiate, satisfaction will, as a matter of fact, be given to the Assembly's recommendation without it being necessary to change the date of transmission of the annual report which is to be forwarded by the Health Committee of the League of Nations to the Permanent Committee of the Office international d'hygiène publique.”

The Health Committee, during its fourth session, decided that, in addition to the annual report prepared by the Medical Director for the Assembly, to be submitted to the Bureau of the Committee for approval, an annual report should be published, distributed, and placed on sale as soon as practicable at the beginning of each year, giving a comprehensive account of its activities and relating to the year ending December 31st.

B. WORK IN CONNECTION WITH INTERNATIONAL CONVENTIONS.

1. *Revision of the International Convention of 1912.*

The control of the principal epidemic diseases is regulated by a series of international sanitary conventions, the chief of which, namely, the Paris Convention of 1912, has been revised by the Permanent Committee of the Office international d'hygiène publique, with the assistance, for certain sections of the draft, of the Health Committee. This draft will be considered by an international sanitary conference which the French Government proposes to convene either in October 1925 or in April 1926.

The Council, in approving the work of the third session of the Health Committee in December, expressed the hope that this Conference might result in a general co-ordination of the various international obligations in public health matters. The agreements which have been concluded with the assistance of the Technical Organisations of the League, and the studies they have undertaken in this matter, will have a considerable place in this work of co-ordination. For these reasons the Council offered to the French Government the assistance of the Technical Organisations and of the Health Section of the Secretariat. This offer of assistance referred to such preparatory work as might be considered necessary, as well as to the work of the Conference itself.

The Health Committee, during its fourth session in April, noted that the French Government had issued invitations to the Conference, and that certain Governments had communicated copies of their replies to the Secretariat of the League. These Governments suggested

that a small Preparatory Committee should be appointed, representing the Office international at Paris and the Health Organisation at Geneva, for the purpose of collecting for submission to the Conference the various conventions, agreements and statutes negotiated or undertaken, in addition to the draft modifications of the 1912 Convention adopted by the Permanent Committee of the Office international.

The necessity for the general co-ordination recommended by the Council was illustrated by very important decisions reached at a Pan-American Sanitary Conference held at Havana in November, 1924. This Conference adopted *ad referendum* a Pan-American Sanitary Code, which has since been ratified by the Governments of certain important American States. The Secretariat, on the invitation of the Chairman of the Conference, was represented by Dr. Norman White.

2. Model Convention on the "libre pratique" for ships.

The Health Committee, in May 1924, entrusted to a special Commission the task of studying the practical measures necessary to facilitate the conclusion by Governments of agreements with the object of avoiding a needless repetition of sanitary measures applied to ships under the International Sanitary Convention of 1912¹. This study was made at the request of the Netherlands Government.

The Dutch Public Health Service subsequently negotiated with the Belgian Health Service an agreement of this character designed to render sanitary measures relating to navigation more effective and less burdensome to commerce. This agreement was communicated to the Health Committee by its Belgian and Dutch members.

The Health Committee expressed the view that the conclusion of such agreements might be recommended to other maritime countries, and considered that it would be opportune to add to such agreements a clause providing for recourse to an international health organisation for conciliation in the event of differences arising in the interpretation of those agreements.

C. COLLABORATION WITH OTHER TECHNICAL ORGANISATIONS OF THE LEAGUE.

1. Advisory Committee on Traffic in Opium and other Dangerous Drugs: Problem of the Legitimate Requirements of Drugs.

At the request of the Advisory Committee on the Traffic in Opium and of the Preparatory Committee for the International Opium Conferences, held in 1924-1925, the Health Committee requested its Opium Commission to undertake a supplementary investigation, in order to substantiate the figures which the Health Committee had approved in 1924, as representing the maximum legitimate consumption of the drugs under consideration.

This supplementary enquiry completely justified the previous results, establishing that the quantity of 450 milligrammes of raw opium and 7 milligrammes of cocaine per head of the population per annum represented the maximum legitimate needs in substances of this nature for countries with a well-developed system of medical assistance.

The Health Committee, in approving the report of its Opium Commission, proposed to invite the medical profession in the various countries to consider whether the therapeutic value of heroin was sufficiently great to compensate for the public dangers arising out of its abuse.

The Committee further considered that it would be desirable to examine whether preparations containing less than 0.2 per cent of morphine and less than 0.1 per cent of heroin and cocaine should not be equally subject to control under the Hague Opium Convention.

The Opium Conference of 1924-25 accepted as a basis for discussion the recommendation of the Health Committee that 450 milligrammes of raw opium and 7 milligrammes of cocaine per head of the population per year in countries with a well-developed system of medical assistance represented the maximum needs for all legitimate purposes.

Article 8 of the Opium Convention adopted by the Second Opium Conference and signed at Geneva on February 19th, 1925, provides that the Health Committee, after submitting the question to the Permanent Committee of the Office international d'hygiène publique for advice and report, shall communicate to the Council the names of preparations included in the Convention, which cannot give rise to the drug habit on account of the medicaments with which such drugs are compounded and which, in practice, preclude the recovery of the said drugs, in order that the Council may communicate the finding to the Contracting Parties, whereupon the provisions of the Convention will no longer apply to such preparations.

Article 10 of the same Convention provides for a similar procedure in the case of preparations to which the provisions of the Convention do not apply and which, in the opinion of the Health Committee, after consultation with the Office international d'hygiène publique, should be brought within its scope.

The Council, during its March session, invited the Health Committee to consider immediately whether it would be expedient to consult the Permanent Committee of the Office international, so that a first decision and a first recommendation might be made regarding the questions set out above.

The Health Committee reported to the Council that it proposed to ask the Permanent Committee of the Office international d'hygiène publique, in conformity with the procedure

¹ See General Report to the fifth Assembly on the work of the Council, *Official Journal*, Special Supplement No. 23, page 306.

to be found in Article 10 of the Opium Convention of 1925, to give its opinion regarding the desirability of adding to the preparations dealt with by the Convention two new medical preparations derived from morphine and codein — eukodal and dicodide — which would appear to be of a habit-forming nature.

It further recommended that Governments be asked to furnish a list of preparations containing narcotics to which, in their opinion, in conformity with Article 8 of the Convention, the provisions of the Convention should not be applicable, their composition precluding the recovery of the narcotics for consumption as such. Having obtained this information, the Health Committee will communicate it to the Permanent Committee of the Office international d'hygiène publique for advice and report, in conformity with the procedure laid down in Article 8 of the Convention.

Finally, it recommended that the Permanent Committee of the Office international d'hygiène publique should be asked by the Secretary-General to make forthwith all necessary arrangements to carry out such investigations as may be necessary, to enable it to give the advice for which it may be asked.

2. *Advisory and Technical Committee for Communications and Transit : Sanitary Regulations on Waterways.*

The Health Committee, during its third session in October 1924, unanimously approved the conclusions of its Waterways Commission in regard to the model Convention referred back to the Commission for consideration in February 1924.

On the recommendation of the Health Committee, the model Convention drawn up by the Commission was referred to the Permanent Committee of the Office international d'hygiène publique, which was requested to examine it with a view to its transmission to the Governments. The Office international was informed that this Convention was the result of collaboration between the Health Committee and the Advisory and Technical Committee for Communications and Transit. Any modifications that appeared desirable should, therefore, be referred back for discussion to both these organisations.

The Health Committee, at the same time, declared that it was willing to place itself at the disposal of any Governments which might wish to proceed to the conclusion of special agreements based on the model Convention, should these Governments consider that technical investigations were still necessary in order to adapt the model Convention to their special needs.

3. *Advisory Committee for the Protection of Children.*

The fifth Assembly passed a series of resolutions on the protection of children.

It was noted in the fourth and fifth of these resolutions that the protection of children in certain respects fell within the scope of the work of the Health Organisation of the League, and the Health Organisation was accordingly invited to consider any health measures within its competence which it would be desirable to undertake for the protection of children.

The Health Committee, during its third session held in October 1924, passed the following resolution :

“ The Health Committee,

“ Having noted the resolutions adopted by the Assembly with regard to the protection of children, and more especially numbers 4 and 5 of these resolutions :

“ Considers it to be its duty to point out to the Council that health matters occupy a prominent, or even essential, place in most of these questions, in which the Health Committee cannot but be interested ;

“ And expresses the hope that, in order to avoid overlapping, the Health Organisation should be represented on the Advisory Committee which will be reconstituted in accordance with the Assembly resolution, the form and extent of such representation being fixed by the Council. ”

The Council, during its session in October 1924, endorsed the opinion of the Health Committee that the Health Organisation should be represented on the Advisory Committee for the Protection of Children, and decided to ask the Health Committee to nominate one of its members to act as an assessor on the Advisory Committee.

Accordingly, the Health Committee, during its fourth session in April 1925, decided to appoint Professor Léon Bernard as its representative on this Committee. He has been asked to secure the necessary liaison between the activities of the Advisory Committee and the Health Committee, which is essential to the interests of both bodies.

4. *International Labour Office : Enquiry into Anthrax Infection.*

The Health Committee, during its third session in October 1924, unanimously approved the following conclusions of the Mixed Committee appointed to enquire into methods of disinfection against anthrax ¹ :

1. The members of the Mixed Committee will collect information in their respective countries concerning the existence and, where possible, the value of toxic gases as potential disinfectants against anthrax spores.

¹ See general report to the fifth Assembly on the work of the Council, *Official Journal*, Special Supplement No. 23, page 307.

2. M. Ottolenghi for Italy, M. Nocht for Germany, and Mr. Collis for Great Britain will direct investigations into the comparative value of the methods of disinfection based respectively on washing soda and on hydrochloric acid. Mr. Collis will also collect supplementary information concerning raw materials treated in his country by the Seymour-Jones process.

3. It is now possible to proceed to the formation of National Committees in the following countries : Germany, Belgium, France, Great Britain, Italy, and perhaps the United States and Switzerland. For this purpose, it will be the duty of the International Labour Office to get into touch with the organisations concerned, with a view to ensuring their collaboration with the Mixed Committee. The work of the National Committees will be to carry out such experiments as will demonstrate the technical and economic value of the methods under consideration.

D. TECHNICAL AND SCIENTIFIC WORK.

(1.) *Serological and Biological Work.*

Further reports were presented at the third and fourth sessions of the Health Committee by Dr. Madsen, President of the Committee, in regard to the progress achieved in serological and biological research.

Dr. Madsen informed the Committee in October 1924 that final agreement had already been reached regarding anti-diphtheritic serum, and expressed the hope that before the end of the year a similar agreement would be reached regarding anti-tetanic serum. The work on anti-pneumococcic sera and anti-meningococcic sera was still progressing. He hoped that in 1925 the comparative researches that are being carried out with regard to the sero-diagnosis of syphilis would be concluded.

He was able to report that very considerable progress had been made by the Conference of specialists, which had examined the problem of the standardisation of anti-dysenteric serum at Geneva from September 24th to 27th, 1924. The difficulties in the way of adopting a standard serum had been overcome, and there was now nothing to prevent the employment of an international unit, the determination of which had been entrusted to the Danish State Serum Institute.

Dr. Madsen presented a further report to the Health Committee in April 1925. It was adopted by the Committee in the following terms :

“ As far as diphtheria antitoxin is concerned, the Danish State Institute of Serotherapy, which is acting as the central research laboratory, has continued to test, by comparison with the previously adopted unit, standards of diphtheria antitoxin submitted by various national institutes and laboratories.

“ Researches for the purpose of establishing a standard unit for anti-tetanus serum have been carried on with satisfactory results. The Danish State Institute of Serotherapy is now engaged in preparing a certain amount of serum which will be used to establish the new standard.

“ The resolutions adopted by the Dysentery Conference which met at Geneva in September 1924 had to be slightly amended. A new edition was proposed and accepted by all the participants. The Danish State Institute of Serotherapy, to which the preparation of an antitoxic unit was entrusted, has now a considerable amount of dried anti-dysenteric serum, which will serve in the preparation of a new standard.

“ The Chairman, after having supplied information regarding the researches being carried out with anti-pneumococcic, anti-streptococcic and anti-meningococcic sera, obtained the approval of the Committee to confide to Professor Ottolenghi the preliminary study of the question of the standardisation of anti-anthrax serum. Professor Ottolenghi expressed his willingness to undertake the task.

“ The Chairman of the Standards Committee, after having described the state of the comparative investigations of the Bordet-Wassermann reaction and the flocculation tests, obtained the approval of the Committee to convene, probably in the course of next year, a second Laboratory Conference for the study of the serological reactions of syphilis as well as the antigens employed.

“ A Conference on the Standardisation of Biological Products will be convoked this year to discuss the results of laboratory studies undertaken with a view to unifying the methods of titrating pituitary extract, thyroid substance, digitalis, insulin, organic arsenical preparations, ergot, etc. ”

(2.) *The Campaign against Malaria.*

The Health Committee considered during its third session in October 1924 a general report from its Malaria Commission on the tour of enquiry recently undertaken in the Kingdom of the Serbs, Croats and Slovenes, Greece, Turkey, Bulgaria, Roumania, Russia and Italy.

The Malaria Commission adopted a final report analysing the malaria problem in all its aspects. This report has now been published.

The Health Committee recommended that collective enquiries by the Malaria Commission should be continued in 1925, and instructed the Secretariat of the Health Section to prepare a programme of work within the limits of the budget. This programme was to include a study

tour of members, experts and correspondents of the Malaria Commission in Sicily, Tunis, Algeria, and Morocco in the early spring of 1925, and a tour in Spain and Portugal during August and September or September and October of 1925. The Spanish representative on the Council stated, during its March session 1925, that the Spanish Government would be happy to extend to the Malaria Commission a most cordial welcome and offer of hospitality.

The Malaria Commission at its session held at Geneva from March 23rd to March 26th, 1925, modified the programme for 1925 and decided to undertake a joint study of the malaria situation and anti-malarial measures in Palestine, Syria and Sicily. This study tour began on May 1st, and is still proceeding. Very complete arrangements were made by the health services of Palestine, Syria and Italy.

The Malaria Commission also arranged for two of its members, upon the invitation of the French Government, to make a malaria survey of Corsica in April 1925.

The Malaria Commission is also engaged in the study of the quinine problem, and it presented its first proposals on this question to the Health Committee in October 1924, recommending that, in view of the present shortage in quinine, further experiments should be carried out regarding the efficacy of other alkaloids of cinchona in the treatment of malaria.

The Health Committee decided to entrust these experiments to medical officers in charge of hospitals, clinics, and ambulances situated in malarial regions in Algeria, Spain, Italy, Roumania, and the Kingdom of the Serbs, Croats and Slovenes, and it instructed the Malaria Commission to prepare an exact programme of work.

The Health Committee was informed during its April session that several European countries had already indicated the hospitals in which these experiments could be conducted. The Malaria Commission had, by that time, adopted a definite method of experiment, and had selected both the institutions to carry it out and the drugs to be used. It was realised that, pending the results of these enquiries, no definite proposals could be brought forward for an international conference on quinine to discuss the requirements of the various countries and the manufacture and output of the drug.

The Malaria Commission, during its session in March 1925, considered a plan for international courses of study for the benefit of medical officers desiring to qualify as malariologists and of malariologists in charge of anti-malaria measures in the various countries. This plan provides for a period of tuition in the Institutes of Tropical Medicine in London and Hamburg, and in the Laboratory of Parasitology at the Paris University, lasting from four to six weeks, to be followed by a period of practical work of two or three months' duration in regions where the campaign against malaria is being vigorously carried on (Calabria, Corsica, Dalmatia, Macedonia, Palestine, Sardinia, Spain, etc.).

The Health Committee has approved this plan, together with another proposal to the effect that the system of drainage being carried out in malarial regions in Italy and the Netherlands should also be made the subject of study.

The Italian Government has convened an international Congress on malaria to meet at Rome on October 6th, 1925, and the Health Committee has been invited to participate in the preparatory work of the Congress and to be represented at its meetings. The Health Committee considered this invitation during its April session, and discussed the arrangements to be made for its representation. It was proposed to delegate Dr. Lutrario, Professor Nocht, Professor Pittaluga and Colonel James to act as its representatives, and it was understood that this delegation would work in close collaboration with the other members of the Malaria Commission, who would be participating in the congress as representatives of their Governments.

(3) *Enquiry into Sleeping-Sickness.*

The Committee of Experts entrusted with the study of sleeping-sickness in equatorial Africa held a Conference in London on October 24th, 1924, and forwarded a series of recommendations to the Health Committee. It suggested that the Health Committee should entrust to a special mission the study of a number of problems connected with the epidemiology of sleeping-sickness in Africa.

The Health Committee considered these recommendations during its third session and submitted a report to the Council.

The Committee recommended for the consideration of the Council a number of proposals in regard to the administrative measures which it was desirable for the Governments of the infected countries to take in order to increase the effectiveness of the campaign against sleeping-sickness. These measures included Conferences between administrative and medical officers on both sides of the frontier of the infected countries, and co-operation in the collection of the necessary data. For this purpose, it was recommended that a Conference of the representatives of the various Governments interested should be convened, to which the Health Committee would offer all possible assistance.

The Committee also suggested that certain technical investigations should be made, some of which might be entrusted to local laboratories and to the organisations working against sleeping-sickness in different countries in equatorial Africa, and others which would have to be entrusted to a special scientific mission of research.

The Health Committee pointed out that for this mission assistance from the administrations of the Governments concerned and adequate funds would be necessary, and it suggested that an appeal might be made to the local Governments and to the various interested institutions.

The Council in December 1924 endorsed the technical recommendations made by the Committee, but decided that, as regards the administrative measures necessary to carry into effect the recommendations of the Committee, the Governments concerned would have to

be consulted. The Council accordingly asked the Secretary-General to enquire of the countries concerned whether they would agree to the convening at an early date of a conference of representatives of the Ministries of Colonies, in order to discuss the financial and administrative possibilities of despatching the proposed special mission to Africa.

The proposal was very favourably received by the Governments concerned and a Conference was convened, consisting of representatives of the Ministries for the Colonies of Belgium, France, Great Britain, Italy, Portugal and Spain, which met in London on May 19th, 1925. In accordance with a decision taken by the Health Committee during its April session, the Health Organisation of the League of Nations was represented at the Conference by the Chairman of the Health Committee and the Medical Director of the Health Section.

(4) *Enquiry into Tuberculosis.*

The fifth Assembly, in a resolution adopted on September 20th, requested the Health Committee to investigate the value of preventive measures against tuberculosis, taking into account the proposal which had been presented to the Assembly by the Government of the Kingdom of the Serbs, Croats and Slovenes and a resolution of the International Union against Tuberculosis.

The Health Committee dealt with this question during its third session, and considered, in addition, a proposal brought forward by its Japanese member regarding the standardisation of tuberculin and a comparative study of measures for the prevention and early treatment of tuberculosis.

It decided to undertake certain studies with regard to tuberculin, entrusting this task to its Permanent Committee on the Standardisation of Sera, which was asked to consider a plan of work in collaboration with Dr. Tsurumi and Professor Léon Bernard. It further decided to entrust to the Secretariat the task of drafting a preliminary report upon social measures against tuberculosis which might serve as a basis for the discussion at its next session of a specific plan for an international enquiry.

The Committee again took up the matter during its fourth session in April 1925. It discussed a statistical memorandum on the decline of tuberculosis and approved conclusions contained in a report on the subject presented by Professor Léon Bernard regarding the methods which should be employed in continuing the study of the decline in tuberculosis mortality and its causes. The continuation of the enquiry was entrusted to a special Committee.

(5) *The Cancer Investigation.*

The fifth Assembly, in a resolution adopted on September 20th, 1924, expressed the opinion that most valuable results might be anticipated from the enquiry which had been undertaken in 1924 into mortality from cancer. The special object of the enquiry was to determine the factors responsible for the divergent rates of mortality attributed to cancer of the breast and uterus in Great Britain, the Netherlands and Italy respectively.

The Health Committee during its third session in October 1924 noted the results of certain preliminary enquiries. These enquiries had not progressed sufficiently in all three countries to permit of comparisons being made, but interesting data had been accumulated.

The Cancer Commission of the Health Committee met at Geneva on April 18th, 1925, to consider a report on the progress which had so far been achieved, and adopted a report which was subsequently approved by the Health Committee. This report contained an analysis of the official vital statistics and studies of the clinical material in these three countries, and suggestions for the collaboration of other countries, notably Switzerland and the United States, in the pursuance of the enquiry.

The Health Committee noted that the enquiries of the Cancer Committee had reached a point at which conclusions could be formulated in regard to a considerable number of the subjects under investigation, and that it was proposed to issue at an early date a further report in which these results should be summarised.

(6) *Instruction in Public Health.*

A Commission on Instruction in Public Health was set up by the Health Committee during its first session, and its terms of reference were defined in a resolution dated February 20th, 1924.

The programme outlined for 1925 included the study of instruction in public health for medical students and health officers in a number of countries.

The Health Committee, during its fourth session in April 1925, passed the following resolution :

“ The Health Committee adopts the report of the Commission on Public Health Instruction.

“ In compliance with former resolutions, the Commission on Public Health Instruction and the Secretariat have engaged in a study of public health instruction for medical students and for specialists.

“ A certain number of reports have already been received from Belgium, Germany, the Kingdom of the Netherlands, the United States of America and from a number of universities in Italy. Professors Madsen and Ottolenghi have begun their visits, the first to the University of Oslo, the second to some of the Swiss universities.

“ It has not been possible for the Commission to draw conclusions from the work accomplished so far, except that the usefulness of the task undertaken has already

been confirmed by the documents collected. It was therefore decided to continue the researches with a view to discovering the most appropriate methods of public health instruction that would contribute to improvement in the public health.

“ The Commission is impressed by the importance of the fact that, to produce the best results, it is necessary to gain the confidence and obtain the co-operation of all persons capable of lending the aid of their authority and competence. To this end, the Commission adopted the definitions, again proposed by Professor Léon Bernard, of the purpose and methods of the work : the purpose being to determine which of the factors in the teaching of hygiene may be utilised to the best advantage in perfecting human welfare and not to act as judges of the various methods of teaching hygiene in universities ; and the methods being not to make investigations on the intrinsic value of university programmes, still less of those persons whose duty it is to apply them, but to analyse the different types of instruction in hygiene as well as their consequences on medical education and the habits of the public, carrying out personal studies imbued with a scientific spirit and able to make the teaching staffs and health administrations realise the high importance of their mission.

(7) *Patent Medicines.*

The Health Committee, during its session in April 1925, noted a memorandum of Professor Poulsson, presented by Professor Knaffl-Lenz, regarding the abuses arising from the use of patent medicines. It decided to send this memorandum and the observations of Professor Knaffl-Lenz to the Conference which the Health Committee had decided to convene in September next for the study of biological products.

The Health Committee expressed the view that neither the study of technical measures of control nor of legal measures would suffice to solve the problem of medicinal charlatanism, which was complicated by numerous and complex factors, notably the action of the medical profession and the Press.

The Committee decided to undertake the study of the problem, and requested M. Velghe and Professor Léon Bernard to present a preliminary report on the subject at its next session.

E. SYSTEM OF INTERCHANGES AND EPIDEMIOLOGICAL INTELLIGENCE

(Services assisted by the Rockefeller Foundation).

(1) *Interchanges in 1925 and Programmes for 1926.*

The object and principles of the interchanges of public health staff between the various countries were described in the last general report to the Assembly¹.

The first collective interchange in 1925 began in London on February 9th and terminated at Geneva with a final conference in March 1925. Fifteen medical officers nominated by the public health services of the following countries took part in this interchange : Canada, Denmark, Esthonia, France, Germany, Greece, the Netherlands, Italy, Norway, Poland, Russia, Kingdom of the Serbs, Croats and Slovenes and the United States of America.

The arrangements were made by a special Committee of the Society of British Medical Officers of Health.

An interchange organised in conjunction with the International Labour Office to which medical inspectors of labour were invited, began at Geneva on March 23rd, 1925. Medical officers from Belgium, Czechoslovakia, Great Britain, Japan, the Netherlands, Poland, Russia, the United States of America and the Kingdom of the Serbs, Croats and Slovenes participated. On March 29th the participating officers left Geneva for a study of the system of medical inspection of labour in Belgium, thence to the Lille district in France, to Great Britain in April and to the Netherlands in May.

A collective study in Belgium began on May 4th, and is still in progress. Officers from the following health services are participating : Austria, Danzig, Denmark, France, Germany, Great Britain, Irish Free State, Italy, Poland, Portugal, Russia, Kingdom of the Serbs, Croats and Slovenes, Spain and Switzerland.

A collective interchange in the Kingdom of the Serbs, Croats and Slovenes began on May 17th at Belgrade, at which health officers from the following countries were present : Albania, Belgium, Bulgaria, Czechoslovakia, France, Germany, Great Britain, Greece, Hungary, Italy, Palestine, Poland, Portugal, Russia and the United States of America.

The Government of the Kingdom of the Serbs, Croats and Slovenes generously offered complete hospitality to all the members of the interchange during their stay in that country.

A collective interchange is being organised in Japan for the end of October 1925, to which medical officers of the Far Eastern administrations have been invited. After spending some four or five weeks in Japan, the officers participating will study for a fortnight the public health organisation of Corea and of the South Manchurian Railway Administration. The Japanese Government and the South Manchurian Railway Administration have generously offered free railway transport to the members of the group throughout the tour. The following countries have been invited to nominate candidates : Australia, Ceylon, China, Dutch East

¹ See *Official Journal*, Special Supplement No. 23, page 309.

Indies, Federated Malay States, Hong-Kong, India, French Indo-China, New Zealand, the Philippines, the Russian Maritime Province, Shanghai, Siam and the Straits Settlements. This interchange will follow the meeting of the Far Eastern Association of Tropical Medicine which is to be held in Tokio and will give opportunities of establishing co-operation between the health services in the Far East. It will further strengthen the work begun by the Singapore Conference and continued by the Far Eastern Bureau of the Health Organisation of the League.

An interchange specially devoted to public health officers of the Latin American Republics commenced in Havana on March 4th, 1925. Ten public health officers nominated by their administrations have been given facilities for studying the public health organisation and administration of the United States of America, Canada, and Great Britain and certain special activities of three or four countries of continental Europe. Health officers from the following countries have participated : Argentine, Brazil, Colombia, Costa Rica, Cuba, Mexico, Paraguay, Peru, Uruguay and Venezuela.

It has been possible this year to set aside a *crédit* for "individual interchanges". It has so far been difficult for the British Dominions to participate in the collective visits, and for these countries individual missions seem to be more suitable. Arrangements have been made for the Director-General of the New Zealand Public Health Service and the Deputy Director of the Australian Federal Health Administration to come to Europe on a study tour.

The Canadian participant in the British collective interchange was also able to prolong his stay for the study of anti-tuberculosis measures in certain European countries. An individual fellowship has been offered to a Swiss medical officer in charge of a cantonal health insurance organisation to study and report on new developments in health insurance, particularly from the point of view of preventive medicine, in the various European States. Two medical officers from the Kingdom of the Serbs, Croats and Slovenes, specialising in malaria control, will also be given the opportunity of undertaking special studies at various institutions and in specific countries. A selected medical officer from Albania and another from Persia will be given the opportunity of becoming thoroughly acquainted with modern methods of public health administration of chief interest to their countries.

In order to carry out the above programme, the International Health Board of the Rockefeller Foundation has placed at the disposal of the Health Organisation for 1925 the sum of 100,000 dollars, and there is reason to believe that a sum of 75,000 dollars will be available for 1926.

The programme suggested for 1926 includes another collective interchange in Great Britain, a collective interchange in Germany, and another in Denmark. It is proposed that arrangements should be made for six officers from the Republics of Central and Southern America to participate in these European collective interchanges.

A collective study tour will also be organised in Africa in 1926 in accordance with the recommendations of the Congress of Tropical Medicine held at Loanda in 1923. Twenty members of the Colonial Health Services of Belgium, France, Great Britain, Portugal, Spain and the Union of South Africa will participate.

An interchange of specialists in child welfare will also be organised, as well as a Conference of port health officers of the Mediterranean and Black Sea ports.

Further, the Health Committee has decided that an interchange of sanitary engineers shall take place in 1926, and has requested the Medical Director to undertake a study of the conditions under which this interchange should be organised.

(2) *Epidemiological Intelligence and Public Health Statistics.*

The Epidemiological Service of the Health Organisation has continued the regular publication of its monthly epidemiological reports, the preparation of tables showing the returns of notifiable diseases for the year 1924 from all the countries included in the monthly bulletin, and the work of the four groups of experts on fundamental problems of vital statistics appointed last year. The Service has also had a considerable amount of work to do in connection with the preparation of the preliminary report on tuberculosis.

Definite proposals were submitted to the Health Committee in April 1925 by a Statistical Committee on the definition of still-births. These proposals cannot be carried out without the co-operation of the authorities concerned in the compilation of national vital statistics. They have been submitted to all the Governments with a request for the observations of the departments concerned.

A report was also submitted by two members of a committee investigating the problem of joint causes of death. In this report, fundamental definitions were suggested of the causes of death, and a proposal made that death certificates should be drafted in a form capable of being used as a basis for real statistical analysis, and of rendering possible an international comparison of epidemiological and public health statistics.

An attempt is being made to bring about collaboration between statistical officers by a series of collective studies of statisticians. The second of these studies was held at Geneva in October 1924; the subject of study was the notification of infectious diseases. The Rockefeller Foundation is continuing its grant for co-operation in this field of work until the end of 1927. It is proposed that the collective study for 1925 should be devoted to the statistics of causes of death, concentrating particularly on the Northern European countries with the help of the Scandinavian, Dutch, Belgian, English, Scottish, French and Swiss statistical departments.

The Health Organisation has continued the preparation of handbooks on vital statistics. Handbooks on the Netherlands, Belgium, Spain, England and Wales have been published and the preparation of others is well advanced.

Special studies have been carried out for the Health Organisation by Professor Seligman on meningitis, by Professor Rosenfeld on tuberculosis mortality, by Professor Roesle on the epidemiology of scarlet fever, and by Dr. Tomilin, giving a critical analysis of demographic and epidemiological data for the Ukraine. These reports have been published.

A further series of reports on the organisation and working of the public health services in the various countries prepared by the chiefs of the services or by officers appointed for the purpose have been prepared. These include reports on Czechoslovakia, Hungary, Latvia, Bulgaria, the Kingdom of the Serbs, Croats and Slovenes and Finland.

The work of the Epidemiological Intelligence Service has resulted in the collection of very valuable information on the history, legislation, constitution and regular activities of the health administrations of the various countries. There is, however, as yet no annual publication containing a general survey of public health progress in the principal countries of the world. The preparation of such a survey is included among the tasks which may devolve upon the Service under the agreement with the Rockefeller Foundation; such a volume could only be based on information derived from the central health administrations. A letter has been addressed to all the members of the Health Committee and to the chiefs of the public health services, in order to ascertain how far it would be possible to rely on the collaboration of the central administrations. Replies to the effect that reports would be prepared for the proposed compilation have been received from Austria, Bulgaria, Czechoslovakia, Denmark, Esthonia, France, Greece, Italy, Latvia, Norway, Poland, Roumania, Russia, the Kingdom of the Serbs, Croats and Slovenes, Sweden, Spain, Switzerland, and the United States of America.

The Health Committee has always emphasised the desirability of organising a rapid interchange of information with regard to particular diseases, such as plague and cholera, in cases where immediate action might appear to be necessary, and during its first session it decided that, as an experiment, a telegraphic information service should, if possible, be established between selected countries.

An enquiry was made of the health administrations of countries bordering on the Mediterranean and the Black Sea whether they would telegraph on the appearance of plague or cholera at their ports, and give subsequent telegraphic information regarding further developments. It was proposed to compile and centralise this information and issue it broadcast from radio-telegraphic stations.

(3) *The Far Eastern Bureau.*

A conference of Government delegates met at Singapore from February 4th to 13th, 1925, in order to frame proposals for the working of the Far Eastern Bureau of the Epidemiological Intelligence Service to be opened in that port. Representatives from the following Far Eastern administrations attended: British India, British North Borneo, Ceylon, China, the Dutch East Indies, the Federated Malay States, French Indo-China, Hong-Kong, Japan, the Philippines, Siam, and the Straits Settlements.

Assurances were given by certain delegates of the Conference as to financial support, and the Governments of French Indo-China and the Dutch East Indies offered to transmit the intelligence bulletins of the Bureau by wireless free of charge.

The Conference adopted fifteen resolutions. In accordance with these resolutions, the first appearance, in any port in Eastern waters frequented by foreign merchant ships, of cholera, plague, smallpox, or yellow fever, or of any other infectious diseases showing an abnormal incidence or death-rate, will be telegraphed to the Bureau. The Bureau will also receive weekly telegraphic reports giving information in regard to the prevalence of epidemic diseases in all the important ports of the Far East, and these telegraphic reports will be confirmed by weekly letters containing more detailed information. All reports relating to public health in the Far East and the laws on public health will also be sent to the Bureau.

The Bureau will telegraph every week to all the States of the Far East and to Geneva a summary of the telegraphic information received during the past week, and will communicate any other information of sufficient importance. Detailed recommendations were passed in regard to the codifying and transmission of these telegrams.

The Conference recommended that an Advisory Council for the Bureau should be set up and passed a resolution to the following effect:

“ That some form of Advisory Council would be of great value to the development of the activities of the Bureau. Its constitution would naturally be international and it is recommended that it function as a special Commission of the League of Nations Health Committee, to whom it would report. It would take note in an advisory capacity of any or all of the activities of the Bureau. It should meet once a year and urgent questions arising in the intervals between sessions should be dealt with by correspondence. ”

The Health Committee at its April session considered this proposal, and the report of the Singapore Conference in general, and recommended its adoption. It proposed that all the countries which were invited to send a delegate to the Singapore Conference should be asked to nominate a member to serve on the Advisory Council, to which should be added a representative or representatives of the Health Committee of the League.

The Health Committee also approved the budget proposals for 1925, which had been drawn up by the Singapore Conference.

The Bureau commenced work in Singapore on March 1st, 1925. Regular weekly telegraphic reports in code regarding the prevalence of epidemic diseases in the chief ports are being sent to the Bureau from nearly all Eastern health administrations, and the weekly summarised

THE WORK OF THE FIRST OPIUM CONFERENCE.

On September 27th, 1923, the fourth Assembly decided to ask the Council to invite the interested Governments to send representatives, furnished with full powers, to a Conference to be held for the purpose of concluding an Agreement as to the measures for giving effective application in the Far Eastern Territories to Part II of the Hague Opium Convention of 1912 and as to the reduction of the amount of raw opium to be imported for the purpose of smoking in those territories. The Conference had further to consider what measures should be taken by the Government of the Republic of China to bring about the suppression of the illegal production and use of opium in China.

A Preparatory Committee was constituted by the Advisory Committee on the Traffic in Opium and other Dangerous Drugs, which held four sessions during 1924 and prepared a provisional agenda for the Conference.

The Conference met at Geneva at the offices of the Secretariat of the League and its meetings extended over a period from November 3rd, 1924, to February 11th, 1925. Representatives of the following countries attended the Conference: British Empire, China, France, India, Japan, Netherlands, Portugal, Siam.

The Conference, with the exception of the Chinese delegation, finally adopted an Agreement supplementary to the Hague International Opium Convention of 1912, and a Protocol, signed at Geneva on February 11th, 1925, together with a Final Act.

The Agreement.

The Agreement contains fifteen articles, of which the principal provisions are as follows :

Article I contains stipulations for the establishment of a Government monopoly of the import, sale and distribution of prepared opium, except in certain cases where a system of employing persons, paid a fixed salary and not a commission on sales, for the retail sale and distribution of prepared opium exists in districts where an effective supervision can be exercised by the administrative authorities. This stipulation, however, need not be applied if a system of licensing and the rationing of opium smokers is in force which affords equivalent or more effective guarantees.

Articles II, III, IV and V prohibit the sale of opium to minors, the entry of minors into smoking divans, the limitation, as far as possible, of the number of retail shops and smoking divans and the prohibition of the sale of dross, except when sold to the Government monopoly.

Article VI deals with the prohibition of the export of opium, raw or prepared, from any possession or territory into which opium is imported for the purpose of smoking. The transit through or transshipment of prepared opium in such territory is also prohibited, though the transit through or transshipment of raw opium, consigned to a destination outside the possession or territory, is allowed, provided an import certificate, issued by the Government of the importing country and capable of affording sufficient guarantees against the possibility of illegitimate use, is presented to the Government of the possession or territory concerned.

Articles VII, VIII and IX deal with anti-opium propaganda, the suppression of the illicit traffic by the direct exchange of information and views between the heads of the Government services, and the possibility of legislative measures being taken by Governments to render punishable illegitimate transactions which are carried out in another country by a person residing within their territories.

Articles X and XI provide that the Contracting Powers shall furnish the Secretary-General of the League with all information which they can obtain with regard to the number of opium smokers, that such information shall be published by the Secretary-General and, further, that the agreement shall not apply to opium destined solely for medical and scientific purposes.

Articles XII and XIII respectively provide for means to review from time to time the position with regard to the application of Chapter II of the Hague Opium Convention, and of the new Agreement, and define the territories to which the Agreement applies.

Articles XIX and XV contain the usual stipulations in regard to the ratification, coming into force and denunciation of the Agreement.

The Protocol.

At its twenty-second meeting held on January 24th, 1924, the Conference appointed a delegation of eight members to meet eight representatives of the Second Opium Conference (see below), with the object of examining the proposals of the delegation of the United States of America in regard to the suppression of the use of prepared opium. This Committee, which was known as the Committee of Sixteen, held several meetings and finally proposed that two separate Protocols should be prepared, one to be attached to the Agreement of the First Conference and the other to the Convention of the Second Conference.

The first Protocol deals with the consumption of prepared opium and was adopted by the First Conference on February 11th, 1925. It consists of a Preamble, which records the desire of the signatories to ensure the complete and final execution of the obligations assumed by them under Article VI of the Hague Convention, and eight articles, which may be summarised as follows :

Article I states that the Agreement was designed to facilitate the execution of the obligation assumed by signatory States under Article 6 of the Hague Convention of 1912¹, which obligation remains in full force and effect.

Articles II and III provide that States will strengthen the measures taken in accordance with Article 6 of the Hague Convention as soon as the poppy-growing countries have ensured the effective execution of the necessary measures to prevent the export of raw opium from their territories from constituting a serious obstacle to the reduction of consumption in countries where the use of prepared opium is temporarily authorised. States engage themselves to take any further necessary measures to reduce the consumption of prepared opium, provided that the above stipulation has been fulfilled, so that its use may be completely suppressed within a period of not more than fifteen years from the date on which a Commission appointed by the Council of the League shall have decided that the effective execution of the measures to be taken by the poppy-growing countries has taken place.

Article IV provides means to release States from their obligation in the event of a recrudescence of poppy growing and a consequent failure to prevent the export of raw opium during the period of fifteen years during which signatory States shall suppress the use of prepared opium. If, however, the Protocol be denounced by a State for this reason, a Conference of the States concerned is to be held at once to consider what action should be taken.

Article V provides for a special Conference to be called during the year preceding the end of the period of fifteen years to consider measures to deal with habitual addicts.

Article VI contains an undertaking to co-ordinate efforts tending towards the complete suppression of the use of prepared opium and recommendations for the establishment between all the poppy-growing States of a sincere and energetic collaboration which will lead to the termination of the illicit traffic.

Articles VII and VIII deal with the entry into force of the Protocol and the accession of other States to it.

Final Act.

The Final Act adopted by the Conference contains a resolution adopted by all its members, with the exception of the Chinese delegation, to the effect that, though in some countries a system of licensing and rationing has been successful in diminishing the number of smokers, yet in other countries the Conference has found that the contraband trade equals and even surpasses the legitimate trade, thus rendering the application of such a system difficult. Consequently, the possibility of adopting and maintaining such a system successfully depends principally upon the extent of the contraband trade.

The Agreement, Protocol and Final Act of the First Opium Conference have so far been signed by the following countries: British Empire², France, India, Japan, Netherlands, Portugal², Siam².

No ratification has yet been received.

Resolution of the Council.

On March 10th, 1925, the Council adopted a resolution taking note of the work of the First Opium Conference as contained in a letter from the President of the Conference.

THE WORK OF THE SECOND OPIUM CONFERENCE.

In conformity with a resolution adopted by the Assembly on September 23rd, 1923, the Second Opium Conference met at Geneva at the offices of the Secretariat of the League of Nations on November 17th, 1924. Forty-one States, including four non-Members of the League, attended the Conference, which sat until December 20th and then adjourned to January 19th, 1925. It rose on February 19th, having adopted a Convention relating to raw opium and dangerous drugs, a Protocol and a Final Act. The Conference held thirty-eight plenary meetings, and its agenda was divided up among a large number of Committees and Sub-Committees.

The Problem before the Conference.

The Conference found that it had to deal with a most difficult problem. In the words of the President, it had "touched on the centuries-old practices of the East, come hard against the economic status of several nations, and found itself confronted by the most complicated and baffling details". The further the Conference went into the questions before it the more difficult those questions became. Superficially simple as the problem of narcotics appeared, it was found in fact to be so many-sided and was so ingrained in the habits of peoples and the practice of Governments as to be almost hopelessly baffling. The one incontrovertible fact that arose was that there was no simple or single panacea. The Conference recognised that poppies and coca, as well as Indian hemp — the basis of hashish — were usually grown in countries with less strongly federalised governments, where control was difficult. It had to admit that the production and sale of these substances had long been an established and often a perfectly justifiable feature of the economic system of certain States. It learned that the drugs were sedulously sought by a small *coterie* of people willing to poison their fellows for

¹ Article 6 of the Hague Convention of 1912 reads as follows: "The contracting Powers shall take measures for the gradual and effective suppression of the manufacture of the, internal trade in and use of prepared opium, with due regard to the varying circumstances of each country concerned, unless regulations on the subject are already in existence".

² For declaration made at the time of signature of the Final Act, see text of the Act.

profit, and that their highly concentrated value made them the delight of the smuggler and the despair of the enforcer of law.

The Conference did not claim to have solved all the problems in connection with the drug evil. It recognised frankly that certain questions would not be solved for years — possibly decades. The immense publicity, however, of its meetings, and the facts which were stated during their course, have put the question of drugs in the forefront of public opinion, where the Conference trusted that it would remain until it was solved.

A practical achievement of the Conference was the strengthening and extension of the Hague Convention of 1912 and the provision of mechanism to put into practice the general principles contained in that document. The Conference, in order to institute an international control of the drug traffic, recommends the establishment of a Central Board of eight permanent experts to be provided with statistics furnished by Governments, together with estimates of the quantities of the substances to be imported into their territory for internal consumption. Should statistics prove that a nation was accumulating drugs grossly in excess of its needs, the Board could institute enquiries and, in special circumstances, recommend the cessation of shipments to that country. The Conference hoped that the mere possibility of such action would constitute an almost irresistible weapon.

The Procedure of the Conference.

During the meetings of the Conference, divergences of view soon became apparent, and the impossibility of obtaining unanimous agreement eventually caused the withdrawal of two delegations, the Chinese delegation and that of the United States of America.

It would be an invidious and almost impossible task to attempt to summarise the arguments used by the various parties concerned in support of their theses. These are fully set out in the verbatim record of the Conference, as are the reasons given by the delegations of the United States and China for their withdrawal.

Differences on questions of procedure and of the competence of the two Conferences led to the constitution of a joint committee composed of eight representatives of each Conference, known as the Committee of Sixteen, which was to report simultaneously to the two Conferences with as little delay as possible.

The Committee of Sixteen met and recommended that two separate protocols should be drawn up to be attached to the Conventions to be adopted by the First and Second Conferences respectively.

The Second Conference adopted the Protocol prepared by the Committee of Sixteen on February 10th, 1925. The withdrawal of the delegations of the United States and China was notified to the Conference on February 7th, 1925.

The Protocol.

The provisions of the Protocol may be summarised as follows :

Article I provides that States signing the Protocol, "recognising that under Chapter I of the Hague Convention the duty rests upon them of establishing such control over the production, distribution and exportation of raw opium as would prevent the illicit traffic, agree to take such measures as may be required to prevent completely, within five years from the date of signature of the Protocol, the smuggling of opium from constituting a serious obstacle to the effective suppression of the use of prepared opium in those territories where such use is temporarily authorised".

Article II provides that the question whether the undertaking referred to in Article I has been completely executed shall be decided, at the end of the period of five years, by a Commission to be appointed by the Council of the League.

Article III deals with the entry into force of the Protocol.

The Convention.

The Conference eventually adopted, in addition to the Protocol already mentioned, a Convention and a Final Act, both of which were opened for signature on February 19th, 1925.

The Convention opens with a Preamble, which notes the fact that the application of the provisions of the Hague Convention has produced results of great value and records the conviction of the signatories that existing contraband trade cannot be effectively suppressed except by effective limitation of production and manufacture and a closer control of international trade.

Chapter I deals with the definitions of the various substances covered by the Convention. These are raw opium, medicinal opium, morphine, diacetylmorphine, coca leaf, crude cocaine, cocaine, ecgonine and Indian hemp.

Articles 2 and 3 (Chapter II) provide that the laws enacted in virtue of the Hague Convention to ensure the effective control of the production, distribution and export of raw opium and the limitation of the number of ports and towns through which raw opium and coca leaves shall be exported or imported shall be strengthened and periodically revised.

Articles 4, 5, 6, 7, 8, 9 and 10 (Chapter III) enumerate the substances affected and deal with the internal control of manufactured drugs. They provide for the enactment of effective laws to limit exclusively to medical and scientific purposes the manufacture, import, sale, distribution, export and use of (a) medicinal opium, (b) crude cocaine and ecgonine, (c) morphine, diacetylmorphine, cocaine and their respective salts, and certain other substances. For the purpose of controlling such substances, the Contracting Parties shall confine the manufacture to licensed premises, require all persons selling, manufacturing or importing them to

obtain a licence to do so, and to enter the quantities bought and sold in books open to inspection. By Article 8, if the Health Committee of the League of Nations, after consulting the Permanent Committee of the Office international d'hygiène publique in Paris, finds that any preparation containing the narcotic drugs referred to in Chapter III cannot give rise to the drug habit, the Council of the League shall inform the Contracting Parties, and the provisions of the Convention will not apply to the preparation in question.

By Article 9 the Contracting States may, at their own discretion, allow chemists to supply certain opiates in stated quantities in urgent cases.

By Article 10, provision is made for the inclusion of any new narcotic drug by means of the same procedure as is referred to in Article 8.

Article 11 (Chapter IV), deals with the control of Indian hemp and the resin prepared from it.

Articles 12 to 18 (Chapter V) deal with the control of the international trade and provide for the adoption of an import and export certificate system, the application of that system to movements into and out of free ports and free zones, the transit of consignments of drugs through territories of Contracting States, measures to prevent the diversion of a consignment to a destination other than that shown on the export authorisation, regulations governing the transport of drugs by air, and their entry into and withdrawal from bonded warehouses.

Articles 19 to 27 (Chapter VI) deal with the establishment of a Permanent Central Board and its duties. The Board shall consist of eight persons who, by their technical competence, impartiality and disinterestedness, will command general confidence. The United States of America and Germany shall be invited each to nominate one person to participate in the appointment of members of the Central Board, who shall be chosen by the Council of the League. Provision is made for the length of the term of office of the members of the Board and for the manner in which it shall conduct its meetings. By Article 21 the Board shall receive annually, before December 31st, estimates, sent by each Contracting Party, of each of the substances covered by the Convention to be imported into its territory for internal consumption during the following year for medical, scientific and other purposes. Further, by Article 22, the Contracting Parties shall send annually to the Board within three or five months after the end of the year, as complete and accurate statistics as possible showing the production of raw opium and coca leaves, the manufacture of certain substances covered by Article 4 of the Convention (see above), the stock of such substances and of raw opium and coca leaves, and the amounts confiscated on account of illicit import or export, and the manner of their disposal. Further, statistics of the imports and exports of such substances as are covered by the Convention shall be sent quarterly to the Board. Governments of countries where the use of prepared opium is temporarily authorised shall forward annually statistics concerning the manufacture of prepared opium and its consumption.

By Article 24 the Central Board shall continuously watch the course of the international drug trade, and if it is led to conclude that excessive quantities of any substance covered by the Convention are accumulating in any country, or that that country is in danger of becoming a centre of illicit traffic, the Board shall have the right to ask for explanations. If no explanation be given within a reasonable time, it shall call the attention of the Governments of the Contracting Parties and of the Council of the League to the matter and recommend that no further exports shall be made to the country concerned until it is satisfied that the position of that country is in conformity with the terms of the Convention. The country concerned shall have the right to bring the matter before the Council, as also shall any other country which, for any reason, is not prepared to act on the recommendation of the Board. Any Contracting Party may draw the attention of the Board to any matter which appears to it to require investigation. The Board may further take any of the measures described above against a country not a party to the Convention if it concludes that there is a danger of this country becoming a centre of the illicit traffic. The Board shall have the right to publish a report on its work and communicate it to the Council of the League, which shall forward it to the Governments of all the Contracting Parties.

Articles 28 to 39 (Chapter VII) contain general provisions. Articles 28, 29 and 30 contain provisions for penalties in cases of breaches of the laws or regulations by which the provisions of the Convention are enforced and the communication of existing laws and regulations by each Contracting Party to the others.

By Article 31, the Contracting Parties undertake to replace, as between themselves, Chapters I, III and V of the Hague Convention of 1912 by the new Convention.

Article 32 regulates the manner in which disputes arising between Contracting Parties with regard to the interpretation or application of the Convention are to be settled. Disputes which it has not been found possible to settle through diplomatic channels may be submitted to a technical body appointed by the Council, which shall give an advisory opinion within six months of consultation. Its opinion shall not be binding unless both parties to the dispute accept it. Disputes which cannot be settled either directly or on the basis of the advice of the above-mentioned technical body shall be submitted to the Permanent Court of International Justice at the request of any one of the parties.

Articles 33 to 39 deal with the signature, ratification, denunciation and entering into force of the Convention. The Convention shall not come into force until it has been ratified by ten Powers, including seven of the States by which the Central Board is to be appointed and of which at least two must be permanent Members of the Council. A special record is to be kept of the signatures, ratifications, accessions or denunciations of the Convention, and is to be published as often as possible, in accordance with the directions of the Council of the League.

The Convention is accompanied by a model form of import certificate.

Final Act.

The Conference further adopted a Final Act containing seven recommendations.

The first relates to the necessity for applying the Convention as widely as possible in colonies, possessions, protectorates and territories mentioned in Article 39 of the Convention.

The second recommends each Government to consider the possibility of forbidding the conveyance in any ship sailing under its flag of any consignment of the substances covered by the Convention, unless an export authorisation or diversion certificate has been issued in accordance with the provisions of the Convention and unless the destination of the shipment is mentioned in such authorisation or certificate.

The third recommendation concerns mutual co-operation in the suppression of the illicit traffic; the fourth draws attention to the advisability in certain cases of requiring dealers who are licensed by the Government to deposit or give sureties for a sum of money sufficient to serve as an effective guarantee against their engaging in the illicit traffic.

In the fifth recommendation, the Conference asks the Council of the League to examine the suggestion made during the Conference, and, in particular, by the Persian delegation, that a Commission should be appointed to visit certain opium-producing countries, should those countries desire, for the purpose of making a careful study (in collaboration with the Governments of those countries) of the difficulties connected with the limitation of the production of opium in those countries.

The sixth recommendation requests the Council of the League to invite the Health Committee to consider the expediency of consulting the International Health Office regarding the products mentioned in Articles 8 and 10 with a view to ascertaining which might or might not come under the provisions of the Convention.

The seventh recommendation deals with the expenses of the Central Board.

The Convention of February 19th, 1925, has been signed by the following States :

Albania	Irish Free State	Poland
Australia	Japan	Portugal
Belgium	Latvia	Kingdom of the Serbs, Croats and Slovenes
Brazil	Lithuania	Siam
British Empire	Luxemburg	Sudan
Czechoslovakia	Netherlands	Spain
France ¹	Nicaragua	Uruguay
Germany ¹	Persia ¹	
Greece		

The Protocol of February 19th, 1925, has been signed by :

Albania	Japan	Portugal
Australia	Latvia	Kingdom of the Serbs, Croats and Slovenes
British Empire	Luxemburg	Siam
Czechoslovakia	Netherlands	Sudan
Germany	Nicaragua	
Greece	Persia	

The Final Act of February 19th, 1925, has been signed by :

Albania	Germany	Persia
Australia	Greece	Poland
Belgium	Hungary	Portugal
Bolivia	Irish Free State	Kingdom of the Serbs, Croats and Slovenes
Brazil	Japan	Siam
British Empire	Luxemburg	Spain
Czechoslovakia	Netherlands	Uruguay
France	Nicaragua	

No ratifications have yet been received.

The text of the Convention has also been forwarded to the following countries :

Afghanistan	Mexico
Andorra	Monaco
Ecuador	Union of the Socialist Soviet Republics
Hedjaz	San Marino
Iceland	Sudan
Liechtenstein	

II. TRAFFIC IN WOMEN AND PROTECTION OF CHILDREN.

DECISION OF THE COUNCIL.

The Council, at its meeting of December 10th, 1924, adopted a resolution to the effect that the Advisory Committee on Traffic in Women and Children should be reconstituted under the title of the "Advisory Committee on Traffic in Women and Protection of Children".

¹ With a reservation.

A panel of five new assessors was to be added to the Committee, nominated by the International Association for the Protection of Children, the International League of Red Cross Societies, the International Organisation of Boy Scouts and Girl Guides, and the Union internationale de Secours aux Enfants. Mr. Bascom Johnson was to be the fifth assessor.

This Committee was instructed by the Council to advise as to its programme of work, the methods of carrying it out and the future cost. The Council further asked the International Labour Office to nominate a representative, and the Health Organisation of the League of Nations was invited to nominate one of its members to act as an additional assessor in order to ensure liaison between the Health Organisation and the Committee, for questions of child welfare. The Council further decided to increase the number of Government representatives on the Committee by one in order to include a representative of Belgium.

The Council, at the same meeting, noted certain observations submitted by the representative of Uruguay and transmitted them to the Committee for the necessary action. The representative of Uruguay pointed out that it would be of great benefit if some kind of connection were established between existing institutions for the protection of children in South America and institutions with the same object in Europe.

On March 13th, 1925, the Council considered a request from the Swiss Government to be represented on the Advisory Committee. In view of the fact that eleven Governments were already represented, and that it would be difficult for the Council to refuse any similar requests from other Governments, it expressed the hope that the Swiss Government would not press a proposal which might prove embarrassing to the efficient discharge of the duties of the Committee.

The Council also considered a request from certain important International Women's Organisations for representation on the Committee.

The Council decided that an assessor representing these organisations should be added to the group of assessors which deals with the protection of children on the Advisory Committee and, in accordance with the desire expressed by several of these organisations, approved the nomination of Miss Eleanor Rathbone to serve as an assessor on the Committee for this purpose.

FIRST SESSION OF THE ADVISORY COMMITTEE ON TRAFFIC IN WOMEN AND PROTECTION OF CHILDREN.

The Advisory Committee on Traffic in Women and Protection of Children met at Geneva from May 20th to 27th, 1925, this being the first session of the reconstituted Committee. The following members were present :

Delegates appointed by Governments.

Don Pedro SANGRO Y ROS DE OLANO (Chairman), Spain.
Don Emilio Martinez AMADOR (substitute delegate), Spain.
M. REGNAUGLT (Vice-Chairman), France.
M. BARBIER (substitute delegate), France.
Count CARTON DE WIART, Belgium.
M. Xavier CARTON DE WIART (substitute delegate), Belgium.
Mr. S. W. HARRIS, British Empire.
Dr. Estrid HEIN, Denmark.
Miss Grace ABBOTT, United States of America.
The Marquis Paulucci de' CALBOLI, Italy.
M. Yotaro SUGIMURA, Japan.
M. Stanislas POSNER, Poland.
M. N. P. COMNÈNE, Roumania.
Mme. SADOVANO (substitute delegate), Roumania.
Dr. Paulina LUISI, Uruguay.

Assessors.

(1) *Child Welfare.*

Miss Eglantyne JEBB, International Union of the " Save the Children " Fund.
Dame Katharine FURSE, International Organisation of Boy Scouts and Girl Guides.
Dr. HUMBERT, League of Red Cross Societies.
Mr. BASCOM JOHNSON.
Miss Eleanor RATHBONE, Women's International Organisations.
M. Henri ROLLET, International Association for the Protection of Children.

(2) *Traffic in Women.*

Miss BAKER, International Bureau for Suppression of Traffic in Women and Children.
Mme. CHAPPONNIÈRE-CHAIX (replacing Mme. Avril de SAINTE-CROIX), Women's International Organisations.
Mr. S. COHEN, Jewish Association for the Protection of Women and Girls.
Mme. CURCHOD-SECRETAN, Fédération des Unions nationales des Amies de la Jeune Fille.
Mlle. THURLER (replacing Mme. de Montenach), Association catholique internationale des œuvres de protection de la Jeune Fille.

Professor Léon BERNARD and Mr. JOHNSTON represented respectively the Health Organisation and the International Labour Office for questions of child welfare, and Dr. FERENCZI

represented the International Labour Office for emigration questions in connection with the traffic in women.

Don Pedro SANGRO (Spain) was elected Chairman, and M. REGNAULT (France) Vice-Chairman.

The Committee decided to hold all its meetings in public unless it was specially necessary to hold a private meeting.

The agenda of the session was divided into two parts, the first concerning child welfare, the second concerning traffic in women.

Child Welfare.

The Committee took the view that the normal child should be taken as the basis of its study and that it should concentrate as much on the constructive side of child welfare as on the vital though narrower question of protecting the child from adverse influences and wilful exploitation.

The Committee thought that any complete definition of the subjects which the League of Nations should regard as covered by the term "child welfare" would inevitably excite the suspicion that the League was proposing to take up a task far beyond its powers. The Committee realised that the work of the League in this field must be gradually built up from a strictly limited programme and developed as opportunity offered within the limits fixed by financial considerations. It has accordingly divided its work into three main categories: (a) documentation; (b) research; and (c) discussion.

(a) *Documentation.* — The Committee decided that the Secretariat should collect and analyse the laws and regulations of different countries on such subjects as might be selected from time to time by the Council on the advice of the Committee. In order to present this body of laws in a form which may be readily understood, the Secretariat will do well to rely not only on its own staff but on such help as can be obtained from the Governments or from expert advisers in the countries to which the law applies, or from societies which may have already made a study of the subject. The information to be collected by the Secretariat should include the administration of the laws and the methods adopted by various countries in dealing with special problems.

(b) *Research.* — In certain cases the Committee thought that personal enquiries made with the consent of the Governments by members of the Secretariat might perhaps prove necessary. In some cases a particular problem might be investigated on the spot by special experts appointed by the League.

(c) *Discussion.* — The information obtained under the first two categories should be laid before the Advisory Committee and should form the basis of its recommendations to the Council.

The Committee drew up the following programme for the consideration of the Council, which approved it at its meeting held on June 9th, 1925.

(1) *A study of the laws regarding the protection of life and health in early infancy.* — This examination was entrusted to the Secretariat.

(2) *A compilation of the laws regarding the age of consent¹ and of the age of marriage.* — This information is required in connection with an investigation, proposed by the delegate of Uruguay, to be carried out with the object of ascertaining to what extent the age fixed for consent and for marriage may affect the moral protection of children and young persons.

(3) *The question of preparing an international convention for the assistance or repatriation of foreign children abandoned, neglected or delinquent.* — The International Association for the Protection of Children has made a special study of this question and has offered to place the information it has acquired at the disposal of the League.

(4) *Child labour.* — This investigation was entrusted to the International Labour Office and concerns the effect of child labour on the physical and moral well-being of children, the minimum age of the employment of children in industry, at sea or in agriculture, and the conditions of child labour in the various countries.

(5) *Family allowances.* — This question was also entrusted to the International Labour Office for examination.

(6) *The effect of the cinematograph on the mental and moral well-being of children.* — The Secretariat was instructed to collect information on this subject.

The Committee considered that the subjects mentioned should be given prior consideration, but that certain supplementary matters could be considered when time was found for the purpose. These supplementary subjects included the adoption of children, the position of the deserted child and the age at which elementary education should normally cease.

Further, the Committee asked the International Labour Office to collect information with regard to the effect on the physical and moral well-being of children of measures taken to alleviate the hardships caused by unemployment, sickness or death of the wage-earner.

The following subjects were also placed on the agenda of the next session of the Committee:

Recreation. — The Committee, recognising that the right use of leisure is essential to the well-being and normal development of children, proposes to consider the kind of mental and physical recreation best calculated to help in the formation of character.

¹ By "the age of consent" the Committee understood the age under which consent of the victim is not considered as an extenuation of an offence against morality.

Biological education. — The Committee included in this term not only the training of children in their duties and obligations to the opposite sex but also the question of the hygiene of adolescence.

The neglected and delinquent child. — In view of the growth of its programme the Committee thought that it was undesirable to deal with this subject for the moment, except that part relating to the distress or repatriation of foreign children, but proposes to consider the matter next year.

Alcoholism. — The Committee, recognising that this was a very great problem, with an important bearing on the welfare of children and on the traffic in women, accordingly placed the question on the agenda of the next session and suggested that the Secretariat should approach the International Bureau against Alcoholism with a view to obtaining information.

Education of young people in the principles of international co-operation. — The Committee attached great importance to this question and was glad to note that a report on it is to be submitted to the sixth Assembly.

Gifts for child-welfare work. — A society in the United States known as the " Friends of the League of Nations " has presented the League with the sum of 1,500 dollars, to be used in connection with its humanitarian work. This money has been handed over by the Council to the Committee for the Protection of Children. The Committee decided that it should be invested until such time as the work is more advanced.

A gift of 5,000 dollars made by Dr. William Snow, President of the American Social Hygiene Association, on behalf of that organisation, was accepted with gratitude by the Committee subject to the approval of the Council. The Council accepted this gift at its meeting held on June 9th, 1925.

Offers of private associations. — Various private societies represented on the Committee have placed their organisations at the service of the Committee. The Committee recommends that the League should avail itself of these facilities whenever required.

Traffic in Women.

Reports. — The Committee took note of a progress report submitted by the Secretary, together with reports furnished by each of the assessors on behalf of the associations which they represented.

The Committee further had before it the annual reports of Governments. It expressed its appreciation of the fuller information which Governments had furnished and pointed out that it would greatly facilitate its work if more reports could be received in the early part of the year.

International Convention of 1921. — The Committee learned that, of the Governments represented upon it, Spain and Uruguay had notified their adherence to the International Convention of 1921; the French Government was intending to submit to its Parliament a proposal to notify its adherence; Italy and Poland had ratified their signatures.

Bulgaria had adhered, and Hungary had ratified its signature. The Government of the Kingdom of the Serbs, Croats and Slovenes informed the Secretariat that it awaited authorisation by its Parliament before adhering, and it was noted that a similar proposal was before the Swedish Parliament. Lastly, Esthonia hoped to present its ratification shortly.

Collection of Laws and Regulations. — The Committee noted in a resolution that many Governments had not yet given effect to the resolutions adopted by the Council in 1923-24 by which they were invited to furnish a complete collection of laws and regulations concerning the traffic in women and children. In view of this fact, the work of the Committee has been delayed, and it therefore asked Governments to send the necessary information as soon as possible in order that a complete collection may be obtained and an analysis of the laws and regulations in question considered at its next session.

Licensed Houses. — The French delegate informed the Committee that the French Government had decided to take steps to prohibit henceforward the employment of foreign women in licensed houses in France.

The Committee also learned that the licensed houses in the Canton of Geneva — the only remaining licensed houses in Switzerland — would shortly be closed.

Expulsion of Foreign Prostitutes. — In regard to the expulsion of foreign prostitutes, the Advisory Committee adopted a resolution recommending that, before proceeding to the expulsion of foreign prostitutes, the competent authorities should inform charitable associations of the measures they were intending to take in order that these associations, while respecting the principle of personal liberty, might be in a position to interest themselves in the expelled person, to endeavour to provide her with other means of existence and to give her every support and aid. The associations in question should get into touch with similar associations in the country to which the expelled person was proceeding and should inform the competent authorities of their intentions.

Mme. Luisi (Uruguay) abstained from voting on this resolution.

Replies to the Questionnaire of 1923 regarding the System of Licensed Houses. — The Committee took note of four replies from the Governments of Cuba, Great Britain, Siam and Spain in regard to the questionnaire asking States which had recently abandoned a system of licensed houses to give the reasons which led them to take such a decision in so far as those reasons

concerned the traffic in women and children. States in which a system of licensed houses still existed had been asked to inform the Council whether such a system, in its practical operation, appeared to facilitate or hinder the traffic. The replies of these Governments were annexed to the report of the Committee.

The Committee, in adopting a resolution on the subject, noted that twenty-two Governments had replied, and hoped that the advice and experience of other Governments on this important question would be obtainable before its next session.

Women Police. — The Committee took note of a resolution adopted at an International Congress held at Graz in September 1924 and convened by the International Bureau for the Suppression of the Traffic in Women and Children.

The British delegate also informed the Committee that a Committee appointed to examine this question in Great Britain had recommended the extension of the employment of women police, since the efficiency of the police service had been improved by their employment.

The French delegate gave the reasons why his Government did not see its way to apply this measure.

The Advisory Committee adopted a resolution noting the valuable service accomplished by women police, especially in the prevention of certain classes of offences, and expressing the hope that the question of the use of women police would receive the fullest consideration of the Governments.

Emigration. — The Committee took note of a report from the International Labour Office which stated that a permanent committee of three, all members of the Governing Body, assisted by experts, was to make a special study of emigration questions, and that the question of the simplification of the methods employed in the inspection of emigrants on board ship had been placed on the agenda of the International Labour Conference of 1926. The International Labour Office asked for the observations of the Committee on this question from the point of view of the traffic in women and children.

The Committee adopted a resolution in connection with the resolution adopted by the Rome Emigration Conference to the effect that there should be on all emigrant ships a qualified woman whose duty it should be to assist women and children. In this resolution the Committee expressed the opinion that there was no conflict between the Committee's recommendation and simplification of inspection, provided at least one qualified woman was to be found on board every emigrant ship, that the rank and authority of the women inspectors was the same as the men inspectors, and that the Permanent Committee on Emigration worked out the details concerned with their nationality, language, number, etc.

It was also decided to ask the Secretariat in forwarding this resolution to the International Labour Office to express the hope of the Committee that the attention of Governments might be drawn to the importance of including in their delegations to the International Labour Conference, when this question was discussed, persons with a knowledge of the question of emigration as far as it concerned the traffic in women.

Propaganda. — The Committee appointed a small permanent Sub-Committee to deal with this question, consisting of the representatives of Spain, Poland and the United States of America.

The Committee also adopted a resolution to the effect that it attached great importance to the maintenance in all countries of an informed and active public opinion among all classes on the subject of the traffic in women and all forms of commercialised vice. The voluntary organisations were recommended to do all that they could to secure the co-operation of associations engaged in other forms of social work in obtaining the widest discussion of these questions.

The Committee further recommended that its members and assessors should address public meetings when opportunity offered in order to make generally known the work of the League of Nations in this direction.

Organisation, staff and finance. — The Committee unanimously decided to ask the Council to change the title of the Committee to the "Advisory Commission for the Protection and Welfare of Children and Young People".

The Committee recommended that the following organisation should be adopted: the Committee should be divided into two Committees, the delegates of Governments named by the Council to sit on both, and the first Committee to be called the "Traffic in Women and Children Committee". To this Committee would be attached the assessors nominated in connection with the traffic in women and children; the second Committee to be called the "Child-Welfare Committee", to which should be attached assessors nominated in connection with child welfare. Both Committees of the full Committee should be summoned to meet at the same period of the year, one immediately after the other. A joint session might be held at the discretion of the Chairman. The meetings of the Committee should be assisted by experts when necessary.

In the course of the discussion on the question of organisation, attention was drawn to the close interest taken in the subject of child welfare by a very large number of voluntary societies on the continent of America and to the fact that their work had an international aspect.

The Committee decided to recommend to the Council that steps should be taken to obtain the representation of this body of opinion in addition to the associations already represented by the assessors appointed for child welfare.

The Committee recommended that two additional expert assistants should be added to the staff of the Social Section of the Secretariat. It suggested that these appointments might

be provisional only until the exact lines upon which the work of the Committee would develop were more clearly known.

The Committee approved the draft budget of expenditure for the traffic in women and children for 1926. In regard to the amount required for the purposes of the new work connected with child welfare, it considered that a provision of not less than 50,000 gold francs should be made for 1926, including the salaries of the two new assistants.

III. INTERNATIONAL FEDERATION FOR MUTUAL ASSISTANCE IN THE RELIEF OF PEOPLES OVERTAKEN BY DISASTER.

The fifth Assembly, in a resolution adopted on September 29th, 1924, noted that the scheme of M. Giovanni Ciruolo for establishing an international federation for mutual assistance in the relief of peoples overtaken by disaster had been received with sympathy by the Governments to which, in accordance with the resolution adopted by the fourth Assembly on September 27th, 1923, it had been submitted.

It noted further, however, that, owing to the reservations which had been made by a certain number of these Governments, the scheme still required exhaustive investigation before it could be carried into effect.

The fifth Assembly accordingly decided :

1. That a Preparatory Committee, appointed by the Council of the League of Nations, in accordance with the terms of Article 2 below, be instructed to determine, in conjunction with the Secretariat :

(a) The exact sphere within which the proposed international union would be called upon to take action, *i.e.*, the kinds of calamity in respect of which it would intervene, and the extent of the relief which it would grant in cases of extreme urgency ;

(b) The needs which would have to be met, estimated on the basis of the information immediately available regarding the funds included in the budgets of States, provinces or municipalities, or subscribed by private persons for the relief of such calamities of late years and of estimates to be supplied by insurance experts ;

(c) The approximate contribution which would in these circumstances appear to be necessary in order to ensure the execution of this scheme and the amount for which each State would be liable, taking as the basis a proportion corresponding to that of its present contribution towards the expenditure of the League of Nations, without neglecting the possibility of voluntary assistance in the form of donations or bequests.

2. That the Preparatory Committee be formed by obtaining the friendly co-operation of the author of the scheme, of representatives of the International Red Cross Organisations, and technical experts chosen among learned bodies and insurance associations. It will have available, in order to meet its necessary expenditure, the sum of ten thousand francs generously placed at the disposal of the Council by the Italian Red Cross Society, and twenty thousand francs provided by the League of Nations.

3. That the Committee, paying due regard to the investigations and enquiries provided for in Article 1, shall lay before the Council concrete proposals relating alike to the objects in respect of which assistance will be given and to the nature and extent of such assistance and, further, to the contribution which each State might be called upon to pay, in order that the Council, after consultation with the various Governments, may submit to the Assembly such resolutions as it considers desirable.

The Council, on December 11th, 1924, on the proposal of the Italian representative, constituted the Preparatory Committee as follows :

1. Senator GIOVANNI CIRAOLO, President of the Italian Red Cross, author of the scheme ;
2. A member nominated by the International Committee of the Red Cross ;
3. A member nominated by the League of Red Cross Societies ;
4. Colonel Robert Edwin OLDS (9, rue de Lille, Paris), jurist ; delegate of the American Red Cross in Europe during the war ; and
Colonel Ernest P. BICKNELL (Washington, D.C.), Vice-President of the American Red Cross, which he represented in Europe during the war ;
5. Mr. MAUDSLAY, member of the Council of the British Red Cross ; member of the Anglo-Belgian Refugee Commission since 1914 ; expert on private relief organisations ;
6. A SWEDISH member, expert in collective insurance ;

} With the right to sit
alternatively on the
Committee

7. M. BARTENS (Banque d'Outre-Mer, Brussels), who during the war was head of the Transport and Food Supply Departments for Refugees.
8. M. BERNSTEIN, Legal Counsellor of the Syndicate of German Banks ;
9. M. SARRAUT, French Senator ; member of the French delegation to the League of Nations ;
10. M. FERNANDEZ Y MEDINA, Uruguayan Minister at Madrid ; delegate to the League of Nations ; Rapporteur for the scheme at the Assembly.

M. BARTENS was unable to serve on the Committee, and M. CARTON DE WIART was later appointed in his place. M. Bernstein was also unable to serve.

The Committee met at Geneva from May 25th to May 28th, 1925.

The discussions in the Committee resulted in a draft scheme for an international organisation for mutual assistance. According to this scheme, the organisation would consist of a general council of representatives of States and an Advisory Committee composed of some fifteen members appointed for their technical capacity and experience, account being taken of the principle of geographical representation. The organisation would, moreover, include a small executive committee which, with the collaboration of the Red Cross, and, if necessary, of other organisations working for a similar object, would take steps to provide emergency relief to meet calamities falling within the sphere of activity of the Union.

It was proposed that the States should be asked to make one original contribution of funds, in accordance with the scale in force, for the contributions of the States Members of the League, in order to start the organisation. The principal resources of the organisation, however, would be obtained from contributions due to private generosity.

Ultimate financial control would be vested in the League of Nations and a large measure of publicity given to the use of these funds.

Such an organisation, in the opinion of the Committee, without imposing any considerable or recurring financial burden upon States, would carry into effect the fundamental idea of Senator Ciruolo, which consists in ensuring to peoples overtaken by disaster the immediate relief necessary until appeals for help could be answered and would give to the public and to the Governments an assurance that the funds collected would be used in an effective manner.

There will be a further meeting of the Preparatory Committee in Paris on June 27th, when the final draft of the scheme will be considered and forwarded to the Council of the League for its approval.

11.

MEASURES TO HELP REFUGEES.

TRANSFER TO THE INTERNATIONAL LABOUR ORGANISATION OF THE WORK ON BEHALF OF THE REFUGEES.

The fifth Assembly requested the Council to continue its negotiations with the Governing Body of the International Labour Office in order to determine the precise conditions under which the work on behalf of the refugees should be completed. It endorsed the decision of the Council taken on June 12th, 1924, and voted the sum of 203,000 francs to be specially set aside for the administrative expenses required for the establishment of Russian and Armenian refugees during 1925.

The Assembly, at the same time, invited the International Labour Office, in collaboration with Dr. Nansen, to institute an enquiry with a view to studying the possibility of settling a substantial number of Armenian refugees in the Caucasus or elsewhere, and added a further sum of 50,000 francs to the refugee budget for 1925.

The Council, at a meeting held on September 30th, 1924, noted the resolution of the fifth Assembly. It approved in principle the proposal to transfer the work for the Russian and Armenian refugees to the International Labour Organisation, and invited that Organisation, in collaboration with Dr. Nansen, to institute an enquiry. It expressed the earnest hope that the Governing Body of the International Labour Office would find it possible at its forthcoming session to adopt the recommendations of the Assembly in order that the work for the refugees might be carried on without interruption, and instructed the Secretary-General to communicate to the Governing Body all the necessary records, requesting Dr. Nansen, or the Assistant High Commissioner, and the Secretary-General to hold themselves at the disposition of the Governing Body in case the latter should desire any further explanation or information.

The Governing Body of the International Labour Office, on October 10th, 1924, passed the following resolution :

“ The Governing Body instructs the Director to draw up a scheme of the services providing employment for the refugees which he thinks could be set up with the 203,000

francs voted by the Assembly of the League of Nations, and to check this estimate with the expenditure of the High Commissariat in previous years.

“ It is understood that what the International Labour Office is asked to undertake is an investigation, co-ordination and communication of offers of employment made to the refugees, the conditions in which the refugees can take advantage of such offers, and an estimate of the number of refugees for whom employment is to be found. The expenditure may not exceed the allotted credit.

“ It is understood that there can be no question of providing relief or paying the fares of the hundreds of thousands of refugees out of the small funds allotted.

“ It is also understood that it is entirely a temporary service, which is to be terminated as soon as possible. ”

The resolution of the Governing Body was noted by the Council on December 8th, 1924. Dr. Nansen informed the Council on that occasion that on receiving the decision of the Governing Body, he had resumed negotiations with the Director of the International Labour Office. He noted that the resolution of the Governing Body of October 10th implied an acceptance of the transfer of the work connected with the Russian and Armenian refugees from the Secretariat of the League of Nations to the International Labour Office in accordance with the proposals adopted by the fifth Assembly.

He pointed out, however, that questions of a political or legal character might arise not falling entirely within the sphere of the International Labour Organisation, on which the Director of the International Labour Office thought it might be necessary to have recourse to the assistance of the League. It was understood that such recourse would not derogate from the technical and administrative responsibility which would henceforth be vested in the International Labour Organisation.

Dr. Nansen accordingly proposed that under the mandate of the Assembly and the Council he should continue to deal, at the request of the Director of the International Labour Office, with such questions as might not fall entirely within the sphere of the International Labour Organisation, and that he should continue to submit reports to the Council from time to time with appeals for its moral and active support as circumstances might require.

The Council, having noted these declarations of Dr. Nansen, adopted the following resolution :

“ The Council :

“ Having noted the resolution of the Governing Body of the International Labour Organisation of October 10th, 1924, relating to the future work on behalf of the Armenian and Russian refugees :

“ Recognising, however, that questions of a political or legal character may arise involving the intervention of the League ;

“ Bearing in mind the unanimous resolutions of the fifth Assembly inviting Dr. Nansen's continued co-operation in this connection :

“ Approves the proposals contained in his report of November 24th, 1924, for the future execution of the work for the Russian and Armenian refugees in so far as these proposals refer to the Council. ”

A complete report on the refugee question from the general and budgetary points of view will be prepared by the International Labour Office for submission to the Assembly. A provisional report drawn up by the Office has already been distributed.

DEPOSITS BY GREEK AND ARMENIAN REFUGEES IN CERTAIN BANKS.

The fifth Assembly, on September 25th, 1924, unanimously adopted the following resolution :

“ The Assembly ;

“ Moved by the Greek delegate's statement in regard to the confiscation effected in certain banks to the detriment of the Armenian and Greek refugees ;

“ While making no pronouncement in regard to the facts, with all the details of which it is not acquainted, or in regard to the competence of the League in this question :

“ Urgently invites the Council to make a careful enquiry into the facts in question and then to take such measures as it may consider necessary, should it decide that the matter comes within the sphere of action of the League of Nations. ”

The Council, considering this resolution on September 25th, 1924, invited the Greek Government to communicate to the Secretary-General any information in its possession on the subject. The Greek Government, in response to this information, forwarded to the Secretary-General, in February 1925, two letters on the question.

The Greek Government thereby informed the Secretary-General that it hoped to be able to conclude an arrangement on the matter and that it had applied to the Mixed Commission for the Exchange of Greek and Turkish Populations with a view to obtaining the withdrawal of the restrictions of the rights of Greek refugees in this matter, but that it reserved the right to bring up the question again if action by the Mixed Commission should prove to be ineffective.

12.

FAMINE IN ALBANIA.

The Council at its meeting on September 9th, 1924, considered a report by M. Cuénod on his mission to Albania and noted the successful efforts made by the League of Nations to succour the necessitous populations in Northern Albania.

The Council noted the opinion of M. Cuénod that the foodstuffs provided by the generosity of the Members of the League reached the recipients at precisely the right moment, when the reserves of maize were exhausted and before the new crops were available. It noted that the forthcoming crop promised to be good, and that no famine was therefore to be expected during the following twelve months.

The Council, on the recommendation of M. Cuénod, decided to employ the sum of ten thousand Swiss francs (10,000 Swiss francs), still in hand, for the purchase of quinine to be distributed by Dr. Haigh, who was at that moment conducting an enquiry on behalf of the Health Organisation of the League of Nations into the prevalence of malaria in Albania¹.

The representative of Albania thanked the Council for all that had been done for the famine-stricken population in Albania.

13.

WORK OF THE COMMITTEE ON INTELLECTUAL CO-OPERATION.

(1) CREATION OF NATIONAL COMMITTEES ON INTELLECTUAL CO-OPERATION.

The report of the Second Committee of the fifth Assembly, adopted by the latter on September 25th, 1924, stated that, as a result of the enquiry undertaken by the International Committee on Intellectual Co-operation with a view to ascertaining the position of intellectual life, National Committees had been set up to co-operate with the International Committee and to assist it in its task.

The fifth Assembly, recording the fact that the system of forming National Committees on intellectual co-operation was making steady progress, requested the Council to make further representations to the Governments of those States which had not yet formed such Committees, inviting them to promote their creation and, if possible, to give them financial support in their work of mutual assistance in intellectual matters.

In pursuance of this resolution, the Secretary-General, at the request of the Council, sent a Circular Letter to the States Members of the League, communicating the list of National Committees which had so far been constituted². Since this list was drawn up, National Committees have been set up in Chile, Panama and Salvador, and an important National Committee is in course of formation in the United States of America. Moreover, at the request of the British Government, the Universities Bureau of the British Empire undertook to act as a National Committee, and the Australian Government requested the Director of the Institute of Science and Industry to deal with questions connected with intellectual co-operation.

Regular relations may now, therefore, be established, in accordance with the Assembly's recommendation, between the Committee on Intellectual Co-operation and the representative national organisations of twenty-eight countries.

(2) COPYRIGHT AND THE QUESTION OF SCIENTIFIC PROPERTY.

At its meeting held on September 9th, 1924, the Council requested the Secretary-General, in accordance with the recommendation expressed by the Genoa Conference held in April 1922, with which the Committee on Intellectual Co-operation concurred, to request those countries which had not yet done so to adhere to the Berne Copyright Conventions.

¹ See the chapter of the present report dealing with the work of the Health Organisation.

² See *Official Journal*, March 1925, page 422.

The *Finnish* Government has announced that it will shortly submit to Parliament a Bill providing for its adhesion to these Conventions. The Governments of *Guatemala* and *Uruguay* are studying the question; the *Serb-Croat-Slovene* Government will consider the possibility of adhering to the Berne Conventions as soon as the Bill now in preparation is passed by Parliament.

As certain Governments raised objections to the draft Convention which Senator Ruffini, at the request of the Committee on Intellectual Co-operation, had prepared for the purpose of ensuring to scientists rights of property in their discoveries, the fifth Assembly approved the convening of a Committee of Experts composed of scientists, industrialists and persons in touch with the views of their Governments. The Assembly requested the Committee on Intellectual Co-operation to organise such a meeting in 1925 after consultation with the Economic Committee.

The question appears on the agenda of the ordinary session of the Committee on Intellectual Co-operation, which will take place before the sixth Assembly.

(3) BIBLIOGRAPHY.

The Bibliographical Sub-Committee at its next session will take further steps for the international co-ordination of works of analytical bibliography on scientific subjects (*abstracts*).

Results cannot be obtained in this field unless an agreement is negotiated between representatives of existing publications. At the last session of the Committee, Mme. Curie, the author of the proposal regarding the co-ordination of works of analytical bibliography, noted that, although, in view of the various interests concerned, there were still many difficulties in the way of an agreement, the Committee's efforts to establish closer relations had already proved of considerable value to readers of scientific reviews in that it had secured the general adoption of the practice of inserting a summary (*synopsis*) at the head of each article.

The agreement approved by the last Assembly between the Committee on Intellectual Co-operation and the International Institute of Bibliography at Brussels was signed in November 1924 by the secretaries of the Institute and the Secretary-General of the League of Nations. In accordance with this agreement, the Committee on Intellectual Co-operation has appointed a member of the Governing Body of the Institute, and has also appointed representatives for the purpose of arranging with the Institute the order in which the bibliographical work referred to in the agreement will be undertaken.

The first edition of the *Index Bibliographicus*, an international list of sources of current bibliography (periodicals and institutions), has appeared this year under the auspices of the Committee on Intellectual Co-operation.

(4) INTERNATIONAL EXCHANGE OF PUBLICATIONS.

In adopting its Second Committee's report, the fifth Assembly decided to give effect to the recommendations of the Committee of Experts convened by the League in July 1924 to consider the possibility of improving exchanges of publications between countries.

The Committee of Experts came to the conclusion that the Conventions of Brussels dated March 15th, 1886, concerning (1) (Convention A) international exchanges of official documents and scientific and literary publications, and (2) (Convention B) the immediate exchange of *Official Journals* and Parliamentary records and documents, should not be modified.

A number of countries had adhered to these Conventions or at any rate to one of them, but there were certain countries which had not yet given their adherence because they regarded the obligation contained in Article 2 of the General Convention (A) as imposing too heavy a burden.

Accordingly, the fifth Assembly adopted the Additional Protocol recommended by the Committee of Experts, enabling countries which had not yet adhered to the General Convention to do so, while restricting, however, the quantities sent to each country by agreement with the latter. The Assembly relied on the good offices of the Belgian Government to obtain these partial adherences.

The following replies have been notified to the Secretary-General by the Belgian Government. The *Brazilian* Government, which adhered to the Conventions of 1886, signifies its approval of the resolution enabling States which have not yet acceded to the original Convention to do so on certain conditions. The *Mexican* Government is carefully considering whether it can adhere to all or part of the Brussels Conventions. The *Shereefian* Government of *Morocco* readily gives its adhesion to Convention A on condition that the quantities sent to signatory or adherent Governments are limited by agreement with the latter. The *Portuguese* Government signifies its adherence to the Additional Protocol of the Brussels Conventions.

The Committee of Experts further recommended, for the purpose of developing the exchange of scientific and literary publications, that a draft Convention should be added to those already existing. The fifth Assembly requested the Council to invite all States, whether signatories to the Conventions of 1886 or not, to consider the possibility of accepting this new Convention.

At the request of the Council, the Secretary-General, on November 10th, 1924, communicated the draft Convention¹ to the various Governments, requesting them to consider the possibility of accepting it.

¹ *Official Journal*, May, 1925, page 739.

The Secretary-General has received the following replies : The Government of the *Union of South Africa*, which did not adhere to the Brussels Conventions, cannot accept the new draft Convention, but will continue to carry out international exchanges on a semi-official basis. The *Belgian* Government has adhered to the Convention with certain reservations. The *British* Government regrets that it cannot approve the draft Convention, but is prepared, subject to certain stated conditions, to consider ways and means of organising free exchanges with foreign countries. The *Bulgarian* Government regrets that it cannot at present consider adhering to the new Convention. The *Roumanian* Government is in favour of a Convention for the development of the exchange of scientific and literary publications. The Government of *Salvador* has authorised its representative to sign the new Convention.

(5) INTER-UNIVERSITY RELATIONS : EQUIVALENCE OF DEGREES ; QUESTION OF THE CREATION OF AN INTERNATIONAL UNIVERSITY.

The fifth Assembly instructed the International University Information Office to embody in one draft all the recommendations of the Committee on Intellectual Co-operation in university matters.

In view of the proposals made by the Spanish Government at the fourth Assembly, and the suggestion made in the Second Committee by the Persian delegate with regard to the equivalence of degrees, the fifth Assembly also asked all States to communicate what steps they had taken, or intended to take, in the direction indicated by the Committee on Intellectual Co-operation, with a view to attaining, as far as possible, the aims referred to in the said proposals.

The following replies have been received : the *British* Government states that the British universities are independent, autonomous bodies and not State institutions, and action in such matters is consequently not within the power of the Government. The Assembly's resolutions have, however, been forwarded to the Universities Bureau of the British Empire, which has communicated them to the Permanent Committee of the Vice-Chancellors of the universities of Great Britain and Ireland ; the Government of *Luxemburg* has sent information regarding those of the Committee's recommendations which concern the Grand Duchy ; the *Netherlands* Government has sent particulars concerning the equivalence of scientific degrees ; the *Norwegian* Government considers that an exhaustive study should be made of university conditions in every country before any final opinion is formed as to the Spanish Government's proposals regarding the equivalence of degrees and the creation of an international university. It makes the same proposal in regard to the Persian delegate's suggestion as to the equivalence of degrees for the purpose of admitting foreign students into universities. The Norwegian Government considers that the question might be referred to the Committee on Intellectual Co-operation, to be dealt with by the International Institute for Intellectual Co-operation which is to be founded at Paris.

(6) WORK OF THE GOVERNING BODY OF THE INTERNATIONAL UNIVERSITY INFORMATION OFFICE.

The Governing Body of the International University Information Office met on April 6th, 1925, at Geneva.

There were present : M. Julien Luchaire, Inspector-General of Education in France (Chairman, in the absence of M. de Reynold) ; M. Castella, Professor at Friburg University (substitute for M. de Reynold) ; M. de Halecki, professor at Warsaw University ; Dr. Carrington Lancaster, Director of the American University Union in Europe ; Dr. Hagberg Wright, Director of the London Library, and Dr. Nitobé, Professor at Tokio University, and the Director of the Office.

The Governing Body approved reports on the distribution of the Bulletin of the International University Information Office and on the increase in the number of national University Offices with which the International Office is in contact. The main purpose, however, of the meeting was to make arrangements for carrying out Dr. Hagberg Wright's plan for the establishment of the list of the most notable works published in various countries during the course of the year. This plan was approved by the Second Committee of the fifth Assembly.

The yearly publication of a concise list (which should not exceed some 600 volumes) of the most notable works appearing in various countries would, it is recognised, meet the requirements of a certain number of librarians who consider such a list as the most practical method of enabling the different countries to keep in touch with foreign literary and scientific production.

In July 1924, when the Committee on Intellectual Co-operation approved Dr. Hagberg Wright's plan, it expressed the desire that this list should be drawn up with the assistance of the National Committees in various countries and that the sole responsibility for the national lists should rest with the persons furnishing the names of the works.

The Governing Body fixed for each country the maximum number of works to be placed on the list. Countries publishing yearly more than 10,000 works may select 40, those publishing from 5,000 to 10,000 works may select 20, those publishing from 2,500 to 5,000 works may select 10, and countries publishing less than 2,500 may select 5.

The works chosen may deal with the following subjects : history, law, social science, theology, philosophy, belles-lettres, art, geography and travels, philology and literary history, exact, natural and applied sciences. They should further be chosen from among works which deal with important subjects, or which have a personal character and are accessible to the educated public.

The general list will be co-ordinated by Dr. Hagberg Wright before its publication in the Bulletin of the International University Information Office. The names of the persons furnishing the national lists will be given.

The Governing Body also had to complete the distribution of a sum of 100,000 lire, which the Italian Red Cross had generously placed at the disposal of the Committee on Intellectual Co-operation last year in order to assist necessitous Russian intellectual workers. This sum had been distributed in Belgium, Germany, Esthonia, France, the Netherlands, Poland and in the Kingdom of the Serbs, Croats and Slovenes.

(7) TRAVELLING FACILITIES IN FOREIGN COUNTRIES FOR STUDENTS, PROFESSORS AND MEN OF LETTERS.

Various Governments have stated how they intend to give effect to the Assembly's recommendations on this subject. The *Austrian* Government will continue to grant such travelling facilities as are in its power (reduction of cost of visa, etc.) to all professors, men of letters and students applying therefor. The *Belgian* Government sends information as to the measures taken in Belgium and the agreements concluded with other countries. The *British* Government gives similar information, and adds that it will bear in mind the fifth Assembly's resolutions. The *Spanish* Government states that it regards with sympathetic interest any movement to promote, on a reciprocal basis, the development of culture by the establishment of international relations for this purpose. The *Esthonian* Government indicates the facilities which it grants to students travelling in groups. The *Latvian* Government states that it also is prepared, as far as its financial resources allow, to assist in carrying into effect international exchanges of students. Further, according to the existing regulations, persons travelling for purposes of scientific research are charged reduced fares. The Government of *Monaco* is wholly favourable to the scheme. Although the recommendation only concerns Members of the League, to which the Principality does not yet belong, the Government is prepared at once to consider, in so far as Monaco is concerned, the Resolution and the methods of its application. The *Swiss* Federal Government asks to be informed of the replies of the other Governments as soon as they are received, and is prepared to give sympathetic consideration to the question.

(8) QUESTION OF AN INTERNATIONAL LOAN INTENDED FOR INTELLECTUAL DEVELOPMENT IN THE COUNTRIES OF MEMBERS OF THE LEAGUE.

This question, which was referred by the fifth Assembly to the Committee on Intellectual Co-operation, has been placed on the agenda of the Committee's next session.

(9) APPEAL ON BEHALF OF THE INTELLECTUAL WORKERS OF HUNGARY.

In accordance with the Assembly's recommendation, the Committee on Intellectual Co-operation made, under the Council's authority, an appeal to the universities, academies and other scientific bodies on behalf of the intellectual workers of Hungary. In this appeal, which is on similar lines to that made in November 1922 on behalf of the intellectual workers of Austria, it is pointed out that the Hungarian State revenues are now devoted entirely to financial reconstruction, in accordance with the programme laid down by the League in agreement with the Hungarian Government, that intellectual institutions are still suffering in Hungary, and that the intellectual life of the whole country is in danger.

The Committee adds in its appeal that, in their present position, Hungarian universities, academies and other scientific bodies are unable to send publications of equal value to those which similar institutions in other countries are urgently invited to send them, but that they will in all probability be happy to add, so far as their means permit, to collections in other countries in exchange for the completion of collections in their own.

Favourable replies have been received from the Royal Academy of Science, Literature and Arts at Brussels, the Academy of Science and Arts, Barcelona, the Royal Danish Academy of Science, the Polish Academy at Cracow, the American Academy of Arts and Sciences, Boston, the University of Missouri, the Catholic University of the Sacred Heart, Milan, the Friburg Society of Natural Science, and the University of Zurich, etc.

(10) APPEAL FOR THE RECONSTRUCTION OF THE IMPERIAL LIBRARY AT TOKIO UNIVERSITY.

At the last session of the Committee, Professor Nitobé, Under-Secretary-General of the League of Nations, thanked the Committee on Intellectual Co-operation for the results of the appeal it had made, in pursuance of the resolution passed by the fourth Assembly, with a view to the reconstitution of Tokio University library, which was destroyed by earthquake. During his recent visit to Japan, Professor Nitobé noted the large number of gifts of books and publications stored in temporary premises pending the erection of the new library, for which the Rockefeller Institute has generously given a grant of four million dollars.

(11) CONTACT BETWEEN YOUNG PEOPLE OF DIFFERENT NATIONALITIES AND THE QUESTION OF THE INSTRUCTION OF YOUTH IN THE IDEALS OF THE LEAGUE OF NATIONS.

The Secretary-General will submit to the sixth Assembly the special report on this question which the fifth Assembly asked him to prepare.

Since the last Assembly various Governments have notified the Secretary-General of the measures they have taken, or propose to take, to give effect to the fourth Assembly's recommendation and to familiarise children and young people in their own countries with the existence and aims of the League of Nations¹. The replies of these Governments were published in the *Official Journal* (December 1924 and May 1925).

(12) FOUNDING OF AN INTERNATIONAL INSTITUTE OF INTELLECTUAL CO-OPERATION IN PARIS.

The fifth Assembly was notified by the Council of the French Government's proposal to found at Paris and place at the disposal of the League an International Institute for Intellectual Co-operation, to be used for the work of the Committee.

The Assembly stated its views regarding the powers and duties of the proposed Institute, the administrative and juridical conditions under which it would work, and the relations between the Institute and existing international institutions of an intellectual character whose autonomy it is necessary to maintain.

In pursuance of the Assembly's decision, the Council instructed the Secretary-General to conclude with the French Government, for the subsequent approval of the Council, all agreements necessary to ensure the establishment, continuity and proper working of the Institute.

These agreements were approved by the Council at the close of its Rome session (December 1924). They fix the conditions on which the French Government undertakes, subject to the approval of the French Parliament, to found and maintain the Institute at Paris.

As it is stipulated in this undertaking that the Institute is to be administered by the members of the Committee on Intellectual Co-operation, the Committee held a session in May 1925 to lay down the main lines of the programme, the budget and the internal and financial regulations of the proposed Institute. A general agreement was reached, and accordingly these regulations may be approved by the Committee at its next session. The Institute therefore may begin its work as soon as the French Government notifies the Secretary-General that Parliament has given its approval to the scheme and thereby rendered final the undertaking given by that Government, and when the Council of the League has approved the financial regulations of the Institute.

14.

INTERNATIONAL BUREAUX.

(Article 24 of the Covenant.)

1. INTERNATIONAL HYDROGRAPHIC BUREAU.

The International Hydrographic Bureau was the first of the international organisations constituted by general convention since the creation of the League, and was placed under the direction of the League in accordance with Article 24 of the Covenant.

The Bureau keeps in constant touch with the Secretariat by sending copies of its Annual Report and the circular letters addressed to its Members. The Secretariat audits the account of the Bureau annually. A close co-operation has been established between the Bureau and the Special Committee for Buoyage and Lighting of Coasts of the Committee for Communications and Transit of the League with a view to arriving at a uniform system of buoyage and coast lighting.

2. CENTRAL INTERNATIONAL OFFICE FOR THE CONTROL OF THE LIQUOR TRAFFIC IN AFRICA.

According to the terms of the Council's resolution of January 11th, 1922, the Office continues to communicate to the Secretariat copies of all returns concerning the importation of spirituous

¹ The replies received before the meeting of the fifth Assembly are summarised in the Supplementary Report submitted to that Assembly (*Official Journal*, Special Supplement No. 23, page 378).

liquors into the various African colonies and mandated territories, as well as the different ordinances in force in those colonies and territories. The office has also furnished certain information for the Permanent Mandates Commission of the League.

3. INTERNATIONAL COMMITTEE FOR AIR NAVIGATION.

The International Committee for Air Navigation continues to keep in touch with the Section of the Secretariat dealing with Communications and Transit, as well as with the Section dealing with International Bureaux.

4. THE INTERNATIONAL RELIEF BUREAU (BUREAU INTERNATIONAL D'ASSISTANCE).

The reconstitution of the Committee of the Congrès d'assistance not yet having been effected, the activities of this Bureau appear still to be in suspense.

5. PUBLICATIONS RELATING TO INTERNATIONAL ORGANISATIONS.

The Secretariat of the League continues the publication of the *Quarterly Bulletin of Information on the Work of International Organisations*. In No. 10 of this *Bulletin*, issued in January 1925, were published an Index to Nos. 1-9 inclusive, as well as a chart of the meetings held in 1924 by 82 international organisations. The information given is supplied by the organisations themselves and is therefore authentic. Material is being collected for the third edition of the *Handbook of International Organisations*, which will be issued in English and French.

Through the contact maintained by frequent correspondence with an increasing number of international organisations, the Secretariat is in a position to answer enquiries concerning their organisation and activities. The contact with a number of private international organisations has greatly increased during the past year in consequence of the resolution of the fifth Assembly in regard to the education of youth in the principles of the League and of another resolution passed by the same Assembly with respect to the closer international co-operation of municipalities. The relevant international organisations were approached for information and sometimes for opinions.

6. REGISTER FOR INTERNATIONAL ASSOCIATIONS OF A SOCIAL, SCIENTIFIC, ARTISTIC OR LITERARY CHARACTER.

The Council adopted a resolution on September 9th, 1924, authorising the Secretariat to open a register for international associations and institutions of a social, scientific, artistic or literary character.

The Secretariat has studied the best method of carrying out this resolution, and preliminary steps have been taken to open the register.

15.

PRESENT SITUATION WITH REGARD TO INTERNATIONAL ENGAGEMENTS REGISTERED BY THE SECRETARIAT OF THE LEAGUE OF NATIONS¹.

REGISTRATION AND PUBLICATION OF TREATIES AND INTERNATIONAL ENGAGEMENTS (Article 18 of the Covenant).

The registration of treaties by the Secretariat has continued, as in previous years, in conformity with the method laid down in the memorandum of the Council dated May 19th, 1920. From May 19th, 1920, to May 19th, 1925, 864 international engagements were presented for registration. The year May 19th, 1924, to May 19th, 1925, was that in which the largest number of treaties was presented for registration by the Members of the League of Nations

¹ A special report on this question will be annexed to the Supplementary Report on the Work of the Council, which will appear immediately prior to the opening of the Assembly.

and other States in accordance with Article 18 of the Covenant; during this year 251 treaties or international engagements were registered. They were of a very different character, as will be seen from the following list, which, although a summary, will give an idea of the agreements registered during the period mentioned.

AGREEMENTS REGARDING PERSONS OF UNSOUND MIND ¹.

Registration Nos.	Registration Nos.
683. Norway and the United Kingdom.	848. Chile and Norway.
797. Esthonia and Sweden.	849. Mexico and Norway.
843. Argentine and Norway.	850. Japan and Norway.
847. France and Norway.	

ARBITRATION AND CONCILIATION CONVENTIONS.

Registration Nos.	Registration Nos.
616. United States of America and the Netherlands.	831. American States.
630. United States of America and France.	834. Italy and Switzerland.
631. Spain and France.	839. Denmark and Finland.
674. Hungary and Roumania.	840. Denmark and Sweden.
715. Argentine and Venezuela.	842. Denmark and Norway.
717. Norway and Sweden.	844. Sweden and Switzerland.
731. Finland and Sweden.	851. United States of America and Sweden.
751. Finland and Norway.	861. Brazil and Switzerland.
770. United States of America and Japan.	862. Austria and Switzerland.

CONVENTIONS RESPECTING THE REGULATION OF LIQUOR TRAFFIC.

Registration Nos.	Registration Nos.
639. United States of America and Norway.	752. United States of America and Sweden.
681. United States of America and the United Kingdom.	863. United States of America and the Netherlands.
697. United States of America and Denmark.	

CONVENTIONS CONCERNING HUNTING AND FISHING.

Registration Nos.	Registration Nos.
742. Finland and Russia.	743. Finland and Russia.

AGREEMENTS CONCERNING COMMERCE AND NAVIGATION ².

Registration Nos.	Registration Nos.
614. Germany, Belgium, Great Britain, France, Italy, the Netherlands and Switzerland.	728. Japan and the United Kingdom.
621. Esthonia and Latvia.	732. Austria and Belgium and Luxemburg.
626. Canada and Italy.	739. Finland and the United Kingdom.
628. Great Britain and Maskat.	744. Finland and Poland.
632. Denmark and Switzerland.	748. The United Kingdom and Czechoslovakia.
662. Germany and Spain.	750. Norway and Roumania.
663. Germany and Poland.	755. Finland and France.
672. Netherlands and Portugal.	763. Bulgaria and Norway.
676. Finland and Iceland.	764. Norway and Portugal.
677. Denmark and Russia.	766. Belgium, Luxemburg and Hungary.
679. Norway and Switzerland.	769. Germany and Greece.
682. United Kingdom and Switzerland.	774. Esthonia and Hungary.
700. Germany and Iceland.	778. Denmark and Poland.
702. British Empire, France, Italy, Japan, Bulgaria, etc. and Turkey.	779. Iceland and Poland.
705. British Empire, France, Italy, Japan, Greece, etc. and Turkey.	782. Austria and Denmark.
716. Germany and the Netherlands.	786. The Netherlands and Czechoslovakia.
719. Spain and the United Kingdom.	788. India and Siam.
722. Poland and the United Kingdom.	792. Austria and Norway.
726. Finland and the United Kingdom.	795. Japan and Siam.
	798. Denmark and Siam.
	799. Greece and Norway.
	800. The Netherlands and Portugal.
	802. Norway and Sweden.

¹ A certain number of these treaties might appear under several of the headings of the lists which follow; this classification is dealt with in the analytical and alphabetical index annexed to the *Treaty Series*.

² Several of the commercial treaties might also be entered in the category of economic treaties.

AGREEMENTS CONCERNING COMMERCE AND NAVIGATION (*Continuation*).

Registration Nos.

- 803. Economic Union of Belgium and Luxembourg and Canada.
- 804. Denmark and Sweden.
- 805. Lithuania and Norway.
- 806. Japan and Poland.
- 809. United States of America and Canada.
- 810. Finland and Russia.
- 814. Finland and Italy.
- 815. Italy and Czechoslovakia.

Registration Nos.

- 819. Great Britain and Denmark.
- 823. Austria and Turkey.
- 825. Germany and Poland.
- 827. Germany and Portugal.
- 832. American States.
- 833. American States.
- 835. Hungary and Norway.
- 838. Germany and Finland.
- 860. Denmark and Latvia.

CONSULAR CONVENTIONS.

Registration Nos.

- 619. Latvia and Lithuania.
- 704. British Empire, France, Italy, Japan, Greece, Roumania, Kingdom of the Serbs, Croats and Slovenes and Turkey.

Registration Nos.

- 822. Austria and Turkey.
- 852. Denmark and France.

AGREEMENTS CONCERNING CUSTOMS AND CUSTOMS FORMALITIES.

Registration Nos.

- 617. Germany and the Netherlands.
- 618. Germany and the Netherlands.
- 624. Esthonia and Latvia.

Registration Nos.

- 691. France and the Governing Commission of the Saar Basin.
- 696. Denmark and Sweden.
- 830. American States.

ECONOMIC AND FINANCIAL TREATIES.

Registration Nos.

- 622. Esthonia and Latvia.
- 624. Esthonia and Latvia.
- 627. Great Britain and France.
- 655. United States of America and Germany.
- 671. Austria and Greece.
- 699. Austria and Italy.
- 707. British Empire, France, Italy, Greece, Roumania and Turkey.
- 712. British Empire, France, Italy and Greece.
- 713. British Empire, France, Italy, Japan, Roumania.
- 727. Spain and the United Kingdom.
- 759. Belgium, British Empire, France, Greece, Italy, etc. and Germany.
- 760. Belgium, British Empire, France, Greece, Italy, etc. and Germany.

Registration Nos.

- 761. Belgium, British Empire, France, Greece, Italy, etc. and Germany.
- 762. Belgium, France, Great Britain, Italy, Japan and the Kingdom of the Serbs, Croats and Slovenes.
- 765. Germany and the Governing Commission of the Saar Basin.
- 773. Hungary and Czechoslovakia.
- 776. Greece.
- 777. France, Great Britain and Italy.
- 780. Bulgaria and France, Great Britain and Italy.
- 781. France, Great Britain and Italy.
- 817. Italy and Czechoslovakia.
- 826. Austria and Czechoslovakia.
- 828. Germany and Siam.
- 859. Germany and Great Britain.

AGREEMENTS REGARDING DELIMITATION OF FRONTIERS AND FRONTIER TRAFFIC.

Registration Nos.

- 623. Esthonia and Latvia.
- 645. Germany and Denmark.
- 646. Germany and Denmark.
- 694. Ecuador and Peru.
- 703. British Empire, France, Italy, Japan, etc. and Turkey.
- 723. France and the United Kingdom.

Registration Nos.

- 725. Italy and the United Kingdom.
- 730. Germany and Denmark.
- 757. Finland and Norway.
- 758. Finland and Norway.
- 772. Hungary and Czechoslovakia.
- 788. India and Siam.
- 841. Colombia and Panama.

AGREEMENTS CONCERNING TAXATION.

Registration Nos.

- 656. Germany and Poland.
- 660. Germany and Austria.
- 661. Germany and Austria.
- 666. Germany and Switzerland.
- 670. Germany and Czechoslovakia.

Registration Nos.

- 689. France and Governing Commission of the Saar Basin.
- 801. Great Britain and Norway.
- 808. Great Britain and Denmark.
- 820. Great Britain and Sweden.

LEGAL AND EXTRADITION CONVENTION.

Registration Nos.

- 620. Latvia and Lithuania.
- 629. United States of America and Siam.
- 638. United States of America and Bulgaria.
- 642. Bulgaria and the Kingdom of the Serbs, Croats and Slovenes.
- 643. Bulgaria and the Kingdom of the Serbs Croats and Slovenes.
- 648. Germany and Czechoslovakia.
- 664. Germany and Poland.
- 665. Germany and Poland.
- 668. Germany and Austria.
- 669. Germany and Austria.
- 673. Belgium and the Netherlands.

Registration Nos.

- 675. Austria and Norway.
- 680. Belgium and France.
- 687. France and the Governing Commission of the Saar Basin.
- 698. United States of America and Latvia.
- 768. Kingdom of the Serbs, Croats and Slovenes and Czechoslovakia.
- 794. Austria and Norway.
- 811. Esthonia and Finland.
- 817. Italy and Czechoslovakia.
- 845. Bulgaria and Roumania.
- 846. Bulgaria and Roumania.

AGREEMENTS REGARDING MANDATES.

Registration Nos.

- 640. United States of America and France.
- 641. United States of America and France.

Registration Nos.

- 721. Germany and the Union of South Africa.
- 791. United States of America and Belgium.

AGREEMENTS REGARDING QUESTIONS OF NATIONALITY AND MINORITIES.

Registration Nos.

- 705. British Empire, France, Italy, Japan, Greece, etc., and Turkey.
- 709. British Empire, France, Italy, Japan and Greece.
- 711. British Empire, France, Italy, Japan and Greece.

Registration Nos.

- 736. British Empire, France, Italy, Japan and Lithuania.
- 737. Bulgaria.
- 738. Greece.
- 793. Germany and Czechoslovakia.
- 807. Greece and Turkey.
- 824. Germany and Poland.

AIR NAVIGATION.

Registration Nos.

- 796. Great Britain and Poland.
- 829. Denmark and Poland.

Registration Nos.

- 836. The Netherlands and the United Kingdom.

POLITICAL AGREEMENTS, TREATIES OF PEACE AND FRIENDSHIP, SOVEREIGNTY, ETC.

Registration Nos.

- 628. Great Britain and India.
- 636. Great Britain and Irish Free State.
- 637. Czechoslovakia and Italy.
- 657. Germany and Russia.
- 658. Germany and Poland.
- 659. Germany and Poland.
- 684. Denmark and Norway.
- 701. British Empire, France, Italy, Japan, Greece, etc., and Turkey.
- 706. Belgium, British Empire, France, Greece, Italy, etc.

Registration Nos.

- 708. British Empire, France, Italy, Japan, Greece and Turkey.
- 710. British Empire, France, Italy, Japan and Greece.
- 714. Bulgaria, British Empire, France, Greece, Italy, etc., and Turkey.
- 729. Spain, France and Great Britain.
- 821. Austria and Turkey.
- 853. Afghanistan and Persia.
- 864. United States of America and the Netherlands.

POSTAL, TELEPHONIC, TELEGRAPHIC AND RADIO-TELEGRAPHIC COMMUNICATIONS.

Registration Nos.

- 615. France and the Netherlands.
- 720. Great Britain, France and Switzerland.
- 724. Great Britain and China.
- 740. Finland and Sweden.
- 741. Denmark and Finland.
- 745. Finland and Russia.
- 746. Finland and Russia.
- 747. Finland and Russia.
- 749. Belgium and the United Kingdom.
- 756. United States of America and Finland.
- 767. Pan-American Postal Union.
- 771. Denmark, Norway and Sweden.
- 783. United States of America and the Netherlands.

Registration Nos.

- 784. Russia and Sweden.
- 785. United Kingdom and Russia.
- 787. Straits Settlements and Japan.
- 789. Costa Rica and Great Britain.
- 812. Finland and Norway.
- 813. Germany and Finland.
- 818. Great Britain and China.
- 854. United States of America and British Empire.
- 855. United States of America and Great Britain.
- 857. Belgium and the United Kingdom.
- 858. Belgium and the United Kingdom.

AGREEMENTS REGARDING SOCIAL QUESTIONS.

Registration Nos.

644. Bulgaria and the Kingdom of the Serbs, Croats and Slovenes.
686. Belgium and Luxemburg.
688. Germany and the Governing Commission of the Saar Basin.
690. Germany and the Governing Commission of the Saar Basin.

Registration Nos.

693. Germany and the Governing Commission of the Saar Basin.
753. Germany and the Governing Commission of the Saar Basin.
754. Germany and the Governing Commission of the Saar Basin.

AGREEMENTS CONCLUDED UNDER THE AUSPICES OF THE LEAGUE OF NATIONS.

Registration Nos.

633. Great Britain, France, Italy, Roumania, Kingdom of the Serbs, Croats and Slovenes, Czechoslovakia and Hungary (Financial Reconstruction of Hungary).
634. Hungary.
678. Protocol regarding Arbitration Clauses.
685. International Convention for the Suppression of the Circulation of and Traffic in Obscene Publications.

Registration Nos.

695. Protocol regarding an Amendment to Article 6 of the Covenant.
733. Protocol regarding an Amendment to Article 12 of the Covenant.
734. Protocol regarding an Amendment to Article 13 of the Covenant.
735. Protocol regarding an Amendment to Article 15 of the Covenant.
775. International Convention for the Simplification of Customs Formalities and Protocol relating thereto.

QUESTIONS RELATING TO THE APPLICATION OF THE TREATY OF VERSAILLES AND OTHER TREATIES OF PEACE.

Registration Nos.

647. Belgium, Great Britain, France, Greece, Italy, etc.
649. Germany, Belgium, Great Britain, France, Italy and Czechoslovakia.
650. Germany and Czechoslovakia.

Registration Nos.

651. Germany, Belgium, Great Britain, France, Italy and Czechoslovakia.
652. Germany, France and Switzerland.
667. Germany and Poland.

TRANSIT CONVENTIONS.

Registration Nos.

625. Italy and Switzerland.
635. Greece and the Kingdom of the Serbs, Croats and Slovenes.
653. Germany and Poland.
654. Germany and Poland.
692. Germany and the Governing Commission of the Saar Basin.

Registration Nos.

718. Finland and Sweden.
790. Germany and Denmark.
816. Italy and Czechoslovakia.
837. Germany and the Governing Commission of the Saar Basin.
856. Great Britain and Northern Ireland and France.

These records, published in the *Treaty Series* in their original languages, are accompanied by English and French translations. The analytical and alphabetical index, which appears after the publication of every hundred international engagements, gives details concerning the character of each Treaty, the Contracting Parties which have signed it, and the position with regard to each international engagement registered.

Up to now, thirty-three volumes of about four hundred and fifty pages each, containing eight hundred and sixty-four treaties, have been published. Other volumes will appear as soon as new treaties have been presented for registration. This satisfactory result is due not only to the regularity with which the Members of the League of Nations have discharged their obligations under Article 18 of the Covenant but also to the fact that certain States non-Members of the League continue to respond to the appeal made by the Council of the League of Nations in its memorandum of May 19th, 1920.

The following table shows the number of treaties registered with the Secretariat during the period from May 19th, 1924, to May 19th, 1925, at the request of the following States :

Germany	30	Hungary	4
Argentina	2	Irish Free State	1
Austria	7	Italy	1
Belgium	5	Japan	3
Brazil	4	Latvia	7
British Empire	38	Norway	24
Bulgaria	7	The Netherlands	14
Canada	2	Persia	1
Colombia	1	Poland	3
Czechoslovakia	7	Governing Commission of the Saar Basin	9
Denmark	21	Siam	2
Ecuador	1	Sweden	12
Finland	21	Spain	2
France	20	Switzerland	5
Greece	3	Conference of Ambassadors	2

International engagements registered in consequence of their deposit with the Secretariat of the League of Nations 13
