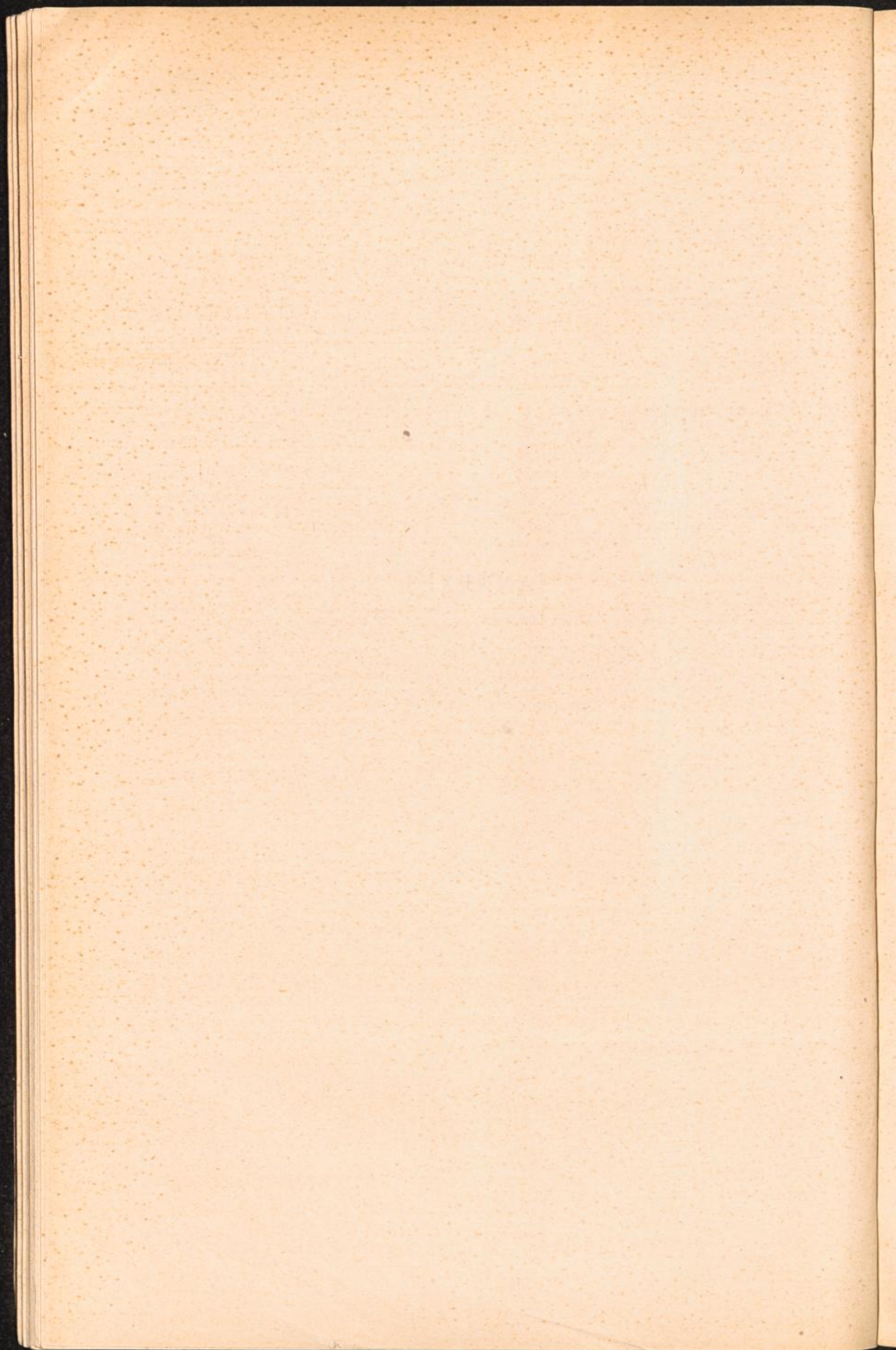


ANNEXES



ANNEX I

A. 2. 1946.

ANNOTATED AGENDA OF THE ASSEMBLY

Adopted by the Assembly on April 8th, 1946,

and

SUPPLEMENTARY ITEM

Adopted by the Assembly on April 10th, 1946.

I. OPENING OF THE ASSEMBLY.

The Assembly decided on December 14th, 1939, not to close its twentieth ordinary session, but to adjourn. The President will propose that the Assembly should resolve itself into a new session.

2. APPOINTMENT AND REPORT OF THE CREDENTIALS COMMITTEE.

The members of the Committee will be invited to meet after appointment and to present their report after the short recess which will follow the appointment of the Nominations Committee.

3. APPOINTMENT OF THE NOMINATIONS COMMITTEE.

The appointment of the Nominations Committee will be followed by a short suspension of the meeting of the Assembly to allow the Committee to study the proposals it will make to the Assembly concerning: (a) the Presidency of the Assembly; (b) the Vice-Presidents, who, together with the President and the Chairmen of the main Committees of the Assembly, the Agenda Committee and the Credentials Committee, will form the General Committee of the Assembly.

4. REPORT OF THE NOMINATIONS COMMITTEE.

5. ELECTION OF THE PRESIDENT OF THE ASSEMBLY.

6. ELECTION OF THE VICE-PRESIDENTS OF THE ASSEMBLY.

7. APPOINTMENT OF THE AGENDA COMMITTEE.

8. ADOPTION OF THE AGENDA OF THE SESSION AND ALLOCATION OF ITEMS BETWEEN THE MAIN COMMITTEES OF THE ASSEMBLY.

If the Assembly agrees to appoint two main Committees, subject to the possibility of constituting a Legal Sub-Committee and other sub-committees which may be required to report on particular questions, items on the Agenda on which a report by a Committee is necessary would be allocated between: (a) Committee I (General Questions); (b) Committee II (Financial and Administrative Questions); (c) possibly the General Committee of the Assembly.

9. REPORT BY THE ACTING SECRETARY-GENERAL ON THE WORK OF THE LEAGUE DURING THE WAR (document A.6.1946).

The discussion of the Report would give delegations an opportunity to make such declarations as they may desire at the beginning of the Assembly.

10. THE COUNCIL OF THE LEAGUE OF NATIONS.

If the Members of the League consider that a meeting of the Council is in present circumstances unnecessary, the Assembly might decide that it will during its session fulfil, so far as required, such administrative and other responsibilities in the present situation as would fall within the competence of the Council.

II. DISSOLUTION OF THE PERMANENT COURT OF INTERNATIONAL JUSTICE.

(a) The text of a "Report concerning the Dissolution of the Permanent Court of International Justice," which was adopted by the Preparatory Commission of the United Nations on December 18th, 1945, will be communicated to the Assembly. It states that certain Members of the League which are also Members of the United Nations intend to move a resolution on this subject in the Assembly of the League.

(b) The dissolution of the Permanent Court will involve certain administrative and financial problems which the Committee on Financial and Administrative Questions will have to consider.

12. ASSUMPTION BY THE UNITED NATIONS OF CERTAIN FUNCTIONS, POWERS AND ACTIVITIES OF THE LEAGUE.

(a) *Functions and Powers belonging to the League under International Agreements.*

Members of the League have received the following documents :

Powers and Duties attributed to the League by International Treaties (document C.3.M.3.1944.V) ;

List of Conventions with Indication of the Relevant Articles conferring Powers on the Organs of the League (document C.100.M.100.1945.V).

The text of the resolution under which the General Assembly of the United Nations has decided to assume certain of the functions and powers belonging to the League under international agreements will be communicated to the Assembly of the League. Moreover, certain Members of the League which are Members of the United Nations have informed the General Assembly of the United Nations that they intend to move a resolution in the Assembly of the League in connection with this question.

(b) *Activities of a Non-political Character.*

The United Nations intends to assume certain activities of a non-political character hitherto performed by the League. The Assembly may wish to give instructions to the Acting Secretary-General in order to facilitate such assumption.

13. INTERNATIONAL ASSISTANCE TO REFUGEES.

In conformity with the Assembly's resolution of September 30th, 1938 (nineteenth session), the High Commissioner has to report to the Assembly annually on his work.

The High Commissioner was appointed on January 1st, 1939, for five years.

The problem of "refugees and displaced persons of all categories" has been referred by the General Assembly of the United Nations to the Economic and Social Council for report to the General Assembly next September.

14. FINANCIAL AND ADMINISTRATIVE QUESTIONS.

(a) *Reports of the Supervisory Commission :*

(i) General Report on the action undertaken on behalf of the Assembly since the last meeting of the Assembly ;

(ii) Report for the year 1945 and Report on the Budget for 1946 ;

(iii) Report on the disposal of League assets.

A Common Plan regarding (a) (iii) has been established by the Supervisory Commission and a Committee representing the United Nations. This plan and the report from the latter Committee have been approved by the General Assembly of the United Nations. The two documents will be circulated as early as possible to Members of the League together with a special report of the Supervisory Commission.

(iv) Other report (or reports) by the Supervisory Commission on financial and administrative problems connected with the termination of the League, including questions concerning the Judges' Pensions Fund, the staff of the Permanent Court of International Justice, the staff of the Secretariat, the Staff Pensions Fund, etc.

(b) *Contributions to the League :* Report of the Special Committee on Contributions ; membership of the Committee.

(c) *Administrative Board of the Staff Pensions Fund :* appointment of three members and three substitutes.

(d) *Report of the Administrative Board of the Staff Pensions Fund.*

(e) *Reconstitution of the Administrative Tribunal.*

15. DISSOLUTION OF THE LEAGUE.

The Assembly may wish to appoint a Liquidation Board and give it the necessary instructions.

Supplementary Item.

16. MANDATE OF THE ACTING SECRETARY-GENERAL.

ANNEX 2

AGENDA OF THE FIRST COMMITTEE

Adopted by the Committee on April 8th, 1946.

1. Dissolution of the Permanent Court of International Justice.
 2. Assumption by the United Nations of Certain Functions, Powers and Activities of the League.
 3. International Assistance to Refugees.
 4. Dissolution of the League.
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ANNEX 3

AGENDA OF THE SECOND COMMITTEE

Adopted by the Committee on April 9th, 1946.

1. Election of Rapporteur.
2. Publicity of Meetings.
3. Approval of Provisional Agenda.
4. **General Summarised Report of the Supervisory Commission on its Work during the Period of Emergency, 1940-1946** A.5.1946.X.

See also:

Supervisory Commission's Report for 1940. . .	C.152.M.139.1940.X.
" " " " 1941. . .	C.53.M.50.1941.X.
" " " " 1942. . .	C.L.11.1942.X—Annex II.
" " " " 1943. . .	C.23.M.23.1943.X.
" " " " 1944. . .	C.27.M.27.1944.X.
" " " " 1945. . .	C.118.M.118.1945.X.

and

Reports of Special Committee on Contributions during the Emergency Period	{ C.24.M.21.1941.X. C.L.11.1942.X—Annex III. C.88.M.88.1944.X.
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5. **Financial Position of the League as at March 31st, 1946** A.20.1946.X.

and

Report of the Special Committee on Contributions for 1946 C.10.M.10.1946.X.

See also:

Report of the Supervisory Commission on the Work of its Ninety-ninth Session	A.14.1946.X. Chapter G.
Report of the Supervisory Commission on the Work of its One-hundredth Session	A.19.1946.X. Chapter E.
6. **Audited Accounts for the Financial Period 1945** C.15.M.15.1946.X.

Report of the Supervisory Commission on the Work of its One-hundredth Session A.19.1946.X. Chapter C.
7. **Termination of the League: Measures to be taken for the Disposal of League Assets.**

Report of the Supervisory Commission on Discussions with the Representatives of the United Nations A.8.1946.X.

Note by the Acting Secretary-General including Report of the Committee set up by the Preparatory Commission of the United Nations A.9.1946.

General Summarised Report of the Supervisory Commission on its Work during the Emergency Period, 1940-1946 A.5.1946.X. Section IV, sub-sections 3, 4, 5 and 6.

Report of the Supervisory Commission on the Work of its One-hundredth Session A.19.1946.X. Section IV, sub-sections 5 and 6. Annex.

Proposal of the Government of the Dominican Republic A.11.1946.

8. **Termination of the League : Measures to be taken with regard to the Staff.**
 Report of the Supervisory Commission on the Work of its Ninety-ninth Session A.14.1946.X. Chapter A, paragraphs 4-8 (inclusive). Chapter B.—“Indemnities”. Chapter D.—“Repatriation and Furniture Removal Expenses”.
9. **Termination of the League : Measures to be taken with regard to the Staff Pensions and Staff Provident Funds.**
 Report of the Supervisory Commission on Discussions with the Representatives of the United Nations A.8.1946.X. Section 5, note on paragraph 6 of the Common Plan.
 Report of the Supervisory Commission on the Work of its One-hundredth Session A.19.1946.X. Chapters F and G.
 Tenth Report of the Administrative Board A.4.1946.X.
 Eleventh Report of the Administrative Board A.12.1946.X.
10. **Dissolution of the Permanent Court of International Justice : Contractual Liabilities arising out of the Dissolution of the Court.**
 Report of the Supervisory Commission for 1945 C.118.M.118.1945.X. Chapter F, Section III, sub-section 3.
 Report of the Supervisory Commission on the Work of its Ninety-ninth Session A.14.1946.X. Chapter A, paragraph 9.
11. **Dissolution of the Permanent Court of International Justice : Measures to be taken with regard to the Judges’ Pensions Fund.**
 Report of the Supervisory Commission on Discussions with the Representatives of the United Nations A.8.1946.X. Section 5, note on paragraph 6 of the Common Plan.
 General Summarised Report of the Supervisory Commission A.5.1946.X. Section III.
 Report of the Supervisory Commission on the Work of its Ninety-ninth Session A.14.1946.X. Chapter A, last paragraph.
12. **Administrative Tribunal : Judgments given on February 26th, 1946, with regard to Claims of Certain Former Officials.**
 Report of the Supervisory Commission on the Work of its Ninety-ninth Session A.14.1946.X. Chapter C.
 Note by the Acting Secretary-General A.16.1946.X.
13. **Administrative Tribunal : Reconstitution of the Tribunal.**
Note. — Under Article III, paragraph 1, of the Tribunal’s Statute, the Tribunal consists of three Judges and three Deputy-Judges appointed by the Council for three years. The term of office of the judges and deputies appointed by the Council expired in 1940, 1941 and 1942.
 See Report of the Supervisory Commission for 1945 C.118.M.118.1945.X. Chapter N.
 General Summarised Report of the Supervisory Commission A.5.1946.X. Section II.

14. **Refugee Questions : Liquidation of the Nansen Office.**
Report of the Supervisory Commission on the Work of Its One-hundredth Session. . . . A.19.1946.X. Chapter D.
15. **Complaint of Certain Former Officials of the Governing Commission of the Saar Territory.**
Report of the Supervisory Commission A.15.1946.V.
16. **Miscellaneous questions** covered in the Supervisory Commission's reports presented to the Assembly at its twenty-first ordinary session and not specifically mentioned in the provisional Agenda of the Second Committee.
17. **Other Financial and Administrative Measures for the Termination of the League.**
18. **Other Questions.**

* * *

Note.— The foregoing provisional Agenda is not exhaustive. The Supervisory Commission has still to examine certain questions for which the documentation was not received in time to enable it to make a report at the moment when the provisional Agenda was prepared. The Commission may also have to report on other matters upon which the Assembly or its Committees may seek the Commission's advice.

ANNEX 4

A. 5. 1946.

Geneva, March 14th, 1946.

GENERAL SUMMARISED REPORT ON THE WORK OF THE
SUPERVISORY COMMISSION DURING THE PERIOD OF EMERGENCY,
1940-1946

- | | |
|-------------------|--|
| I. General. | III. Permanent Court of International Justice. |
| II. Constitution. | IV. Financial Situation. |

I. GENERAL

When the war crisis broke upon the world in 1939, the League of Nations was declared to be in a state of emergency and the events of the war during the summer months of 1940 imperilled the very existence of the League as an institution. No one could predict how it would emerge from the crisis. It was clear that the ordinary machinery of administration, hinging on the annual meetings of the Assembly, could not continue to function. There were, nevertheless, immediate problems of importance that had to be faced, affecting not only the work itself and individuals engaged on it but also the material assets and properties of the League wherever situated. The position was liable to rapid change and the case called for the existence of an authority competent to take decisions without the delays inseparable from consultation with States Members, subject of course to the understanding that these decisions would be consonant with the general principles governing the policy of the League.

In the circumstances then existing, the Assembly decided in 1939 to endow the Supervisory Commission with special powers to take, at its discretion, in association with the Secretary-General and the Director of the International Labour Office, any exceptional administrative or financial measures or decisions that might appear necessary, and laid down that such measures and decisions should have the same validity as if they had been taken by the Assembly.

The Supervisory Commission accepted this mandate and has endeavoured in the reports which it has presented during the last six years to keep States Members informed on all major questions that have come before it, including, of course, the financial position of the League institutions.

Broadly speaking, the purpose which has guided the Commission has been to keep intact the framework of the League Organisation and to continue its non-political work at the lowest practicable cost to States Members. In the earlier years of the crisis period, it was not possible to foresee the form of world organisation that States would desire to maintain in the future. While the political side of the League's work has been in abeyance since 1939, it seemed clear to the Supervisory Commission that, whatever shape the future world organisation might take, the tasks covered by the social and economic organisations of the League would require to be cared for in the future as an essential part of the co-operative endeavour between States. This was indeed recognised by the Assembly in December 1939, which resolved that "the present condition of the world renders it all the more necessary that the economic and social work of the League . . . should continue on as broad a basis as possible". The aim of the Commission has therefore been to keep these aspects of the League's work in being with the help of a much reduced personnel, which was charged with the responsibility of maintaining all non-political activities and of keeping all records and documentation as up-to-date as the case allowed, for the use of whatever authority might be entrusted with these matters after the war.

The Supervisory Commission hopes that States Members, which will have received the periodical reports of the Supervisory Commission, the Acting Secretary-General and the Acting Director of the International Labour Office, setting forth the activities of the League and of the International Labour Organisation during the last six years, will feel that this result has been satisfactorily achieved. States Members will also have received a large number of studies and documents issued by the Secretariat and by the International Labour Office showing in greater detail the nature of the work which has been in progress.¹

The Commission does not wish at this stage to comment on the difficulty of carrying on the work under conditions which required the maximum economy to be observed; it would, however, remark that its efforts would have proved vain if the League had not received during the crisis period a measure of financial support from States Members, which testified in this way to their faith in the ideals for which the League stood, even though it seemed that these had, at any rate temporarily, been submerged by an overwhelming calamity. To the support of these States are due the facts that the League's financial position is in order, that all its obligations have been punctually met and that it was in a position, at the appropriate moment, with the approval of the States Members, to enter into whatever arrangements should be thought best for the continuance of its work by the United Nations. Important steps to this end have already been taken.

¹ A list of publications issued by the Secretariat between 1940 and 1946 is appended to the Report of the Acting Secretary-General on the Work of the League during the War, circulated as an Assembly document (A.6.1946).

To the remaining staff of the League, which has served it faithfully during these crisis years, the Supervisory Commission would express its gratitude and, in particular, recognition must be paid to the outstanding services of the Acting Secretary-General, the Acting Director of the International Labour Office and the Treasurer, on whom the Supervisory Commission has particularly relied for the execution of the mandate entrusted to it by the Assembly in 1939.

As is well known, the Charter of the United Nations deals, in addition to other most important matters, with the future of international economic and social co-operation. The greater part of the League's work which has been kept in being throughout the war falls within the scope of the Economic and Social Council, set up by the First General Assembly of the United Nations.

In its First Report for 1945,¹ the Commission reported upon the relations established with the Executive Committee of the Preparatory Commission of the United Nations. It reproduced the telegram which had been sent by the Acting Secretary-General to all Governments of States Members of the League, as a result of which the Supervisory Commission had been requested to discuss and, in so far as possible, to formulate provisional terms of transfer of certain functions, activities and assets of the League of Nations to the United Nations, on the understanding that such terms would be subject to the final decision of the League Assembly to be convened early in 1946.

In accordance with this decision, the Supervisory Commission held discussions in London in January 1946, with a Committee of the United Nations appointed to negotiate the terms of transfer of the League's assets to the United Nations. A special Report² is submitted to the Assembly on these discussions and on the "Common Plan" resulting from them, which was unanimously agreed to by both parties to the negotiations and which has since been adopted by the General Assembly of the United Nations.

Throughout the period of the war in Europe, the Secretariat has maintained its headquarters at Geneva, where, in addition to the normal continuation of essential technical work, provision was made for the study and preparation of work in connection with post-war reconstruction. The League Treasury, which is responsible for financing all the Organisations of the League, has been situated in London since early in 1941. At the invitation of the United States Government, the main portion of the staff of the Opium Supervisory Body, together with the Office of the Permanent Central Opium Board, took up their duties at Washington, D.C., and it was not until late in 1945 that these branches of work were re-transferred to Geneva, a small office being still maintained at Washington for purposes of liaison. On an invitation from the Institute of Advanced Study in Princeton, New Jersey, the Princeton University and the Rockefeller Institution for Medical Research, and with the concurrence of the United States authorities, the major part of the Economic, Financial and Transit Department went on mission to Princeton, New Jersey, U.S.A., where it received a cordial welcome from the Institute for Advanced Study and was able to continue its work under the most favourable auspices, as is evidenced by the large number of valuable documents issued by it, under the guidance of its Director, Mr. A. Loveday.

The Commission takes this opportunity of expressing its profound gratitude to the Institute of Advanced Study and its President, Dr. Frank Aydelotte, for the generous facilities they provided for the mission. The Commission also wishes to express its appreciation for the annual grants made towards the expenses of the mission by the Rockefeller Foundation.

The Secretariat Office at Delhi, India, has been maintained throughout the war, and contact with League correspondents in Latin America was continued. The office at Paris was closed during the war.

The International Labour Office, which, by the courtesy of the Canadian Government, has carried out its work since the middle of 1940 at Montreal, Canada, has, in addition to its normal activities, pursued with increasing intensity the tasks laid upon it by the New York-Washington Conference in 1941, the Philadelphia Conference in 1944, and the Paris Conference in 1945.

The President and Registrar of the Permanent Court of International Justice went to Geneva in 1940, where they remained throughout the war years.

The High Commissioner for Refugees has continued to discharge his functions from London and, despite difficulties of communications, has been able to cope with many problems created by the dispersion from their homes of large numbers of people.

M. J. Avenol, the Secretary-General, resigned his post with effect from August 31st, 1940, and his functions were entrusted, on September 1st, 1940, to Mr. S. Lester, the Deputy Secretary-General, as Acting Secretary-General. Mr. J. G. Winant, the Director of the International Labour Office, resigned his appointment on February 15th, 1941, and was succeeded by Mr. E. J. Phelan, the Deputy Director, as Acting Director.

The first budgetary meeting of the Supervisory Commission after the coming into force of the emergency measures was held at Lisbon, at the end of September 1940, but both the Acting Secretary-General and the Treasurer were prevented from attending owing to their inability to obtain passage across Spain. The Commission, however, had the advantage of the presence of the Deputy Director of the International Labour Office and the Registrar of the Permanent Court of International Justice.

¹ Document C.118.M.118.1945.X.

² See Annex 17, I, pages 217-220.

At this meeting, the Commission resolved that, whenever, in view of insuperable difficulties, it was impossible for it to meet, decisions could be taken after written or telegraphic consultation of its members by the Chairman. Advantage was taken of this method for reaching rapid decisions on questions of urgency and it has enabled members of the Commission to remain in constant touch with the affairs of the League and with one another.

At the time of the meeting at Lisbon, the Commission and the competent officials had to face a serious financial position, as it was clear that, unless States Members continued to pay their due contributions, the League Organisations could remain in active operation only for a limited period. In fact, the collections in the year 1940 represented less than 50% of the expenditure voted. Moreover, serious developments affecting the capacity of certain Members to pay had occurred and, at that stage (in 1940), nine States had to be relieved of the obligation for making any payment towards the 1941 expenditure and for subsequent years were assessed to pay only token contributions. The unit of contribution of four others had to be reduced by one-half. It was therefore decided that, as far as possible consistently with commitments, the competent officials should ensure that expenditure should not exceed income and, in consequence, further heavy retrenchments of staff were considered necessary.

In the Appendix, the Commission has attached to this report a statement exhibiting the credits voted for the different Organisations for each year over the period 1939-1945, together with figures showing the actual expenditure of each Organisation in those years. To take the more important examples, it will be observed that the Secretariat's expenditure of 12½ million Swiss francs in 1939 was brought down in 1942 to below 2½ million Swiss francs. Over the same period the expenditure of the International Labour Organisation was reduced from approximately 8⅓ million Swiss francs to less than 3 million Swiss francs. These reductions bear eloquent testimony to the success of the policy pursued by the responsible officials in collaboration with the Commission to ensure that the actual expenditure should, as far as possible, be brought into close conformity with incoming resources. The Commission would like to place on record its appreciation of the results achieved by the officials in this regard.

The retrenchments in respect of large numbers of the staffs of the Organisations—in many cases young men and women who would in the ordinary course have continued their employment until they reached the age of 60 years—involved great inroads on the Pensions Fund, the solvency of which was seriously affected, and it was accordingly decided that the Reserve Fund of the League should be transferred to the Staff Pensions Fund.

The Acting Secretary-General, who had been obliged to remain at Geneva throughout the war years until the autumn of 1944, was then able to visit London and enter into personal contact with members of the Supervisory Commission. Prior to that time, the relationship with the Supervisory Commission, the International Labour Office and other League offices outside Headquarters was maintained through the office of the Treasurer in London. But, during the whole period, wireless communications were open with Geneva, and for most of the period communication by letter was also possible.

In addition to frequent consultations, the Commission has held twelve formal meetings since the declaration of the state of emergency and Governments have been regularly informed, in its annual reports, of the decisions and actions taken, but, quite apart from formal meetings, the Commission has remained in continuous contact, generally by cable, with the Administrations. In addition to keeping States Members informed through its annual reports, the Chairman, the Rapporteur and the Treasurer have kept in touch with Governments in London on questions of general and financial policy. All the meetings up to the end of 1944, except the eighty-seventh and eighty-eighth, which took place respectively in February 1940 at The Hague and in September 1940 at Lisbon, were held in America and were attended by the Treasurer, who also visited Canada and the United States for the purpose of handling, on the spot, questions concerning the financing of the International Labour Organisation and the branches of League work in the United States.

On January 21st, 1940, the Swiss Government denounced the agreement with the League providing for the mutual use of the League Wireless Station, the denunciation to take effect, in accordance with Article 13 of the Agreement, from February 2nd, 1942. The amount of compensation decided upon by arbitration was paid by Radio-Suisse, so that the League no longer holds any interest in Radio-Nations.

The Commission would particularly draw the attention of the Assembly to its report for the year 1944¹, which, in addition to dealing with the usual administrative and financial matters, outlined the policy the Commission had pursued throughout the critical years of the war in Europe, the continued activities of the League, the action generally decided upon, and the recommendations it had made to Governments in regard to the financial administration of international organisations in the future. It would also call attention to the Report of the Committee on Contributions²—with which it is in entire accord—embodying statements showing the position in regard to contributions for the period from the beginning of the League until the end of 1944 and indicating the limited effect of the measures it has been possible to take to secure the payment of contributions.³ The Commission is glad to note that, since the termination of hostilities, various States whose contributions had fallen into arrear have liquidated their debts to the League and it trusts that this example will now be followed by others, which will doubtless desire that all debts to the League should be discharged.

¹ Document C.27.M.27.1944.X, October 31st, 1944.

² Document C.88.M.88.1944.X, December 13th, 1944.

³ A further report showing the position until the end of 1945 will shortly be circulated (document C.10.M.10.1946.X).

II. CONSTITUTION

At the beginning of 1940, the membership of the Supervisory Commission was as follows:

Dr. C. J. HAMBRO (Norway) (*Chairman*).
 H.E. M. Harri G. HOLMA (Finland) (*Vice-Chairman*).
 Sir Cecil KISCH, K.C.I.E., C.B. (United Kingdom) (*Rapporteur*).
 M. Yves BRÉART DE BOISANGER (France) (resigned January 1945).
 H.E. Dr. H. COLIJN (Netherlands) (died 1944).
 M. Carlos A. PARDO (Argentine) (resigned January 1941).
 H.E. Count CARTON DE WIART (Belgium).

The present membership of the Commission is as follows:

Dr. C. J. HAMBRO (Norway) (*Chairman*).
 Sir Cecil KISCH, K.C.I.E., C.B. (United Kingdom) (*Vice-Chairman and Rapporteur*).
 H.E. M. A. COSTA DU RELS (Bolivia) (President of the Council of the League of Nations) (co-opted in 1940).
 H.E. Don Francisco CASTILLO NAJERA (Mexico) (co-opted in 1941).
 Mr. Hume WRONG (Canada) (co-opted in 1941).
 Sir Girja SHANKAR BAJPAI, K.C.S.I., K.B.E., C.I.E. (India) (co-opted in 1944).
 Jonkheer F. BEELAERTS VAN BLOKLAND (Netherlands) (co-opted in February 1945).
 H.E. M. Emile CHARVERIAT (France) (co-opted in September 1945).
 H.E. M. Harri G. HOLMA (Finland)¹.
 H.E. Count CARTON DE WIART (Belgium)¹.

In addition to the above, the following also have been members of the Commission in the interim period 1940-1945:

Sir Frederick PHILLIPS, G.C.M.G., C.B. (United Kingdom) (co-opted 1941; died 1943).
 Mr. H. S. MALIK (India) (co-opted 1941; resigned 1944).
 Mr. E. CLIFF (United Kingdom) (co-opted 1944 *vice* the late Sir Frederick Phillips; resigned a few months later, 1944).
 The Hon. Robert H. BRAND, C.M.G. (United Kingdom) (co-opted in 1944; resigned July 1945).

In conformity with Article 5 of the Financial Regulations, the competent officials attended the meetings and, in accordance with the procedure instituted by the Supervisory Commission, the Governing Body of the International Labour Organisation was invited to send representatives to meetings at which the International Labour Office Budget was under discussion, and was represented at the ninetieth session, in 1942, at the ninety-second session, in 1943, at the ninety-fourth session, in 1944, and at the ninety-sixth session, in 1945, by Mr. Carter GOODRICH, Chairman of the Governing Body. The representatives of the Employers' and Workers' Groups were unavoidably prevented from attending the earlier sessions, but at the first part of the ninety-sixth session, held in Paris in October 1945, Sir John FORBES WATSON, Chairman of the Employers' Group, and Mr. J. HALLSWORTH, Chairman of the Workers' Group, were present, and Mr. G. Myrddin EVANS, the newly-appointed Chairman of the Governing Body, and Sir John FORBES WATSON, Chairman of the Employers' Group, attended the ninety-sixth session, when it resumed in London, in November 1945. These delegates and Mr. J. HALLSWORTH, Chairman of the Workers' Group, also attended the ninety-seventh session of the Commission, held in London in January 1946.

The Permanent Court of International Justice was represented at meetings held in America by Judge Manley O. HUDSON, appointed by the President of the Court, under Article 16, paragraph (3), of the Financial Regulations, and at the continuation of the ninety-sixth session, held in Geneva and in London in October and November 1945, by Judge J. G. GUERRERO, President of the Court, and by M. J. LÓPEZ OLIVÁN, Registrar of the Court.

Since the resignation of Mr. J. H. Bieler, who had been Secretary of the Commission since 1922 (referred to in the Commission's report of October 15th, 1941), Mr. P. G. Watterson, the Chief Accountant, has assisted at the meetings of the Commission held in America. Miss G. Rohde, who was Secretary of the Staff Pensions Fund, was formally appointed Secretary to the Commission in February 1945. She had been connected with the work of the Commission throughout the war years, and her resignation on June 1st, 1945, ended a period of highly efficient service to the League. The Commission wishes to record its gratitude for the devotion and efficiency she brought to its service. Her special knowledge of and interest in actuarial questions has been of high value in the task of managing the Pensions Funds of the League.

ADMINISTRATIVE TRIBUNAL

The Administrative Tribunal, set up by the Assembly for the purpose of hearing complaints against the Administrations by members of the staff, was unable to function from August 1939 until February 1946.

¹ These members were unable to participate in the Commission's deliberations during the war years.

A Note by the Registrar of the Tribunal was submitted to the Supervisory Commission in 1942, when he reported that nineteen cases were pending, some against the Secretary-General and some against the Director of the International Labour Office. The main subject of the appeals related to the legality of executive action taken by the Secretary-General and the Director under the terms of a resolution of the Assembly of December 1939 concerning the period of notice to which officials under contract were entitled when their posts were abolished.

The Registrar reported that he had endeavoured to call a meeting of the Tribunal in 1940, and again in 1941, but that both efforts had failed owing to difficulties of communications. The three members were of Dutch, Belgian and Danish nationality, whilst the two deputies were French and Greek. The Registrar reported: "It is obvious that the Tribunal cannot meet until *force majeure* ceases to operate or until new appointments have been made." He further pointed out that the judges must be of different nationalities and should be appointed by the Council.

The legal adviser of some of the appellants made representations from time to time regarding the convening of the Tribunal, and suggested that, if the existing members could not be convened, either the Tribunal should be reconstituted or an agreement might be reached for the submission of the cases to arbitration. The Supervisory Commission, however, feeling that it could not be a party to a new procedure in a matter which appeared to question the decision of the Assembly, was not able to agree to arbitration, nor did the circumstances permit the appointment of new members of the Tribunal.

In its First Report for the year 1945¹, the Commission expressed the view that a new effort should be made to convene the Tribunal, which accordingly met in February 1946.

III. THE PERMANENT COURT OF INTERNATIONAL JUSTICE

Article 13 of the Statute of the Court provides that the Members of the Court, who are elected for nine years, shall continue to discharge their duties until their places have been filled and, although the terms of office of the Members of the Court expired on December 31st, 1939, the majority remained as Members of the Court.

Article 92 of the Charter of the United Nations provides for the creation of an International Court of Justice as "the principal judicial organ of the United Nations", which shall function in accordance with a Statute "based upon the Statute of the Permanent Court of International Justice". All the Judges of the Permanent Court in office resigned with effect from January 31st, 1946, and the Judges of the International Court of Justice have now been elected by the United Nations.

Other matters relating to the expenditure in respect of the Court are fully dealt with in the First Report of the Supervisory Commission for the year 1945.¹

JUDGES' PENSIONS FUND

During the war years, the full budgetary provision in respect of the Judges' Pensions Fund has not been paid to the Fund as, owing to the shortfall in contributions, it proved necessary to use available moneys for other appropriations in the budget.

The shortage in these payments has led the Actuary, in his report on the financial position of the Fund as at December 31st, 1944, to suggest that, to ensure its solvency, an amount of 900,000 Swiss francs is required. Owing to certain recent changes in the position, the Actuary has been asked to review his valuation and report on the situation of the Fund as at December 31st, 1945.

IV. FINANCIAL SITUATION

INTRODUCTORY REMARKS

In this section, the Commission proposes to deal briefly with the main aspects of the League's financial situation at the present time:

1. The results of the working of the League during the war years, showing the annual surplus or deficit for each section of the Organisation. Deficits have been met from the Working Capital Fund and recovered to some extent in the estimates for succeeding years.
2. The collection of contributions—current and arrear.
3. The position of the Working Capital Fund, which had to be drawn on to meet outgoings, as shown above (paragraph 1).
4. The balances of the League's Special Funds at December 31st, 1945, as compared with December 31st, 1939.
5. The proportionate share of assets due to States Members.
6. Revaluation of the assets and liabilities of the League shown in the balance-sheet as at December 31st, 1945².

¹ Document C.118.M.118.1945.X.

² Audited Accounts for 1945: document C.15.M.15.1946.X.

I. STATEMENT OF INCOME AND EXPENDITURE: DEFICIT (—) AND SURPLUS (+)
DURING THE YEARS 1940-1945 INCLUSIVE.

Organisation	1940	1941	1942	1943	1944	1945	Total (1940-1945)
	Swiss francs						
Secretariat . . .	89,871.66	144,393.40	100,662.03	261,836.17	455,572.60	222,547.91	81,357.25
Central Opium Board . . .	20,321.25	4,848.25	22,128.35	20,639.70	15,435.35	10,943.09	94,315.99
Refugees . . .	22,470.65	12,903.48	25,574.55	30,595.25	8,689.20	22,362.98	96,789.15
Buildings . . .	4,534.05	—	—	—	—	—	4,534.05
Pensions . . .	781,916.70	447,109.66	455,210.30	511,055.60	235,936.08	298,461.80	2,729,690.14
International Labour Or- ganisation . . .	919,114.31	583,447.83	603,575.23	824,126.72	195,511.97	109,219.96	2,843,972.08
P. Court I. J..	1,285,981.89	210,760.42	16,033.75	29,297.19	172,940.44	1,029,598.91	114,054.44
	485,856.—	—	—	—	—	—	485,856.—
Total . . .	2,690,952.20	372,687.41	587,541.48	853,423.91	368,452.41	920,378.95	3,215,773.64

The deficit is almost entirely accounted for by the facts: (1) that in 1940 less than 50% of the contributions were received; and (2) that the full credits voted for the Pensions Fund were actually paid to the Fund each year notwithstanding the shortfall in receipts.

* The main reason for the deficit of the International Labour Organisation in 1940 was the receipt of less than 50% of contributions. The International Labour Organisation was authorised in advance to draw on the Working Capital Fund for unavoidable expenditure which had been estimated and voted.

2. CONTRIBUTIONS

The average percentage of collections of contributions during the years 1940-1945 inclusive was 66%, and of this the Members of the British Commonwealth contributed 74%.

The contributions in arrear due to the League as at December 31st, 1945, by present Members, as well as by Members which have withdrawn from the League, amounted to 43,144,768 Swiss francs.

Of this sum, 10,491,378 Swiss francs represent the total of those debts which were consolidated in 1935 and 1936 under arrangements for payment in instalments over a number of years varying from ten to forty-five.

The recovery of part of the debts must be regarded as doubtful. One State Member which has been at war owes 12,949,147 Swiss francs, and the States which withdrew from the League without fulfilling their obligations owe 6,180,346 Swiss francs.

The amount due to the Working Capital Fund and included in the total debt is 2,060,724 Swiss francs. Of this sum, 1,356,989 Swiss francs are due in respect of deficits for the years 1939 and 1940.

The record of the experience of the League in dealing with the non-payment of contributions has given rise to much concern since the beginning, and the action which the League has been able or permitted to take against defaulters, although of some avail, has been disappointing.¹

The receipt of contributions throughout the period of the League's existence up to December 31st, 1945, amounted to 90.02% of the total due. The proportion annulled amounted to 4.45% and the amount consolidated for repayment over a number of years was 1.48%. The balance still collectable is therefore 4.05%.

3. WORKING CAPITAL FUND

The nominal value of the Working Capital Fund, which was subscribed by States and collected through the annual budgets, remains the property of the subscribers. Its purpose was to provide cash for the several Organisations of the League in advance of the receipt of contributions. The nominal capital of the Fund is 5,188,307.32 Swiss francs, and the interest earned by the capital amounts to 1,347,321.98 Swiss francs; thus the total capital is 6,535,629.30 Swiss francs. Of this sum, 3,048,752.95 Swiss francs (or 46.6%) is owned by States which have met their financial obligations to the League in full, and the balance of the Fund is owned by States which owe more to the League as contributions than the value of their shares in the Fund. If the interest earned by the Fund is excluded, the percentage owned by the former States is 36.2%.

The cash in the Fund at December 31st, 1945, was as follows:

	Swiss francs
With the Secretariat	2,725,933.49
With the International Labour Office	1,126,583.83
With the Permanent Court of International Justice	18,382.28
<i>Total</i>	<u>3,870,899.60</u>

or 59.2% of the total of the Fund (6,535,629.30 Swiss francs).

At that date, the Fund was therefore sufficient to refund the shares of those States which had paid their annual contributions to the League.

¹ See document C.10.M.10.1946.X.

The following statement indicates the Working Capital owned by States Members, and the amounts which would be repayable: (a) without interest, (b) plus interest.

Working Capital Fund.

Statement showing: (a) Working Capital due to States as at December 31st, 1945, and contributions in arrear, including consolidated contributions, due by States at the same date.

(b) Amount due to States as at December 31st, 1945, if only original contribution is returned.

(c) Amount due to States as at December 31st, 1945, if total amount including interest is returned.

State (in French alphabetical order)	Amount received	Interest on investment	Total as at 31.XII.45	Contributions in arrear inc. consolidated due as at 31.XII.45	Credit in Working Capital Fund after deduction of arrears if interest is excluded	Credit in Working Capital Fund after deduction of arrears if interest is included
	(a)	(b)	(c)	(d)	(e)	(f)
	Swiss francs	Swiss francs	Swiss francs	Swiss francs	Swiss francs	Swiss francs
1. Afghanistan . . .	—	—	—	136,825.82	—	—
2. Union of S. Africa	279,653.87	72,789.33	352,443.20	—	279,653.87	352,443.20
3. Albania	6,735.13	1,752.02	8,487.15	57,721.45	—	—
4. Argentine	54,089.96	13,957.49	68,047.45	3,206,001.72	—	—
5. Australia	296,107.52	77,071.98	373,179.50	536,426.72	—	—
Austria	2,021.15	526.05	2,547.20	66,478.40	—	—
6. Belgium	176,767.04	46,009.71	222,776.75	—	176,767.04	222,776.75
7. Bolivia	32,505.89	8,331.51	40,837.40	447,207.07	—	—
8. United Kingdom.	394,083.14	102,573.31	496,656.45	—	394,083.14	496,656.45
9. Bulgaria	36,667.03	9,543.82	46,210.85	882,702.32	—	—
10. Canada	309,568.88	80,575.72	390,144.60	—	309,568.88	390,144.60
11. China	276,436.70	66,814.40	343,251.10	6,726,420.07	—	—
12. Colombia	61,913.74	16,092.26	78,006.—	905,230.61	—	—
13. Cuba	44,327.66	11,537.74	55,865.40	1,364,309.86	—	—
14. Denmark	120,836.03	31,451.67	152,287.70	104,967.—	—	—
15. Dominican Rep. .	75.60	19.65	95.25	169,632.66	—	—
16. Egypt	—	—	—	1,479,951.81	—	—
17. Ecuador	—	—	—	254,961.11	—	—
Spain ¹	265,603.61	69,132.29	334,735.90	2,595,003.75	—	—
18. Estonia	4,487.12	1,167.93	5,655.05	59,040.—	—	—
19. Ethiopia	23,568.99	6,134.66	29,703.65	35,316.90	—	—
20. Finland	68,458.54	17,818.66	86,277.20	894,542.41	—	—
21. France	373,884.29	97,263.46	471,147.75	170,046.60	203,837.69	301,101.15
22. Greece	65,578.37	17,069.03	82,647.40	505,086.05	—	—
Haiti ²	33,782.11	8,792.94	42,575.05	99,825.40	—	—
Hungary ³	5,235.93	1,362.82	6,598.75	416,855.85	—	—
23. India	354,062.01	92,156.54	446,218.55	—	354,062.01	446,218.55
24. Iraq	—	—	—	105,950.65	—	—
25. Iran	39,003.63	10,151.97	49,155.60	768,701.11	—	—
26. Ireland	7,468.61	1,943.94	9,412.55	353,168.85	—	—
27. Latvia	35,352.04	9,201.56	44,553.60	78,725.25	—	—
28. Liberia	111.76	— 0.71	111.05	163,784.01	—	—
29. Lithuania	5,982.85	1,547.55	7,530.40	52,483.50	—	—
30. Luxembourg	17,213.99	4,480.51	21,694.50	111,868.91	—	—
31. Mexico	—	—	—	2,193,141.78	—	—
32. Norway	119,264.73	31,042.67	150,307.40	—	119,264.73	150,307.40
33. New Zealand . . .	45,823.36	11,927.04	57,750.40	—	45,823.36	57,750.40
34. Panama	32,291.88	8,404.82	40,696.70	274,559.01	—	—
Paraguay ⁴	1,495.72	358.53	1,854.25	383,565.95	—	—
35. Netherlands	170,969.21	47,956.04	218,925.25	70,633.80	100,335.41	148,291.45
Peru ⁵	22,856.31	4,985.39	27,841.70	504,989.60	—	—
36. Poland	294,611.91	76,615.89	371,227.80	644,148.95	—	—
37. Portugal	116,946.55	30,439.30	147,385.85	282,535.10	—	—
Roumania ⁶	199,053.39	51,810.46	250,863.85	1,020,438.65	—	—
38. Siam	45,823.36	11,927.09	57,750.45	763,333.71	—	—
39. Sweden	181,254.17	47,177.48	228,431.65	2,900,668.20	—	—
40. Switzerland	176,767.04	46,009.61	222,776.65	—	176,767.04	222,776.65
41. Czechoslovakia . .	206,529.95	53,756.40	260,286.35	—	206,529.95	260,286.35
42. Turkey	—	—	—	1,526,667.48	—	—
43. Uruguay	41,336.25	10,759.15	52,095.40	825,345.95	—	—
44. Yugoslavia	141,700.30	36,882.30	178,582.60	1,335,378.94	—	—
Total	5,188,307.32	1,347,321.98	6,535,629.30	35,474,642.98	2,366,693.12	3,048,752.95

¹ Expiry of notice of withdrawal: May 8th, 1941.

² " " " " " " April 8th, 1944.

³ " " " " " " April 10th, 1941.

⁴ Expiry of notice of withdrawal: February 24th, 1937.

⁵ " " " " " " April 8th, 1941.

⁶ " " " " " " July 10th, 1942.

4. SPECIAL FUNDS

The Commission has thought it desirable to set out in the body of this Report the balances of the special funds earmarked for particular purposes as at December 31st, 1939, and as at December 31st, 1945, with a short explanation of the causes of reduction and increase. These balances are represented by both cash and investments.

Balances of Special Funds as at December 31st, 1939, and as at December 31st, 1945.

Fund or Account	31.XII.1939 Swiss francs	31.XII.1945 Swiss francs	Remarks
<i>I. Funds belonging to League of Nations.</i>			
<i>Building Fund:</i>			
Secretariat and Assembly Hall.	2,628,907.75	1,835,671.76	Reduction mainly due to payment of arbiter's award to building contractors.
Library	772,336.03	583,249.18	— ditto —
Estate Account	1,207,384.—	973,732.59	Reduction due to completion of purchase of certain plots of ground.
Renovation	1,000,000.—	981,493.95	Exchange difference.
Wireless Station	1,584,004.18	3,195,187.22	Liquidation of Station Feb. 1942 and earnings finally recovered.
Reserve Fund	11,236,497.73	174,100.—	Reserve paid to Staff Pensions Fund.
Guarantee Fund	2,977,716.—	2,805,621.64	Reduction due to advances made to organisations in respect of 1945 supplementary budgets.
Fund to cover Exchange Losses.	579,271.81	285,129.77	Reduction due to charges on transhipment of gold and to rate of exchange as between dollars and Swiss francs.
—do— 1936	9,570.05	—	
Suspense Accounts	712,116.25	506,841.52	
	22,707,803.80	11,341,027.63	
Cash surplus 1944 (Secretariat).	—	195,511.97	
TOTAL I	22,707,803.80	11,536,539.60	
<i>II. Funds not belonging to League of Nations.</i>			
Working Capital Fund	4,344,350.11	3,870,899.60	
Extra-budgetary Accounts	561,244.90	118,563.60	
Suspense Accounts	—	109,599.80	
Library Endowment Fund	1,957,603.04	1,948,459.34	
Staff Pensions Fund	22,778,145.18	24,121,206.38	
Staff Provident Fund	526,142.25	321,144.40	
Pensions Fund Judges P.C.I.J..	1,597,121.56	1,380,752.39	
TOTAL II	31,764,607.04	31,870,625.51	
<i>III. Creditors</i>			
(moneys held on behalf of other organisations and persons).	68,651.50	2,647,616.38	
GENERAL TOTAL	54,541,062.34	46,054,781.49	

General Note.

Owing to the heavy pensions payments (over 15 million Swiss francs), staff indemnities and other demands in the year 1940, it was found advisable to purchase U. S. dollars by transshipping gold to the United States. These funds carried their share of the cost of that transshipping and insurance, and bore the effect of the consequent adjustments of the currency rates between the dollar and the Swiss franc.

When the Building Fund was created from the accumulated revenue surplus which had been built up over a series of years, the Assembly decided that, as this surplus had been obtained from the contributions of certain States—but not all States Members—it was reasonable that those certain States should be recouped.

The method adopted was to include in each year's budget an annuity which would be contributed by all States Members and distributed to the certain States to which it was due by a reduction of their subsequent contributions. In this way, all States Members would eventually contribute their full and proper quota to the cost of the new building. This solution, though mathematically exact, did not work out as projected: first, because all States did not pay their contributions and, by decision of the Assembly, a large proportion of their contributions in arrear was annulled; and, secondly, because the annuity had to be used to finance the mounting cost of the construction of the new building. If, however, the assets of the League are now credited to States in the proportion in which they have actually contributed, the object the Assembly had in mind when creating the Fund will be achieved.

5. PROPORTIONATE SHARE OF ASSETS DUE TO STATES MEMBERS

A statement will be prepared showing the proportion of assets which would be due to each State Member of the League in good financial standing at the winding-up of the League according to the ratio its actual contributions bear to the total contributions received from all States. A provisional statement will be given to the Assembly in April, but the final statement can be prepared only when States in arrear have paid their debts. The existence of debts will have to be considered in relation to the eventual distribution of assets.

6. ASSETS AND LIABILITIES

It has been necessary to value the assets, and the following statement represents a fair and reasonable valuation of those of the Secretariat and the Permanent Court of International Justice. The notes to the statement indicate the reasons why certain revisions may have to be made before the final value is fixed.

The assets shown in the balance-sheet appear in some cases at a mere nominal value and the appraisal has therefore been established throughout on the basis of cost. The value of the considerable gifts received by the League has been excluded.

**Assets of the Secretariat and the Permanent Court of International Justice
as at December 31st, 1945.**

	Swiss francs
Property: ¹	
Secretariat building and Assembly Hall	38,576,958.78 ²
Library building	— ³
Real estate belonging to the League of Nations having an area of 203,446 sq. meters and comprising four villas and other buildings.	2,889,453.45
Furniture, fittings, typewriters, etc., for the use of the Secretariat, including the branch offices, and for the other buildings in Geneva:	
	Swiss francs
Total according to the inventories	3,345,364.50
To be deducted:	
(a) Amounts included under Secretariat building, Assembly Hall and Library building	1,433,058.70
(b) Amounts in respect of extra-budgetary accounts	25,782.99
	1,886,522.81 ⁴
Furniture, fittings, typewriters, etc., for the use of the Court of Justice in The Hague (florins 121,097.30)	199,810.55
in Geneva	89.65
	199,900.20 ⁵
Stocks of stationery, printing paper, office supplies and equipment, in Geneva and branch offices	132,831.17 ⁵
Publications: Stocks at Headquarters and in hands of agents (estimated market value)	50,000.— ⁵
Books, stocks of stationery, printing paper and publications, office supplies and equipment for the Court in The Hague (florins 33,674.17)	55,562.35 ⁵
Gifts.	— ⁶
Library:	
Books, etc., in Geneva according to the inventory	1,913,404.10 ⁵
Archives of the League of Nations and of the Permanent Court of International Justice	—
Total	45,704,632.86

Against these material assets and the cash and investments set out under the heading "Special Funds", the following undetermined liabilities should be offset:

	Swiss francs
<i>Liabilities undetermined:</i>	
Claims of building contractors now before Arbitration Courts	1,250,000.—
Shortage according to the Actuary's valuation in the Judges' Pensions Fund	900,000.— ⁷
Total	2,150,000.—

These liabilities do not include liabilities towards the staff nor commercial contracts, as it is believed that such liabilities might possibly be met from the 1946 Budget credits.

¹ The building in the occupation of the International Labour Organisation, although registered in the name of the League of Nations, has been excluded: the value (less depreciation) shown in the balance-sheet is 3,114,161.13 Swiss francs.

² Cost of building and equipment of the Secretariat and the Assembly Hall. The League has a transferable right to use the land on which the buildings stand, the land 100 meters around it and the two roads leading to the buildings. The League further has a non-transferable right to use the remainder of the plot of land in Ariana Park in which the buildings stand. No value is placed on these rights in the schedule.

³ The cost of this building given by Mr. Rockefeller was 5,564,206.22 Swiss francs.

⁴ The figures shown on page 9 of the Audited Accounts as at December 31st, 1945, (document C.15.M.15.1946.X), are 3,345,364.50 Swiss francs; the difference of 1,458,841.69 Swiss francs is included under the items Secretariat building, Assembly Hall, Library building and extra-budgetary accounts. Owing to possible changes before the date of transfer, these figures are provisional and subject to revision.

⁵ Owing to possible changes before the date of transfer, these figures are provisional and subject to revision.

⁶ The nominal value of the gifts should be put at 1,234,640 Swiss francs.

⁷ Estimate.

APPENDIX

STATEMENT OF ACTUAL EXPENDITURE FOR THE YEARS 1939-1945

	1939		1940		1941		1942		1943		1944		1945	
	Vote	Expenditure	Vote	Expenditure	Vote	Expenditure	Vote	Expenditure	Vote	Expenditure	Vote	Expenditure	Vote	Expenditure
Secretariat and Special and Technical Organs	16,188,063	12,498,432	10,771,957	5,474,619	3,729,302	2,762,091	3,446,385	2,447,702	3,434,259	2,450,702	3,127,477	2,123,469	3,126,817	2,220,856
Intern. Labour Organisation	8,394,243	8,336,320	6,351,600	4,355,152	3,253,000	2,540,858	3,169,302	2,916,255	4,588,187	3,222,843	3,725,534	3,362,827	8,513,016	5,006,999
Perm. Court of Intern. Justice	2,839,689	2,649,050	2,383,638	1,607,346	500,000	455,148	500,000	366,847	456,608	298,910	471,465	383,852	471,226	365,486
Central Opium Board	126,399	92,807	104,987	72,803	100,476	75,375	91,732	84,599	104,265	87,094	104,665	101,746	120,889	105,410
Refugees	269,500	269,500	224,450	134,670	150,000	92,386	116,000	104,572	115,353	104,117	115,700	104,100	115,700	112,775
Buildings	1,375,000	1,375,000	—	—	—	—	—	—	—	—	—	—	—	—
Wireless	209,000	201,303	51,300	30,178	—	—	—	—	—	—	—	—	—	—
Pensions	1,710,118	1,710,118	1,563,476	1,563,476	1,500,000	1,500,000	1,427,059	1,427,059	1,409,272	1,409,272	1,345,436	1,345,436	1,365,550	1,365,550
Working Capital Fund: Restoration of advances to meet deficits	—	—	—	—	—	694,126	896,984	460,877	1,280,432	751,685	1,198,772	747,325	1,155,211	669,010
Parts VIII, X, XI, ¹ not repeated 1940-44	1,122,000	1,060,515	—	—	—	—	—	—	—	—	—	—	—	—
TOTALS: Budget	32,234,012	28,193,045	21,451,408	13,238,244	10,659,711	8,119,984	9,647,462	7,807,911	11,388,376	8,324,623	10,089,049	8,168,755	14,868,409	9,846,086
Expenditure														

¹ Part VIII: Settlement of the Assyrians of Iraq; Part X: High Commissioner of the League at Danzig; Part XI: New York World's Fair — Participation of the League.

ANNEX 5

A. 14. 1946.X.

Geneva, March 22nd, 1946.

REPORT OF THE SUPERVISORY COMMISSION
ON THE WORK OF ITS NINETY-NINTH SESSION

The Commission held its ninety-ninth session from March 13th to March 18th, 1946, in Geneva. The following members were present :

Dr. C. J. HAMBRO (Norway), *Chairman*.
Sir Cecil KISCH, K.C.I.E., C.B. (United Kingdom), *Vice-Chairman* and *Rapporteur*.
H.E. M. A. COSTA DU RELS (Bolivia).
Jonkheer F. BEELAERTS VAN BLOKLAND (Netherlands).
H.E. M. E. CHARVERIAT (France).

The following officials attended the meetings :

Secretariat :

Mr. S. Lester, Acting Secretary-General.
Mr. S. Jacklin, Treasurer.
M. V. Stencek, Director of Internal Administration and Personnel.

International Labour Office :

Mr. C. W. Jenks, representing the Acting Director.

Permanent Court of International Justice :

M. J. López Oliván, Registrar.

A. INTRODUCTORY REMARKS

The main purpose of this session of the Commission was to examine on the spot some of the many problems connected with the liquidation of the League, in order to facilitate as far as possible the task of the forthcoming Assembly.

The United Nations administration has now been created and resolutions have recently been adopted by the General Assembly of that Organisation to take over the material assets and to assume certain functions and powers of the League of Nations. In these circumstances, the Commission's view was that the Assembly would wish to take all decisions necessary for the dissolution of the League with as much finality and speed as were consistent with the solemnity of the occasion. The League of Nations—despite many difficulties—has succeeded in keeping alive throughout the war years the machinery and technical work it had established. The ideas for which the League was created and the ideals it has striven to uphold will continue to live, but the task of carrying them forward has been entrusted to other hands, which will have other and, it may be hoped, more adequate means at their disposal.

Accordingly, the Commission has tried, in its advisory capacity, to prepare for the Assembly such factual statements and reports as may best enable it to discuss and decide on a number of outstanding problems, the settlement of which is inseparably bound up with the dissolution of the League.

In the Commission's opinion, the first essential action towards the orderly liquidation of the League was to take steps to terminate the appointments of the staff. It therefore advised the Acting Secretary-General that all officials—with the exception of the Acting Secretary-General himself, who should remain in office until the end of the period of liquidation—should be given notice of termination of their contracts with effect from July 31st, 1946. The Acting Secretary-General has taken the necessary steps to carry out this decision.

While a small number of officials will be required, either for purposes of liquidation or for the continuance of certain functions of the League until such time as transfer of those functions to the United Nations is effected, it seemed to the Commission very desirable that all questions relating to pensions and indemnities should be concluded at as early a date as possible, in order to ascertain the final position of the Staff Pensions Fund and the calls likely to be made on the other Funds of the League during the process of liquidation.

Such staff as any Board set up by the Assembly to carry through the liquidation may require could be reappointed on short-term contracts. The termination of the contracts of those officials whom the United Nations may wish to appoint when it takes over certain technical services, and who may decide to accept such new employment, should as far as possible synchronise with the date of such transfer.

In this connection, it may be noted here that later sections of this report set forth the Commission's recommendations on indemnities to the staff consequent upon the termination of their contracts ; on the recent judgments of the Administrative Tribunal, and on repatriation of officials and the removal of their furniture.

The Commission also examined various proposals regarding the termination of certain functions and powers hitherto exercised by the League under International Agreements and regarding the dissolution of the Permanent Court of International Justice. The Commission will be prepared at the appropriate time to tender its advice to the Assembly when the resolutions on these matters are submitted.

In the course of this session, the Commission has been in touch with the Swiss Authorities concerning questions arising from the transfer of League of Nations property to the United Nations, and conversations will be continued.

Preliminary consultations took place between the Commission and the representative of the Acting Director of the International Labour Office regarding the action necessary for the transfer to the International Labour Organisation of properties (including the International Labour Office building, land, equipment, etc.) and its share in certain Funds of the League.

The Commission discussed with the representative of the Acting Director of the International Labour Office matters connected with the transfer of the administration and finances of the Staff Pensions Fund to the International Labour Organisation and will in its next report give more precise information.

The question of the administration of the Pensions Fund of the Judges of the Permanent Court of International Justice being taken over by the International Labour Organisation was also discussed with the representative of the Acting Director and the Commission will report on this matter at its next session.

B. INDEMNITIES TO STAFF

1. On December 14th, 1939, shortly after the beginning of the war, the Assembly approved a series of measures to meet not only the purposes of the League Administrations but also the requirements of the call-up of officials imposed by the Governments of Member States. The Assembly agreed with the view of the Supervisory Commission that the case was not one which could properly be settled solely on the basis of the contractual rights of the individuals concerned¹. Thus, permanent officials, in spite of the period of notice prescribed, were permitted to resign with an indemnity varying from six months' to one year's salary, according to the length of service. Holders of seven-year contracts were treated from the point of view of indemnity as holders of permanent contracts. Other temporary officials who would have been entitled to no indemnity were dismissed or permitted to resign with an indemnity of one to twelve months' salary, according to their service and length of contract.

2. During the progress of the war, it has been necessary to maintain a reduced staff for the conduct of the essential work of the League and, as the war approached its close, it became necessary to recruit a small number of additional personnel and also to reinstate some of those who had previously been discharged. Now that the Supervisory Commission is faced with the task of liquidating the League, it feels that the Assembly will not wish to deal in a less generous spirit than in 1939 with the members of the staff who will be serving until the end and who will then be obliged to seek new employment. The majority of the officials affected will receive their discharge outside their native country and will inevitably encounter difficulties in adjusting their lives and careers in the new circumstances.

3. The officials concerned, 94 in all, fall into two categories:

(a) Pre-war officials (44 in number), the majority of whom, but not all, have held seven-year contracts and are members of the Pensions Fund. Ten of these officials whose original contracts did not exceed five years have in fact been in continuous service from a date preceding the war.

Had it not been for the war, the greater number of this class of pre-war officials would have been serving under renewable seven-year contracts. But in order to preserve freedom for the Administration, so that the services of officials could be terminated at short notice, the contracts of pre-war officials now under review were capable of termination at three months' notice without indemnity. In point of fact, their services have been necessary and continuous. It therefore seems appropriate to the Commission that, on the final termination of their employment, the payment of one year's indemnity should be authorised, on the same lines as that accorded by contract to permanent officials.

The amount involved is 610,000 Swiss francs.

(b) Temporary officials appointed since the war, including those who have been re-engaged after the termination of their employment in 1939/40, about 50 in all, whom the Supervisory Commission considers, for the reasons given in paragraph 2, should not be discharged without some indemnity on the termination of their work.

¹ See document A.5(c).1939.X.

The amount involved is small.

As regards the re-engaged officials, they received an indemnity under the decision of the Assembly when they left the service of the League in the early stages of the war. The Commission has, however, taken note of the fact that on re-engagement these officials were not allowed to rejoin the Pensions Fund and as a general rule re-engagement was effected at lower salaries, altogether apart from the fact that these were abated by the amount of their pension annuities. In all the circumstances, it seems suitable to the Commission that former officials, re-engaged, together with temporary officials appointed since the outbreak of war, should on discharge be given one month's salary for each completed year of service.

The whole amount involved in respect of Group (b) is estimated to cost a sum not exceeding 50,000 Swiss francs.

In the circumstances of the liquidation of the League, the special provision introduced at the outbreak of the war, providing for the payment of indemnities in four instalments, is no longer appropriate. All indemnities will now be paid in full on termination of the contracts of officials concerned.

C. ADMINISTRATIVE TRIBUNAL

Judgments pronounced by the Administrative Tribunal on February 26th, 1946, concerning certain officials discharged in application of the Emergency Measures adopted by the 1939 Assembly.

The Acting Secretary-General communicated to the Commission, for information, a document¹ which he is submitting to the Assembly with regard to a recent decision of the Administrative Tribunal.

By a resolution taken on December 14th, 1939, the Assembly decided to reduce from six months to one month the period of notice of termination of contract in the case of permanent officials, provided for in Article 18 of the Staff Regulations² of the Secretariat and Article 19 of the Staff Regulations of the International Labour Office, and to spread over a period of four years the payment of the compensation due on termination of appointment (Article 73 of the Secretariat Regulations and Article 83 of the International Labour Office Regulations)². Twelve officials of the Secretariat and one official of the International Labour Office, whose contracts were terminated and to whom the two Administrations applied the above decisions, complained to the Administrative Tribunal, maintaining that it was not applicable to them, as they held contracts granted before October 15th, 1932, which were not subject to the provisions of Article 30 *bis* (Secretariat) and Article 16 *a* (International Labour Office) of the Staff Regulations and could not therefore be modified by the Assembly.

In a series of judgments delivered on February 26th, 1946, the Administrative Tribunal pronounced that the Administrations of the Secretariat and of the International Labour Office had wrongfully applied to the thirteen complainants the amendment to the Staff Regulations contained in the Assembly resolution of December 1939, since "it is impossible to entertain the assumption that the Assembly intended by its Resolution of December 14th, 1939, to affect acquired rights without expressly so stating"¹.

The Supervisory Commission, on whose proposal the amendments in question were adopted by the 1939 Assembly, desires to confirm that it was the undoubted intention of the Assembly that the decisions therein embodied should apply to all officials of the League and not only to those whose contracts expressly reserved the possibility of their modification by the Assembly. The Secretary-General and the Director of the International Labour Office, in applying the decisions to the complainants, have therefore correctly interpreted the Assembly resolution.

The amount covered by the judgments (excluding costs) totalled 85,000 Swiss francs and, by direction of the Supervisory Commission, this sum has been paid into a special Suspense Account.

As an acceptance of the findings of the Administrative Tribunal would put its decision above the authority of the Assembly, the Supervisory Commission could not take the responsibility of advising the Acting Secretary-General and the Acting Director of the International Labour Office to apply the judgments of the Administrative Tribunal. It has accordingly advised the two Administrations to take no action on them pending consideration of the whole question by the Assembly.

D. REPATRIATION EXPENSES OF OFFICIALS AND/OR REMOVAL OF THEIR FURNITURE

An appreciable number of officials who left the service at the beginning of the war or at a later date have not yet, on account of the circumstances which prevailed during the war, effected their repatriation journey and/or the removal of their furniture. Under the Staff Regulations, this expenditure has to be borne by the Secretariat when the official concerned

¹ See Annex 23, pages 245-249.

² The relevant Staff Regulations are quoted in the Appendix (pages 163-165).

has fulfilled certain conditions. As the Supervisory Commission considers that these liabilities should be discharged at the earliest possible date, it has asked the Administration to take all the necessary measures for this purpose.

E. GRANT OF A WINTER ALLOWANCE TO THE LOWER CATEGORIES OF THE GENEVA STAFF

The Supervisory Commission, following the example of the Swiss Confederation, authorised the Acting Secretary-General to grant a winter allowance to the lower categories of the Geneva staff, whose conditions of employment are in accordance with the local practice. These allowances will consist of a single payment of from 120 to 200 Swiss francs, according to the family situation of the individual, and they are intended to compensate the increased cost of fuel, etc.

The expenditure involved will not exceed 14,000 Swiss francs chargeable to the Salary vote.

F. INTERNATIONAL LABOUR ORGANISATION BALANCES FOR 1941, 1943 AND 1944

The Commission decided that the balances of the International Labour Organisation for 1941, 1943 and 1944, which had hitherto been held in suspense, should, in accordance with the recommendation of the Governing Body of the International Labour Office, be placed to a special Reserve Fund for that Organisation.

G. FINANCIAL SITUATION

The Commission took note of the financial situation of the League as at February 28th, 1946, and decided to re-examine the position when the audited accounts for 1945, and further arrear contributions, the payment of which is anticipated, had been received. A statement of the financial position as at March 31st, 1946, will be submitted to the Assembly.

With regard to the Secretariat surplus for 1944, amounting to 195,511.97 Swiss francs, the Commission decided that a proportion of that surplus should be used to meet the Secretariat deficit for 1945, which is estimated to be 109,219.96 Swiss francs. The exact figure cannot be confirmed until the final audit for 1945 has been completed.

APPENDIX.

EXTRACTS FROM THE STAFF REGULATIONS

I. TERMINATION OF APPOINTMENTS AND RESIGNATION

A. Staff Regulations of the Secretariat.

Article 18 (old text in force until December 1939).

"1. The appointment of any official may be terminated by the Secretary-General if the necessities of the service require a reorganisation of the staff, provided always that regard shall be had to the legitimate interests of the official as assured to him by the present Regulations. Notice of the termination of the appointment shall be given at least six months in advance."

"2. Compensation for termination of an appointment under this Article shall be payable as prescribed in Article 73.

"3. The opinion of the Committee established by Article 67 (Judicial Committee) shall be taken upon the proposed termination of appointment if the official so requests."

Article 18 was amended in December 1939 as follows:

Paragraph 1. — Replace the sentence "Notice of the termination of the appointment shall be given at least six months in advance" by the following text:

"If an official is entitled to the compensation prescribed in Article 73 below, he shall receive notice of termination of contract not exceeding one month. If he is not entitled to such compensation, he shall receive from one to three months' notice according to the period for which he was appointed."

* * *

Article 73 (old text in force until December 1939).

"1. A permanent official whose appointment is terminated under the provisions of Article 18 shall be paid a sum equal to six months' salary if he has served less than seven years, and one year's salary if he has served more than seven years.

"2. The provisions of the present Article shall not affect the application of the Staff Pensions Regulations."

Article 73 was amended in December 1939 as follows:

Insert the following *paragraphs 3 and 4*:

"3. The sum mentioned in paragraph 1 shall be paid in annual instalments. Each instalment shall be equal to three months' salary, or, if the instalment would then be less than 1,200 Swiss francs, to a sum as near as possible to 1,200 francs within the limits of the total amount due.

"4. If an official's contract has been suspended, the payment made on suspension shall be deducted from the total amount payable under this Article."

B. Staff Regulations of the International Labour Office.

Article 19 (old text in force until December 1939).

"(a) The appointment of any official may be terminated by the Director, after hearing the opinion of the Administrative Committee, if the necessities of the service require the abolition of his post or the reorganisation, involving reduction, of the staff; provided always that regard shall be had to the legitimate interests of the official as assured to him by these Regulations.

"(b) Notice of the termination of the appointment shall be given at least six months in advance.

"(c) Compensation for the termination of an appointment under this Article shall be payable as prescribed in Article 83 below.

"(d) Any official whose post it is proposed to abolish shall have the right, within a period of eight days, to bring his case before the Joint Committee. If the proposed abolition of the post involves a choice between several officials, the best record of service and seniority shall in principle confer a right of priority in respect of maintenance in the employment of the Office.

"(e) Any official whose appointment is terminated under this Article shall enjoy a right of priority for the two years following his discharge in respect of the filling of any post vacant in the Office, provided that he possesses the necessary qualifications."

As from December 1939, the provisions of this Article were amended as follows:

Paragraph (a) — Unchanged.

Paragraph (b) — Replace the above text by the following:

"(b) If an official is entitled to the compensation prescribed in Article 83 below, he shall receive notice of termination of contract not exceeding one month. If he is not entitled to such compensation, he shall receive from one to three months' notice according to the period for which he was appointed."

Paragraph (c) — Replace the above text by the following:

"(c) If a permanent appointment is terminated under the present Article, the official concerned shall receive the compensation prescribed in Article 83 below."

Paragraph (d) — Replace the above text by the following:

"(d) Any official whose appointment it is proposed to terminate shall have the right, within a period of eight days, to bring his case before the Joint Committee. If the proposed termination of appointment involves a choice between several officials, the best record of service and seniority shall in principle confer a right of priority in respect of maintenance in the employment of the Office."

Paragraph (e) — Unchanged.

* * *

Article 83 (old text in force until December 1939).

“(a) A permanent official whose appointment is terminated under the provisions of Article 19 above shall be paid a sum equal to six months’ salary if he has served less than seven years and one year’s salary if he has served more than seven years.

“(b) The provisions of this Article shall not prejudice the application of the Staff Pensions Regulations.”

As from December 1939, the provisions of Article 83 were amended as follows:

Paragraph (a) — Unchanged.

Paragraph (b) — Replace the above text by the following :

“(b) The sum mentioned in paragraph (a) shall be paid in annual instalments. Each instalment shall be equal to three months’ salary, or, if the instalment would then be less than 1,200 Swiss francs, to a sum as near as possible to 1,200 francs within the limits of the total amount due.

“If an official’s contract has been suspended, the payment made on suspension shall be deducted from the total amount payable under this Article.

“(c) The provisions of this Article shall not prejudice the application of the Staff Pensions Regulations.”

II. MODIFICATION OF APPOINTMENTS IN CONSEQUENCE OF DECISIONS OF THE ASSEMBLY

A. Staff Regulations of the Secretariat.

Article 30 bis (old text in force until May 16th, 1933).

“All appointments and promotions made after October 15th, 1932, and all appointments or promotions made before that date with the proviso that their terms may be modified by the Assembly, are subject to such modifications of their terms as may be necessary to bring them into conformity with any decision of the Assembly, relating to the conditions of employment of officials (or of particular categories of officials) or to particular special posts, which the Assembly may decide to apply to officials already in the service.”

Article 30 bis was amended on May 16th, 1933, as follows:

“1. All appointments made after October 15th, 1932, and all appointments made before that date with the proviso that their terms may be modified by the Assembly, are subject to such modifications of their terms as may be necessary to bring them into conformity with any decision of the Assembly, relating to the conditions of employment of officials (or of particular categories of officials) or to particular special posts, which the Assembly may decide to apply to officials already in the service.

“2. In all cases of promotions made after October 15th, 1932, or made before that date with the proviso that their terms may be modified by the Assembly, it is implied that the promoted officials shall thenceforward be subject to decisions of the Assembly fixing the rates of salary.”

B. Staff Regulations of the International Labour Office.

Article 16 (a). This Article was inserted in the edition issued on January 1st, 1933.

“The terms of all contracts of employment made after October 15th, 1932, may be modified by the Director in order to bring them into conformity with any measure relating to the conditions of employment of officials (or of particular categories of officials), or to particular special posts, which the Assembly of the League of Nations or the Governing Body of the International Labour Office may decide to apply to officials already in the service.

“For all promotions taking effect after October 15th, 1932, it is understood that the officials promoted are subject to the decisions of the Assembly fixing salary scales.”

ANNEX 6

A. 19. 1946. X.

Geneva, April 3rd, 1946.

REPORT OF THE SUPERVISORY COMMISSION
ON THE WORK OF ITS ONE-HUNDREDTH SESSION

The Supervisory Commission held its one-hundredth session from April 2nd to April 3rd, 1946, in Geneva. The following members were present at this session:

Dr. C. J. HAMBRO (Norway), *Chairman*.
Sir Cecil KISCH, K.C.I.E., C.B. (United Kingdom), *Vice-Chairman and Rapporteur*.
H.E. Count CARTON DE WIART (Belgium).
H.E. M. A. COSTA DU RELS (Bolivia).
H.E. M. E. CHARVERIAT (France).

The following officials attended the meetings:

Secretariat:

Mr. S. Lester, Acting Secretary-General.
Mr. S. Jacklin, Treasurer.
M. V. Stencek, Director of Personnel and Internal Administration.

International Labour Office:

Mr. C. W. Jenks, representing the Acting Director.

Permanent Court of International Justice:

M. J. López Oliván, Registrar.

Also present:

M. U. A. J. Brunskog, Auditor.

Dr. R. Gautier was heard on certain questions relating to the Health Organisation.

A. INTRODUCTORY REMARKS

At this meeting, the Commission continued its review of the processes necessary for a rapid liquidation of the finances and the discharge of the League's liabilities. It believes that progress reports will facilitate the work of the Finance Committee of the Assembly and that, as the Commission will have to meet during the Assembly, the more questions that can be reported upon in advance the more time it will have to allot to the pressing matters which may then arise.

The Commission examined the following funds, extra-budgetary accounts and suspense accounts, appearing in the audited accounts of the Secretariat for 1945 and has set out in the Appendix proposals in regard to the:

- I. Working Capital Fund;
 - II. Reserve Fund;
 - III. Fund to cover exchange losses;
 - IV. Certain extra-budgetary accounts;
- and V. Suspense accounts.

While, in the case of some of these funds and accounts, definite proposals cannot as yet be made, the Commission considers that it should indicate the lines of its studies in order that the Finance Committee may have the fullest possible information before it.

B. ACTIVITIES OF ORGANISATIONS

SECRETARIAT

The Secretariat and certain of the technical Committees have continued the activities outlined in previous reports by the Supervisory Commission and in the reports of the Acting Secretary-General. The importance attached to this work by Governments is apparent from the tributes paid to it at the recent meetings of United Nations organs.

Every effort has been made to extend and bring up to date essential documentation and to complete special enquiries and studies which should be of value as a basis for national and international reconstruction. In the past few months, meetings have been held in Princeton and in London of three Committees of the Economic and Financial Organisation—the special joint Committee on Private Foreign Investment, the Sub-Committee on Estimates of National Income and the Fiscal Committee. To the series of studies on post-war economic problems have been added volumes entitled *Industrialisation and Foreign Trade* and the *Economic Demography of Eastern and Southern Europe*; more than a dozen reports and studies on other problems of current international importance are in the press or in an advanced stage of preparation. The *Monthly Bulletin of Statistics* and the *Monthly Summaries of Important Events in the Field of Transport* have continued to appear regularly.

Apart from the publication of the *Weekly Epidemiological Record*, the following activities of the Health Organisation must be mentioned: *The Bibliography of the Technical Work of the Health Organisation*, which is in effect a summary of the Organisation's accomplishments over a period of twenty-five years, was published in February. The *Report of the Technical Commission of Pharmacopœial Experts*—a first step towards establishing an international pharmacopœia—has appeared in the latest number of the *Bulletin of the Health Organisation*. A forthcoming special number of the *Bulletin* dealing with Penicillin describes the international standards adopted as a result of the Conference called by the League in 1944 and the methods used in assaying this product. The results of the enquiry into Anti-rabies Vaccination, based upon records of 1,600,000 individuals treated, will be published shortly.

The Drug Control Service has issued the *Statement of Estimated World Requirements of Dangerous Drugs in 1946*, and the third and fourth Supplements to the Statement for 1945. The preparation and printing of the *Analytical Studies of Annual Reports* and the *Summaries of Illicit Transactions and Seizures*, which had to be suspended during the war, have been resumed and some brochures already distributed.

The *Drug Supervisory Body*, which was reconstituted last autumn and held a meeting in London in November, will meet again this month at Geneva.

The *Permanent Central Opium Board* is meeting at Geneva this month.

The Report of the *High Commissioner for Refugees* for the year 1945 has just appeared.

An issue of the *Monthly List of Selected Articles*, prepared by the Library, is about to be published. A final volume (Volume CCV) of the *Treaty Series* is in preparation, as is also *General Index No. 9*.

Summaries of the Annual Reports for 1944/45 on *Traffic in Women and Children* and on the *Circulation of and Traffic in Obscene Publications* are in the press.

Relations between the Secretariat and other organisations have been well maintained. For example, a senior official of the Health Section recently attended a meeting in the United States of the Commission on Medical Statistics to consider the nomenclature of causes of death. The same official has been representing the Health Organisation of the League in an advisory capacity at the meeting of the Committee of Experts which is preparing for the Health Conference of the United Nations. Certain officials have been invited to a meeting of statisticians called by the United Nations Food and Agriculture Organisation in April. The Economic, Financial and Transit Department was represented at the U.N.R.R.A. Council meeting held at Atlantic City in March. The Chief of the Transit Section has been seconded to act as Secretary of the Transit Commission of the Economic and Social Council at its meeting in April.

The Acting Secretary-General has maintained contact with the United Nations in London and endeavoured to give all possible assistance to the Executive Secretary of the Preparatory Commission, and later to the Secretary-General of the United Nations. He suggested to M. Trygve Lie that the appointment of a duly authorised liaison officer with the League of Nations would be very desirable for the purpose of facilitating an orderly liquidation of the League and transfer of assets and activities to the United Nations. This official would be given every facility by the League, including office accommodation in the League buildings. M. Lie accepted this suggestion and has promised to make the necessary appointment shortly.

Owing to shortage of staff, the Supervisory Commission accepted the proposals of the Acting Secretary-General that, following the precedent established in the 1939 Assembly, no *Assembly Journal* should be printed for the use of Delegations during the session. A roneographed verbatim record of the proceedings of the Assembly, and roneographed summaries of the proceedings of Committees, will, however, be distributed as soon as possible after meetings.

PERMANENT COURT OF INTERNATIONAL JUSTICE

On January 31st, 1946, all the members of the Court resigned. Those who had reached the age at which pensions become payable under the Regulations claimed their pensions.

By a resolution adopted at its session in October 1945, the Court requested the Registrar to remain at his post until the time of the transfer to the International Court of Justice of the archives and property belonging to the Permanent Court of International Justice and the League of Nations. The Registrar accepted the mandate conferred upon him by the Court.

At the beginning of 1946, there were, in the Registry of the Permanent Court of International Justice, 10 officials, 5 of whom were in service and 5 suspended. On February 19th, 1946, one

month's notice was given for the termination of the contracts of all these officials. Their service accordingly came to an end on March 19th last. These officials, with the exception of 2 whose contracts had come to an end, received the compensation prescribed in the Regulations. The Commission has been glad to note that several of them, and also a few who had left the service of the Court at the time of the reduction in staff, have been engaged, temporarily, by the United Nations for the work of the first session of the new Court.

In regard to the premises occupied by the Permanent Court of International Justice in the Peace Palace at The Hague, the Acting Secretary-General of the League of Nations has written to the President of the Committee of Directors of the Carnegie Foundation, informing him that, in view of the forthcoming dissolution of the Permanent Court of International Justice, he considered that the agreement between the Carnegie Foundation and the Secretariat of the League of Nations would lapse on April 30th, 1946. For his part, the Registrar has informed the Secretary-General of the United Nations that, pending the decision by the Assembly of the League of Nations, the Supervisory Commission was placing at the disposal of the International Court of Justice the premises allocated to the Permanent Court of International Justice in the Peace Palace, together with all equipment and furniture belonging to the League of Nations. The Registrar further informed the Secretary-General of the United Nations that the Permanent Court of International Justice was placing at the disposal of the new Court the archives and books which are its property.

Negotiations are being pursued with a view to reaching a just and equitable arrangement with the Carnegie Foundation concerning the annual payments due in respect of the war period, during which a very limited use was made of the premises in the Peace Palace by the services of the Registry which remained at The Hague.

A sum of 110,000 florins was provided in the Budget of the Court for 1946 for the purpose of settling the annual payments in amortisation of the cost of installation of new premises due to the Carnegie Foundation for the period 1940-1945. As a result of negotiations between the Supervisory Commission and the United Nations and the Committee of Directors of the Carnegie Foundation, the United Nations will assume responsibility for these annual payments.

C. AUDITED ACCOUNTS FOR 1945

Great efforts have been made by the staff and by the Auditor to ensure that the audited accounts for 1945 of the Secretariat and the Permanent Court of International Justice are completed before the Assembly meets. The Auditor has not yet been able to audit the accounts of the International Labour Organisation at Montreal. They will be examined and reported upon in a later report.

The Commission has now examined these accounts and the report of the Auditor thereon, and recommends that the audited accounts for the twenty-seventh financial period, 1945, in respect of the Secretariat and the Permanent Court of International Justice be adopted by the Assembly.

In making this recommendation, the Commission draws attention to the Auditor's observations in the final paragraph of this report regarding the great difficulties which have attended the conduct of the League's finances during the war. The Auditor comments that, despite these difficulties, the accounts of the League have been kept in a very satisfactory manner and he pays well-deserved tribute to the work of the Treasury during the years 1939-1945. The Supervisory Commission has received these remarks of the Auditor with extreme gratification. The Commission has throughout the war remained in close and constant touch with the Treasurer and his Department and fully understands the complexity and novelty of the problems that presented themselves during this period. That these problems were successfully and expeditiously handled is due to the devoted work of the Treasurer and his Department, and the Commission wishes to record its appreciation and admiration of the way in which the work has been carried out by the Treasurer and all who have participated in it.

D. LIQUIDATION OF THE NANSEN INTERNATIONAL OFFICE

The Commission reviewed the situation of this matter and, as a result of communications with the Liquidator (M. de Reffye), who has now resumed his activity, hopes that the final liquidation may be notified in a subsequent report.

E. CONTRIBUTIONS

The Commission has taken note of the Report of the Special Committee on Contributions, dated March 27th, 1946¹, and concurs in its recommendations.

¹ Document C.10.M.10.1946.X.

F. STAFF PENSIONS FUND

The Commission also noted the Eleventh Report to the Assembly of the Administrative Board of the Staff Pensions Fund.¹ The Board refers to the future administration of the Fund when the responsibility of the League terminates and lays stress on the consideration that the conditions of transfer of the Fund to new management should ensure that it is in a position to meet all its financial obligations. The Commission is in full accord with this view.

G. STAFF PROVIDENT FUND

The Commission had before it a report on the situation of this Fund. At present the Fund has a membership of three officials (1 International Labour Office and 2 Secretariat). The Secretariat officials will, in common with other Secretariat officials, be discharged during this year. The Fund is adequate to meet its liabilities and the loan from the Reserve Fund will in due course be repaid.

APPENDIX

I. WORKING CAPITAL FUND

In the Common Plan for the transfer of League assets to the United Nations, it is indicated² that the League will make the necessary disposition of the Working Capital Fund. This Fund was established "to meet temporarily normal requirements of regular organisations of the League which cannot be paid out of income at the time when they are due to be met" (Article 33 of the Financial Regulations).

"The sums paid by Members of the League . . . shall be carried to the credit of the Members which have paid such sums" (Article 31.(2) of the Financial Regulations).

The nominal value of the Working Capital Fund on December 31st, 1945, was 6,535,629.30 Swiss francs, of which 1,347,321.98 Swiss francs represented interest earned on the Fund. At that date, the actual cash in the Fund amounted to 3,870,899.60 Swiss francs³, the balance having principally been used to meet deficits due to shortfalls in contributions.

The Fund remains the property of the Member States which contributed to it, but, on December 31st, 1945, thirty-three States out of forty-four States owed more to the League in respect of arrear contributions than the amount of their credits in the Working Capital Fund. The shares of the remaining eleven States which were in good financial standing amounted on that date to 3,048,752.95 Swiss francs.³

As the Fund is used to finance current expenditure pending the payment of contributions, the balance which will remain in the Fund on the final liquidation of the League cannot at this time be accurately estimated, since this is dependent on financial developments during the year. If for any reason the eventual balance in the Fund should be insufficient to meet the credits of those States in good financial standing, it is intended to augment it in order that no such State shall suffer loss.

The Commission recommends that, as the Working Capital Fund was established for the use of the International Labour Organisation as well as for the other organisations of the League, the whole of the amount of the credits of Member States in good financial standing with the League on the date of liquidation shall be transferred to the International Labour Organisation, that Organisation accepting liability towards such Member States in respect of their credits on the same lines as have hitherto been followed by the League.

II. RESERVE FUND

This Fund shows a balance on December 31st, 1945, of 174,100 Swiss francs, but the amount is not held in cash. It represents a credit.

The sum was lent to the Staff Provident Fund and it is estimated that the whole amount will be recoverable.

It is suggested that the amount recovered should be paid to the Staff Pensions Fund, as it would have been paid to that Fund had it not been lent to the Staff Provident Fund.

¹ See Annex 10, II, pages 185-187.

² See Annex 17, page 220, paragraph 7 of the Appendix.

³ See paragraph 3 of Section IV of Supervisory Commission's General Report: Annex 4, page 156.

III. FUND TO COVER EXCHANGE LOSSES

The balance in the Fund on December 31st, 1945, was 285,129.77 Swiss francs, and as the depreciation between cost and present market price of investments of the Staff Pensions Fund was 361,526.83 Swiss francs, it is proposed that eventually on final liquidation the whole of the Fund then available should be transferred to the Staff Pensions Fund.

IV. EXTRA-BUDGETARY ACCOUNTS

1. *Contribution from the Rockefeller Foundation towards the Promotion of Research Work in regard to Problems of World Economic and Financial Relations.*

At December 31st, 1945, no balance existed. A further grant has, however, been made for 1946 and any balance available after the final liquidation of the Secretariat will be returned to the grantors.

2. *Egyptian Government's Gift towards the Expenses of the League in connection with Narcotic Drug Control.*

(a) On July 4th, 1931, the Director of the Central Narcotics Intelligence Bureau, Cairo, on behalf of the Egyptian Government, offered to the League of Nations a gift of 500 Egyptian pounds as a donation from the Egyptian Government towards the expenses of the League in connection with the work being done by the Advisory Committee on Traffic in Opium and Other Dangerous Drugs.¹ It was stated "that the Egyptian Government is anxious to give practical help to the Opium Section of the League in its fight against the narcotics menace which has done and is doing such terrible harm in Egypt". The gift, which amounted to 9,816.60 Swiss francs, was accepted by the Council of the League at its sixty-fourth session, September 1st, 1931.²

(b) In the years 1932 and 1933, the principal part of the gift (some 8,500 Swiss francs) was used to strengthen the personnel of the Opium Section (one Member of Section for part of 1932 and one junior official for 18 months). Subsequently, the gift was employed for binding, for the use of the Opium Section, opium documents of the League which were of permanent value and were in constant use. On December 31st, 1945, there was an unexpended balance of 91.40 Swiss francs. It is suggested that this amount be expended in 1946 on the binding of similar opium documents which have been issued during the war period.

3. *Gift to the Child Welfare Committee.*

In 1925, friends of the League in the United States made a gift of \$1,500 on the understanding that it would be used for the Child Welfare Committee of the League.

Most of the Fund has been spent in the purchase of books dealing with child welfare. There remained a balance of 784.10 Swiss francs as at December 31st, 1945.

It was difficult during the war to keep the collection of books dealing with child welfare up to date, owing, in particular, to insufficient information in regard to books published in overseas countries. This information is now available, and it is accordingly proposed that the balance should be disbursed by the Library in order to enable it to complete its collection of books dealing with child welfare.

4. *Revolving Fund for Special Publications, instituted by Mr. James J. Forstall.*

On September 12th, 1929, Mr. James J. Forstall, a citizen of the United States of America, offered to the Secretary-General of the League of Nations a gift of 25,000 Swiss francs for the purpose of establishing a Revolving Fund to facilitate the printing and publication of information on the activities of the League, within the Secretary-General's discretion and subject to such financial regulations and stipulations as it was necessary for the Secretary-General to impose.

The Supervisory Commission examined Mr. Forstall's proposal and, on its recommendation, the Council, at its meeting on September 19th, 1929, accepted the gift.

The following rules were laid down by the Supervisory Commission for the administration of the Revolving Fund:

(a) The Fund will be treated as extra-budgetary; the receipts and payments will therefore not appear in the annual budget accounts;

(b) The Fund will be dealt with as a League asset in the balance-sheet of the Secretariat;

(c) A separate statement of the receipts by and payments from the Fund will appear as an annex to the Secretariat annual accounts and will be subjected to audit;

(d) The Fund will be subjected to the usual internal control;

¹ Document C.451.1931.X.

² Document C.496.1931.X.

(e) Any profits made by the Fund will go back to the Fund until the capital has reached 50,000 francs. After that limit has been reached, the profits, according to ordinary procedure, will be credited to the Budget under the heading "Appropriations in aid: Sale of publications".

The Fund contributed by Mr. Forstall was a gift and carried no conditions of repayment. The only condition attached to it was that the Fund should be used for printing and publishing pamphlets, books and descriptive material on the League.

During the years 1930-1939, the Forstall Fund was utilised to defray the cost of printing the following publications:

The Permanent Court of International Justice;
The A. B. C. of Narcotic Drugs;
 Hebrew, Yiddish, Ukrainian and Polish editions of *The Aims and Organisation of the League of Nations;*
Ten Years of World Co-operation;
The Course and Phases of the World Economic Depression;
Preparations for the Disarmament Conference;
The Permanent Central Opium Board.

The Fund was also drawn on for the production of several cinematograph films and a series of post-cards descriptive of the League and its activities.

On different occasions, payments were made to the Fund from the Secretariat Budget, viz.: an amount of 6,206.20 Swiss francs in aid of certain printing costs, and an amount of 20,027.70 Swiss francs in respect of the cost of preparation, in 1938, of a film to be shown to visitors to the League building.

In August 1942, the Supervisory Commission authorised the refund to Mr. Forstall of the amount of U. S. A. \$1,000 (4,480 Swiss francs).

The cash balance in this Fund as at December 31st, 1945, was 27,226.25 Swiss francs.

It is considered that the terms on which the Fund was established would be substantially served if the balance available on final liquidation of the Secretariat were transferred to the International Labour Organisation, on the understanding that the principles prescribed for the administration of the Fund continued to apply.

5. *Work of the Saar Governing Commission: Sum paid by the Commission to cover the Cost of drawing up a Report on its Work.*

On February 27th, 1935, the Commission paid to the Secretariat the estimated cost of preparing and printing a report on the work of the Saar Commission. The sum, including interest, available as at December 31st, 1945, for the purpose was 47,687.95 Swiss francs.

The amount available does not belong to the League, but, as there is now no prospect of such a report being prepared and, in view of the unremunerated services which the League rendered to the Saar Commission, it seems appropriate that the amount available should be paid into League funds.

6. *Donation from the Administrative Board of the Carnegie Foundation.*

In May 1935, the Council accepted the Wateler Peace Prize for 1935 (19,000 florins, equivalent to 39,548.50 Swiss francs) awarded to the League of Nations by the Administrative Board of the Carnegie Foundation at The Hague for the development of the broadcasting service of the League. The amount earned a profit on investment of 15,575.65 Swiss francs and a balance of 14,285.30 Swiss francs existed on December 31st, 1945.

As the broadcasting room and equipment forms part of the League Buildings, which are being transferred to the United Nations, it seems reasonable to transfer the sum to the United Nations for use on the object for which the prize was awarded.

7. *Léon Bernard Fund.* }

8. *Darling Foundation.* }

The *Léon Bernard Fund* was created by the Health Committee with the authorisation of the Council (January 25th, 1937) in commemoration of one who had represented France with great brilliance in the Health Committee. It has a capital of 13,000 Swiss francs, obtained by voluntary subscription, the income from which is used to award a prize, consisting of a bronze medal and a sum of 1,000 Swiss francs, to the author of an outstanding work in the field of social medicine.

This prize was awarded in 1939 to Dr. Wilbur Sawyer.

No deed of foundation was drawn up for attestation by a notary and the Fund was not entered on the Geneva Commercial Register. Article 1 of the Statutes sets up a "Léon Bernard Foundation Committee" composed of the President and Vice-Presidents of the Health Committee. The Director of the Health Section acts as Secretary of the Committee.

This Committee has power to decide, by an absolute majority, to revise the Statutes (Article 8). The property of the Fund is administered by the Treasury of the League of Nations.

The *Darling Foundation* was established by the Health Committee in October 1925 in commemoration of Dr. Darling, an American malariologist who was accidentally killed on May 21st, 1925, while on a mission of the Malaria Commission in Syria.

This Foundation, which has a capital of 10,000 Swiss francs obtained by voluntary subscription, is used, when the accumulated interest permits, to award a prize, consisting of a bronze medal and a sum of 1,000 Swiss francs, to the author of an original work on the pathology, aetiology or prophylaxis of malaria. The "Darling Prize" was awarded to Colonel S. P. James in 1934 and to Dr. Swellengrebel in 1937.

The deed of foundation (1929), which was drawn up at the request of M. J. A. Buero, Legal Adviser to the Secretariat, provides that the Foundation shall be administered by the Director of the Health Section and operated by the Geneva branch of Lloyds & National Provincial Foreign Bank Limited. The management of the property of the Foundation was subsequently transferred to the Treasury of the League of Nations.

The administrator—that is to say, Dr. Y. Biraud since June 1943—binds the Foundation by his individual signature; he has power to decide upon the dissolution of the Foundation and upon how the assets shall be distributed, subject to the approval of the "Darling Committee".

This Committee, for which provision is made in Article 1 of the Statutes, is composed of the President and Vice-Presidents of the Health Committee and the Chairman of the Malaria Commission. The Director of the Health Section acts as Secretary of the Committee.

The Foundation was entered on the Geneva Commercial Register and is exempt from cantonal taxation and, since 1943, from the Federal National Defence Tax.

The balances to the credit of these funds on December 31st, 1945, were:

	Swiss francs
Léon Bernard Fund	15,700.85
Darling Foundation: Capital	10,157.50
Income	2,630.25

If the international character of these prizes is to be maintained, they should be awarded by the Health Committee of the future Health Organisation of the United Nations and by the Malaria Commission, which will no doubt be attached to that body. In that event, the capital of the two Foundations should be administered by the United Nations, and Article 1 of their Statutes, which set up the Committees responsible for making the awards, should be modified.

It is suggested that the Acting Secretary-General should ascertain from the Secretary-General of the United Nations whether that Organisation would be willing to take over the administration of these Foundations.

Failing this, the Acting Secretary-General should advise on an alternative scheme for continuing the Foundations in a way which would best serve to maintain the purposes for which they were created.

V. SUSPENSE ACCOUNTS — SECRETARIAT

2. *High Commissariat at Danzig.*

On December 31st, 1945, a small balance of 4,772.65 Swiss francs remained in this account, which, in the absence of any demands, will in due course be credited to League funds.

3. *Technical Collaboration with China.*

The balance of 11,237 Swiss francs remaining on December 31st, 1945, from the financial provision made in 1937-1939 will, if no further claims are forthcoming, be credited to League funds.

4. *New York World's Fair.*

On December 31st, 1945, a balance of 32,672.15 Swiss francs remained from the provision made for the participation of the League in the New York Fair. This sum was reserved to pay for the storage of the exhibit and, if not required, the account will be credited to League funds.

5. *Voluntary Contributions of Staff.*

The amount in the account on December 31st, 1945, was 85,824.75 Swiss francs. This sum was credited to miscellaneous receipts during the current year.

6. *Eastern Bureau, Singapore.*

The account held a balance of 112,590.10 Swiss francs on December 31st, 1945. In the absence of any further calls on the Fund, the account will in due course be closed by credit of the balance to the League's resources.

7. *Appropriation-in-aid: Working Capital Fund.*

Part of the contributions paid by certain Member States which were not assessed to pay any contribution represented a sum due in respect of deficits of previous years which had been borne by the Working Capital Fund.

The Working Capital Fund advances were included for recovery in subsequent Budgets and therefore any voluntary payments, if paid to the Working Capital Fund, would involve a double recovery.

The payments in question have been kept in a suspense account and amounted on December 31st, 1945, to 111,739.95 Swiss francs. It is proposed that this sum should be brought to account as miscellaneous receipts in 1946.

II. *International Press House.*

The Treasurer is the custodian of this Fund, which amounted on December 31st, 1945, to 109,599.80 Swiss francs, on behalf of the President of the International Association of Journalists. The Fund is kept in gold in London.

The President of the 1930 Assembly proposed that a house for the use of the International Press should be set up in the neighbourhood of the Secretariat and, in response to this appeal, fourteen States paid a contribution of 5,000 Swiss francs each — *i. e.*, a total of 70,000 Swiss francs. Profits were made on investments, but there has been a small bank charge against the Fund every year for the custody of gold.

Mr. Challinor James, President of the International Association of Journalists and *Daily Mail* representative in Switzerland, has been asked to advise on the future custody of the Fund. If the United Nations has a branch in the League buildings, it might agree to accept the custody of this Fund. If, however, the agreement of the United Nations seems unlikely, it is recommended that, subject to the agreement of the International Association of Journalists, the custody of the Fund should be placed in the hands of the International Labour Organisation.

ANNEX 7

A. 25. 1946.X.

Geneva, April 10th, 1946.

REPORT OF THE SUPERVISORY COMMISSION
ON THE WORK OF ITS HUNDRED-AND-FIRST SESSION

The Commission held its hundred-and-first session from April 5th to April 10th, 1946, in Geneva. The following members were present :

Dr. C. J. HAMBRO (Norway), *Chairman*.
Sir Cecil KISCH, K.C.I.E., C.B. (United Kingdom), *Rapporteur*.
H.E. M. A. COSTA DU RELS (Bolivia).
Mr. Hume WRONG (Canada).
Jonkheer F. BEELAERTS VAN BLOKLAND (Netherlands).
H.E. M. Emile CHARVERIAT (France).
H.E. Count CARTON DE WIART (Belgium).

The following officials attended the meeting :

Secretariat :

Mr. S. Lester, Acting Secretary-General.
Mr. S. Jacklin, Treasurer.
M. V. Stencek, Director of Personnel and Internal Administration.

International Labour Office :

Mr. G. A. Johnston.

Permanent Court of International Justice :

M. J. López Oliván, Registrar.

Since the Commission submitted its last Report¹, dated April 3rd, 1946, on the work of its one-hundredth session, it has found itself in a position to report on the matters detailed below :

A. STAFF PROVIDENT FUND

It has now become clear that the Staff Provident Fund will be liquidated this year, and no further decisions as to the future of that Fund are therefore required. It is proposed that any balance remaining in the Fund after liquidation should be transferred to the Staff Pensions Fund.

B. STAFF PENSIONS FUND AND JUDGES' PENSIONS FUND

In the report on the work of its ninety-ninth session (document A.14.1946.X), the Commission indicated that further information concerning the future of these Funds would be submitted in a later report. The Commission can now state that, although the Governing Body of the International Labour Organisation has not yet met to take a decision, it is believed that the International Labour Organisation will agree to accept responsibility for the future administration and financing of the *Staff Pensions Fund*, it being understood that the States Members of the League which are also Members of the International Labour Organisation will maintain their existing guarantee of that Fund.

The Commission trusts that a similar solution may be agreed to by the International Labour Organisation for the future administration of the *Judges' Pensions Fund*. It is proposed that any balance remaining in this Fund after liquidation should be transferred to the Staff Pensions Fund.

Both Pensions Funds will be examined by the Consulting Actuary before being handed over to the International Labour Organisation so that such financial provision as circumstances indicate can be made from League funds before transfer is effected.

¹ See Annex 6, pages 166-173.

A memorandum relating to the future administration both of the Staff Pensions Fund and of the Judges' Pensions Fund has been prepared by the Rapporteur of the Supervisory Commission and is annexed to this Report.

The Commission recommends that the Administrative Board of the Staff Pensions Fund, and also the Advisory Investments Committee of the Staff Pensions Fund, should remain in being with their present membership until such time as the Fund is taken over by the International Labour Organisation.

C. CLAIM OF THE CARNEGIE FOUNDATION FOR PAYMENT OF MAINTENANCE CHARGES DURING THE WAR YEARS FROM THE PERMANENT COURT OF INTERNATIONAL JUSTICE

In the Report on its hundredth session, dated April 3rd, 1946¹, the Commission referred to negotiations in progress with the Carnegie Foundation, concerning the annual payments in respect of the occupancy by the Permanent Court of International Justice of accommodation in the Peace Palace at The Hague.

The payments made by the League to the Trustees are based partly on contract and partly on correspondence. They were, in the aggregate, intended to cover the due share of the Court in the expenses incurred by the Carnegie Foundation in maintaining the necessary services of the Palace, such as personnel, lighting, heating, etc.

During the war, certain of the expenses of the Foundation in regard to the maintenance of these services were considerably reduced and the Supervisory Commission took the view that a strong case existed for making an equitable reduction in the claims of the Foundation on the League, in view of the fact that a very limited use of the Peace Palace had been made by the Court on account of the war when the Netherlands was under German occupation.

In order to discuss these claims, a delegation of the Commission, accompanied by the Registrar, met the representatives of the Foundation at The Hague. In answer to the contention of the Supervisory Commission, the representatives of the Foundation urged that, although the Court had made only a limited use of the premises, these had, in fact, been kept available for the Court for use at any time when a meeting might become possible, and they further stressed the point that, though there had been reductions in outlay in certain directions, there had been increases in others, notably in respect of insurance against war damage which the Foundation had regarded itself as under an obligation to provide.

The Board of Directors further maintained that the effect of the arrangements between the League and the Foundation was such as to entitle it to payment of the normal amounts that had been made over many years while the Court was in full activity and it stressed the view that the financial position of the Foundation made it impossible for it to make any abatement.

When the upshot of the discussion was reported to the Commission, it could not but feel regret that no adjustment had proved possible and it invited one of its members to enter into further discussion with the Trustees, authorising him to accept any suitable compromise that might be agreed.

The Trustees, however, maintained their previous point of view, indicating that the arrangements between them and the League had not been denounced and claiming that the terms of the arrangement entitled them to receive during the war the normal annual payments.

The Supervisory Commission, after receiving the report of its representative, must emphasise that the arrangements with the Foundation did not, of course, take into account the possibility of war and inability to make full use of the premises. Although the legal interpretation of the arrangements between the League and the Foundation is differently viewed by the two parties, every possible effort has been made to secure by agreement a reduction in the claim owing to the relatively limited use possible during the war years and these efforts have been unsuccessful. The Commission therefore feels obliged to recommend the payment of the amount involved, which, over the six years, is 240,000 florins.

D. VOLUNTARY CONTRIBUTION OF THE STAFF

The staff of the three League Organisations has once more accepted for 1946 the voluntary contribution which they have borne since the beginning of the war. The Commission desires to express its thanks to the staff for the understanding it has shown in accepting this sacrifice throughout the crisis.

The scale of the contribution, which varies from 2 to 26%, according to the salary received, has remained practically unchanged since the beginning as regards the Secretariat and the Court. As for the International Labour Office, the scale was adapted to local conditions after the transfer of the headquarters of the International Labour Office to Montreal, account being taken of the rate of the Canadian income-tax. This tax (as well as direct taxation in certain other countries) having been recently reduced, the amount of the voluntary contribution made by the officials of this Organisation has been reduced by 25% as from January 1st, 1946.

The Assembly has already been informed that the Acting Secretary-General has given notice to the staff of the termination of their contracts on July 31st next. The Supervisory Commission considers that the time has come when a reduction in the scale of the contribution should also be made in the case of the other staff of the League.

¹ See Annex 6, page 168.

A comparable reduction will therefore be made from April 1st, 1946, for the Secretariat staff. The amount involved would be less than 20,000 Swiss francs for the remaining four months of their service.

E. INDEMNITIES TO EMPLOYEES

There are about thirty locally-recruited employees in Geneva, who, with two or three exceptions, were all in service before the war, some of them having served more than twenty-five years.

Their contracts will be terminated on July 31st, 1946, and it is proposed to extend to them the terms concerning the indemnities suggested for temporary officials, the expenditure involved amounting to approximately 60,000 Swiss francs.

F. TERMINATION OF THE LEAGUE : MEASURES TO BE TAKEN FOR THE DISPOSAL OF LEAGUE ASSETS

The second sub-paragraph of paragraph 1 of the "Common Plan" for the transfer of League of Nations assets established by the United Nations Committee and the Supervisory Commission of the League of Nations (document A.8.1946.X) reads as follows :

"The League of Nations agrees that the shares in the total credit thus established shall be distributed between States entitled to participate, in accordance with percentages to be laid down by the League at its next Assembly."

It will be realised, however, that, owing to the payments which are still due to the League, it is not yet possible to submit a schedule of final percentages for the approval of the Assembly. The Supervisory Commission has accordingly endeavoured to establish principles on which the distribution of the League assets will be based.

In order to give practical effect to recommendations made in various reports already submitted, the Supervisory Commission recommends to the Assembly the adoption of the following scheme of distribution.

Scheme of Distribution.

- (1) That the Members of the League should pay their contributions to the League, both arrears and current, before December 31st, 1946 ;
- (2) That participation in the assets of the League should be limited to States at present Members of the League ;
- (3) That, subject to the conditions prescribed below, the shares of the States Members of the League in the assets of the League, material and liquid taken together, as at December 31st, 1946, should be based upon a table showing the proportion that the contributions paid by each State Member bear to the total contributions received by the League since its inception ;
- (4) That, in the case of any State whose contributions to the League are in arrear at the date when the final calculations are established, the amount of such indebtedness should be deducted from the claim of such State in respect of material and liquid assets, such amount then being redistributed among Members entitled to share according to the proportions laid down in the table referred to in paragraph (3) ;
- (5) That the shares in the material assets of the League of those Members of the League which are Members of the United Nations on December 31st, 1946, should be calculated and credited to them in the books of the United Nations as provided in the "Common Plan" ;
- (6) (a) That the shares in the material assets of the League of those Members of the League which, on December 31st, 1946, are not Members of the United Nations should be held in suspense or otherwise dealt with under arrangements to be made by the authorities charged with the liquidation in agreement with the States concerned ;
- (b) That, in the event of any State entitled to a share in the material assets receiving cash in lieu of such assets under paragraph 6 (a), the proportion of the material assets to be credited to States Members of the United Nations should be adjusted upwards and the proportion of the liquid assets payable to such States shall be adjusted downwards in both cases according to the table referred to in paragraph (3), so as to ensure that the distribution conforms to the scheme herein established ;
- (c) That, in the event of insufficient funds being available on final liquidation to pay under paragraph 6 (b) above the share in the material assets of any League Member which has not become a Member of the United Nations, a proportionate distribution of the available funds should be made ;
- (7) That the unappropriated balance of the liquid assets of the League should be distributed in cash as soon as the final calculations are established according to the principles laid down above to all Members of the League, whether or not they have become Members of the United Nations ;

(8) That no credits in respect of material assets or distribution of cash should take effect until the authorities charged with carrying through the liquidation are in a position to present the final audited accounts ;

(9) That any matters arising out of the liquidation and not covered by the above clauses should be dealt with by the authorities charged with the liquidation as they judge most expedient on the understanding that the scheme of distribution set forth above shall be adhered to.

APPENDIX

MEMORANDUM BY THE RAPPOREUR ON THE FUTURE ADMINISTRATION OF THE LEAGUE PENSIONS FUNDS

Staff Pensions Fund.

The Staff Pensions Fund of the League was instituted to provide pensions or capital grants in lieu for members of the staff of the Secretariat and of the International Labour Office and for members of the staff of the Permanent Court of International Justice. The Fund has been built up by contributions from the League and from members of the staff. At the present time, the staff contribute a percentage of their salaries, varying from $5\frac{1}{4}\%$ to $7\frac{1}{2}\%$, and the League $10\frac{1}{2}\%$ of members' salaries.

In addition, the League undertook to make an annual contribution of 400,000 Swiss francs for thirty years beginning from 1931 to cover the initial deficit of the Fund.

The payment of pensions and retiring gratuities carries the guarantee of the League.

During the war, in order to fortify the Fund, the Supervisory Commission decided to transfer to it the Reserve Fund of the League, approximately 11,000,000 Swiss francs which, it was then considered, was sufficient to meet the deficit then estimated plus the annual amortisation payments.

According to the latest Report of the Actuary, the Fund is in a position to meet its obligations under the conditions laid down by its Regulations. It has, however, to be borne in mind that the Fund has been based on a $4\frac{1}{4}\%$ rate of interest, which rate is not obtainable on the assets of the Fund under conditions to-day. For this reason, to avoid the loss that each new member would impose on the Fund, the Pensions Board, in agreement with the Organisations, came to the conclusion that, in the event of any new admissions, the organisations concerned should meet the extra cost from their Budgets.

Whatever arrangements may be made for strengthening the Fund or for its administration on the disappearance of the League should preserve the guarantee of Member States for the payment of the amounts that become due to retiring members now in the Fund.

Secretariat and Court officials will, on the termination of their appointments, cease to be contributing members of the Fund, but members of the Fund belonging to the International Labour Office will continue to contribute until their retirement. The International Labour Organisation has therefore a continuing interest in the maintenance of the Fund and, in the opinion of the Supervisory Commission, is the most suitable body to be charged with its administration after the disappearance of the League.

It is accordingly proposed that the Governing Body of the International Labour Office should be invited to take over the administration of the Fund under the rules applicable thereto and to accept responsibility for its future management on the understanding that, if any future actuarial examination should show that further fortification of the Fund is required, the necessary financial provision will be made, so far as the Secretariat and Court officials are concerned, by League Members, and, so far as International Labour Office officials are concerned, by States Members of the International Labour Organisation.

If this proposal is approved, it is intended to obtain a report from the Actuary on the state of the Fund at the latest practicable date and, if he should recommend that any further grant be made to the Fund before transfer to ensure a balance between assets and liabilities, the question of augmenting the Fund should be favourably considered in the light of the available resources of the League by the authority responsible for undertaking its liquidation.

Judges' Pensions Fund.

The so-called Judges' Pensions Fund is not a pensions fund in the true sense. It represents a credit which has been built up from contributions from States Members for the purpose of equating, as far as possible, the burden falling on the annual Budget in respect of judges' pensions.

At the end of 1945, the amount in credit with the Fund was 1,380,752 Swiss francs (836,820 florins) ¹.

At present, eleven ex-judges are in receipt of pensions and three ex-judges will be entitled to pensions if they survive until the age of 65. The pensions of the Judges are guaranteed by the League.

¹ Converted at 165 Swiss francs = 100 Dutch florins.

The Supervisory Commission has carefully examined the possibility of purchasing for the ex-judges annuities to be issued by one or more insurance companies. The annuities are legally payable in Dutch florins and enquiries show that Dutch insurance companies of standing would be prepared to handle the business.

While the pensions are payable in florins, the recipients will, of course, wish to receive them in the currencies of the countries where they live and special arrangements to make this possible would have to be carried through with the Netherlands Bank. While suitable arrangements for the transfer of the annuities payable in Dutch florins might perhaps be arranged, the employment of an insurance company would not meet the requirement of maintaining the guarantee of the States Members behind the pensions and would, no doubt, be a more expensive method of handling the matter than if the administration is continued through an international organisation.

The administrative work in paying the pensions to a diminishing number of ex-judges, which could at no time exceed fifteen, would be negligible and, after examination of the alternatives, the Supervisory Commission recommends that the Governing Body of the International Labour Office should be invited to accept the duty of paying the pensions on the understanding that the States Members of the League will continue to regard themselves as responsible for the security of the pensions.

If the International Labour Organisation accepts this responsibility, it is proposed to hand over to that Organisation the balance of the credit of the Judges' Pensions Fund at the completion of the liquidation of the League. Before transfer, it is in any case intended to pay to the Fund the sum of 900,000 Swiss francs (545,454 florins)¹, which, though voted in annual Budgets, could not be paid over during the war years.

In view of the advanced age of the judges and the small number of persons concerned, no precise estimate can be made of the amount that will, in fact, be required to cover the pensions. It is, however, intended to obtain from the Actuary a report at the latest practicable date on the state of the Fund, and if he should recommend that some further grant should be made to it, the matter should be favourably considered in the light of the available resources of the League by the authority responsible for conducting its liquidation.

If any additional levy on States Members in respect of judges' pensions should prove to be necessary after the disappearance of the League, it would be for the International Labour Organisation to make the necessary assessment on States Members. If, on the other hand, a balance should be outstanding on the death of the last pensioner, it is suggested that this might appropriately be transferred to the Reserve of the Staff Pensions Fund.

¹ Converted at 165 Swiss francs = 100 Dutch florins.

ANNEX 8

A. 28. 1946.X.

Geneva, April 12th, 1946.

REPORT OF THE SUPERVISORY COMMISSION
ON THE WORK OF ITS HUNDRED-AND-SECOND SESSION

The Commission held its hundred-and-second session on April 12th, 1946, in Geneva. The following members were present :

Dr. C. J. HAMBRO (Norway), *Chairman*.
 Sir Cecil KISCH, K.C.I.E., C.B. (United Kingdom), *Rapporteur*.
 H.E. M. A. COSTA DU RELS (Bolivia).
 Mr. Hume WRONG (Canada).
 Jonkheer F. BEELAERTS VAN BLOKLAND (Netherlands).
 H.E. M. Emile CHARVÉRIAT (France).
 H.E. Count CARTON DE WIART (Belgium).

The following also attended the meeting :

Secretariat :

Mr. S. Lester, Acting Secretary-General.
 Mr. S. Jacklin, Treasurer.
 M. V. Stencek, Director of Personnel and Internal Administration.

International Labour Organisation :

Mr. G. Myrddin Evans, Chairman of the Governing Body.
 Mr. G. A. Johnston, Assistant Director.
 Mr. C. W. Jenks.

Permanent Court of International Justice :

M. J. López Oliván, Registrar.

A. DRAFT ASSEMBLY RESOLUTION FOR THE DISSOLUTION OF THE LEAGUE OF NATIONS ¹

The Supervisory Commission took note of the draft resolution for the dissolution of the League of Nations which was submitted to the First Committee by the Delegation of the United Kingdom.

The Commission recommends for the consideration of the Second Committee in due course the following amendments relating to financial and administrative measures :

2. (5) To read as follows :

“ The members of the Board, in the exercise of their functions, and the staff referred to in paragraph 4 (1) below shall be deemed to be officials of the League within the meaning of Article 7 of the Covenant.”

4. (1) To read as follows :

“ The staff of the Secretariat having received notice of the termination of their engagements as from July 31st next, the Board shall employ such staff as it may require for the purpose of carrying out the liquidation and for maintaining the departments and services of the Secretariat in operation to the extent necessary to enable the United Nations, under the best possible conditions, both to assume those activities hitherto exercised by the League which it expresses the desire to assume and to take over the material assets which are to be transferred to it.”

¹ Document A.I./6.1946. [Note by the Secretariat.—For the text of the resolution as finally adopted, see Annex 26, pages 269-274.]

4. (2) To read as follows :

“ The Board may employ such professional assistance as it may deem expedient.”

6. Lines 11 onwards to read as follows :

“ The report provided for in paragraph 20¹ shall give particulars of the debts which have been collected in full, those in regard to which a composition or only a partial payment has been made and those, if any, towards which no payment has been made. If any amounts due in respect of the International Labour Organisation remain unpaid at the date of the completion of the liquidation, a report on the collection of such contributions shall be communicated by the Board to the International Labour Organisation and such amounts shall be recoverable by that Organisation.”

9. To read as follows :

“ The Board shall, as soon as possible after the transfer of the material assets and, thereafter, every three months, make interim reports on the progress of its work and shall take into consideration any observations thereon made by Members of the League.”

15¹. (1) (b) To read as follows :

“ The accumulated assets of the Fund (including any amount added by the Assembly at its present session or by the Board) shall be transferred to the International Labour Organisation for application in accordance with the Regulations.”

15¹. (1) (d) Lines 6 and 7 to read as follows :

“ The Regulations may be amended by the appropriate financial authority of the International Labour Organisation, with due regard to the rights of the beneficiaries.”

17¹. (2) To read as follows :

“ If the International Labour Organisation consents, responsibility for the administration of the Fund, as augmented by the Assembly during the present session or by the Board, and the responsibility for paying the pensions shall be transferred to the Organisation... (etc).”

B. LIQUIDATION OF THE NANSEN INTERNATIONAL OFFICE

In the report on its hundredth session², the Commission reported that the Liquidator of this Office had now renewed his activity and it hoped to notify the final liquidation in a later report. It has now received a progress report from the Liquidator and finds that, owing to circumstances outside his control, the liquidation has not been completed. It recommends, therefore, that the matter which appears on the Agenda of the Second Committee as item 14 should be remitted for attention to the Board of Liquidation which it is proposed should be set up on the dissolution of the League.

¹ Note by the Secretariat. — The numbering of the paragraphs follows that of the original draft resolution (document A.I/6.1946).

² See Annex 6, page 268.

ANNEX 9

A. 3. 1946. X.

Geneva, September 7th, 1945.

REPORT OF THE BOARD OF MANAGEMENT
OF THE STAFF PROVIDENT FUND

The Board of Management of the Staff Provident Fund met on Friday, July 13th, 1945, at Geneva. It approved the accounts of the Staff Provident Fund for the year 1944, which had already been audited by the League Auditor, and fixed at 2½ per cent the rate of interest with which to credit the accounts of members of the Fund for that year.

Membership of Staff Provident Fund during the Year 1944.

Date	Total number	Secretariat	Officials of:	
			International Labour Office	Permanent Court of International Justice
January 1st, 1944	4	2	2	0
December 31st, 1944	4	2	2	0

As will be seen from the preceding table, the number of members of the Staff Provident Fund has not changed during the year 1944.

Financial Position of Staff Provident Fund as at December 31st, 1944.

	Swiss francs
<i>Assets.</i>	
Investments at market value (cost price Swiss francs 148,127.75 and accrued interest to December 31st, 1944, Swiss francs 3,599.10)	96,459.50
Sundry debtors	4.80
Liquid funds	167,825.45
	<hr/>
	264,289.75
<i>Liabilities.</i>	
Contributions by members	47,531.51
Contributions by administrations	42,778.73
Death and Invalidity Fund	19,363.98
Reimbursable advance from the Reserve Fund of the League	174,100.—
	<hr/>
	283,774.22
	<hr/>
<i>Difference</i>	19,484.47

As will be seen from the above statement, the liabilities of the Staff Provident Fund as at December 31st, 1944, amounted to Swiss francs 283,774.22. This sum was made up: of the contributions of the members of the Fund, amounting to Swiss francs 47,531.51, reimbursable to these members; of the contributions by the League Secretariat and the International Labour Office in respect of the members of the Fund, amounting to Swiss francs 42,778.73, which sum in certain conditions is payable to the said members; of the amount of Swiss francs 19,363.98 appropriated to the Death and Invalidity Fund; and of the reimbursable advance of Swiss francs 174,100 from the Reserve Fund of the League.

The situation of the Staff Provident Fund, if liquidated as at December 31st, 1944, was as follows:

	Swiss francs
<i>Assets.</i>	
Securities and liquid funds	264,289.75
<i>Liabilities.</i>	
Payable to the members of the Staff Provident Fund	90,310.24
	<hr/>
	173,979.51
The Death and Invalidity Fund not being called upon, the amount standing to its credit would revert to the League and the liability would thus be wiped out, but the amount of Swiss francs 173,979.51 remaining in the Fund, after the members' claims have been settled, would be	120.49
	<hr/>
short of the sum required to reimburse the advance of	174,100.—

It is, however, to be noted that the investments have been shown at their market value and the accrued outstanding interest has not been taken into account.

ANNEX 10

A. 4. 1946. X.

Geneva, October 8th, 1945.

ADMINISTRATIVE BOARD OF THE STAFF PENSIONS FUND

I. TENTH REPORT TO THE ASSEMBLY

The Administrative Board of the Staff Pensions Fund, which has not met owing to the lack of communications since July 10th and 11th, 1939, held a session at Geneva on October 5th and 6th, 1945, at which the following members and officials attended:

Mr. F. T. CREMINS, appointed by the Assembly;
 Professor W. RAPPARD, appointed by the Assembly;
 Mr. A. RIVE, substitute member appointed by the Assembly;
 M. V. STENCEK, representing the Secretary-General of the League of Nations;
 Mr. G. A. JOHNSTON, representing the Director of the International Labour Office;
 M. J. LOPEZ OLIVÁN, Registrar of the Permanent Court of International Justice;
 Mr. S. JACKLIN, Treasurer of the League of Nations;
 M. B. RENBORG, representing the members of the Fund;
 Mr. E. J. RICHES, representing the members of the Fund;
 M. J. B. LHOEST, substitute member representing the members of the Fund;
 M. P. SCHNAIDT, substitute member representing the members of the Fund;
 Dr. H. WYSS, Consulting Actuary to the Fund;
 M^e J. SECRETAN, Legal Adviser of the Fund;
 M. H. GALLOIS, International Labour Office.

* * *

ELECTION OF CHAIRMAN AND VICE-CHAIRMAN

1. The Board re-elected Mr. Cremins as Chairman and Professor Rappard as Vice-Chairman until the next meeting of the Assembly.

REPORT OF THE SUB-COMMITTEE

2. The Board reviewed the Report of its Sub-Committee. The Sub-Committee throughout the war years carried out the business of the Staff Pensions Fund. Its principal duties consisted of the general supervision and direction of the work of the secretariat of the Fund, the grant of pensions to retiring members, the revision and final approval of invalidity pensions, and the grant of widows' and orphans' pensions in cases of the death of members leaving a widow or orphans or both.

3. The Board approved the work done and the decisions taken by the Sub-Committee.

4. The Chairman and such members of the Board as have been available have kept in as close touch as possible with the work throughout. The Board is anxious to record its high appreciation of the zeal and efficiency shown by the officials in carrying on the work of the Fund during the period of extreme difficulty resulting from the international situation, especially in the summer of 1940. The fact that members retiring from the Fund at that time were paid their full benefits in the space of a few months, although intricate calculations had to be worked out, and a large proportion of the Fund's resources totalling over 15 million francs was involved, speaks highly for the efficiency of the Board's secretariat. After the bulk of the work involved in the discharge of a large number of the members of the Fund had been concluded, the Secretary and Assistant Secretary of the Fund undertook a hazardous journey carrying to London records which were indispensable for the payment of pensioners. They were thus enabled to open an office in London where the work of the Fund was continued. It was largely owing to this arrangement that the Board was able to pay all pensions regularly and promptly in various countries throughout the whole period of the war, and generally to maintain touch with the members of the Fund.

5. Miss G. Rohde was Secretary to the Committee of Actuaries, on whose report the Fund was originally based. She joined the staff of the Fund at its inception, subsequently became Secretary, and remained at her post throughout, including the difficult war years, until June 1945, when she resigned on marriage. Her devotion to duty and her signal services to the Fund and to its members are, in the opinion of the Board, deserving of the very highest commendation.

6. In the report submitted by the Sub-Committee to the Board on the work done, the Sub-Committee drew the attention of the Board to the existence of four distressing cases of pensioners whose annuities had very considerably depreciated in purchasing value, and the Board, although unable under its statutes to grant relief, felt that some compassionate allowance to augment temporarily the annuities would be desirable.

7. The Board also noted that certain members of the Fund belonging to the staff of the Permanent Court of International Justice will find themselves, if pensioned in the near future, subjected to a prejudice of a somewhat similar nature.

8. The Sub-Committee of the Board has reported annually to the Supervisory Commission¹ and its Reports have been circulated with the Reports of the Supervisory Commission to Member States.

* * *

9. Experience has proved the value of a Pensions Fund for a Permanent International Civil Service. The administration of the Fund by a Board consisting of representatives of all the interested elements — Assembly, Administrations and members of the Fund — to some extent an experiment, had proved successful. The rules prescribed by the Board have enabled its secretariat to work with smooth and harmonious efficiency, and even when the Board was unavoidably deprived, owing to the war, of the services of some of its members, these rules permitted the Sub-Committee and staff to carry on with the least possible difficulty.

SEVENTH ACTUARIAL VALUATION OF THE PENSIONS FUND

Report by the Consulting Actuary.

10. Since the last actuarial valuation of the Fund in 1939, an interim report has been made by the Consulting Actuary (dated May 5th, 1940). A further valuation as at December 31st, 1944, has now, at the request of the Sub-Committee, been prepared by the Consulting Actuary, and is annexed to this report. It is being submitted to the Supervisory Commission and to the Members of the League.

11. While the Board has not yet formulated its views on all the proposals and conclusions suggested by the Actuary, it wishes to draw attention, at the present stage, to certain important points. It is the intention of the Board to meet again at a later date to consider the various problems which may arise concerning the future position of the Fund.

12. The Fund, which in 1938 had 964 members and 60 pensioners, comprised, as at December 31st, 1944, 197 members and 163 pensioners.

The large number of premature withdrawals of members has upset the original bases of calculation. The Fund is nevertheless at the moment completely solvent, but this is due to the transfer to it in 1941 of over 11 million Swiss francs from the League reserves and the payment from the League budget annually of interest shortages. The accumulated fund can hardly be expected, in the future, to earn the interest of $4\frac{1}{4}\%$ assumed when the Fund was established. New admissions to the Fund on the existing basis would therefore represent an added liability not fully covered by the present rates of contributions.

13. In granting any contracts of employment to new appointees entitling them to admission to the Fund, the organisations of the League concerned should at the same time make provision for additional contributions in respect of such members, adequate for the benefits to which they would be entitled.

14. In respect of existing members and pensioners, the problem of making good the difference between the interest of $4\frac{1}{4}\%$, on which the calculations of the benefits are based, and the prospective future interest yield of possibly 2% or $2\frac{1}{2}\%$ will still remain. If, however, all officials of the Secretariat and of the Court who are members of the Fund should retire before the end of 1946, the problem in the case of these two organisations would only arise in respect of their pensioners.

15. The International Labour Office may be expected to continue and retain its active members. The Consulting Actuary has been asked to calculate the amount of the shortage between the rate of $4\frac{1}{4}\%$, on which the benefits are based, and the prospective future interest of 2% or $2\frac{1}{2}\%$, which will occur in respect of both active members and pensioners of the International Labour Office.

16. There is another liability—namely, the amount still payable on the initial deficit of the Fund. When the Fund was constituted, the initial deficit of 6,014,000 Swiss francs was to be paid off over a period of thirty years by annual instalments of 400,000 Swiss francs borne on the budget of the League. These payments, which have been regularly made, are not due to end until 1960. Some means will have to be provided to ensure the paying-off of this initial deficit.

¹ Documents C.C.1223, September 20th, 1940; C.L.11.1942.X, Annex II, F; C.23.M.23.1943.X, Annex D; C.27.M.27.1944.X, Annex F.

ACCOUNTS OF THE FUND

17. In accordance with Article 22 of the Staff Pensions Regulations, the Board approved the audited accounts for the financial years 1939, 1940, 1941, 1942, 1943, and 1944, and took note of the Auditor's reports thereon. Both the accounts and the Auditor's reports have been forwarded to the Supervisory Commission and to the States Members of the League.

The Board noted that:

Swiss francs

At the end of 1938, the accumulated Fund amounted to		24,680,753.93
Receipts during the year 1939 were	4,013,665.50	
Expenditure during the year 1939 was	5,916,274.25	
The Fund decreased in the year 1939 by		1,902,608.75
The accumulated Fund as at December 31st, 1939, amounted to		22,778,145.18
Receipts during the year 1940 were	2,355,088.80	
Expenditure during the year 1940 was	16,025,727.60	
The Fund decreased in the year 1940 by		13,670,638.80
The accumulated Fund as at December 31st, 1940, amounted to		9,107,506.38

At its eighty-eighth session, held at The Hague on February 9th and 10th, 1940, the Supervisory Commission recalled the decision of the 1939 Assembly to the effect that the Reserve Fund should be maintained to meet the contractual obligations of the League, and decided that the whole of the Reserve Fund should be allocated to meet the liabilities of the Staff Pensions and Provident Funds (see document C.152.M.139.1940.X, page 8, paragraph 36).

Ordinary receipts during the year 1941 were	2,117,710.97	
Allocation from the Reserve Fund amounted to	11,160,075.03	
		13,277,786.—
Expenditure during the year 1941 was	2,622,538.32	
The Fund increased in the year 1941 by		10,655,247.68
The accumulated Fund as at December 31st, 1941, amounted to		19,762,754.06
Receipts during the year 1942 were	2,058,834.21	
Expenditure during the year 1942 was	1,566,061.74	
The Fund increased in the year 1942 by		492,772.47
The accumulated Fund as at December 31st, 1942, amounted to		20,255,526.53
Receipts during the year 1943 were	2,040,753.91	
Expenditure during the year 1943 was	752,923.26	
The Fund increased in the year 1943 by		1,287,830.65
The accumulated Fund as at December 31st, 1943, amounted to		21,543,357.18
Receipts during the year 1944 were	2,081,124.85	
Expenditure during the year 1944 was	797,127.—	
The Fund increased in the year 1944 by		1,283,997.85
The accumulated Fund as at December 31st, 1944, amounted to		22,827,355.03

18. Particulars regarding members and pensioners of the Staff Pensions Fund as at December 31st, 1944:

Active members of the Fund.

Years	Admissions to the Fund	Withdrawals from the Fund	Increase (+) or decrease (—) in membership	Membership at the end of the year
1931	1,032	20	+1,012	1,012
1932/38	262	310	— 48	964
	1,294	330		
1939	4	155	— 151	813
1940	1	547	— 546	267
1941	—	51	— 51	216
1942	2	9	— 7	209
1943	5	15	— 10	199
1944	3	5	— 2	197
	1,309	1,112		

As at December 31st, 1944, the total number of active members of the Staff Pensions Fund was 197, distributed as follows:

	Secretariat			International Labour Office			Registry of the Permanent Court of International Justice			Grand total
	Number of members			Number of members			Number of members			
	In service	Sus-pended	Total	In service	Sus-pended	Total	In service	Sus-pended	Total	
Men	48	2	50	52	24	76	2	5	7	133
Women	25	—	25	23	11	34	4	1	5	64
Total	73	2	75	75	35	110	6	6	12	197

On December 31st, 1944, there were 163 persons in receipt of pensions, as follows:

- 117 retiring pensions.
- 21 widows' pensions.
- 10 orphans' pensions.
- 15 invalidity pensions.

Total 163

19. The Board proposes the adoption of the following resolution by the Assembly:

“ The Assembly:

“ Decides that the contribution of the League to the Pensions Fund for 1946, under Article 7, paragraph (a), of the Staff Pensions Regulations, shall be 10.5% of the pensionable emoluments of the members of the Fund;

“ Decides that, for the year 1946, the officials mentioned in Article 4, paragraph (a) (i), of the Staff Pensions Regulations shall continue to pay an additional one per cent of their pensionable emoluments, and those mentioned in Article 4, paragraph (a) (ii), an additional half per cent if their pensionable emoluments exceed 6,500 francs per annum, and an additional quarter per cent if these emoluments are 6,500 francs or below that figure;

“ Resolves that, in continuation of the arrangement approved last year, the whole budgetary vote for 1946 in respect of Part VI shall be paid to the Fund.”

A. 12. 1946 X.

Geneva, March 14th, 1946.

II. ELEVENTH REPORT TO THE ASSEMBLY

The Administrative Board of the Staff Pensions Fund held a session at Geneva on March 11th, 12th, and 13th 1946, at which the following members and officials attended:

- | | |
|----------------------|--|
| Mr. F. T. CREMINS, | appointed by the Assembly, <i>Chairman</i> ; |
| Professor H. CRAMÉR, | appointed by the Assembly; |
| Mr. A. RIVE, | substitute member appointed by the Assembly; |
| M. V. STENCEK, | representing the Secretary-General of the League of Nations; |
| M. H. GALLOIS, | representing the Director of the International Labour Office; |
| Mr. S. JACKLIN, | Treasurer of the League of Nations, <i>ex officio</i> member of the Board; |
| M. J. LÓPEZ OLIVÁN, | Registrar of the Permanent Court of International Justice; |
| Mr. D. H. BLELLOCH, | representing the members of the Fund; |
| M. B. RENBORG, | representing the members of the Fund; |
| M. P. SCHNAIDT, | representing the members of the Fund; |
| Dr. Y. BIRAUD, | substitute member representing the members of the Fund; |
| M. J. B. LHOEST, | substitute member representing the members of the Fund; |
| Miss K. PETERSEN, | representing the League Treasury; |
| M. P. WELPS, | Acting Secretary of the Fund. |

There were also in attendance:

- | | |
|---------------------|---------------------------------|
| Dr. H. WYSS, | Consulting Actuary to the Fund; |
| Maître J. SECRETAN, | Legal Adviser of the Fund. |

1. *Election of Chairman and Vice-Chairman.*

The Board re-elected Mr. CREMINS as Chairman and Professor RAPPARD as Vice-Chairman for the year 1946.

2. *Future of the Staff Pensions Fund.*

The twenty-first meeting of the Administrative Board of the Staff Pensions Fund was convened at the request of the representatives of the members of the Fund. The Board itself, at its session in October 1945, had also envisaged meeting before the final Assembly of the League of Nations to consider various questions which might arise concerning the future position of the Fund.

It being clear that the United Nations does not intend to take over the Staff Pensions Fund, the Board was concerned with the continuance of the guarantee undertaken by the League of Nations in the terms of Article 13 of the Staff Pensions Regulations.

The Board understands that the International Labour Organisation may be willing to take over the Staff Pensions Fund and its administration after the termination of the appointments of those members of the Fund who are officials of the Secretariat or the Permanent Court of International Justice, both as regards its own active members and as regards all pensioners.

As the States Members of the League of Nations, which guarantees payment of all annuities or capital sums falling due under the Staff Pensions Regulations, will presumably remain Members of the International Labour Organisation, the Board feels that, in undertaking responsibility for the financing and administration of the Staff Pensions Fund in the future, that Organisation will ensure that the States Members in question will maintain the guarantee.

The conditions for any such transfer should provide that the Staff Pensions Fund will first be placed in a position to meet all its financial obligations.

For the purpose of facilitating the negotiations concerning future arrangements for the Fund, the Board would recommend the appointment to the Liquidation Board, that presumably will be set up by the Assembly, of Mr. Seymour Jacklin, the present Treasurer of the League, after his retirement.

The representatives of the members of the Fund asked that consideration should be given to the possibility of arrangements under which officials whose appointments are prematurely terminated might remain active members of the Fund until the age of 60. The Board did not feel that it could usefully undertake a detailed discussion of such a proposal. It is presumed that, if and when the contemplated transfer of the Fund to the International Labour Organisation takes place, opportunity will be given to the representatives of the members of the Fund to have this matter fully considered.

3. *Actuarial Valuation of the Fund.*

The Board further discussed certain aspects of the report of the Consulting Actuary on the actuarial valuation of the Fund as at December 31st, 1944. It came to the conclusion that, on the actuarial basis originally adopted, the solvency of the Fund was unquestioned, but that certain factors affecting the financial situation of the Fund had arisen, particularly as regards the rate of interest on investments. The Board decided to leave over any further examination of the situation until the termination of the appointments of the members of the Fund who are officials of the Secretariat or of the Permanent Court of International Justice. It will then re-examine the position of the Fund in the light of a further report of the Actuary.

4. *Application of Article 19, Section 1 (ii), of the Staff Pensions Regulations.*

The Board studied the question of the application of Section 1 (ii) (a), (b) and (c) of Article 19, which lays down rules in regard to the re-engagement of officials who on their retirement accepted an annuity or received the present value of an annuity or a capital sum under Article 9, paragraph 5, and who on re-engagement have not become subject to the Staff Pensions Regulations. Information supplied by the representatives of the two administrations and of the members of the Fund showed that this section has given rise to serious administrative difficulties and hardships in its application to officials who were obliged to resign in the special circumstances that existed at and after the outbreak of the war. The Board hopes that it may be found possible to amend the Regulations in such a way as to rectify this situation.

The Board was impressed by the fact that, to a considerable extent, owing to the manner of application of the section in question, the amounts saved have not reverted to the Fund.

5. *New Admissions.*

In its Tenth Report to the Assembly, the Board urged that, in granting any contracts of employment to new appointees entitling them to admission to the Fund, the Organisations of the League concerned should at the same time make provision for additional contributions in respect of such members adequate for the benefits to which they would be entitled.

In making this recommendation, the Board had particularly in mind the fact that the interest earnings on the Fund's investments are considerably lower than the figure of 4 1/4% which was taken as a basis of calculation in drawing up the existing Regulations.

The Board's recommendation having been accepted by the Supervisory Commission (see document C.118.M.118.1945.X, Section M), the Board decided that it should be applied to all cases of new appointments involving admission to the membership of the Pensions Fund and that this decision should be applied from the earliest date acceptable to the Administrations, which date should in no case be later than November 20th, 1945.

6. *Accounts for the Year 1945.*

The Board took note of the Fund's accounts for the year 1945, which had not yet been audited by the League Auditor, and were submitted for information only.

A. 7. 1946. X.

Geneva, October 1945.

III. REPORT ON THE ACTUARIAL VALUATION OF THE LEAGUE OF NATIONS STAFF PENSIONS FUND AS AT DECEMBER 31ST, 1944, BY DR. H. WYSS, CONSULTING ACTUARY TO THE PENSIONS FUND

CONTENTS

	Page
I. Actuarial Valuation as at December 31st, 1944	187
II. Need for Adjustment of the Bases of Valuation to the Conditions revealed by Experience	190
III. The Effect of Future Entries	191
IV. Suggestions for the Utilisation of the Experience gained	192
V. Conclusion	193

I. ACTUARIAL VALUATION AS AT DECEMBER 31ST, 1944

1. The last detailed actuarial calculations of the League of Nations Staff Pensions Fund were made six years ago. They related to the position as at December 31st, 1938. At the end of 1939, the actuarial reserve of the active members was estimated in approximate fashion only (Summary Report of May 5th, 1940). Since then, the active membership, which had amounted to some 1,000 persons from 1931 onwards, has been reduced to a fifth of that total as a result of a number of resignations. In these circumstances, having regard to the uncertainty of the situation, it appeared desirable to forgo any new actuarial valuations of the Fund (see First Report of the Supervisory Commission for the year 1942, Appendix VII).

2. At the end of 1944, the membership of the Pensions Fund is too small to allow of adequate provision against risk, which is the pre-requisite for the application of any actuarial system of valuation. Accordingly, the results of the calculations of the position as at December 31st, 1944, are to be regarded as subject to reserve. They presuppose a reorganisation of the Fund on a wider basis, whether by an increase of membership or by reliance on some outside party in a stronger position to carry the risk. Were the Fund to continue for long to operate as at present, the discrepancy between actual and actuarially anticipated liabilities might be considerable.

The purpose of the establishment, notwithstanding these limitations, of an actuarial valuation of the Fund as at December 31st, 1944, is to afford a conspectus of the present position of the Fund, and in so doing to make it possible to bring a chapter in the history of the Fund to a close, and at the same time to indicate a possible basis for future reorganisation.

3. A detailed record of the changes in the numbers of members of the Fund, or of its income and expenditure, since the last valuation at the end of 1939 would not give an adequate picture of the essential factors of the situation, for the reason that the normal operation of the Fund has been interrupted by the withdrawal of four-fifths of the members. We may refer in this connection to the particulars furnished by the secretariat of the Fund, and confine ourselves to a brief account of the position as it at present stands.

4. For the purpose of our calculations, we have adhered to the bases of valuation which have been in use since the inauguration of the Fund, notwithstanding the presumption, for which on general grounds there is good reason, that they are no longer altogether applicable to the existing, or probable future, position in respect of mortality, invalidity frequency or, above all, the yield of interest on capital.

The calculations are based on the carefully prepared documentary material supplied by the secretariat of the Fund.

5. The Fund had, on December 31st, 1944, an active membership of 197 persons. This number included certain members whose activity is suspended, but who can be treated for the purpose of our calculations in the same way as the other active members. Two members, who retired in 1942 and 1944 respectively but who have not yet drawn the lump sums to which they are entitled, have not been included in the calculations: but the liability thereby arising for the Fund has been taken into consideration in calculating the liabilities of the Fund.

The first point to be determined is the claims of active members to the benefits for which the Regulations provide. In this connection, the three following hypotheses should be considered:

Hypothesis a. It is assumed that the Fund will continue in operation until the present members or their dependants have received the benefits for which Article 9, paragraphs 2 (a) and 3 (a), and Articles 10, 11 and 12 of the Regulations provide. The amount of the benefits in question is calculated on the basis of the maximum salary payable under the current contracts. The calculation shows an actuarial reserve, on this hypothesis, of some 10,300,000 francs. The figure is given in round numbers in order to emphasise the fact that it is to be regarded only as an approximation in view of the limitations indicated in paragraph 2 above. This actuarial reserve is obtained by calculating the annual contributions for which Articles 4 and 7 of the Regulations provide. Since 1940, the contributions both of the League and of the members of the Fund have been at a higher rate. But the increases have been voted from year to year only, and there is no fixity as to their maintenance in the future. If we assume that these increased contributions will be paid in the case of each member of the Fund until he ceases to be an active member, the actuarial reserve will be some 600,000 francs less.

Hypothesis b. It is assumed that the Fund is wound up altogether at the beginning of 1945, and that every active member receives the lump sum for which Article 9, paragraphs 4 (b) and 5, of the Regulations provides. The secretariat of the Fund has calculated the amount due in this event as at January 1st, 1945, to each member on retirement. The total amount of these lump sums payable in the event of withdrawal of all the active members of the Fund is 12,766,645 francs.

Hypothesis c. In certain circumstances, the charges falling on the Fund might be even heavier than they would be under hypothesis b. As hypothesis c, let it now be assumed that every member of the Fund whose lump sum on withdrawal exceeds his actuarial reserve calculated as at December 31st, 1944, resigns immediately, whereas all the other members continue to remain members of the Fund as heretofore. In that event, the Fund will have to meet the maximum charge. Each member, it is true, does not know the amount of his actuarial reserve at the end of 1944 and, further, there is no reason to suppose that any member would decide to resign merely as the result of a speculation concerning the relationship existing between, on the one hand, the lump sum to which he is entitled on retirement and, on the other hand, his actuarial reserve. Nevertheless, it is interesting to note that, in the extreme case represented by this hypothesis c, the charge on the Fund would amount approximately to 14,250,000 francs.

6. On December 31st, 1944, there were 163 persons in receipt of pensions. The actuarial reserve for the current pensions, calculated on the existing actuarial bases, is shown in the following table:

Pensions paid	Number of pensions	Annual amounts Francs	Actuarial reserve Francs
Invalidity pensions	15	95,694	1,217,236
Retiring pensions	117	520,607	6,350,826
Widows' pensions	21	101,271	1,231,147
Orphans' pensions	10	12,947	58,998
Total	163	730,519	8,858,207

In the case of male invalidity or retiring pensioners, the actuarial reserve includes the pension expectations of their surviving dependants.

7. At the end of 1944, the accumulated fund is shown in the books as amounting to 22,827,355 francs. It was proposed in the original project for the Fund that the League should make an annual payment of 400,000 francs up to the year 1960 in amortisation of the initial deficit of the Fund. Since the Reserve Fund of some 11,000,000 francs was transferred to the Pensions Fund in 1942, the question arises whether the original amortisation schedule should continue to be operative, or whether it should be held to have lapsed. The absence in the valuation as at December 31st, 1944 — in contradistinction to previous valuations — of any entry amongst the assets of the Fund of an outstanding liability for regular amortisation on the part of the League is explained by the fact that the present valuation is confined to showing the amount of the accumulated fund on the one hand and the amount of the current claims and expectations on the other. The following is the actuarial balance-sheet as it would stand as at December 31st, 1944, on each of the three hypotheses put forward in paragraph 5 above for the calculation of the claims of active members:

ACTUARIAL BALANCE-SHEET OF THE FUND AS AT DECEMBER 31ST, 1944

	on hypothesis a Francs	on hypothesis b Francs	on hypothesis c Francs
<i>Assets.</i>			
Accumulated fund	22,827,000	22,827,000	22,827,000
<i>Liabilities.</i>			
Actuarial reserve of:			
(1) Active members	10,300,000	12,767,000	14,250,000
(2) Pensioners	8,858,000	8,858,000	8,858,000
Equalisation Fund	3,669,000	1,202,000	*— 281,000
Total liabilities	22,827,000	22,827,000	22,827,000

* Deficit.

Should the original amortisation proposal continue to operate notwithstanding the incorporation of the Reserve Fund, and an annual payment of 400,000 francs continue to be made by the League until 1960, the present value of these annual payments, amounting as at the end of 1944 to some 4,500,000 francs, may be included in the assets of the balance-sheet. The Equalisation Fund would in such case show a corresponding increase by that amount. If, on the other hand, these annual payments are left out of account, the results in the actuarial balance-sheet are as follows:

(a) The accumulated fund exceeds the actuarial reserve, as calculated for the date December 31st, 1944, on the existing bases of valuation, by some 3,669,000 francs.

(b) The accumulated fund would suffice, in the event of complete and immediate liquidation of the Pensions Fund, to pay all retiring members the lump sums due to them. There would remain as cover for the liabilities in respect of current pensioners a fund of some 10,000,000 francs, which is some 1,200,000 francs more than the actuarial reserve calculated on the existing bases of valuation.

(c) In the most unfavourable event, in the event (that is to say) of every member of the Fund electing for the alternative involving the heaviest charges on the Fund, the accumulated fund would not quite suffice to pay the lump sums to the retiring members, and provide the actuarial reserve on the existing bases of valuation for the remaining members of the Fund. There would be nothing left over for the increase of the actuarial reserve in respect of active members and pensioners, and such increase is essential in the event of the adoption of new bases of valuation.

8. As stated in paragraph 5 (hypothesis a) above, the actuarial reserve has been calculated on the basis of contributions of 14 or 15½% of the salary, as provided for in the Regulations. The actuarial reserve of the active members would be reduced by some 600,000 francs if it is assumed that—instead of the rates prescribed in the Regulations—the present contributions at the rates of 15¾, 16 or 18% of the salary will continue to be paid, as since 1940, so long as the members in question remain in the service.

In order to make this point clear, we set out hereunder two variants of the actuarial balance-sheet of the Fund as at December 31st, 1944. Both these variants relate to *hypothesis a*.

Actuarial balance-sheet as at December 31st, 1944 (hypothesis a).

Variant I.

Annual contributions of 15¾, 16 or 18% of the salary.

	Swiss francs		Swiss francs
<i>Assets:</i> Accumulated fund	22,827,000	<i>Liabilities:</i> Actuarial reserve of:	
		(1) Active members	9,700,000
		(2) Pensioners	8,858,000
		Equalisation Fund	4,269,000
		Total liabilities	22,827,000

Variant II.

Annual contributions of 15¾, 16 or 18%, annual payments of 400,000 francs being taken into consideration up to 1960.

	Swiss francs		Swiss francs
<i>Assets:</i> Accumulated fund	22,827,000	<i>Liabilities:</i> Actuarial reserve of:	
Present value of annual payments	4,500,000	(1) Active members	9,700,000
		(2) Pensioners	8,858,000
		Equalisation Fund	8,769,000
Total assets	27,327,000	Total liabilities	27,327,000

The Equalisation Fund shown above would be available if the actuarial reserve was to be increased as a result of the adoption of stricter bases of valuation.

According to *hypothesis b*, it is assumed that all the active members resign immediately. Consequently, the supposition that higher contributions—viz., 15¾, 16 or 18%—will continue

to be paid does not apply to the balance-sheet for this hypothesis. *Hypothesis c*, however, is based on the assumption that some part of the active members continue to remain members of the Fund. If account is taken of the fact that, in respect of these members who remain in the Fund, the contributions of $15\frac{3}{4}$, 16 or 18% will continue to be paid, the result will be that the actuarial reserve will be reduced by about 120,000 francs. In consequence, the deficit of 281,000 francs mentioned above will be reduced by the same amount. If the annual payments are left out of account, and if it is assumed that the higher contributions will continue to be paid, there will still remain a deficit of about 160,000 francs. If, however, the present value of the annual payments of 400,000 francs can be included on the assets side of the balance-sheet, this will, on hypothesis *c*, give an Equalisation Fund of 4,340,000 francs in round figures.

9. The results of the calculations which have been made may accordingly be said to show the financial position of the Fund as at December 31st, 1944, in a favourable light. It has already been pointed out in paragraph 2 above that these findings should be regarded as subject to reserve in view of the present low membership. A further reservation must be made in respect of the bases of valuation which have been taken over without change in the present valuation as at the end of 1944, from the former valuations of the Fund. These bases of valuation are inapplicable in more respects than one to existing conditions, or to the conditions which may be expected to prevail in the near future. The effects of an adjustment of these bases of valuation to the changed conditions are discussed below in paragraphs 10 to 12.

The conclusion is nevertheless justified, in the light of the results of the balance-sheet shown in paragraph 7 above, that the development of the Fund, on the basis of the actuarial assumptions made in connection with its establishment in 1930, would have been satisfactory. The divergencies from the original anticipations, which have been apparent in the course of years, have been due in the main to circumstances of a very special character, which could not have been foreseen:

(a) The mortality was somewhat lower than had been anticipated, with the result that the pension charges were rather higher than had been expected.

(b) Voluntary retirements were particularly frequent owing to circumstances, with the result that the aggregate liabilities of the Fund were heavier than would have been the case had the retiring members continued to serve until the pensionable age.

(c) In order to preserve the Fund from the consequences of a devaluation, it was necessary, in the investment of its funds, to make the conservation of the capital a first consideration, in preference to the earning of interest—and that, over a considerable period. As, however, the losses of interest thereby occasioned were made good by special grants to the Fund, the investment policy pursued had no unfavourable effects on the actuarial position: and in fact the precautionary action in this connection of the Treasurer and the Supervisory Commission has been of the first importance to the Fund in enabling it to conserve its capital.

II. NEED FOR ADJUSTMENT OF THE BASES OF VALUATION TO THE CONDITIONS REVEALED BY EXPERIENCE

10. At the time of the adoption of the existing bases of valuation, a specially low mortality was assumed. But closer enquiry has shown that the actual number of deaths of pensioners is even lower than had been allowed for in the bases of valuation. If a new scale with lower mortality rates is made the basis of the calculation of the current pensions, the actuarial reserve will be higher than that which arrived at (see paragraph 6 above) with the existing bases of valuation. But the experience available up to the present in connection with the League of Nations Fund is not sufficient to enable a new mortality table to be constructed. Further investigations in the matter have still to be made. But it may be stated, for purposes of information, that an increase of some 400,000 francs will be required in the actuarial reserve of the pensioners, if the average life of the latter is one year more than has been assumed with the existing bases of valuation.

11. A divergence in the opposite sense from the assumptions hitherto made occurred in connection with cases of invalidity, the actual number of which was less than had been anticipated. Adjustment of the bases of valuation in this case would allow of a certain reduction in the actuarial reserve: but this reduction would not be such as appreciably to offset the divergencies noted in paragraphs 10 and 12.

12. The existing bases of valuation assume an actuarial rate of interest of $4\frac{1}{4}$ % per annum. It would be desirable, if the Fund is to continue, to adopt a considerably lower rate of interest. But, in fixing it, no guidance can be drawn from the experience of the Fund itself, since the investment of the capital of the Fund in recent years has been governed by exceptional circumstances.

The Administrative Board and the Supervisory Commission had enquiries made seven years ago into the effects of a reduction of the actuarial rate of interest from $4\frac{1}{4}$ to $3\frac{1}{2}$ or 3% (see Reports of June 17th, 1937, and January 19th, 1938).

Having regard to the present conditions of the capital market, it would be desirable in the adoption of new bases of valuation not to take an actuarial rate of interest of more than 3%: it would be more prudent to take a rate of $2\frac{1}{2}$ %.

The reduction of the actuarial rate of interest by $1\frac{1}{4}$ or $1\frac{3}{4}$ % necessitates a considerable increase in the actuarial reserve of the present members of the Fund. It is no part of our instruc-

tions to make immediate proposals for new bases of valuation. But we have attempted to make a rough estimate of the extent to which the actuarial reserve would have to be increased.

Assuming that there is no increase in the contributions for which the Regulations provide, and assuming that the only change in the bases of valuation is a reduction of the actuarial rate of interest to 3 or 2½%, the necessary increase in the actuarial reserve would be approximately as follows:

	With an actuarial rate of interest of	
	3%	2½%
	Francs	
For the active members of the Fund	3,500,000	5,200,000
For the pensioners	1,000,000	1,400,000

The above rough estimate shows that, in any case, if the bases of valuation are adjusted to the probable rate of interest in the immediate future, the accumulated fund alone will not be sufficient to provide the actuarial reserve required under hypothesis a in paragraph 5. Even in the case of liquidation under hypothesis b, there would not be sufficient funds available in the circumstances to cover the pension claims due until the time of their expiry.

On the other hand, the Equalisation Fund might be sufficient for the increase of the actuarial reserve necessitated by the adoption of stricter bases of valuation in the shape of an actuarial rate of interest of 2½%, if the annual payments to the Fund of 400,000 francs were regularly continued until 1960 in accordance with the original amortisation schedule. It is assumed, in this connection, that there would be no increase in the lump sums payable to members on voluntary retirement.

If the maintenance of the original amortisation schedule is impracticable, the further operation of the Fund will necessitate an adjustment of its income to its liabilities in some other way, viz:

- By a special payment into the Fund to enable it to make the requisite increase (the amount of which has still to be calculated) in the actuarial reserve;
- Or by a permanent increase in the contributions for which the Regulations provide;
- Or by a reduction of the benefits for which the Regulations provide;
- Or by a combination of these several possible measures.

It would appear to be premature to go further into the details of the action to be taken. More information is first required as to the future development of the Fund. It will then be desirable to adopt new bases of valuation and to make detailed calculations in connection therewith.

III. THE EFFECT OF FUTURE ENTRIES

13. Attention has already been drawn to the fact that the present membership is too small to allow of adequate provision against risk. In principle, therefore, it is very important for the future development of the Fund that new members should be obtained, subject always, of course, to the payment of contributions sufficient to provide for their claims on new bases of valuation adjusted to present conditions. The annual contributions of 14 and 15½% of the salaries, for which the Regulations provide, are sufficient with the present bases of valuation, if the new members enter at the age about 31. If the bases of valuation are adjusted to the new conditions, the contributions will have to be considerably higher. A rough estimate of the effect of changes in the actuarial rate of interest gives the following results in the case of a married member of the Fund, on the assumption of a 6% increase of salary above the initial amount in each of the first twelve years of service:

Age of entry	25%	30%	35%	40%
Sufficient annual contribution	11.4	15.0	20.2	22.6
in percentages of salary with	15.8	19.5	25.7	28.3
an actuarial rate of interest of:	17.1	21.3	27.5	30.3

It is desirable, therefore, not to continue to admit new members automatically to the benefits of the existing Regulations. If such differentiation is considered inopportune, it would be prudent to make provision for considerably higher contributions in the case of new members to take effect immediately or, at any rate, to reserve explicitly the possibility of subsequent increase of their contributions or curtailment of their benefits. Pending reorganisation of the Fund, new members should not be admitted in large numbers, unless the employer is prepared to make himself responsible in one form or another for the whole of the increased charge involved.

14. Actuarially speaking, it is desirable that the measures or reservations indicated in the case of new members should be made applicable to any former members of the Fund who may be readmitted after a longer or shorter interruption of service.

Readmissions, it should be noted, may involve an additional charge on the Fund. The following three hypothetical examples show the extent of this addition.

A married male member with a salary of 20,000 francs is admitted for the first time at the age of 15, or 30, or 35. His annual contribution is 2,800 francs. At the age of 45 he retires, and takes the lump sum for which Article 9, paragraph 4 (b), of the Regulations provides. After an interval of five years he is again admitted to the Fund at the age of 50. His former years of service are

credited to him on his refund of the lump sum which he received on his withdrawal, plus interest at $4\frac{1}{4}\%$ under Article 19 of the Regulations. The following table shows the effect in round figures:

	Example	(a)	(b)	(c)
Age of entry		25	30	35
Years of service on withdrawal from the Fund		20	15	10
Age on withdrawal		45	45	45
		Francs	Francs	Francs
Actuarial reserve on withdrawal		42,500	42,500	42,500
Lump sum in lieu of pension		73,000	54,800	36,500
Loss (—) or profit (+) to the Fund on withdrawal		—30,500	—12,300	+ 6,000
Age on readmission		50	50	50
		Francs	Francs	Francs
Refund of lump sum plus interest		89,900	67,500	45,000
Actuarial reserve on readmission		63,300	63,300	63,300
Loss (—) or profit (+) to the Fund on readmission		+26,600	+ 4,200	—18,300

In the case of example (a) there is a profit for the Fund on the readmission: but is less than the profit which the Fund made on the original entry of the member at the age of 25, and which it forfeited on his withdrawal. Similarly, in the case of example (b) there is a slight profit for the Fund: but it is less than the initial profit.

In the case of example (c) there is a fairly heavy loss for the Fund on the readmission, because the actuarial reserve which it has to re-establish immediately, taking the readmitted member's former years of service into account, is larger than the member's refund of capital on readmission. The reason for this is that the Fund has received no contributions during the period in which the member's service was interrupted, although the liabilities of the Fund remain the same as if the member's service had never been interrupted. The effect of the loss of five annual contributions is almost the same as if the member, instead of joining the Fund at 25, or 30, or 35, had been five years older in each case at the moment of his admission. The effect is only partially offset by the fact that the lump sum refunded includes interest for the period of interruption of service, and that no cover had to be provided against risk during the same period.

The examples given take no account of the necessity for discarding the old bases of valuation, and adopting stricter principles more in accordance with the new conditions, in calculating the actuarial reserve in cases of readmission. The adoption of such new bases of valuation would, in each case, involve an appreciably increased loss for the Fund, unless the additional charge was offset by an increase in the contributions.

The readmission of former officials is primarily, of course, a matter of administration, and (it may be) also of law, on which the Actuary is not called upon to express an opinion. But the above figures go to show that readmissions of former members of the Fund may, in certain cases, involve specific additional charges, which the Fund is not in a position to cover in the absence of specific allocations for the purpose.

IV. SUGGESTIONS FOR THE UTILISATION OF THE EXPERIENCE GAINED

15. It was fully realised by the experts concerned in the establishment of the League of Nations Staff Pensions Fund that the circumstances of the case were peculiar. There were no precedents to be derived from funds of a similar kind. The experience of national funds was not directly applicable. Full allowance for these special circumstances was made in the drafting of the Regulations and in the selection of the bases of valuation. From the actuarial point of view, in particular, the task of the experts Epps, Hoel, Cantelli and Friedli was unique of its kind — and to-day, after the lapse of fifteen years, it may be said that they could hardly have found a better solution of the problem.

16. But the operation of the remarkable actuarial plan which they had drawn up was adversely affected by a variety of circumstances, quite apart from the effects of the world war.

Reference has already been made to the general decline in the mortality figures, which has not been without its effect on the Fund, particularly in the case of pensioners. The special difficulties in connection with the investment of capital have also been mentioned.

The somewhat striking differences in the age of entry of new members must also be borne in mind. The uniform contribution for which the Regulations provide was in many cases higher, but in even more cases lower, than the amount which would have corresponded exactly in each particular case to the liability involved for the Fund.

Considerable disturbance of the operation of the Fund was further occasioned by the frequent voluntary retirements due — apart from the numerous withdrawals occasioned by the war — partly perhaps to the short contracts of the members, but mainly to the special circumstances inseparable from international organisations.

17. It is desirable to take the experience thus gained into account in any reorganisation of the existing Pensions Fund or establishment of a new Fund for the staff of international institutions.

We venture to append certain suggestions as to the way in which advantage might be taken of past experience in this connection. It is, in the first place, desirable to make the lump-sum payments in the case of retirements correspond with the actuarial reserve of the official retiring. Disturbances of the operation of the Fund as a result of resignations which, by their nature, cannot be allowed for in advance would then be avoided. It would further be desirable that the lump-sum payments on retirement should bear some relation to the contributions paid by the official retiring. If both these requirements were taken into account, the actuarial organisation of the Pensions Fund could no longer be based on an average contribution. Either the contributions would have to be graduated according to the age of entry, or, if a uniform contribution was retained, the pension benefits would have to be graduated according to the age of entry. Should the former solution be preferred, there would be nothing to prevent the retention of a uniform contribution in the case of the official, the contribution of the employer being graduated according to the age of entry.

It would even be possible to contemplate a solution on the lines of a savings bank. This would allow of the retention of uniform contributions. Supposing the latter to be fixed at 14% of the salary, the greater part of the amount—say, 12% of the salary—would be capitalised just as in a savings bank. With a fixed rate of interest, which could be adjusted, if necessary, from time to time to changing circumstances, each member would then have at his disposal at the age of 60 a sum of savings, which could be calculated in advance and would depend on the period of payment of the contributions. The member would be free on retirement at the age of 60 either to take the sum of his savings, or to convert it into an old-age pension with provision, if desired, for a pension to his widow on his death. A fixed scale of conversion would be laid down, with provision for its adjustment, as and when necessary, in the course of time in accordance with the changes in the mortality figures and in the yield of interest.

In the event of voluntary retirement, the sum of savings would be at the disposal of the official. It would be possible, if desired, to make provision for its conversion into a life annuity in accordance with a special scale.

The smaller part of the contribution—viz. (in the case under consideration) 2% of the salary—would be available in the event of invalidity to provide a pension of the same amount as the retiring pension receivable in the case of payment of contributions up to the age of 60. A widow's pension to the amount of half the invalidity pension, and orphans' pensions, would be payable in the event of death. It would also be possible to provide, in the case of death of an unmarried or widowed official, for payment of some part of the sum of savings to the near relatives of the deceased. The 2% of the contribution would be almost always absorbed by the provision against risk, which would have to be effected side by side with the operation of the savings fund. The division of the total contributions could be so arranged as to ensure that the actuarial reserve to be constituted—independently of the sum of savings—to cover the provision against risk remained always within narrow limits.

Fuller study should be given to details of the benefits that would be available in this way with the adoption of new bases of valuation, as also to the question of the best division of the contributions for the purpose.

An arrangement of the kind above outlined would also enable members, if they so desired, to make individual capital payments into the Fund with a view to increasing the sum of their savings, and with it the amount of their old-age pensions. Incidentally, this might provide a simple solution for the case of members readmitted to the Fund on reimbursement of the lump sum received by them on retirement. In particular, it would facilitate the treatment of cases where members on readmission were not in a position to repay the whole of their lump sum.

It might even, under certain circumstances, be possible to contemplate the transfer to the new Fund of all existing active members of the present Fund, allowing for the respective lump sums due to them on withdrawal, or alternatively of distributing the available reserves of the Fund between them in some manner consistent with sound actuarial principles.

V. CONCLUSION

(1) Thanks to the existence of the Reserve Fund, the financial position of the Pensions Fund, within the limits of the original actuarial plan and the existing bases of valuation, appears favourable.

(2) But the heavy reduction in the number of members no longer affords an adequate basis for provision against risk. The results of the actuarial calculations are accordingly to be regarded as subject to reserve. The continued operation of the Fund in accordance with actuarial principles presupposes either a considerable increase in the membership or an assumption of the risk by some outside party better able to carry it.

(3) It is desirable to contemplate an adjustment of the bases of valuation to the altered circumstances, and in particular a considerable reduction of the actuarial rate of interest.

(4) The adoption of new bases of valuation will necessitate a considerable increase in the actuarial reserve. In the case of existing members of the Fund, this increase can probably be covered by the use of the Equalisation Fund, provided the Pensions Fund continues to receive the annual payments of 400,000 francs until 1960 in accordance with the original amortisation schedule.

(5) The adoption of new bases of valuation calls especially for increased contributions in the case of new or readmitted members. The distribution of the increase as between the League and the members is not a matter for the Actuary.

(6) Provision should be made in the case of readmissions of retired members to prevent uncovered increase in the liabilities thereby arising for the Fund.

(7) In connection with the reorganisation of the actuarial structure of the Fund, it would be desirable to consider the possibility of changes in the Regulations in the case of new members, and also, it may be, in that of existing active members. It would further be desirable in this connection to provide in the light of past experience against losses accruing for the Fund in the case of resignations.

Zurich, May 15th, 1945.

(Signed) Hans Wyss,
Consulting Actuary.

ANNEX 11

C. 10. M. 10. 1946. X.

Geneva, March 27th, 1946.

REPORT OF THE SPECIAL COMMITTEE ON CONTRIBUTIONS

The Special Committee on Contributions met in Geneva on March 21st and 27th, 1946, the members present being:

M. C. J. HAMBRO (*Chairman*),
Sir Cecil KISCH.

Sir Girja Shankar Bajpai, Dr. Castillo Najera and Count Carton de Wiart were unfortunately unable to attend.

The Acting Secretary-General (Mr. Sean Lester) and the Treasurer (Mr. S. Jacklin) were also present.

CONSTITUTION.

The 1939 Assembly appointed the following members of the Special Committee on Contributions for the period ending December 31st, 1940:

Count Carton DE WIART (Belgium),
Sir Frederick PHILLIPS (United Kingdom),
Mr. Raghavendra RAO (India),
M. C. J. HAMBRO (Norway),

and, if necessary, a fifth member to be co-opted by the Committee.

As stated in its Report of March 22nd, 1941 (document C.24.M.21.1941), the Supervisory Commission reappointed the Committee and requested it to continue to serve until further notice. The Supervisory Commission also appointed Mr. H. S. MALIK (India) as a member of the Committee in substitution of Mr. Raghavendra Rao, who was unable to continue his membership.

At its meeting at Montreal in March 1941, the Committee co-opted as a member of the Committee H.E. Dr. Francisco CASTILLO NAJERA (Mexico).

Sir Cecil KISCH (United Kingdom) was co-opted as a member of the Committee at the end of 1943, in substitution of Sir Frederick Phillips, who had died during that year.

Sir Girja Shankar BAJPAI (India) was co-opted as a member in place of Mr. Malik early in 1944.

The present membership of the Special Committee on Contributions is thus:

M. C. J. HAMBRO (Norway) (*Chairman*),
Sir Girja Shankar BAJPAI (India),
H.E. Dr. Francisco CASTILLO NAJERA (Mexico),
Sir Cecil KISCH, K.C.I.E., C.B. (United Kingdom),
H.E. Count CARTON DE WIART (Belgium)¹.

GENERAL REMARKS.

In its last Report dated December 13th, 1944, the Committee fully reviewed the situation during the years 1940-1943 and the period of the year 1944 up to the date of the Report. The Annexes to this Report show the position as at December 31st, 1945.

1944. For the year 1944, twenty States contributed and the total income amounted to 79.85% of the Expenditure Budget, excluding a voluntary payment by the Argentine.

1945. For the year 1945, sixteen States contributed a total income of 71.18% of the Expenditure Budget.

1946. From January 1st of this year up to the end of February, the amount of contributions both current and arrears received equals 21.55% of the Expenditure Budget for 1946, as compared with 2.41% at the same date in 1945 and 1.19% in 1944. A detailed statement of contributions received up to March 31st, 1946, will be submitted to the Assembly.

¹ Unable to participate in the Committee's deliberations during the war years.

ARRANGEMENTS WITH MEMBER STATES FOR SETTLEMENT OF ARREARS ON CONTRIBUTIONS
SUBJECT TO RATIFICATION BY THE ASSEMBLY.

At its ninety-seventh session held in London in January 1946, the Supervisory Commission authorised the Committee to make arrangements for the settlement with States owing contributions on the lines approved by the Assembly in 1935 and 1936.

It has been customary on certain occasions in the past when States have been the victims of great calamities for the Assembly to grant some relief from the payment of contributions: for example, Nicaragua¹, Bolivia², Chile³, China³ and Ethiopia³ were granted such relief.

In its Report of December 13th, 1944 (document C.88.M.88.1944.X), the Committee had recommended the annulment of certain contributions or proportionate parts of contributions in respect of the year 1940 and this recommendation had been approved by the Supervisory Commission. The Committee intended to recommend the extension of this relief in certain other cases, but, having been authorised by the Supervisory Commission to make arrangements with any State in arrear for settlement of its debts or for such relief as may appear reasonable, the Committee will consider such cases in the terms of any arrangement made.

For some time, the Chairman and Treasurer have made a great effort to collect arrear contributions.

Correspondence which has taken place and interviews with representatives have made it clear that the States in question are desirous of ensuring that they do not appear in the list of defaulters to the League on its dissolution. While every sympathy should be shown towards the States which have been occupied by the enemy and also those which have suffered direct consequences from the war, States should have no ground for failure to obtain a discharge of their debts to the League, if it is understood that arrangements for a final settlement can be reached on a basis which will take into account the financial position of each individual State. A clearance of these debts will enable such States to participate in the final distribution of the assets and funds of the League.

In the discussions with representatives of States which were undertaken, at the request of the Committee, by the Chairman, it was essential to bear in mind that any payments made in full settlement should be in the hands of the League at an early date in order to facilitate the liquidation of the League's finances. It is suggested that all States Members be requested to pay their contributions for the current year and all arrears by July 31st, 1946.

In making arrangements for the settlement of outstanding debts, the Committee has given special consideration to the financial position of those States which had been subject to occupation by the enemy and also the general financial situation of States in arrear, particularly in the case of those which were large debtors to the League.

In the event of failure to comply with the terms of any arrangement, that part of the debt which has been annulled shall be revived.

* * *

At the time of writing this Report, the following arrangements with certain States had been made for consideration and ratification by the Assembly:

Bolivia.

	Swiss francs
Amount due 1940-1946	382,088.19
Annual instalments of consolidated debt 1940-1946	165,519.20
	<hr/>
	547,607.39
	<hr/>

The Committee recommends the following arrangement, the terms of which have been accepted by the Government of Bolivia:

(1) Immediate payment of 212,292.75 Swiss francs. This payment has already been received and represents 50% of the contributions and instalments of consolidated debt due for the years 1940-1943 inclusive plus the whole of the contribution and the instalment of consolidated debt for the year 1944;

(2) Subsequent payment of the contributions in full for the years 1945 and 1946 amounting to 147,388.52 Swiss francs and the consolidated instalment for the same years amounting to 27,291.20 Swiss francs;

(3) Annulment of 140,634.92 Swiss francs and the cancellation of four further instalments on the consolidated debt amounting in all to 70,936.80 Swiss francs;

(4) The surrender of this Government's credit in the Working Capital Fund amounting to 40,837.40 Swiss francs.

¹ See documents A.90.1931.X and A.66.1932.X.

² See document A.73.1935.X.

³ See documents A.17(1).1939.X and A.37.1939.X.

China.

	Swiss francs
Amount due 1939-1946	5,885,151.99
Less amount paid direct to the International Labour Organisation in 1944-1945	577,800.39
	<u>5,307,351.60</u>

The instalments on consolidated debt for the years 1939-1945 were suspended by decision of the 1939 Assembly.

Forty-three annual instalments are still unpaid representing 7,869,920.25

The Committee, after considering every aspect of the financial position and having held consultations with the representatives of this State, considers that a fair and reasonable arrangement in the circumstances would be to require:

- (1) A payment of 25 % of the debt for the years 1939-1944 and the whole of the assessed contributions for the years 1945 and 1946;
- (2) A payment of 1,000,000 Swiss francs in full settlement of the consolidated debt.

It, however, agreed that the contributions paid direct to the International Labour Organisation should be deducted from the payment agreed upon and also that this Government's credit in the Working Capital Fund should be taken into account in the settlement.

The terms of the arrangement having been accepted by the Government of China in full settlement, the position may be more precisely set out as follows:

- (1) The immediate payment of a sum of 2,710,920.85 Swiss francs;
- (2) The surrender of this Government's credit of 343,251.10 Swiss francs in the Working Capital Fund;
- (3) The annulment of 2,596,430.75 Swiss francs in respect of the years 1939-1946;
- (4) The annulment of the whole of the balance of the consolidated debt.

Finland.

	Swiss francs
If the contributions for the years 1941-1946 had not been reduced by 50 %, the amount due for 1940-1946 would have been.	1,910,440.95
The debt is	<u>1,086,429.20</u>

After a thorough study, in collaboration with the representative of the State, the Committee considers that the contributions for each of the years 1941-1946 inclusive should be assessed at 2 units, and Finland given the same treatment as other States that have been under occupation. The Government concerned having agreed to these terms, the arrangement recommended is as follows:

- (1) An immediate payment of 295,810.99 Swiss francs;
- (2) The surrender of this Government's credit in the Working Capital Fund, amounting to 86,277.20 Swiss francs;
- (3) The effect of this arrangement is to exonerate this Government from a net debt of 704,341.01 Swiss francs.

Luxemburg.

	Swiss francs
Amount due 1940, 1943-1946	150,246.26
Less payments made direct to the International Labour Organisation in 1941 and 1944	12,161.—
	<u>138,085.26</u>

The Committee recommends the following arrangement, the terms of which have been accepted by the Government of Luxemburg:

- (1) An immediate payment of the contribution due for 1945 amounting to 35,316.90 Swiss francs (this payment has already been received);
- (2) The payment of the 1946 contribution amounting to 38,377.35 Swiss francs;
- (3) The surrender of this Government's credit in the Working Capital Fund amounting to 21,694.50 Swiss francs.
- (4) The effect of this arrangement is to exonerate this Government from a net debt of 42,696.51 Swiss francs.

Poland.

	Swiss francs
Amount due 1939	608,832.05
1945	35,316.90
1946	76,754.72
	<u>720,903.67</u>

With the fullest understanding of the financial difficulties of Poland, the Committee recommends the following arrangement, the terms of which have been accepted by that Government:

- (1) The annulment of the debts for 1939 and 1946 amounting to 685,586.77 Swiss francs; and the surrender of this Government's credit in the Working Capital Fund of 371,227.80 Swiss francs;
- (2) The immediate payment of the debt for 1945 of 35,316.90 Swiss francs.

The effect of this arrangement is to exonerate this Government from a net debt of 314,358.97 Swiss francs.

<i>Uruguay.</i>	Swiss francs
Amount due 1939-1945	736,585.85
Consolidated debt instalments (1940-1945)	88,760.10
	825,345.95
Current 1946	153,509.43
Consolidated debt instalment 1946	14,793.35
	168,302.78

The Committee recommends the following arrangement, the terms of which have been accepted by the Government of Uruguay:

- (1) An immediate payment of 491,918 Swiss francs—approximately 59½%—in respect of the debt of 825,345.95 Swiss francs shown as due for the years 1939-1945;
- (2) An immediate payment of the whole amount due for 1946 both as the current contribution and the annuity due in respect of the consolidated debt;
- (3) The annulment of 333,427.95 Swiss francs for the years 1939-1945 and the annuities on consolidated debt still due for the years 1947-1954 (eight years);
- (4) The surrender of the credit of Uruguay in the Working Capital Fund amounting to 52,095.40 Swiss francs.

* * *

The statements in Appendices A to J show the position of contributions as at December 31st, 1945, the arrears due for previous years and the annual instalments due on previous debts which were consolidated and of which the payment has been spread over a number of years, ranging from 10 to 45 by arrangement with Member States. Other statements in the Appendices bring up to the end of last year the continuous statistics relating to contributions since the inception of the League of Nations.

Appendice A.

RELEVÉ DES MONTANTS REÇUS DES ÉTATS
MEMBRES A TITRE DE CONTRIBUTIONS
COURANTES ET AU TITRE DES ARRIÉRÉS

Appendix A.

STATEMENT OF AMOUNTS RECEIVED FROM
STATES MEMBERS AS CURRENT CONTRI-
BUTIONS TOGETHER WITH PAYMENTS
IN RESPECT OF ARREARS

Etats (ordre alphabétique français) States (French alphabetical order)	1940 Francs-or Gold francs	1941 Francs-or Gold francs	1942 Francs-or Gold francs	1943 Francs-or Gold francs	1944 Francs-or Gold francs	1945 Francs-or Gold francs
Afghanistan	16 770.90	—	—	—	—	—
Un. S.-Afr. — Un. S. Afr.	296 975.31	230 853.—	230 852.56	297 681.41	271 674.88	399 677.80
Rép. Argentine — Arg. R.	512 114.05	—	—	—	—	—
Australie — Australia . .	426 902.04	331 851.22	331 850.55	427 917.03	390 532.65	195 118.76
Belgique — Belgium . . .	193 176.08	—	14 428.28	18 605.09	16 979.68	24 979.86
Roy.-Uni — Un. Kingdom	2 004 583.45	1 558 257.86	1 558 254.68	2 009 349.55	1 833 804.32	2 697 825.12
Bulgarie — Bulgaria . . .	37 265.88	—	—	—	—	—
Canada	649 633.53	504 990.98	504 989.98	651 178.09	594 288.81	874 295.18
Chili — Chile	89 063.30	—	62 072.69	—	—	—
Cuba	—	—	—	—	33 932.15	—
Egypte — Egypt	—	25 169.40	117 083.24	55 814.97	50 939.05	—
Equateur — Ecuador . . .	—	—	—	15 486.58	3 118.51	—
Estonie — Estonia	30 623.01	—	—	—	—	—
France	371 219.15	1 113 657.46	577 132.53	—	—	679 187.13
Grèce — Greece	41 590.90	—	—	18 605.09	—	16 979.68
Hongrie — Hungary	96 398.04	—	—	—	—	—
Inde — India	890 925.99	692 559.05	692 557.66	893 044.24	815 024.64	1 199 033.39
Irak — Iraq	—	49 087.08	—	90 977.30	58 003.54	50 939.04
Iran	104 345.45	—	—	—	1 271.68	—
Irlande — Ireland	—	185 609.58	144 283.14	—	144 282.85	355 847.68
Libéria — Liberia	22 265.80	—	—	—	—	—
Mexique — Mexico	—	79 355.74	—	136 437.31	—	—
Nicaragua	—	—	—	—	—	7 183.75
Norvège — Norway	55 683.06	28 856.62	28 856.56	37 210.18	33 959.35	49 959.73
Nouv.-Zél. — N. Zealand	193 019.33	115 426.52	115 426.28	148 840.71	135 837.44	199 838.90
Pays-Bas — Netherlands	445 463.—	86 569.86	86 569.90	109 351.58	33 959.35	—
Pérou — Peru	17 034.77	—	—	—	—	—
Pologne — Poland	—	14 386.69	14 428.28	18 605.09	16 979.68	—
Portugal	148 487.65	—	—	115 426.52	115 426.28	284 678.15
Roumanie — Roumania.	294 674.56	—	—	—	35 365.33	—
Suisse — Switzerland . .	315 536.27	—	—	—	1 095 503.23	424 657.66
Tchécoslov. — Czechoslov.	—	—	28 856.56	18 605.09	16 979.68	24 979.86
Turquie — Turkey	111 329.12	—	—	—	—	—
Uruguay	10 463.45	—	—	—	—	—
Venezuela	39 150.44	—	—	—	—	—
Yougoslavie — Yugosl.	94 629.76	—	—	—	—	—
Total des contributions . .	7 509 324.29	5 016 631.06	4 507 642.89	5 063 135.83	5 697 863.10	7 485 181.69
Total du budget	15 172 720.95	7 539 683.20	6 823 713.—	8 055 073.—	7 136 049.—	10 516 522.—
Total contributions en % du budget as % of Budget	49.49	66.54	66.05	62.86	79.85	71.18
Argentine: Paiements volontaires Voluntary payments	—	35 516.26	71 961.05	—	35 969.61	—
TOTAL	7 509 324.29	5 052 147.32	4 579 603.94	5 063 135.83	5 733 832.71	7 485 181.69
Total reçu en % budget Total rec. as % Budget	49.49	67.01	67.11	62.86	80.35	71.18
Contr. d'Etats membres versées dir. au B.I.T. Contr. by Member St. paid direct to I.L.O.	—	304 721.02	290 892.38	97 046.06	345 643.54	465 365.95
Total des contribut., en %, reçues pend. l'année % contrib. received during the year	7 509 324.29	5 356 868.34	4 870 496.32	5 160 181.89	6 079 473.25	7 950 547.64
	49.49	71.05	71.38	64.06	85.19	75.60

Appendice B.

CONTRIBUTIONS REÇUES
DIRECTEMENT D'ÉTATS MEMBRES
PAR LE BUREAU INTERNATIONAL
DU TRAVAIL

Appendix B.

CONTRIBUTIONS RECEIVED DIRECT BY
THE INTERNATIONAL LABOUR OFFICE
FROM STATES MEMBERS

Etats	1941 Francs-or Gold francs	1942 Francs-or Gold francs	1943 Francs-or Gold francs	1944 Francs-or Gold francs	1945 Francs-or Gold francs	States
Argentine	90 553.78	182 905.85	—	90 053.19	—	Argentine
Belgique	70 730.65	—	—	—	—	Belgium
Chine	—	—	—	131 670.08	277 011.89	China
Républ. Dominic.	—	—	—	—	13 191.04	Dominican Rep.
Luxembourg	3 723.97	—	—	4 877.58	—	Luxemburg
Mexique	—	—	—	—	56 032.94	Mexico
Pérou	32 232.29	—	1 157.46	—	—	Peru
Suède ¹	104 419.42	107 986.53	89 750.72	119 039.69	119 130.08 ¹	Sweden ¹
Tchécoslovaquie	3 060.91	—	6 137.88	—	—	Czechoslovakia
TOTAL	304 721.02	290 892.38	97 046.06	345 640.54	465 365.95	TOTAL

¹ Le 2 janvier 1946, le Gouvernement de la Suède a payé au Secrétariat à Genève le montant de 2,136,747,03 francs suisses (1,511,335,13 francs-or). Durant les années 1941-1945, la Suède a effectué directement au Bureau international du Travail, à Montréal, des versements s'élevant au total à 763,921,17 francs suisses (540,326,44 francs-or). Le total ainsi reçu, soit 2,900,668,20 francs suisses (2,051,661,57 francs-or), représente les contributions dues par cet Etat pour les années 1940 à 1945 incluses.

¹ On January 2nd, 1946, the Government of Sweden paid to the Secretariat at Geneva the amount of 2,136,747.03 Swiss francs (1,511,335.13 gold francs). During the years 1941-1945, the payments made by Sweden direct to the International Labour Office, at Montreal, amounted to 763,921.17 Swiss francs (540,326.44 gold francs). The total thus received—namely, 2,900,668.20 Swiss francs (2,051,661.57 gold francs)—represents the contributions due by this State for the years 1940 to 1945 inclusive.

Appendice C.

RELEVÉ DES CONTRIBUTIONS
AU 31 DÉCEMBRE 1944
CONTRIBUTIONS COURANTES (1944)

Appendix C.

STATEMENT OF CONTRIBUTIONS
AS AT DECEMBER 31ST, 1944
CURRENT CONTRIBUTIONS (1944)

Etats (Ordre alphabétique français)	Unités Units	Montant de la contribution afférente à 1944 Amount of contribution for 1944 Francs-or Gold francs	Sommes versées		Soldes dus au 31 décembre 1944 Balance due as at Dec. 31st, 1944		States (French alphabetical order)
			Paid	Francs-or Gold francs	Francs-or Gold francs	Equivalent en francs suisses à la date du relevé ¹ Equivalent in Swiss francs at date of statement 1	
1. Afghanistan	1	16 979.68	—	—	16 979.68	24 006.11	Afghanistan
2. Union Sud-Afric.	16	271 674.88	271 674.88	—	—	—	Union of S. Africa
3. Albanie	(1) ²	—	—	—	—	—	Albania
4. Républ. Argentine.	21	356 573.28	—	356 573.28	504 128.37	—	Argentine Republ.
5. Australie	23	390 532.65	390 532.65	—	—	—	Australia
6. Belgique.	1	16 979.68	16 979.68	—	—	—	Belgium
7. Bolivie	2	33 959.35	—	33 959.35	48 012.22	—	Bolivia
8. Royaume-Uni	108	1 833 804.32	1 833 804.32	—	—	—	United Kingdom
9. Bulgarie	4	67 918.72	—	67 918.72	96 024.45	—	Bulgaria
10. Canada	35	594 288.81	594 288.81	—	—	—	Canada
11. Chine	21	356 573.28	—	356 573.28	504 128.37	—	China
12. Colombie	5	84 898.40	—	84 898.40	120 030.56	—	Colombia
13. Cuba	5	84 898.40	—	84 898.40	120 030.56	—	Cuba
14. Danemark	(1) ²	—	—	—	—	—	Denmark
15. Républ. Dominic.	1	16 979.68	—	16 979.68	24 006.11	—	Dominican Repub.
16. Egypte	12	203 756.16	—	203 756.16	288 073.35	—	Egypt
17. Equateur	1	16 979.68	—	16 979.68	24 006.11	—	Ecuador
18. Estonie	(1) ²	—	—	—	—	—	Estonia
19. Ethiopie	—	—	—	—	—	—	Ethiopia
20. Finlande	5	84 898.40	—	84 898.40	120 030.56	—	Finland
21. France	—	—	—	—	—	—	France
22. Grèce	1	16 979.68	—	16 979.68	24 006.11	—	Greece
23. Haïti	0.27 ³	4 584.50	—	4 584.50	6 481.65	—	Haiti
24. Inde	48	815 024.64	815 024.64	—	—	—	India
25. Irak	3	50 939.04	—	50 939.04	72 018.34	—	Iraq
26. Iran	5	84 898.40	—	84 898.40	120 030.56	—	Iran
27. Irlande	10	169 796.80	—	169 796.80	240 061.13	—	Ireland
28. Lettonie.	(1) ²	—	—	—	—	—	Latvia
29. Libéria	1	16 979.68	—	16 979.68	24 006.11	—	Liberia
30. Lithuanie	(1) ²	—	—	—	—	—	Lithuania
31. Luxembourg	1	16 979.68	—	16 979.68	24 006.11	—	Luxemburg
32. Mexique	11	186 776.48	—	186 776.48	264 067.24	—	Mexico
33. Norvège.	2	33 959.35	33 959.35	—	—	—	Norway
34. Nouvelle-Zélande	8	135 837.44	135 837.44	—	—	—	New Zealand
35. Panama	1	16 979.68	—	16 979.68	24 006.11	—	Panama
36. Pays-Bas	2	33 959.35	33 959.35	—	—	—	Netherlands
37. Pologne	1	16 979.68	16 979.68	—	—	—	Poland
38. Portugal.	8	135 837.44	—	135 837.44	192 048.90	—	Portugal
39. Siam	5	84 898.40	—	84 898.40	120 030.56	—	Siam
40. Suède ⁴	19	322 613.93	—	322 613.93	456 116.15 ⁴	—	Sweden ⁴
41. Suisse	17	288 654.58	288 654.58	—	—	—	Switzerland
42. Tchécoslovaquie	1	16 979.68	16 979.68	—	—	—	Czechoslovakia
43. Turquie	10	169 796.80	—	169 796.80	240 061.13	—	Turkey
44. Uruguay	4	67 918.72	—	67 918.72	96 024.45	—	Uruguay
45. Yougoslavie	1	16 979.68	—	16 979.68	24 006.11	—	Yugoslavia
Total	420.27	7 136 049.—	4 448 675.06	2 687 373.94	3 799 447.43	—	Total

¹ A la condition qu'aucune modification n'intervienne dans le cours actuel de l'or en Suisse, le taux de conversion est: 1 franc-or = 1,41381418 franc suisse. Le prix de base (minimum), en Suisse, d'un kilogramme d'or fin (au titre de 1000) est de 4,869,80 francs suisses. Le franc-or adopté, le 19 mai 1920, par la Société des Nations, contenant 0,2903225 d'un gramme d'or fin (au titre de 1000), équivaut à 1,41381418 franc suisse. La contre-valeur actuelle d'un franc suisse est donc 0,70730653 franc-or.

² Une unité *nominale*; la contribution correspondante n'est pas comptée dans le total.

³ Sur la base d'une unité par an jusqu'à l'expiration du préavis de retrait (8 avril 1944).

⁴ Voir note 1, page 200.

¹ Subject to the present price of gold in Switzerland remaining unchanged, the rate of conversion is: 1 gold franc = 1.41381418 Swiss francs. The basic-minimum price in Switzerland of 1 kg. of fine gold (100% fine) is 4,869.80 Swiss francs. The gold franc adopted by the League of Nations on May 19th, 1920, containing 0.2903225 of a gramme of fine gold (100% fine) is equivalent to 1.41381418 Swiss francs. The present equivalent of one Swiss franc is therefore 0.70730653 gold franc.

² One *nominal* unit; the corresponding contribution is not counted in the total.

³ On the basis of one unit a year, up to the expiry of the notice of withdrawal (April 8th, 1944).

⁴ See note 1, page 200.

Appendice D.

RELEVÉ DES CONTRIBUTIONS
AU 31 DÉCEMBRE 1945

CONTRIBUTIONS COURANTES (1945)

Etats (Ordre alphabétique français)	Unités Units	Montant de la contribution afférente à 1945	Sommes versées	Soldes dus au 31 décembre 1945 Balance due as at Dec. 31st, 1945		States (French alphabetical order)
		Amount of contribution for 1945	Paid	Francs-or	Equivalent en francs suisses à la date du relevé ¹	
		Francs-or Gold francs	Francs-or Gold francs	Gold francs	Equivalent in Swiss francs at date of statement 1	
1. Afghanistan	I	24 979.86	—	24 979.86	35 316.90	Afghanistan
2. Union Sud-Afr.	16	399 677.80	399 677.80	—	—	Union of S. Africa
3. Albanie	(I) ²	—	—	—	—	Albania
4. Rép. Argentine	21	524 577.11	—	524 577.11	741 654.60	Argentine Republ.
5. Australie ³	23	574 536.83	195 118.76	379 418.07 ³	536 426.72 ³	Australia ³
6. Belgique	I	24 979.86	24 979.86	—	—	Belgium
7. Bolivie	2	49 959.73	—	49 959.73	70 633.80	Bolivia
8. Royaume-Uni	108	2 697 825.12	2 697 825.12	—	—	United Kingdom
9. Bulgarie	4	99 919.45	—	99 919.45	141 267.55	Bulgaria
10. Canada	35	874 295.18	874 295.18	—	—	Canada
11. Chine	21	524 577.11	—	524 577.11	741 654.60	China
12. Colombie	5	124 899.31	—	124 899.31	176 584.40	Colombia
13. Cuba	5	124 899.31	—	124 899.31	176 584.40	Cuba
14. Danemark	(I) ²	—	—	—	—	Denmark
15. Républ. Dominic.	I	24 979.86	—	24 979.86	35 316.90	Dominican Rep.
16. Egypte	12	299 758.35	—	299 758.35	423 802.60	Egypt
17. Equateur	I	24 979.86	—	24 979.86	35 316.90	Ecuador
18. Estonie	(I) ²	—	—	—	—	Estonia
19. Ethiopie	I	24 979.86	—	24 979.86	35 316.90	Ethiopia
20. Finlande	5	124 899.31	—	124 899.31	176 584.40	Finland
21. France	—	—	—	—	—	France
22. Grèce	I	24 979.86	—	24 979.86	35 316.90	Greece
23. Inde	48	1 199 033.39	1 199 033.39	—	—	India
24. Irak	3	74 939.59	—	74 939.59	105 950.65	Iraq
25. Iran	5	124 899.31	—	124 899.31	176 584.40	Iran
26. Irlande	10	249 798.62	—	249 798.62	353 168.85	Ireland
27. Lettonie	(I) ²	—	—	—	—	Latvia
28. Libéria	I	24 979.86	—	24 979.86	35 316.90	Liberia
29. Lituanie	(I) ²	—	—	—	—	Lithuania
30. Luxembourg ⁴	I	24 979.86	—	24 979.86 ⁴	35 316.90 ⁴	Luxemburg ⁴
31. Mexique	11	274 778.48	—	274 778.48	388 485.75	Mexico
32. Norvège	2	49 959.73	49 959.73	—	—	Norway
33. Nouvelle-Zélande	8	199 838.90	199 838.90	—	—	New Zealand
34. Panama	I	24 979.86	—	24 979.86	35 316.90	Panama
35. Pays-Bas ⁴	2	49 959.73	—	49 959.73 ⁴	70 633.80 ⁴	Netherlands ⁴
36. Pologne	I	24 979.86	—	24 979.86	35 316.90	Poland
37. Portugal	8	199 838.90	—	199 838.90	282 535.10	Portugal
38. Siam	5	124 899.31	—	124 899.31	176 584.40	Siam
39. Suède ⁵	19	474 617.38	—	474 617.38 ⁵	671 020.80 ⁵	Sweden ⁵
40. Suisse	17	424 657.66	424 657.66	—	—	Switzerland
41. Tchécoslovaquie	I	24 979.86	24 979.86	—	—	Czechoslovakia
42. Turquie	10	249 798.62	—	249 798.62	353 168.85	Turkey
43. Uruguay	4	99 919.45	—	99 919.45	141 267.55	Uruguay
44. Yougoslavie	I	24 979.86	—	24 979.86	35 316.90	Yugoslavia
Total	421	10 516 522.—	6 090 366.26	4 426 155.74	6 257 762.22	Total

¹ A la condition qu'aucune modification n'intervienne dans le cours actuel de l'or en Suisse, le taux de conversion est: 1 franc-or = 1,41381418 franc suisse. Le prix de base (minimum), en Suisse, d'un kilogramme d'or fin (au titre de 1000) est de 4.869,80 francs suisses. Le franc-or adopté, le 19 mai 1920, par la Société des Nations, contenant 0,2903225 d'un gramme d'or fin (au titre de 1000), équivaut à 1,41381418 franc suisse. La contre-valeur actuelle d'un franc suisse est donc 0,70730653 franc-or.

² Une unité *nominale*; la contribution correspondante n'est pas comptée dans le total.

³ Solde payé en 1946.

⁴ Payé en 1946.

⁵ Voir note 1, page 200.

¹ Subject to the present price of gold in Switzerland remaining unchanged, the rate of conversion is: 1 gold franc = 1.41381418 Swiss francs. The basic-minimum price in Switzerland of 1 kg. of fine gold (100% fine) is 4,869.80 Swiss francs. The gold franc adopted by the League of Nations on May 19th, 1920, containing 0.2903225 of a gramme of fine gold (100% fine) is equivalent to 1.41381418 Swiss francs. The present equivalent of one Swiss franc is therefore 0.70730653 gold franc.

² One *nominal* unit; the corresponding contribution is not counted in the total.

³ Balance paid in 1946.

⁴ Paid in 1946.

⁵ See note 1, page 200.

Appendice E.
CONTRIBUTIONS ARRIÉRÉES,
AU 31 DÉCEMBRE 1945

Appendix E.
CONTRIBUTIONS IN ARREAR
AS AT DECEMBER 31ST, 1945

Etats (Ordre alphabétique français)	Exercice financier Financial period	Montants dus au 1 ^{er} janvier 1945	Sommes versées	Soldes dus au 31 décembre 1945		States (French alphabetical order)
		Amount due as at January 1st, 1945	Paid	Balance due as at Dec. 31st, 1945		
		Francs-or Gold francs	Francs-or Gold francs	Francs-or Gold francs	Equivalent en francs suisses in Swiss francs	
1. Afghanistan . . .	1940-44	71 797.92	—	71 797.92	101 508.92	Afghanistan
2. Albanie	1939-40	40 826.76	—	40 826.76	57 721.45	Albania
3. Argentine	1940-44	1 743 048.82	—	1 743 048.82	2 464 347.12 ¹	Argentina
4. Autriche	1938	47 020.59	—	47 020.59	66 478.40	Austria
5. Belgique	1940	264 244.87	264 244.87 ²	—	—	Belgium
6. Bolivie ³	1940-44	166 004.64	—	166 004.64 ³	234 699.67 ³	Bolivia ³
7. Bulgarie	1939-44	407 242.51	—	407 242.51	575 765.17	Bulgaria
8. Chine	1939-44	3 067 993.64	—	3 067 993.64	4 337 572.87	China
9. Colombie	1939-44	515 376.21	—	515 376.21	728 646.21	Colombia
10. Cuba	1938-44	636 492.88	—	636 492.88	899 882.66	Cuba
11. Danemark ⁴	1940	222 731.50	148 487.66 ²	74 243.84 ⁴	104 967.— ⁴	Denmark ⁴
12. Rép. Dominicaine	1940-44	83 002.32	—	83 002.32	117 349.86	Dominic. Rep.
13. Egypte	1940-44	747 021.24	—	747 021.24	1 056 149.21	Egypt
14. Equateur	{ 1936-42 } { 1944 }	155 355.79	—	155 355.79	219 644.21	Ecuador
15. Espagne	1939-41	1 835 463.10	—	1 835 463.10	2 595 003.75	Spain
16. Estonie	1940	41 759.38	—	41 759.38	59 040.—	Estonia
17. Finlande	1940-44	507 816.39	—	507 816.39	717 958.01	Finland
18. France	1942-43	799 462.21	679 187.13	120 275.08	170 046.60	France
19. Grèce	{ 1938-41 } { 1944 }	460 616.22	111 365.73 ² 16 979.68	332 270.81	469 769.15	Greece
20. Haïti	1940-44	70 607.14	—	70 607.14	99 825.40	Haiti
21. Hongrie	1940-41	118 901.91	—	118 901.91	168 105.26	Hungary
22. Irak	1944	50 939.04	50 939.04	—	—	Iraq
23. Iran	1939-44	418 808.02	—	418 808.02	592 116.71	Iran
24. Irlande	1943-44	355 847.68	355 847.68	—	—	Ireland
25. Lettonie	1940	55 682.88	—	55 682.88	78 725.25	Latvia
26. Libéria	1940-44	83 002.32	—	83 002.32	117 349.86	Liberia
27. Lithuanie	1940	37 121.92	—	37 121.92	52 483.50	Lithuania
28. Luxembourg	{ 1940 } { 1943-44 }	54 145.73	—	54 145.73	76 552.01	Luxemburg
29. Mexique	1938-44	1 276 444.97	—	1 276 444.97	1 804 656.03	Mexico
30. Norvège	1940	111 365.55	111 365.55 ²	—	—	Norway
31. Panama	1936-44	169 217.49	—	169 217.49	239 242.11	Panama
32. *Paraguay	{ 1920-22 } { 1927 } { 1929-37 }	271 298.72 ⁵	—	271 298.72	383 565.95	Paraguay
33. Pérou	1939-41	206 468.66	—	206 468.66	291 908.30	Peru
34. Pologne	1939-40	1 024 581.51	593 950.65 ²	430 630.86	608 832.05	Poland
35. Portugal	1943-44	284 678.15	284 678.15	—	—	Portugal
36. Roumanie	1940-42	721 762.92	—	721 762.92	1 020 438.65	Roumania
37. Siam	1940-44	415 011.62	—	415 011.62	586 749.31	Siam
38. Suède ⁶	1940-44	1 577 044.19	—	1 577 044.19 ⁶	2 229 647.40 ⁶	Sweden ⁶
39. Turquie	1940-44	830 023.25	—	830 023.25	1 173 498.63	Turkey
40. Uruguay	1939-44	421 072.57	—	421 072.57	595 318.30	Uruguay
41. Yougoslavie	{ 1938-41 } { 1943-44 }	919 542.42	—	919 542.42	1 300 062.04	Yugoslavia
Total		21 286 845.65	1 387 631.68 1 229 414.46 ²	18 669 799.51	26 395 627.02	Total

¹ Le Gouvernement argentin a versé au Secrétariat, à Genève, les sommes ci-après:
Francs suisses
Le 9 juillet 1941 50.213.40
Le 1^{er} mai 1942 50.876.20
Le 18 novembre 1942 50.863.35
Le 14 avril 1944 50.854.35
Total 202.807.30

¹ The Argentine Government paid to the Secretariat at Geneva the following amounts:
Swiss francs
On July 9th, 1941 50,213.40
On May 1st, 1942 50,876.20
On November 18th, 1942 50,863.35
On April 14th, 1944 50,854.35
Total 202,807.30

² Contributions afférentes au 22^e exercice financier (1940), annulées conformément à la décision prise par la Commission de contrôle le 13 février 1945 (voir documents C.88.M.88.1944.X et C.C. 1392). En plus, deux tiers de la contribution due par le Danemark pour 1940 ont été annulés à fin 1945.

² Contributions in respect of the 22nd financial period (1940) cancelled in accordance with decision taken by the Supervisory Commission on February 13th, 1945 (see documents C.88.M.88.1944.X and C.C.1392). In addition, two-thirds of the contribution due by Denmark for 1940 was cancelled at the end of 1945.

³ Dette réglée en 1946.

³ Debt settled in 1946.

⁴ Solde payé en 1946.

⁴ Balance paid in 1946.

⁵ Jusqu'au 24 février 1937.

⁵ Up to February 24th, 1937.

⁶ Voir note 1, page 200.

⁶ See note 1, page 200.

Appendix F.
CONSOLIDATED CONTRIBUTIONS
PAYABLE BY ANNUAL INSTALMENTS
POSITION AS AT DECEMBER 31ST, 1945

Appendix F.
CONTRIBUTIONS CONSOLIDÉES
PAYABLES PAR VERSEMENTS ANNUELS
SITUATION AU 31 DÉCEMBRE 1945

Etats	Exercice financier Financial period	Total des contributions consolidées Total consolidated contributions	Année de la première annuité et nombre des annuités à payer Year of first instalment and number of instalments to be paid	Montant de l'annuité Amount of instalment		Nombre et montant des annuités payées Number and amount of instalments paid		Montant annulé ¹ Amount cancelled ¹		Nombre et montant des annuités échues mais impayées Number and amount of instalments due but remaining unpaid		Nombre et montant des annuités non encore échues Number and amount not yet due		Total de la dette au 31 décembre 1945 Total of debt on December 31st, 1945		States
				Francs-or Gold francs	Francs Swiss francs	Nom- bre Num- ber	Francs-or Gold francs	Nom- bre Num- ber	Francs-or Gold francs	Nom- bre Num- ber	Francs-or Gold francs	Nom- bre Num- ber	Francs-or Gold francs	Equivalent en francs suisses Equivalent in Swiss francs		
1. Albanie . . .	1936-37	4 000.—	1939 - 12	—	—	—	—	35 781.33	—	—	—	—	—	—	Albania	
2. Bolivie ² . . .	{ 1929-33 } 1935	167 246.77	1940 - 10	16 724.68	—	—	4 218.67	35 781.33	6	100 348.08	—	66 898.69	167 246.77 ²	236 455.85 ²	Bolivia ²	
3. Bulgarie . . .	1933-35	234 358.15	1935 - 10	23 435.80	5	117 179.—	—	—	5	117 179.15	—	—	117 179.15	165 669.60	Bulgaria	
4. Chine ³ . . .	1922-30	5 825 350.44	1935 - 45	—	2	258 904.46	—	—	9	1 165 070.07 ³	—	4 401 375.91	5 566 445.98	7 869 920.25	China ³	
5. Cuba . . .	1930-34	339 321.67	1936 - 10	33 932.15	4	135 728.60	—	—	6	203 593.07	—	—	203 593.07	287 842.80	Cuba	
6. République Dominicaine	1936-37	40 000.—	1937 - 20	2 000.—	3	6 000.—	—	—	6	12 000.—	—	22 000.—	34 000.—	48 069.60	Dominican Republic	
7. Honduras . . .	1920-34	90 338.95	1936 - 20	4 516.95	3	13 550.85	—	—	7	31 618.65	—	45 169.45	76 788.10	108 564.05	Honduras	
8. Hongrie . . .	1932-35	431 885.77	1936 - 10	35 188.55	5	175 942.75	—	—	5	175 943.02	—	—	175 943.02	248 750.59	Hungary	
9. Libéria ⁴ . . .	1932-36	31 453.—	1937 - 20	1 572.65	2	3 145.30 ⁴	—	—	5	7 863.25	—	20 444.45	28 307.70	40 021.80	Liberia ⁴	
10. Nicaragua . . .	1934-37	26 101.80	1937 - 20	1 305.10	8	11 099.05	—	—	1	646.85	—	14 355.90	15 002.75	21 211.15	Nicaragua	
11. Pérou . . .	1929-34	1 004 757.52	1935 - 40	25 118.95	5	125 594.73	—	—	6	150 713.70	—	728 449.09	879 162.79	1 242 972.75	Peru	
12. Uruguay . . .	1930-34	209 268.76	1935 - 20	10 463.45	5	52 317.23	—	—	6	62 780.70	—	94 170.83	156 951.53	221 900.35	Uruguay	
Total . . .		8 440 082.83		154 258.28		983 680.64		35 781.33		862 686.47		5 392 864.32	7 420 620.86	10 491 378.79	Total	

¹ Montant annulé conformément à une décision de l'Assemblée du 14 décembre 1939.

² Dette réglée en 1946.

³ Le paiement de ces annuités, s'élevant à 1.165.070,07 francs-or, a été temporairement suspendu en vertu de décisions des Assemblées de 1938 et 1939.

⁴ Le paiement des annuités afférentes à 1939 et 1940, soit 3.145,30 francs-or, a été temporairement suspendu par une décision de l'Assemblée du 14 décembre 1939.

¹ Amount cancelled in accordance with Assembly decision of December 14th, 1939.

² Debt settled in 1946.

³ The payment of these instalments, amounting to 1,165,070.07 gold francs, was temporarily suspended by decisions of the Assemblies of 1938 and 1939.

⁴ The payment of the instalments for the years 1939 and 1940, amounting to 3,145.30 gold francs, was temporarily suspended by Assembly decision of December 14th, 1939.

Appendice G.

TABLEAU RÉSUMÉ DES CONTRIBUTIONS
REÇUES ET RESTANT DUES
AU 31 DÉCEMBRE 1945

Appendix G.

SUMMARY OF CONTRIBUTIONS
RECEIVED AND DUE
AS AT DECEMBER 31ST, 1945

	Montants dus au 1 ^{er} janvier 1945	Sommes versées	Soldes dus au 31 décembre 1945		
	Amount due as at January 1st, 1945	Paid	Balance due as at December 31st, 1945		
	Francs-or Gold francs	Francs-or Gold francs	Francs-or Gold francs	Equivalent en francs suisses in Swiss francs	
Contributions cou- rantes 1945 . .	10 516 522.—	6 090 366.26	4 426 155.74	6 257 762.22	Current contribu- tions 1945 Consolidated contributions: Instalments 1945 Contributions in arrear
Contributions con- solidées: Annuités 1945 . .	869 870.22	7 183.75	862 686.47	1 219 678.69	
Contributions arrié- rées	21 286 845.65	1 387 631.68 1 229 414.46 ¹	18 669 799.51	26 395 627.02	
Total . .	32 673 237.87	7 485 181.69 1 229 414.46 ¹	23 958 641.72	33 873 067.93	Total

¹ Voir la note 2, au bas de la page 203.

¹ See note 2 at the foot of page 203.

Appendice H.

POURCENTAGES DES RECETTES
ANNUELLES, PAR COMPARAISON
AVEC LES BUDGETS DES RECETTES

Les pourcentages indiqués ci-dessous représentent le montant versé au cours de chaque exercice et ne comprennent pas les sommes payées après la clôture de l'exercice en question. (Voir appendice I pour les pourcentages des contributions totales reçues jusqu'au 31 décembre 1945.)

Les montants des excédents de recettes de l'exercice remboursés aux Etats sont déduits des contributions et sont donc considérés comme des recettes (voir la note 1 au bas de l'appendice I).

The percentages below represent the amount paid in the course of each financial period and do not include the sums paid after the close of the financial period in question. (See Appendix I for percentages of the total contributions received up to December 31st, 1945.)

The amounts of cash surpluses refunded to States are deducted from contributions and are therefore regarded as receipts. (See footnote 1 to Appendix I.)

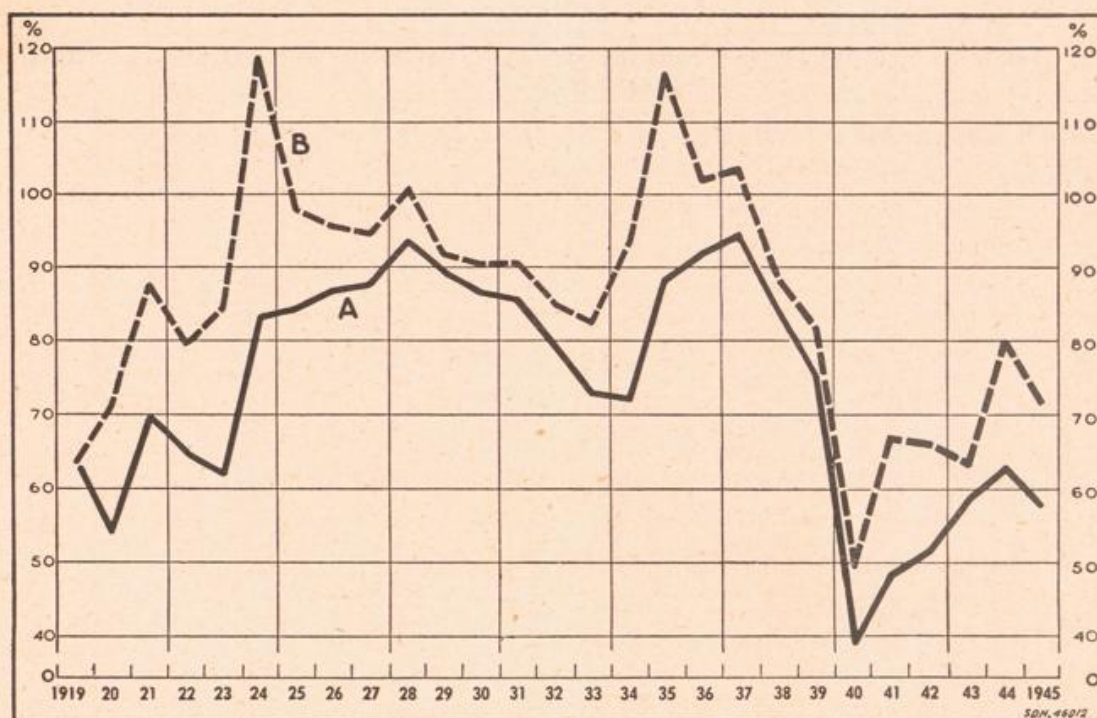
Appendix H.

PERCENTAGE OF ANNUAL RECEIPTS
AS COMPARED WITH INCOME BUDGETS

*Pourcentages des recettes
annuelles, par comparaison
avec les budgets des recettes.*

*Percentage of Annual Receipts
as compared with Income Budgets.*

A = Afférents à l'exercice en cours — In respect of current period.
B = Afférents à l'exercice en cours et aux arriérés — In respect of current period and arrears.



Exercice financier Financial period	A Afférents à l'exercice en cours In respect of current period %	B Afférents à l'exercice en cours et aux arriérés In respect of current period and arrears %	Exercice financier Financial period	A Afférents à l'exercice en cours In respect of current period %	B Afférents à l'exercice en cours et aux arriérés In respect of current period and arrears %
1919/1920	63.22	63.22	1933	72.60	82.32
1920	53.97	71.32	1934	71.97	93.52
1921	69.88	87.69	1935	88.27	116.93
1922	64.53	79.60	1936	91.75	101.95
1923	61.70	84.22	1937	94.61	103.03
1924	83.28	118.72	1938	84.36	87.33
1925	84.23	97.98	1939	75.01	81.32
1926	86.71	95.32	1940	39.41	49.49
1927	87.78	94.55	1941	48.65	66.54
1928	93.61	100.44	1942	51.38	66.05
1929	89.42	91.77	1943	58.71	62.86
1930	86.62	90.30	1944	62.34	79.85
1931	85.53	90.48	1945	57.91	71.18
1932	79.17	84.80			

Appendice I.

RELEVÉ DES CONTRIBUTIONS DUES,
RECOURVÉES, ANNULÉES,
CONSOLIDÉES ET NON PAYÉES,
POUR CHAQUE EXERCICE,
JUSQU'AU 31 DÉCEMBRE 1945
(en francs-or).

Appendix I.

STATEMENT OF CONTRIBUTIONS DUE,
RECOVERED, CANCELLED,
CONSOLIDATED AND UNPAID
IN RESPECT OF EACH FINANCIAL
PERIOD, AS AT DECEMBER 31ST, 1945
(in gold francs).

Exercice financier	Budget de recettes	Recettes effectives ¹	Pourcentage	Montants annulés	Montants consolidés ²	Soldes impayés
Financial period	Income budget	Actual receipts ¹	Percentage	Amount cancelled	Amount consolidated ²	Balance unpaid
1. 1919/1920	5 214 584.60	5 185 999.89	99.45	28 584.71	—	—
2. 1920. . .	10 104 360.—	9 781 756.18	96.80	316 674.91	2 808.21	3 120.70
3. 1921. . .	21 249 988.32	20 187 254.18	94.99	1 050 925.45	5 593.15	6 215.54
4. 1922. . .	20 873 945.—	18 583 734.70	89.02	2 168 703.78	115 471.96	6 034.56
5. 1923. . .	25 673 507.30	23 842 477.73	92.86	776 891.89	1 054 137.68	—
6. 1924. . .	23 328 686.41	21 618 796.98	92.67	812 576.90	897 312.53	—
7. 1925. . .	22 658 138.—	21 290 710.94	93.96	630 860.33	736 566.73	—
8. 1926. . .	22 930 633.—	21 777 685.33	94.97	529 249.60	623 698.07	—
9. 1927. . .	24 512 341.—	23 420 281.05	95.54	506 789.86	567 676.85	17 593.24
10. 1928. . .	25 333 817.—	24 294 231.25	95.89	346 870.29	692 715.46	—
11. 1929. . .	27 026 280.—	25 381 422.69	93.91	1 055 467.84	568 186.10	21 203.37
12. 1930. . .	28 210 248.—	25 822 274.87	91.53	1 343 022.25	1 017 397.60	27 553.28
13. 1931. . .	31 637 501.—	28 696 141.87	90.70	2 541 347.55	369 369.98	30 641.60
14. 1932. . .	33 687 994.—	30 520 034.87	90.59	2 703 598.42	431 419.52	32 941.19
15. 1933. . .	33 429 132.—	30 773 820.68	92.05	1 993 982.18	628 312.71	33 016.43
16. 1934. . .	30 827 805.—	29 062 297.76	94.27	1 344 467.21	390 607.83	30 432.20
17. 1935. . .	30 639 664.—	29 624 461.19	96.68	746 253.36	238 654.80	30 294.65
18. 1936. . .	28 279 901.—	27 728 042.82	98.04	424 375.93	51 328.08	76 154.17
19. 1937. . .	23 347 302.—	22 684 214.67	97.15	564 666.—	48 825.57	49 595.76
20. 1938. . .	22 682 148.34	20 439 441.31	90.11	1 622 108.79	—	620 598.24
21. 1939. . .	22 799 327.18	18 521 209.96	81.24	757 038.12	—	3 521 079.10
22. 1940. . .	15 172 720.95	7 656 002.86	50.46	2 974 144.49	—	4 542 573.60
23. 1941. . .	7 539 683.20	4 838 117.73	64.17	—	—	2 701 565.47
24. 1942. . .	6 823 713.—	4 631 479.32	67.87	100 998.02	—	2 091 235.66
25. 1943. . .	8 055 073.—	5 540 943.23	68.89	—	—	2 514 129.77
26. 1944. . .	7 136 049.—	4 822 228.02	67.58	—	—	2 313 820.98
27. 1945. . .	10 516 522.—	6 090 366.26	57.91	—	—	4 426 155.74
Total . . .	569 691 064.30 100%	512 815 428.34 90.02%		25 339 597.88 4.45%	8 440 082.83 1.48%	23 095 955.25 4.05%

¹ Y compris les sommes remboursées aux Etats sur les excédents de recettes:
Including sums refunded to States from cash surpluses:

	Francs-or Gold francs		Francs-or Gold francs
1924	95 050.71	1932	123 898.82
1927	—	1936	1 488 442.77
1928	873 626.25	1937	2 062 479.70
1929	1 090 593.52	1938	1 875 394.37
1930	413 659.64	1939	2 373 058.77
1931	795 821.33		
		Total . . .	11 192 025.88

² Contributions consolidées (voir appendice F, page 204).
Consolidated contributions (see Appendix F, page 204).

Appendice J.

RELEVÉ INDIQUANT LA VALEUR DE
L'UNITÉ DE CONTRIBUTION
DE 1920 A 1946
(en francs-or).

Appendix J.

STATEMENT SHOWING THE VALUE
OF THE UNIT OF CONTRIBUTION
FROM 1920 TO 1946
(in gold francs).

Sur la base du barème de l'Union postale universelle — On the basis of the Universal Postal Union Scale:

1920	20 920
1921	41 667
1922	40 453

Introduction du nouveau barème de la Société — Introduction of new League Scale:

1923 . . . 27 197	1929 . . . 26 304	1935 . . . 30 294	1941 . . . 14 428
1924 . . . 24 929	1930 . . . 28 191	1936 . . . 28 777	1942 . . . 14 428
1925 . . . 24 233	1931 . . . 31 279	1937 . . . 23 060	1943 . . . 18 605
1926 . . . 24 472	1932 . . . 33 579	1938 . . . 22 289	1944 . . . 16 980
1927 . . . 24 150	1933 . . . 33 016	1939 . . . 22 266	1945 . . . 24 980
1928 . . . 24 811	1934 . . . 30 432	1940 . . . 18 561	1946 . . . 27 145

ANNEX 12

A. 20. 1946.X.

Geneva, April 3rd, 1946.

FINANCIAL SITUATION ON MARCH 31st, 1946

Memorandum by the Acting Secretary-General.

In accordance with Article 21 of the Regulations for the Financial Administration of the League, the Acting Secretary-General has the honour to submit the following report on the financial position.

I. General Situation of Contributions received in 1946.

	Swiss francs	Swiss francs
Total credits voted for the twenty-eighth financial period (1946)	17,883,849.—	
Amount outstanding in respect of the twenty-eighth financial period (1946) as at March 31st, 1946 (see page 210)	<u>17,088,708.17</u>	
Amount received as at March 31st, 1946 (4.45% ¹) (see page 210)		795,140.83
Contributions received in 1946 in respect of previous periods (1920-1945) :		
Arrears (see below)	3,025,447.40	
Consolidated contributions (see below)	<u>71,247.—</u>	
Total of arrears received as at March 31st, 1946		<u>3,096,694.40</u>
Total receipts (21.76% ²)		<u>3,891,835.23</u>

The arrears and consolidated contributions due as at December 31st, 1945, are shown in the Report of the Special Committee on Contributions (see document C.10.M.10.1946.X, pages 8-13) and in the Audited Accounts for the twenty-seventh Financial Period (1945) (see document C.15.M.15.1946.X, pages 17-18). The contributions received since December 31st, 1945, were as follows :

State	Swiss francs
1. Arrears :	
Australia (1945)	536,426.72
Bolivia (1940-1944)	141,355.95
Denmark (1940)	104,967.—
Luxemburg (1945)	35,316.90
Netherlands (1945)	70,633.80
Sweden (1940-1945)	<u>2,136,747.03</u>
	<u>3,025,447.40</u>
2. Consolidated contributions :	
Bolivia (in respect of annuities for the years 1940-1944)	70,936.80
Nicaragua (on account of 1945 annuity)	310.20
	<u>71,247.—</u>

¹ Corresponding figure on March 31st, 1945 : 0.24%.

² Corresponding figure on March 31st, 1945 : 2.55%.

STATEMENT OF CURRENT CONTRIBUTIONS FOR THE TWENTY-EIGHTH FINANCIAL PERIOD (1946)
AS AT MARCH 31ST, 1946.

Etats (ordre alphabétique français)	Unités Units	Montant net de la contri- bution Net amount of contribution	Sommes versées Paid	Soldes dus Balances due	States (French alphabetical order)
		Francs suisses - Swiss francs			
1. Afghanistan	1	38 377.35	—	38 377.35	Afghanistan
2. Union Sud-Africaine . . .	16	614 037.73	—	614 037.73	Union of South Africa
3. Albanie	(1)*	—	—	—	Albania
4. République Argentine . . .	21	805 924.52	—	805 924.52	Argentina
5. Australie	23	882 679.24	—	882 679.24	Australia
6. Belgique	2	76 754.72	27 593.66	49 161.06	Belgium
7. Bolivie	2	76 754.72	—	76 754.72	Bolivia
8. Royaume-Uni	108	4 144 754.80	—	4 144 754.80	United Kingdom
9. Bulgarie	4	153 509.43	—	153 509.43	Bulgaria
10. Canada	35	1 343 207.54	—	1 343 207.54	Canada
11. Chine	21	805 924.52	—	805 924.52	China
12. Colombie	5	191 886.79	—	191 886.79	Colombia
13. Cuba	5	191 886.79	—	191 886.79	Cuba
14. Danemark	2	76 754.72	—	76 754.72	Denmark
15. République Dominicaine	1	38 377.35	—	38 377.35	Dominican Republic
16. Egypte	12	460 528.30	—	460 528.30	Egypt
17. Equateur	1	38 377.35	—	38 377.35	Ecuador
18. Estonie	(1)*	—	—	—	Estonia
19. Ethiopie	1	38 377.35	—	38 377.35	Ethiopia
20. Finlande	5	191 886.79	—	191 886.79	Finland
21. France	40	1 535 094.33	—	1 535 094.33	France
22. Grèce	1	38 377.35	—	38 377.35	Greece
23. Inde	48	1 842 113.20	—	1 842 113.20	India
24. Irak	3	115 132.08	—	115 132.08	Iraq
25. Iran	5	191 886.79	—	191 886.79	Iran
26. Irlande	10	383 773.58	—	383 773.58	Ireland
27. Lettonie	(1)*	—	—	—	Latvia
28. Libéria	1	38 377.35	—	38 377.35	Liberia
29. Lithuanie	(1)*	—	—	—	Lithuania
30. Luxembourg	1	38 377.35	—	38 377.35	Luxemburg
31. Etats-Unis du Mexique . .	11	422 150.94	—	422 150.94	Mexico
32. Norvège	2	76 754.72	76 754.72	—	Norway
33. Nouvelle-Zélande	8	307 018.87	—	307 018.87	New Zealand
34. Panama	1	38 377.35	—	38 377.35	Panama
35. Pays-Bas	2	76 754.72	—	76 754.72	Netherlands
36. Pologne	2	76 754.72	—	76 754.72	Poland
37. Portugal	8	307 018.87	—	307 018.87	Portugal
38. Siam	5	191 886.79	—	191 886.79	Siam
39. Suède	19	729 169.81	—	729 169.81	Sweden
40. Suisse	17	652 415.09	652 415.09	—	Switzerland
41. Tchécoslovaquie	2	76 754.72	38 377.36	38 377.36	Czechoslovakia
42. Turquie	10	383 773.58	—	383 773.58	Turkey
43. Uruguay	4	153 509.43	—	153 509.43	Uruguay
44. Yougoslavie	1	38 377.35	—	38 377.35	Yugoslavia
Total	466	17 883 849.—	795 140.83	17 088 708.17	Total

* One nominal unit; the corresponding contribution is not counted in the total.

II. Working Capital Fund.

The Working Capital Fund with the Acting Secretary-General was, on March 31st, 1946, employed as follows :

Summary of unrecovered advances made to Organisations to meet deficits :	Swiss francs
Secretariat (Part I)	165,524.43
Pensions Fund (Part VI)	705,092.93
Other Special Organisations	121,703.55
International Labour Organisation (Part II)	629,935.29
Permanent Court of International Justice (Part III)	<u>1,948,024.91</u>
Total for the Organisations	3,570,281.11
Recoverable advances :	
1. Commission of Enquiry to the Chaco :	
Share payable by Paraguay	217,652.85
2. Commission for the Organisation and Supervision of the First Elections in the Sanjak :	
Share payable by Turkey	<u>268,676.35</u>
Total outstanding	486,329.20
	<u>4,056,610.31</u>
Balance : Cash in Fund on March 31st, 1946 :	
with the Secretariat	1,352,435.16
with the International Labour Organisation	<u>1,126,583.83</u>
Total of the Fund	2,479,018.99
	<u>6,535,629.30</u>

III. Special Funds.

The balances of the Special Funds, of funds received from private sources donated for particular purposes, the Staff Pensions Fund, the Staff Provident Fund and the Pensions Fund of the Judges of the Permanent Court of International Justice are set out in the General Report of the Supervisory Commission to the Assembly (see Annex 4, page 156), as at December 31st, 1945. Since that date, the balances shown have undergone practically no change.

ANNEX 13

A. 26. 1946.

Geneva, April 11th, 1946.

ATTRIBUTION TO THE ASSEMBLY OF THE RESPONSIBILITIES
OF THE COUNCIL

REPORT BY THE GENERAL COMMITTEE TO THE ASSEMBLY

The Assembly has asked the General Committee to give its opinion on point 10 of the Agenda of the Assembly. This point is presented in the Agenda as follows :

“ 10. The Council of the League of Nations.

“ If the Members of the League consider that a meeting of the Council is in present circumstances unnecessary, the Assembly might decide that it will during its session fulfil, so far as required, such administrative and other responsibilities in the present situation as would fall within the competence of the Council.”

As our two main Committees may have to take resolutions involving responsibilities normally falling within the competence of the Council, it appears necessary for the Assembly to pass a resolution on this subject early in the proceedings. The General Committee therefore proposes to the Assembly the adoption of the following resolution :

“ The Assembly, with the concurrence of all the Members of the Council which are represented at its present session, decides that, so far as required, it will, during the present session, assume the functions falling within the competence of the Council.”

ANNEX 14

A. 17. 1946.

Geneva, March 28th, 1946.

MANDATE OF THE ACTING SECRETARY-GENERAL

I.

The Acting Secretary-General has the honour to communicate copy of a letter, dated September 1st, 1945, from him to the President of the Assembly.

Geneva, September 1st, 1945.

Sir,

In view of the fact that the Assembly of the League of Nations is about to meet, it is incumbent on me to take this occasion, the first which has offered, to place my post as Acting Secretary-General at the disposal of the Assembly.

When the former Secretary-General resigned five years ago, a meeting of the Assembly to consider action under Article 6 (paragraph 2) of the Covenant was impracticable and the duties and responsibilities were therefore allotted to me. All Governments of Members of the League were fully and duly informed of the circumstances by the competent authorities¹.

I cannot fail to thank all the Governments which gave me their confidence and support in these difficult years.

I have the honour to be, Sir,

Your obedient Servant,
(Signed) Sean LESTER,
Acting Secretary-General.

The President of the
Assembly of the
League of Nations.

* * *

APPENDIX TO THE ACTING SECRETARY-GENERAL'S LETTER TO THE PRESIDENT OF THE ASSEMBLY

1. By a communication dated July 25th, 1940², addressed to the Members of the League of Nations, M. Joseph Avenol, Secretary-General, requested them to relieve him of the task with which they had entrusted him. He added: "I propose notify date on which my resignation would take effect after coming meeting of Supervisory Commission." In a further telegram addressed to the Members of the League of Nations on August 20th, 1940³, M. Avenol said: "...I desire as from end August relinquish my salary as Secretary-General. I would wish to have to take no further initiative as from that date, on which my duties would cease... Mr. Lester has been Acting Secretary-General since July 26th."

2. On August 21st, 1940⁴, the Acting President of the Council (M. Costa du Rels) sent to M. Avenol a letter taking note of the fact that M. Avenol's functions as Secretary-General would terminate at the end of the month of August 1940. He noted further that, since July 26th, Mr. Lester was Acting Secretary-General.

3. On August 27th, 1940⁵, M. C. J. Hambro, President of the twentieth ordinary session of the Assembly, Chairman of the Supervisory Commission, sent a telegram to be transmitted to States Members in which, both as President of the Assembly and as Chairman of the Supervisory Commission, he expressed his concurrence with M. Avenol's cessation of his functions as Secretary-General as from August 31st, and with the duties of Secretary-General being entrusted to Mr. Lester, Deputy Secretary-General, as from September 1st, 1940.

¹ See Appendix; also Report of the Supervisory Commission dated November 4th, 1940 (document C.152.M.139.1940).

² Document C.121.M.III.1940.

³ Document C.127.M.116.1940.

⁴ Document C.131.M.120.1940.

⁵ Document C.134.M.123.1940.

4. On August 24th, 1940¹, the President of the Council addressed a communication to Members of the League of Nations in the course of which it was stated: "As from September 1st, pending consideration by competent authorities application Article six paragraph two Covenant², all functions Secretary-General will normally pass to Deputy Secretary-General Mr. Lester."

5. On September 5th, 1940³, the Acting Secretary-General cabled to Governments of States Members as follows: "On taking over responsibilities devolving upon me I do so with earnest hope that your Government will give support necessary to maintain unimpaired such League activities as circumstances now permit."

A.24.1946.

Geneva, April 9th, 1946.

II. REPORT OF THE GENERAL COMMITTEE TO THE ASSEMBLY

The General Committee, acting as the Agenda Committee, considered, at its meeting on April 9th, 1946, what advice it should give to the Assembly as to which Committee should be asked to examine this question.

The General Committee is of opinion that it should itself examine the question and in due course report to the Assembly on the result of its examination.

A.31.1946

Geneva, April 16th, 1946.

III. REPORT BY THE GENERAL COMMITTEE TO THE ASSEMBLY

At its meeting on April 10th, the Assembly invited the General Committee to examine this question⁴. In his letter to the President of the Assembly, dated September 1st, 1945, the Acting Secretary-General placed his post at the disposal of the Assembly.

The General Committee considered this letter at its meeting on April 16th and has the honour to recommend to the Assembly the adoption of the following resolution:

"The Assembly, in accordance with paragraph 2 of Article 6 of the Covenant, confirms Mr. Sean Lester as Secretary-General of the League of Nations as from September 1st, 1940.

"The Assembly also approves the appointment of Mr. Seymour Jacklin as Under-Secretary-General as from January 1st, 1944."

¹ Document C.132.M.121.1940.

² Article 6, paragraph 2, of the Covenant: "The first Secretary-General shall be the person named in the Annex; thereafter the Secretary-General shall be appointed by the Council with the approval of the majority of the Assembly."

³ Document C.140.M.128.1940.

⁴ See preceding page.

ANNEX 15

A.29.1946.

Geneva, April 13th, 1946.

COMMUNICATION FROM THE AUSTRIAN FEDERAL GOVERNMENT

I. TELEGRAM FROM THE AUSTRIAN FEDERAL GOVERNMENT

The Acting Secretary-General has the honour to circulate to the Assembly the reply from the Minister for Foreign Affairs of Austria to the communication addressed to him in conformity with the Assembly's resolution of April 12th, 1946¹.

(Translation.)

Mr. Sean Lester, Secretary-General,
League of Nations, Geneva.

Vienna, April 12th, 1946.

I thank you sincerely for your communication regarding attendance of Austrian representatives at Assembly Session. Am deeply touched by Assembly's expression of sympathy for my country. Appreciate very highly Assembly's authorisation and appoint Dr. Johannes SCHWARZENBERG and Dr. Erich BIELKA in capacity of observers.

GRUBER,
*Federal Minister for Foreign
Affairs.*

A.34.1946.

Geneva, April 17th, 1946.

II. LETTER FROM THE OBSERVERS OF THE AUSTRIAN FEDERAL GOVERNMENT

With further reference to documents A.22² of April 11th, 1946, and A.29 of April 13th, 1946, a letter from the observers of the Austrian Federal Government is circulated for the information of the Assembly.

(Translation.)

Observers of the
Austrian Federal Government
to the League of Nations.

2, rue Beauregard, Geneva,
April 16th, 1946.

Mr. President,

As the Austrian Minister for Foreign Affairs has already done in his telegram³ to the Secretary-General, we, the undersigned observers of the Austrian Federal Government, desire for our part to express the deepest gratitude for the inspiring and cordial terms in which you were kind enough to speak of Austria at the meeting of the Assembly on April 12th. We wish also to express our own thanks for the welcome extended to us by the Secretary-General and his colleagues.

The Austrian people remember with sincere gratitude the work of reconstruction undertaken in Austria on two occasions by the League of Nations. At a time when, with deep emotion, we are about to take farewell of the League of Nations, which enabled Austria to avoid economic and financial disaster, we are anxious to pay it tribute for the accomplishment of a task which constitutes one of the finest pages in its history.

Liberated from an occupation which condemned them to silence for so many years and interrupted their international collaboration, the Austrian people firmly hope that they may once again be associated with the principles which have governed the fruitful activity of the League for a quarter-of-a-century, and which are the very basis of the new organisation that is to replace the old. Austria's most fervent desire is that as soon as possible she may contribute her active help in this new work of justice and peace.

We beg you to accept, Mr. President, the assurances of our highest consideration.

(Signed) J. SCHWARZENBERG.
E. BIELKA.

To His Excellency M. Carl Joachim Hambro,
President of the Assembly of the League of Nations.

¹ See document A.22.1946.

² See page 49.

³ See above.

ANNEX 16

A.23.1946.

Geneva, April 8th, 1946.

TELEGRAM FROM THE ACTING DIRECTOR
OF THE INTERNATIONAL LABOUR OFFICE

Mexico, April 6th, 1946.

Lester, Secretary-General,
League Nations, Genève.

Much regret that my responsibilities as Secretary-General of Conference American States Members of International Labour Organisation now in session at Mexico City make it impossible for me to attend personally Assembly in order to express my deep appreciation of the support and assistance which the League has always given to the I.L.O. Have therefore appointed Mr. G. A. JOHNSTON, Assistant Director, as my representative. Moreover, Mr. Myrddin EVANS, Chairman of the Governing Body is leaving Mexico by air for Geneva to-morrow to represent Governing Body at Assembly. Venture to express the hope that Assembly will be fully successful in solving the many complex problems before it. In doing so it but closes the first chapter in the history of organised international effort to foster peace and prosperity for all. That great purpose remains the objective of mankind and as it becomes steadily more certain of fulfilment history will record its tribute to those who laboured to lay its first foundations.

Edward PHELAN,
Acting Director of the I.L.O.

ANNEX 17

A.8.1946.X.

Geneva, March 14th, 1946.

TRANSFER OF THE ASSETS OF THE LEAGUE OF NATIONS

I. REPORT ON DISCUSSIONS BETWEEN THE SUPERVISORY COMMISSION AND THE REPRESENTATIVES OF THE UNITED NATIONS

1. In view of the general acceptance of the programme outlined in the Acting Secretary-General's telegram to the Members of the League of September 20th, 1945¹, the Supervisory Commission was authorised to discuss and, so far as feasible, formulate provisional terms of transfer of activities and assets of the League with representatives of the United Nations "subject to the final decision of the League Assembly".

2. On December 18th, 1945, the Preparatory Commission of the United Nations set up a Committee to enter, on its behalf, into discussion with the Supervisory Commission "for the purpose of establishing a common plan for the transfer of the assets of the League to the United Nations on such terms as are considered just and convenient". The plan was to be subject, so far as the United Nations was concerned, to approval by its General Assembly.

According to the terms of reference above quoted, the United Nations Committee was empowered only to discuss "transfer of assets". The possible assumption by the United Nations of certain functions and activities hitherto performed by the League was covered by other recommendations of the Preparatory Commission which did not provide for preliminary discussions with the Supervisory Commission of the League.

3. A number of meetings were held between the representatives of the two bodies which resulted in the establishment of the "Common Plan" annexed to this paper². This "Plan" has now been approved by the General Assembly of the United Nations and it is the duty of the Supervisory Commission to submit it for the approval of States Members of the League. This document is, in general, self-explanatory, but it seems desirable to mention certain considerations which governed the discussions and which are further developed in the Report of the United Nations Committee³.

4. The representatives of the United Nations attached great importance to the distinction between business which fell within the special province of the League and matters which were of immediate concern to the United Nations. The representatives of the League fully appreciated this distinction. Thus the United Nations did not regard itself as concerned with such questions as the collection of debts due to the League, nor was it concerned with the fair and equitable distribution of available assets and credits among Member States.

It was necessary for the Supervisory Commission in negotiating with the representatives of the United Nations to provide that the position of the International Labour Organisation—whose relations with the United Nations have not yet been established—in regard to buildings and other assets should not be prejudiced. In this matter the Supervisory Commission received all possible assistance both from the United Nations and from the International Labour Organisation. In particular, the representatives of the Organisation have shown their readiness to assist the League in arranging a continuity of administration in regard to such matters as the Staff Pensions Fund, for which new arrangements must be made when direct administration by the League ceases. It will be appreciated that it has not yet been possible to work out all the details connected with the liquidation of the League, which is inevitably a complicated process, and the completion of which will require some time, but it seems to the Supervisory Commission that the broad outlines of a suitable scheme have now been worked out in agreement with the United Nations.

5. The following notes on certain paragraphs in the "Common Plan" may be helpful.

Paragraph 1. — The transfer of the material assets of the League to the United Nations involves their valuation. It is proposed that in due course a date will be fixed when the final inventory will be established by representatives of the two Organisations. It is proposed that both as regards:

- (i) land and buildings,
- (ii) equipment, furniture, etc.,

¹ See page 10.

² The following members of the Supervisory Commission participated in the discussions: M. C. J. Hambro (*Chairman*), Sir Cecil Kisch (*Vice-Chairman and Rapporteur*), M. Costa du Rels, Mr. Hume Wrong, Jonkheer F. Beelaerts van Blokland, and M. Charveriat. The Acting Secretary-General, the Treasurer and the representative of the Acting Director of the International Labour Office also participated in the discussions.

³ Document A.9.1946.

the valuation should be based on cost price as representing a "just and convenient evaluation". Gifts and League archives would be excluded from the valuation and transferred free of cost. While the figures in the schedule attached to the "Common Plan" are subject to revision, they give a broad idea of the amount involved on the basis of valuation at cost price. If the States Members of the League approve the proposals, the effect will be to transfer to the United Nations all the material assets of the League other than those which will be specifically allocated to the International Labour Organisation. The assets connected with the location of the Permanent Court of International Justice at The Hague will be made over for the use of the new International Court.

Paragraphs 2 and 3 call for no action so far as the United Nations is concerned. They cover questions which are exclusively the concern of the League.

Paragraph 4. — In pursuance of what has been stated above regarding the International Labour Organisation, it is proposed that the building of the International Labour Office in Geneva should be handed over to that Organisation together with its contents, on the understanding that appropriate credits are opened by that Organisation in favour of League States entitled to participate in them. The International Labour Organisation has also interests in certain Funds set up by the League, such as the Renovation Fund. Steps will be taken to determine these interests and hand them over to the International Labour Organisation on appropriate conditions. Steps have been taken in the "Common Plan" to safeguard the interests of the International Labour Organisation in the Assembly Hall and the League Library. Further reference to this subject will be found in the Report of the United Nations Committee¹.

Paragraph 5. — While it is hoped that a certain number of League officials will enter the service of the United Nations and contribute their knowledge and experience to the development of that Organisation, the United Nations attached importance to such members entering its service under conditions established by it. Directions have therefore been given with a view to the termination of contracts of officials serving the League of Nations and it will be for the United Nations to engage such officials as it may wish to employ on such terms as may be agreed between it and the officials concerned.

Paragraph 6. — Hitherto these Funds have been administered by the League and members have had the guarantee of League States as to the fulfilment of the pensionary conditions attaching to their service. The League Staff Pensions Fund covers not only the Secretariat but also the International Labour Office and the officials of the Permanent Court of International Justice. The pensioners of the Secretariat and of the Permanent Court of International Justice represent a class which will disappear in the process of years, whereas the International Labour Office is a continuing organisation. It therefore seems to be the most convenient arrangement that administration of the League Staff Pensions Fund should be taken over by the International Labour Office, and that States Members of the League, which are also Members of the International Labour Organisation, should continue to hold themselves responsible for the implementation of the pensionary conditions of retired officials of the Secretariat and the Permanent Court of International Justice. States Members of the International Labour Organisation will hold themselves responsible for the due discharge of obligations to officers of that Organisation.

If this proposal is approved, it is intended that an actuarial examination should be made of the state of the Fund prior to transfer to the International Labour Office and that any additional payment that may be necessary to ensure the solvency of the Fund under the regulations applicable thereto should be made before the transfer. It is important to remark that the regulations of the Fund assume an interest rate of 4¼%. In present conditions, this rate will not be obtainable on investments and, if the future should show that some additional payment is necessary to maintain the solvency of the Fund, the liability to make good any deficiency will fall upon the same States as now carry it.

The best method of providing for the future of the Judges' Pensions Fund is being examined.

Paragraph 7. — Proposals for an equitable partition among League States of credits in respect of the material assets transferred to the United Nations and of any liquid assets available after the discharge of all League obligations will be separately submitted for the approval of the Assembly.

Paragraph 8. — The transfer to the United Nations of the land and buildings on Swiss territory involves questions on which the Swiss Authorities must be consulted. The necessary steps to open negotiations on the proposals will be taken by the representatives of the United Nations and the League of Nations.

6. The Supervisory Commission considers that the "Common Plan" it submits to the Assembly is fair and reasonable. The shares of the Members of the League in the value

¹ Document A.9.1946.

of transferred assets are recognised ; the International Labour Organisation will become the proprietor of its premises at Geneva and continue to use the Assembly Hall and the Library as heretofore. A working arrangement¹, to which the United Nations has agreed, will so far as necessary permit those entrusted with the liquidation to use the League buildings and equipment until the end of the liquidation, after the transfer of the buildings themselves to the United Nations.

7. It is submitted that the States Members of the League should approve the terms of the " Common Plan " embodied in the Appendix to this paper.

February-March 1946.

APPENDIX

COMMON PLAN FOR THE TRANSFER OF LEAGUE OF NATIONS ASSETS ESTABLISHED BY THE UNITED NATIONS COMMITTEE AND THE SUPERVISORY COMMISSION OF THE LEAGUE OF NATIONS

1. The League of Nations agrees to transfer to the United Nations, and the United Nations agrees to receive on or about August 1st, 1946, the precise date to be determined by the administrative authorities of the two Organisations, all material assets of the League of Nations shown in column I of the attached Schedule at the valuation shown in column II.

The League of Nations agrees that the shares in the total credit thus established shall be distributed between States entitled to participate, in accordance with percentages to be laid down by the League at its next Assembly.

The United Nations agrees :

(a) That the shares, thus established, of such of these States as are Members of the United Nations shall be credited² to them respectively in the books of the United Nations ; and

(b) That the General Assembly shall decide on the purposes to which these credits shall be applied and on the dates on which they shall be so applied ; and further that these credits shall in any event begin to be available not later than December 31st, 1948.

The United Nations further agrees :

(a) That the International Labour Organisation may use the Assembly Hall, together with the necessary committee rooms, office accommodation and other facilities connected therewith at times and on financial terms to be agreed from time to time between the United Nations and the International Labour Organisation ;

(b) That the International Labour Organisation may use the Library under the same conditions as other official users thereof.

2. The League of Nations shall take steps to discharge all its obligations as soon as practicable.

3. The League of Nations shall take steps to settle the question of contributions of Member States in arrears.

4. The League of Nations shall take steps to separate the interests of the International Labour Organisation in the assets of the League, before transfer to the United Nations. It is understood that the International Labour Organisation building at Geneva will be transferred to that Organisation.

5. Any ex-officials of the League of Nations subsequently engaged by the United Nations shall enter service under conditions of employment established by the United Nations, and it will be for the League of Nations to take the necessary steps to make this possible.

6. It is understood that the League of Nations shall make arrangements, independently of the United Nations, with regard to the continued administration of the Staff Pensions Fund and with regard to the pensions of the Judges of the Permanent Court of International Justice.

7. When the League has discharged all its obligations and made the necessary dispositions concerning the Working Capital Fund and regarding outstanding contributions, the remaining liquid assets shall be credited or distributed to Members of the League under a scheme to be determined by it.

8. Both the United Nations and the League of Nations shall authorise competent authorities to make any necessary agreements with the Swiss Authorities on all matters connected with the transfer of assets of the League of Nations to the United Nations.

¹ See Report of United Nations Committee, paragraph 8 (document A.9.1946).

² These credits shall be translated into dollar currency at the rate effective on the day of transfer of the material assets referred to in paragraph 1.

SCHEDULE *

	Swiss francs
Secretariat building and Assembly Hall	38,553,914.03 ¹
Library building	— ²
Real estate belonging to the League of Nations having an area of 203,446 square meters and comprising four villas and other buildings . .	2,889,453.45
Furniture, fittings, typewriters, etc., for the use of the Secretariat, including the branch offices, and for the other buildings in Geneva	3,329,978.70
Total included under Secretariat building and Assembly Hall to be deducted	1,429,185.02
Furniture, fittings, typewriters, etc., for the use of the Court of Justice in The Hague	1,900,793.68 ³
Stocks of stationery, printing paper and publications, office supplies and equipment, in Geneva and branch offices	278,015.20 ³
Books, stocks of stationery, printing paper and publications, office supplies and equipment for the Court in The Hague	199,657.25 ³
Gifts	291,596.00 ⁴
Library: Books, etc., in Geneva	— ⁵
Archives of the League of Nations and of the Permanent Court of International Justice	3,518,089.00 ⁶
	—
Total . . .	<u>47,631,518.61</u>

A.II.1946.

Geneva, March 14th, 1946.

II. PROPOSAL BY THE GOVERNMENT OF THE DOMINICAN REPUBLIC

The Acting Secretary-General has the honour to communicate to States Members a telegram, dated February 25th, 1946, from the President of the Dominican Republic, containing a proposal in regard to the transfer of League assets.

TELEGRAM FROM THE GOVERNMENT OF THE DOMINICAN REPUBLIC

Ciudad Trujillo, February 25th, 1946.

[Translation.]

To M. Seán Lester, Acting Secretary-General of the League of Nations, Geneva.

I am informed that in April next the competent organs of the League of Nations will meet for the purpose of proceeding to liquidate the property of the League. The Dominican Republic, in its capacity as a Member of the League and as one of the nations possessing *pro rata* rights in respect of such property, proposes as a method for distributing it the allocation of three-fourths of existing cash assets as a grant in favour of the humanitarian objects of U.N.R.R.A. and the remaining one-fourth as a contribution to the Columbus Lighthouse Memorial Fund, which was recently extolled at the General Assembly of the United Nations, as this would constitute a symbolical homage to the discoverer of America and to human brotherhood. The landed property would be presented to the Government of the United States for the purpose of setting up therein the World Health Office which that Government, as is understood, is desirous of creating. Thus would be accomplished a threefold task to the benefit of the whole world by means of the winding-up of the organisation which was created with the noble intention of ensuring human happiness. I would request Your Excellency to transmit this proposal of the Dominican Government to the other Members of the League and to communicate to me their ideas concerning the possibilities of implementing it for the good of the suffering world and in honour of the most illustrious glory hallowed by history.

(Signed) Rafael L. TRUJILLO,
President of the Dominican Republic.

¹ Cost of building and equipment of the Secretariat and the Assembly Hall. The League has a transferable right to use the land on which the buildings stand, the land 100 meters around it and the two roads leading to the buildings. The League further has a non-transferable right to use the remainder of the plot of land in Ariana Park in which the buildings stand. No value is placed on these rights in the schedule.

² The cost of this building given by Mr. Rockefeller was 5,564,206.22 Swiss francs.

³ Owing to possible changes before the date of transfer, these figures are provisional and subject to revision.

⁴ Owing to possible changes before the date of transfer, these figures are provisional and subject to revision. Deduction might also be made for gifts included in this figure.

⁵ The nominal value of the gifts should be put at 1,234,640 Swiss francs.

⁶ This figure includes gifts and will therefore be revised, a deduction being made for gifts.

* Note by the Secretariat. — A revised valuation excluding all gifts and purchases from gifts is included in Annex 4, page 158.

ANNEX 18.

A. 13. 1946.

Geneva, March 20th, 1946.

DECISIONS OF THE UNITED NATIONS
CONCERNING CERTAIN FUNCTIONS, POWERS AND ACTIVITIES
OF THE LEAGUE

NOTE BY THE ACTING SECRETARY-GENERAL

Besides the "Common Plan" on the transfer of League assets which has been agreed to by the United Nations on the one hand and by the Supervisory Commission subject to approval by the Assembly of the League on the other (see page 219), the United Nations, during the first part of its First General Assembly, adopted several Resolutions concerning different functions, powers and activities of the League and providing in certain cases for their assumption by the United Nations.

The texts of these Resolutions are circulated to the Members of the Assembly for their information, in particular to assist them in their examination of item 12 of the Provisional Agenda of the Assembly¹.

I. FUNCTIONS AND POWERS BELONGING TO THE LEAGUE OF NATIONS
UNDER INTERNATIONAL AGREEMENTS

(United Nations document A/28, dated February 4th, 1946.)

"Under various treaties and international conventions, agreements and other instruments, the League of Nations and its organs exercise, or may be requested to exercise, numerous functions or powers for the continuance of which, after the dissolution of the League, it is, or may be, desirable that the United Nations should provide.

"Certain Members of the United Nations, which are parties to some of these instruments and are Members of the League of Nations, have informed the General Assembly that, at the forthcoming session of the Assembly of the League, they intend to move a resolution whereby the Members of the League would, so far as this is necessary, assent and give effect to the steps contemplated below.

"THEREFORE:

"1. The General Assembly reserves the right to decide, after due examination, not to assume any particular function or power, and to determine which organ of the United Nations or which specialised agency brought into relationship with the United Nations should exercise each particular function or power assumed.

"2. The General Assembly records that those Members of the United Nations which are parties to the instruments referred to above assent by this Resolution to the steps contemplated below and express their resolve to use their good offices to secure the co-operation of the other parties to the instruments so far as this may be necessary.

"3. The General Assembly declares that the United Nations is willing, in principle and subject to the provisions of this Resolution and of the Charter of the United Nations, to assume the exercise of certain functions and powers previously entrusted to the League of Nations, and adopts the following decisions, set forth in A, B, and C below:

"A. *Functions pertaining to a Secretariat.*

"Under certain of the instruments referred to at the beginning of this Resolution, the League of Nations has, for the general convenience of the parties, undertaken to act as custodian of the original signed texts of the instruments, and to perform certain functions, pertaining to a secretariat, which do not affect the operation of the instruments and do not relate to the substantive rights and obligations of the parties. These functions include: the receipt of additional signatures and of instruments of ratification, accession and denunciation; receipt of notice of extension of the instruments to colonies or possessions of a party or to protectorates or territories for which it holds a mandate; notification of such acts to other parties and other interested States; the issue of certified copies; and the circulation of information or documents which the parties have undertaken to communicate to each other. Any interruption in the performance of these functions would be contrary to the interests of all the parties. It would be convenient for the United Nations to have the custody of those instruments which are connected with activities of the League of Nations and which the United Nations is likely to continue.

¹ See Annex 1, page 144.

“THEREFORE:

“The General Assembly declares that the United Nations is willing to accept the custody of the instruments and to charge the Secretariat of the United Nations with the task of performing for the parties the functions, pertaining to a secretariat, formerly entrusted to the League of Nations.

“*B. Functions and Powers of a Technical and Non-political Character.*

“Among the instruments referred to at the beginning of this Resolution are some of a technical and non-political character which contain provisions, relating to the substance of the instruments, whose due execution is dependent on the exercise, by the League of Nations or particular organs of the League, of functions or powers conferred by the instruments. Certain of these instruments are intimately connected with activities which the United Nations will or may continue.

“It is necessary, however, to examine carefully which of the organs of the United Nations or which of the specialised agencies brought into relationship with the United Nations should, in the future, exercise the functions and powers in question, in so far as they are maintained.

“THEREFORE:

“The General Assembly is willing, subject to these reservations, to take the necessary measures to ensure the continued exercise of these functions and powers, and refers the matter to the Economic and Social Council.

“*C. Functions and Powers under Treaties, International Conventions, Agreements and Other Instruments having a Political Character.*

“The General Assembly will itself examine, or will submit to the appropriate organ of the United Nations, any request from the parties that the United Nations should assume the exercise of functions or powers entrusted to the League of Nations by treaties, international conventions, agreements and other instruments having a political character.”

The assumption by the United Nations of functions and powers connected with public loans issued with the assistance of the League of Nations is not mentioned in this Resolution. The relevant passage of the report of the Preparatory Commission of the United Nations reads as follows: “The Preparatory Commission makes no recommendation on this subject; it considers that it can be brought by any interested Government before the Economic and Social Council”.¹

II. NON-POLITICAL FUNCTIONS AND ACTIVITIES OF THE LEAGUE OF NATIONS
OTHER THAN THOSE MENTIONED IN I.

(United Nations document A/28, dated February 4th, 1946.)

“1. The General Assembly requests the Economic and Social Council to survey the functions and activities of a non-political character which have hitherto been performed by the League of Nations in order to determine which of them should, with such modifications as are desirable, be assumed by organs of the United Nations or be entrusted to specialised agencies which have been brought into relationship with the United Nations. Pending the adoption of the measures decided upon as the result of this examination, the Council should, on or before the dissolution of the League, assume and continue provisionally the work hitherto done by the following League departments: the Economic, Financial and Transit Department, particularly the research and statistical work; the Health Section, particularly the epidemiological service; the Opium Section and the secretariats of the Permanent Central Opium Board and Supervisory Body.

“2. The General Assembly requests the Secretary-General to make provision for taking over and maintaining in operation the Library and Archives and for completing the League of Nations *Treaty Series*.

“3. The General Assembly considers that it would also be desirable for the Secretary-General to engage, for the work referred to in paragraphs 1 and 2 above, on appropriate terms, such members of the experienced personnel by whom it is at present being performed as the Secretary-General may select.”

In regard to paragraph 1 of the above Resolution, the Economic and Social Council has taken two decisions:

It has:

(a) Requested the Secretary-General of the United Nations to undertake the survey called for by the General Assembly and to report at an early date to the Economic and Social Council;

(b) Directed the Secretary-General, acting in accordance with the Resolution of the General Assembly, to take the steps necessary to the provisional assumption and continuance of the work hitherto done by the League departments named in paragraph 1 of this Resolution².

¹ Report of the United Nations Preparatory Commission (document PC/20, dated December 23rd, 1945, page 118).

² United Nations document E/19, dated February 15th, 1946.

With regard to the provision to be made for "completing the League of Nations *Treaty Series*" mentioned in paragraph 2 of the same Resolution, the General Assembly of the United Nations, by another Resolution¹, instructed the Secretary-General of the United Nations:

"1. To submit to the General Assembly proposals for detailed regulations and other measures designed to give effect to the provisions of Article 102 of the Charter;²

"2. To invite the Governments of Members of the United Nations to transmit to the Secretary-General for filing and publication, treaties and international agreements entered into in recent years but before the date of entry into force of the Charter, which had not been included in the League of Nations *Treaty Series*, and to transmit for registration and publication treaties and international agreements entered into after the date of entry into force of the Charter; and

"3. To receive, from the Governments of non-member States, treaties and international agreements entered into both before and after the date of entry into force of the Charter, which have not been included in the League of Nations *Treaty Series* and which they may voluntarily transmit for filing and publication; and to dispose of them in accordance with the foregoing provisions, and subject to such detailed regulations and other measures as may hereafter be adopted."

Several decisions taken by the Economic and Social Council deal also with certain activities hitherto performed by the League.

The Economic and Social Council has established the following Commissions:³

(1) A *Commission on Human Rights*, whose work will be directed towards submitting proposals, recommendations and reports to the Council regarding: (a) an international bill of rights; (b) international declarations or conventions on civil liberties, the status of women, freedom of information and similar matters; (c) the protection of minorities; (d) the prevention of discrimination on grounds of race, sex, language or religion. The Economic and Social Council has also established a Sub-Commission on the Status of Women.

(2) An *Economic and Employment Commission*, which will be an advisory commission of the Economic and Social Council and which will establish three Sub-Commissions dealing respectively with (a) Employment; (b) Balance of Payments; (c) Economic Development (other sub-commissions may be established at a later date).

(3) A *Temporary Transport and Communications Commission*, which will, *inter alia*, advise the Economic and Social Council "with respect to the disposition, including possible allocation to inter-governmental agencies, of the functions of the Communications and Transit Organisation of the League of Nations".

(4) A *Statistical Commission*, which will, *inter alia*, assist the Council in the co-ordination of national statistics and the improvement of their comparability;

(5) A *Temporary Social Commission*, which will, *inter alia*, report to the Economic and Social Council on the advisability of bringing under the Council the activities in the social field hitherto carried on by the League of Nations, and such other activities as the work on the treatment of offenders, now carried on by the International Penal and Penitentiary Commission. The Temporary Social Commission will assume on an interim basis, pending the establishment of permanent machinery, the work of the League on such social questions as traffic in women and children and child welfare.

(6) A *Commission on Narcotic Drugs*, which will

"(a) Assist the Council in exercising such powers of supervision over the application of international conventions and agreements dealing with narcotic drugs as may be assumed by or conferred on the Council;

"(b) Carry out such functions entrusted to the League of Nations Advisory Committee on Traffic in Opium and Other Dangerous Drugs by the international conventions in narcotic drugs as the Council may find necessary to assume and continue;

"(c) Advise the Council on all matters pertaining to the control of narcotic drugs, and prepare such draft international conventions as may be necessary;

"(d) Consider what changes may be required in the existing machinery for the international control of narcotic drugs and submit proposals thereon to the Council;

"(e) Perform such other functions relating to narcotic drugs as the Council may direct."

¹ United Nations document A/31, dated February 5th, 1946.

² Article 102 of the Charter reads as follows:

"1. Every treaty and every international agreement entered into by any Member of the United Nations after the present Charter comes into force shall as soon as possible be registered with the Secretariat and published by it.

"2. No party to any such treaty or international agreement which has not been registered in accordance with the provisions of paragraph 1 of this Article may invoke that treaty or agreement before any organ of the United Nations."

³ United Nations documents E/20, E/27, E/28, E/29, E/30, E/31.

The Commission on Narcotic Drugs is composed of fifteen Members of the United Nations, which are important producing or manufacturing countries or countries in which illicit traffic in narcotic drugs constitutes a serious social problem. The Commission is authorised to appoint in a consultative capacity, and without the right to vote, representatives of bodies created under the terms of international Conventions on Narcotic Drugs.

The Economic and Social Council also proposed to establish, at its second session beginning on May 25th, 1946, a Demographic Commission and a Fiscal Commission.

With regard to the question of refugees, the relevant resolution of the United Nations is reproduced in substance in the last report of the High Commissioner of the League for Refugees¹.

It will be noticed that the Economic and Social Council did not establish a Health Committee or a Committee on Intellectual Co-operation. As regards Intellectual Co-operation, the United Nations Educational, Scientific and Cultural Organisation was set up by a United Nations Conference held in London last November, while the creation of an International Health Organisation will be discussed by the International Health Conference to be called by the Secretary-General of the United Nations not later than June 20th, 1946. For the preparation of this Conference, the Economic and Social Council appointed a Committee of Experts, which met in Paris on March 15th, 1946. Representatives of the Pan-American Sanitary Bureau, of the Office international d'Hygiène publique, of the Health Organisation of the League and of U.N.R.R.A. were invited to attend this meeting in an advisory capacity.

The General Assembly has not yet constituted the Trusteeship Council, provided for by Chapter XIII of the United Nations Charter. It hopes to be able to constitute it next September. The trusteeship system will apply, *inter alia*, to such territories held under mandate as may be placed under that system by means of trusteeship agreements.

¹ See Annex 10, page 234.

ANNEX 19.

A. 18. 1946. V.

Geneva, March 30th, 1946.

DISSOLUTION OF THE PERMANENT COURT OF INTERNATIONAL JUSTICE

TEXT OF REPORT ADOPTED ON DECEMBER 18th, 1945, BY
THE PREPARATORY COMMISSION OF THE UNITED NATIONS

The Acting Secretary-General has the honour to communicate, for the information of the Assembly, the text of the report adopted on December 18th, 1945, by the Preparatory Commission of the United Nations (Item 11 (a) of the Agenda of the Assembly of the League¹).

* * *

Report concerning the Dissolution of the Permanent Court of International Justice².

The Preparatory Commission has been informed by certain of its Members, which are also Members of the League of Nations, that they intend to move, at the forthcoming session of the Assembly of the League of Nations, a resolution for the purpose of effecting the dissolution of the Permanent Court of International Justice. The States concerned have further informed the Preparatory Commission of their intention to require, under the terms of the peace treaties or in some other appropriate form, the assent of those States parties to the Protocol of Signature of the Statute of the Permanent Court which have been or still are at war with certain of the Members of the United Nations, to any measures taken to bring the Permanent Court to an end.

Those Members of the Preparatory Commission which are parties to the Protocol of Signature, whether Members of the League of Nations or not, have, by a resolution of the Preparatory Commission on December 18th, 1945, recorded their assent to the dissolution of the Permanent Court.

Therefore:

THE PREPARATORY COMMISSION FURTHER DECLARED in this resolution, and informs the General Assembly, that it would welcome the taking by the League of Nations of appropriate steps for the purpose of dissolving the Permanent Court of International Justice.

A. 30. 1946.

Geneva, April 16th, 1946.

II. TEXT OF ADDRESS PREPARED BY M. GUERRERO, PRESIDENT OF
THE PERMANENT COURT OF INTERNATIONAL JUSTICE

It had been hoped that the President of the Permanent Court of International Justice would be able to come to Geneva in order to address the Assembly on the occasion of the adoption of the resolution on the dissolution of the Court.

M. Guerrero's duties having prevented him, to his great regret, from leaving The Hague, the Acting Secretary-General has the honour to circulate the speech which the President of the Court had intended to address to the Assembly.

* * *

¹ See Annex 1, page 143.

² Report of the Preparatory Commission of the United Nations, document PC/20, dated December 23rd, 1945, page 57.

Mr. President, Ladies and Gentlemen:

It is a great honour for me to have been invited, as the last President of the Permanent Court of International Justice, to appear before this historic Assembly in order to submit an account of the work accomplished by the Court.

You are acquainted with its origin. The necessity for establishing it had, for several decades, been the constant preoccupation of all the liberal minds of the nineteenth century. It was agreed that there would never be a real international order as long as, in the regular intercourse of nations, the arm of justice was absent.

The question of the pacific settlement of conflicts between States was ever present in the minds of enlightened men; but its solution gave rise to numerous and delicate problems in a world but little accustomed to submit to judicial discipline or to admit that the sovereign power of the State could be questioned by a human tribunal.

Consequently, the efforts of the Peace Conferences of 1899 and 1907 led to but slight results. They were, however, to serve for determining the essential characteristics of the organisation which was subsequently brought to birth in the sufferings of the first world war — a war which, in those days, was regarded as the most terrible that had ever ravaged the world.

It was, indeed, then that the particular problem of the solution of disputes of a legal character was merged in the general problem of the establishment of an international order designed to regulate the common life of nations in accordance with the principles of a sound international morality based upon respect for law.

This idea was to take concrete form in the Covenant of the League of Nations, on which suffering mankind founded its hope of banishing war and of regulating the future life of peoples.

But the spirit of the Covenant was not understood, and to-day we see the ultimate result of that magnificent dream.

In the few brief sentences which make up Article 14, the Covenant instructed the Council of the League of Nations to formulate plans for the establishment of a Permanent Court of International Justice invested with competence to hear and determine any dispute of an international character and to give an opinion upon any dispute or question referred to it by the Council or by the Assembly.

That, Gentlemen, was the first stone in the foundations of the most splendid and delicate undertaking ever accomplished by man in the course of centuries in the domain of international justice. For, though it may be easy to regulate legal relationships between persons living on the same national soil and subject to the sovereign authority of the State, it is a different matter to regulate the same relationships within the framework of international society in which States are so reluctant to submit to the law and judgment of men.

The Council entrusted the drawing up of the Statute of the Court to a committee of ten jurists enjoying high legal and moral authority.

The learned debates which began at the Peace Palace at The Hague on June 16th, 1920, and were concluded on the following July 24th, resulted in the elaboration of a draft Statute concerning the organisation of a Permanent Court of International Justice. This draft was discussed later by the Council of the League of Nations and then by the Assembly, which approved it by a unanimous vote on December 13th, 1920. As from the 16th of that month, a Protocol was open for signature by the various States.

This charter established a system of international justice and contained provisions concerning the organisation, competence and procedure of the new Court. In other words, measures had been taken to deal with three essential problems in respect of which Governments had formerly entertained divergent and apparently almost irreconcilable views, especially as regards the methods of electing judges and the competence of the Court.

Where all preceding attempts had failed, the Committee of Jurists succeeded in finding practical solutions, and international justice was finally equipped with a powerful instrument capable of really fruitful action.

These historical events cannot be recalled without our directing a thought of gratitude towards two great spirits to whom mankind owes the most remarkable progress which has been achieved in the realm of law — Léon Bourgeois and Elihu Root. Léon Bourgeois, the real spiritual father of organised international justice, since the Peace Conferences, had by his words and by his faith stirred the wavering consciences of men who doubted the future of law. Elihu Root, too, earned the gratitude of the world as the principal author of the Statute of the Permanent Court established by the League of Nations.

But the mere setting up of an organisation does not mean that it will necessarily work well. The future of the new institution and of everything connected with the very idea of a court raised above human passions, from which there was no other appeal but to the Tribunal of God, could be ensured only by the wisdom of the final decisions rendered by the judges called upon to compose the Court.

It is not for me to draw up a balance-sheet of the work of the men who have, since the establishment of the Court, assumed the grave responsibility of proclaiming the law and rendering justice. That work will be judged by the conscience of mankind and by the opinion of the world. Both, indeed, have already pronounced their judgment. For the authority of the deci-

sions rendered by these judges has never been contested: the proof is to be found in the impressive number of States which, since 1922, have adhered to the clause of compulsory jurisdiction provided for in Article 36 of the Statute.

Further, the best evidence in favour of the Court may be drawn from an examination of its decisions. It has delivered thirty-two judgments and given, at the request of the Council of the League of Nations, twenty-seven advisory opinions. Leaving aside the latter, and also certain special aspects of various cases, the Court has given judgment in the following cases: that of the "*Wimbledon*", between France, Great Britain, Italy and Japan, of the one part, and Germany, of the other; that of the "*Mavrommatis Palestine Concessions*", between Greece and Great Britain; that of the "*Interpretation of Article 179 of the Treaty of Neuilly*", between Bulgaria and Greece; that of the interpretation of the preceding judgment as between those States; that of "*certain German interests in Polish Upper Silesia*", between Germany and Poland; that of the "*Factory at Chorzów*", between Germany and Poland; that of the "*Lotus*", between France and Turkey; that of the "*Minority Schools in Upper Silesia*", between Germany and Poland; that of the "*Serbian Loans*", between France and Yugoslavia; that of the "*Brazilian Loans*", between Brazil and France; that of the "*International Commission of the River Oder*", between Germany, Denmark, France, Great Britain and Czechoslovakia, of the one part, and Poland of the other; that of the "*Free Zones of Upper Savoy and the District of Gex*", between France and Switzerland; that of the "*Interpretation of the Statute of the Memel Territory*", between France, Great Britain, Italy and Japan, of the one part, and Lithuania of the other; that of "*Eastern Greenland*", between Denmark and Norway; that of the "*Peter Pazmany University*", between Hungary and Czechoslovakia; the "*Lighthouses Case*", between France and Greece; the "*Oscar Chinn Case*", between Belgium and Great Britain; that of Pajzs, Csáky, and Esterházy between Hungary and Yugoslavia; that of "*The Diversion of Water from the Meuse*", between Belgium and the Netherlands; that of the "*Lighthouses in Crete and Samos*", between France and Greece; that of "*Borchgrave*", between Belgium and Spain; that of the "*Phosphates in Morocco*", between France and Italy; that of the "*Panevezys-Saldutiskis Railway*", between Estonia and Lithuania; that of the "*Electricity Company of Sofia and Bulgaria*", between Belgium and Bulgaria; and, lastly, that of the "*Société commerciale de Belgique*", between Belgium and Greece.

The eighty-one volumes in which these judgments are published, and which contain also the advisory opinions and the orders of similar character to the judgments (Measures of preservation, etc.) or made exclusively for the regulation of the case, constitute the most effective contribution which it has so far been possible to make to legal science and to the progress of international law. Thanks to the principles which emerge from the jurisprudence of the Court, the road is now open for the solution of the problem of the gradual codification of international law.

But that is not all. When speaking of a judicial institution such as the Court has been, of a permanent tribunal, always ready to act and always accessible, one is impressed by the fact that its rôle and activity have not been restricted to the work which it has actually performed in pronouncing its decisions.

Its influence has been more extensive. Owing to the mere fact of its existence, controversies between States have been settled before reaching the stage when they would have had to be submitted to the international jurisdiction. The mere existence of a Court ready to pronounce judgment has incited some to be prudent and others to have confidence. In this manner, the law has been established automatically; the object was attained without recourse to the legal formulæ of a judgment or an opinion and thus, even when it remained silent, the Court effectively served the cause of international justice.

Gentlemen, life brings with it inevitable changes and institutions cannot escape from this inexorable law.

The present conditions of the new international order created as a result of the terrible catastrophe which broke upon the world have made it necessary to replace the Permanent Court of International Justice by the International Court of Justice.

But, the institution has merely changed its name. Its soul remains unaltered, its structure has not changed, its mission is similar and, finally, its Statute has been only slightly modified. We may even say that it is in order to emphasise the continuity of the work that the judges elected by the General Assembly and by the Security Council of the United Nations have appointed as President of the new Court the man who had the signal honour of being the last President of the old Court.

Whatever transformations may be effected now or in the future, the glory of having given the world an institution such as the Court and the merit for all the progress which it represents in the realm of law belong exclusively and incontestably to the League of Nations.

I beg leave to express to-day the fervent gratitude felt towards the League of Nations by all those who have devoted their energies to the work of the Permanent Court of International Justice and who have established its prestige.

ANNEX 20.

A. 10. 1946. XII.

Geneva, April 1946.

INTERNATIONAL ASSISTANCE TO REFUGEES

REPORT SUBMITTED BY SIR HERBERT EMERSON, G.C.I.E., K.C.S.I., C.B.E.,
HIGH COMMISSIONER FOR REFUGEES

March 11th, 1946.

I. PRELIMINARY

This report is submitted in accordance with the resolution adopted by the Assembly of the League of Nations at its nineteenth ordinary session held in September 1938. The last report was dated June 25th, 1945, and so covered the first five months of 1945.¹ The present report covers the rest of 1945 and the first two months of 1946.

II. NANSEN REFUGEES

In the last report, an account was given of the resumption by the High Commissioner of the responsibility for Nansen refugees in France, which took effect from April 1st, 1945. M. Henri Ponsot, former Ambassador of France in Ankara, was appointed *Délégué général*, and the former representative, M. Marcel Paon, was appointed *Délégué général adjoint*. Good progress has been made in restoring normal activities. Many of the archives relating to Nansen refugees were concealed, during the occupation, in various French towns. These have been collected and re-grouped; a few which were damaged have been restored. The result is that the records are complete — a matter of great importance, since many of them relate to the status and personal interests of individual refugees. During the occupation, many lost their certificates of status, or for reasons of safety had to destroy them, this being particularly the case in regard to those who were deported or had to flee from France. There have therefore been many applications for the issue of new certificates, the majority of them genuine, and these it has been possible to substantiate from the old records. There have also been some applications from displaced persons unwilling to return to their own countries, who hope to conceal their nationality by securing Nansen certificates. These have required very careful examination, which has been carried out by the Delegation, no claim being admitted unless it was satisfactorily established. The disturbance of normal conditions created by the war was also responsible for an abnormal number of applications for exemption from identity fees and the tax on Nansen certificates. For similar reasons, there has been a progressive increase in the number of civil documents which have been presented for authentication. For some months immediately following the liberation, economic conditions in France were specially unfavourable to the refugees. The scarcity of raw materials, the dislocation of transport, the return of large numbers of prisoners of war and deportees caused much unemployment in the civil population. The refugees were inevitably among the first to suffer and, while the various departments of the Government have been sympathetic towards the many representations made by the Delegation, there has been a great deal of distress. This has decreased to some extent as general conditions improved, but it is still serious. Its effects are accentuated by the hardships suffered by many of the refugees during the occupation. The need for relief has been greatest among children, the aged and the sick. No distinction has been made by the French Government between refugees and nationals who were deported or taken prisoners of war. On repatriation, all have been entitled, in principle, to the same benefits from the State, but in other respects the refugees have been far worse off than French citizens. On return they often had no homes to which to go, no relations to help them, and no reserves of clothes or other necessaries. In some cases they had not the necessary means to use the food coupons distributed to all repatriates. Many of the intellectuals of the Russian migration lost their means of livelihood during the war, and few of them have been able to find new ones. This class contained a number of Jews who were the victims of ruthless persecution, and only those remain who were able to conceal themselves or leave the country. The aged also have suffered severely, but the Government now gives assistance towards the upkeep of approved homes for the aged and the maintenance of the occupants. Several homes have been approved, but the number is only sufficient to provide for a small proportion of those requiring relief. On the whole, the Armenians are better off than the Russians, since they have access to larger private resources both inside and outside France. There is, however, some distress among them, particularly among the aged and infirm.

¹ See document C.79.M.79.1945.XII.

Most of the private refugee organisations which did such good work before the war have resumed their activities, but they have been much hampered by the lack of funds. It will be remembered that the income from the Nansen stamps is allocated for humanitarian purposes, one-half being credited to the Humanitarian Account of the High Commissioner and the other half to the Allotment Committees. These have been re-established since the end of the war, there being one for Russian refugees and another for Armenians. During the occupation, the Nansen stamp was replaced by a stamp bearing another title, but the Nansen stamp has now been restored. The sum of nearly 2 million francs had remained unallocated from the proceeds of the former stamp, and the French Government generously placed this again at the disposal of the Delegation for distribution. The income from the Nansen stamps for the half-year beginning April 1st, 1945, was just over 1 million francs. Figures for the last quarter of 1945 are not yet available. The sums which are thus made available for distribution to voluntary organisations are of great assistance and without them they would have great difficulty in continuing their work, but they are only sufficient to relieve the worst needs.

As mentioned in the last report, the Central Offices for Russian and Armenian refugees have been re-opened. These enjoy an independent status, although they are under the administrative system of the French Government and the High Commissioner. They are concerned with the general interests of the refugees and, in particular, they do much of the preliminary work of checking applications for the issue of new documents and in the examination of documents requiring authentication. Previous to the war they were self-supporting, their funds being derived from private sources. These funds were exhausted during the war, and the reconstitution of the offices has been made possible only by the generosity of the French Government.

During the war, the Saar refugees were dispersed throughout France, most of them in hiding. The majority of them wish to return to the Saar, and some have already done so. Some assistance has been given from the Humanitarian Fund of the High Commissioner, and it is proposed to give more in order to enable those who wish to do so to return to their own country. Help is also being given towards the relief of urgent needs.

Soon after the end of hostilities in Europe, reports were received that there were groups of Russian Nansen refugees among the displaced persons in the zones of Western Germany and that many of these were in need of assistance. It was therefore decided to appoint a representative whose first duty would be to make a survey of the situation. We were very fortunate in obtaining the services of Captain Yves Le Vernoy, who has a most distinguished record of service in the Resistance Movement, being awarded the highest decorations. He was quick in establishing cordial relations with the military and occupation authorities and with U.N.R.R.A., and was able to make a very valuable estimate of the position. He found considerable groups of Nansen refugees in the American zones of Germany and Austria, small groups in the other zones and scattered units throughout Western Germany. There has not yet been a full enumeration, but the total number of refugees is not less than 20,000 and may be as high as 25,000. Less than half are in assembly centres, the remainder living usually in groups, but sometimes in family units among the German or Austrian population. They have been displaced from Yugoslavia, Czechoslovakia, Roumania and the Balkan States, and from their former places of residence in Germany and Austria. They are a cross-section of Russian refugee society; there is a small element of intellectuals, a few doctors, teachers and other professional men, quite a large number of engineers, technicians and skilled artisans and a big group of lumbermen; the rest, representing the majority, are agriculturists and unskilled labourers. Generally, they do not wish to return to their former countries of origin or settled residence.

The fact that the groups are scattered over large areas complicates the organisation of an efficient service for them, and it has been necessary to establish several centres. These are at Rastatt, Munich and Salzburg, each centre being in charge of a *chef de poste* with an assistant, so that when one of these officers is on tour the other can be at the local office. The headquarters of Captain Le Vernoy himself is at Munich. He spends a great part of his time on tour, visiting the camps, getting into touch with the outside groups and supervising the work of the *chefs de poste*. Since the staff also does work for the Intergovernmental Committee on Refugees, the expenditure is shared.

No responsibility has been assumed for material relief, but a considerable amount of clothing has been made available out of an allotment from the National Clothing Collection of the United States. Those inside the camps are better off than those outside as regards food, shelter and clothes, but, none the less, the majority prefer to remain independent and the morale is higher in spite of their impoverished condition. There are gratifying signs of a spirit of self-help. Some of the engineers have started small private enterprises; many of the young men are keen on vocational training and a beginning has been made with this; the teachers have organised schools or classes for the children; Captain Le Vernoy has been

able to conclude contracts with some timber firms in Luxemburg which have given employment to a thousand lumbermen in the Black Forest; and although there is considerable reluctance to take work under the Germans, there is the desire to become self-supporting. These are the bright spots, but the general picture is sombre. There is insufficient employment with inevitable demoralisation; families have been broken up and there is great anxiety regarding the fate of relatives; material conditions are little, if any, above subsistence level and, above all, there is the uncertainty regarding the future. Most of the refugees wish to leave Germany or Austria, and many would like to leave Europe. Captain Le Vernoy has succeeded in obtaining the sanction of the French Government for the admission to France of a number of detached children and of a few adults. Otherwise, the work of resettlement has hardly begun. The first step will be the registration and thorough survey of the refugees, with special reference to the matters which affect settlement — *e.g.*, education, qualifications, previous occupations, etc. A standard form has been approved and a sufficient supply of printed copies has just become available, so that the registration can now be put in hand. It will be carried out under the supervision of the staff, but the manual labour will be done by refugees themselves trained for the purpose. During the course of the registration, a thorough examination will be carried out of the question of status, since most of those claiming to be Nansen refugees are without documents and, although there is no doubt regarding the status of the majority, there will certainly be some false claims. This group of Nansen refugees displaced from their former countries of settled residence undoubtedly presents the most serious single problem, both as regards the protection of their political and legal rights and their future settlement.

There is a similar but much smaller problem in Italy. Previous to the war, there were about 500 Nansen refugees permanently resident in that country, most of whom were self-supporting. As a result of the war, some have lost their employment, and there is a good deal of distress. Following the surrender of Italy, there has been infiltration of several thousands of Russian displaced persons from other countries, mainly Yugoslavia and Czechoslovakia. These include perhaps 500 Nansen refugees. Some of them are in U.N.R.R.A. camps and are being cared for by that organisation, but there are some who are not being helped by U.N.R.R.A. and who are entirely without means of support. The Representative of the Intergovernmental Committee on Refugees in Italy (Colonel Tomlin) has been kind enough to watch the interests of the Nansen refugees on behalf of the High Commissioner, and during 1945 he distributed grants placed at his disposal from the Humanitarian Fund. Approximately £3,000 was spent during the year, and adjusted after its close, on the relief of some 80 families. A special grant was also made towards the education of children. Further contributions have been made during the past two months, but cannot be continued much longer for lack of funds.

An interesting development has been the grant of Italian citizenship to some 40 Nansen refugees and their families.

III. HUMANITARIAN FUND

Statement 2 attached shows the receipts and expenditure of the Humanitarian Fund during 1945, so far as they have been brought to account. They do not, however, represent the complete transactions of the year, since figures have not yet been received relating to (a) revenue from Nansen stamps in France for the fourth quarter of the year and (b) the final distribution during the year of grants to voluntary organisations. The adjustment of the grants made towards the relief of Nansen refugees in Italy, amounting approximately to £3,000, was not made until after the end of the year. These grants, therefore, do not appear in the statement. It will be seen that the receipts from Nansen stamps were greater than for some years, but collections in France were still below the normal, although they are tending to increase.

Statement 5 shows the amount standing to the credit of the Humanitarian Fund in the various accounts according to the latest advices. They amount to 180,685.85 Swiss francs, and 319,451.68 Norwegian Kroner. Taking the exchange value of the Kroner at approximately 20 to the pound sterling, the total of the Fund, as shown in the bank advice accounts, is approximately 460,000 Swiss francs. Allowing for the items not included in those accounts, it is probable that the actual amount at the disposal of the High Commissioner at the beginning of the year was about 400,000 Swiss francs. The whole of this is, however, not immediately available, since, although the release of the considerable sum in Den Norske Creditbank, Oslo, has been agreed to in principle, the whole will not become available for several months. Since the end of the year, a sum of 100,000 Norwegian Kroner has been released and remitted to the account of the Fund in London. The Treasurer of the League kindly gave advice regarding the best disposition of the Fund, a large part of which had, during the war, been held in the United States. Action has been taken on that advice and, since the end of the year, the accounts in New York, both of the Humanitarian

and the Saar Funds, have been transferred to Geneva. With the release of the funds formerly blocked, it will be feasible to make distributions during the present year on a more generous scale than has lately been possible and, since the need for relief in several directions is urgent, this will be done. The amount to the credit of the Saar Account at the end of the year is shown as 70,349.90 Swiss francs. Of this, the sum of 400,000 French francs has been placed at the disposal of the Delegation in Paris in order to assist Saar refugees in meeting the expenses of their return to the Saar, and also in meeting urgent cases of distress. It is probable that further grants will be necessary for these purposes.

IV. REFUGEES COMING FROM GERMANY, AUSTRIA AND THE SUDETENLAND

In my last report, I gave an appreciation of the problem, as it then appeared, of refugees from Germany, Austria and the Sudetenland. At least 90% of those who are still unsettled are Jews, and I may bring last year's appreciation up to date by giving extracts from a memorandum which I recently submitted to the Joint Anglo-American Committee of Enquiry, before which I gave oral evidence.

"...Previous to the war, about 250,000 of this group had been permanently settled. During the war perhaps 100,000 more have been permanently established. In September 1939, there was a large number in various countries of temporary asylum, and there was a considerable number left in Germany and Austria. Some were able to escape during the war either to neutral countries or to countries which were not occupied by the Germans. Many, however, were caught in occupied countries, and it is certain that a large proportion of these were exterminated. Some thousands, however, were able to conceal themselves with the assistance of friendly nationals.

"Members of this category who have survived but are not yet permanently settled, in the sense that they have not acquired a new nationality, are composed of:

- "(i) Two large groups, (a) in the United Kingdom, and (b) in Shanghai;
- "(ii) Smaller groups in various countries of Europe and elsewhere.

"(i) (a) The group in the United Kingdom is between 45,000 and 60,000. Recently, the British Government has announced its policy in regard to naturalisation and it is hoped that many of them will be absorbed.

"(i) (b) The group in Shanghai was believed to be between 20,000 and 25,000. Recent reports suggest it may be less than 20,000.¹ Their circumstances are now under investigation by the representatives of U.N.R.R.A. and of the Intergovernmental Committee on Refugees. It is probable that the majority will wish to leave Shanghai for countries of permanent settlement.

"(ii) Approximate estimates in various European countries are as follows:

Belgium	6,000
France	20,000
Italy	4,000
Netherlands	5,000
Spain and Portugal	1,000
Sweden	5,000
Switzerland	15,000
Germany and Austria	20,000-30,000
(including those who never left)	

"There are also a few thousands, say 10,000 at a maximum, scattered in other countries, European and elsewhere. The size of the remaining problem, including the large group in the United Kingdom, may therefore be put at something between 160,000 and 200,000. As will be mentioned presently, this total number tends to exaggerate the nature of the remaining problem.

"

"The normal methods of attempting a solution of any refugee problem are the following:

- "(a) Return to the country of origin or settled residence;
- "(b) Absorption in the country of temporary asylum;
- "(c) Individual emigration to other countries;
- "(d) Large-scale or group settlement.

¹ Still more recent reports indicate that the number of German and Austrian refugees in Shanghai is less than 10,000.

“(a) *Return.* With regard to the first, I hold very strongly the view that the return should be voluntary and that forcible repatriation is not only contrary to humanitarian principles, but incapable of translation into practice on a considerable scale. Voluntary return can give a considerable contribution to a solution only if the internal conditions are favourable. There should be security of life and property, full rights of citizenship, opportunities for re-establishment and reasonable prospects of being able to lead a useful and happy life. Where these conditions are satisfied, return is to be encouraged, but not enforced.

“(b) *Absorption.* Absorption has played a large part in the solution of refugee problems in the past, and should prove an important factor in the future. Naturalisation is usually preceded by a period of residence which in some cases may be unduly prolonged.

“(c) *Individual emigration or infiltration* has been the most important means by which migration and refugee problems have been solved.

“(d) *Large-scale or group settlement.* This is very expensive, and normally the cost is prohibitive. Many Governments dislike it and, usually, it has been successful only in exceptional circumstances — *e.g.*, where the refugees belonged originally to the country of settlement (Greeks from the territory acquired by Turkey after the Greco-Turkish war and settled in Greece), or in the case of Palestine, for Jews, where religious, historical and ideological influences inspire the colonists and encourage large contributions of capital.

“The practical application of the above methods may be illustrated by the category of Jewish refugees coming from Germany, Austria and the Sudetenland.

“(a) *Return.* The question of return has arisen only with the defeat of Germany. The general position at present is that very few Jews are willing to return to Germany, but there are a few who are willing. As economic conditions improve and a sense of security is established, there may be more, especially if provision is made for restitution. Up to the present, there has been little inducement to Jews to return.

“There is much greater willingness to return to Austria in spite of prevailing conditions in that country. About 2,000 are said to be willing to return from the United Kingdom, much the same number from France and smaller numbers from the Western countries of Europe. Given favourable conditions, this movement should increase.

“(b) *Absorption in countries of temporary asylum.* The Governments of Australia and Canada have made declarations of policy which should result in the absorption of those German and Austrian refugees who were admitted on a temporary basis. The Government of the United Kingdom has recently declared its policy on naturalisation, which, though not exhaustive, should result in very considerable absorption. The countries of Western Europe have not declared their policies. Since the end of the war, they have shown a liberal attitude in allowing refugees to stay and in receiving back those previously resident there who were displaced by the war. One hopes that ultimately there will be considerable absorption. The prospects in Sweden are definitely good. Italy has offered rights of citizenship on a selective basis, but little advantage has been taken so far of this offer. Switzerland has always made it clear that she could not absorb those to whom she had given asylum. On the whole, absorption has been, and may still be, an important factor.

“(c) *Individual migration or infiltration with a view to, and prospects of, early citizenship.* This has made by far the largest contribution up to date towards the permanent establishment of about 350,000 individuals of this category, of whom at least 90% are Jews. Many countries have contributed — the United States, the countries of South America, the British Empire and Colonies, various countries of Europe, etc. Even where, as in the case of Australia, the Government agreed to take a fixed number over a period of years, the process was by individual selection and establishment and not by group settlement.

“(d) *Large-scale or group settlement.* Palestine alone has made a contribution of any size. Many other schemes were examined before the war, but they were found to be either too expensive or impracticable for other reasons, or could not be put into operation because of the outbreak of hostilities.

“I stated above that the size of the remaining problem of this category might be put at something between 160,000 and 200,000. A large number of these, however, are in process of absorption; some at least of those still in Germany and Austria (20,000 to 30,000) will wish to stay there; the re-opening of emigration to the United States will

be of great assistance since the quota for Germany and Austria is approximately 27,000; some will return to Austria and a few to Germany; facilities for the reunion of families will assist some, and it may be hoped that others who wish to go to Palestine will get certificates. There will remain difficult pockets in some places — *e.g.*, Switzerland and Shanghai — and a complete solution will take time, but a solution of the problem of this category is attainable and would be almost within sight if it stood alone.

“Some words of caution are, however, necessary before the experience of this category is applied to other Jewish categories. Migration from Germany began soon after 1933. It was intense after 1937. It has taken at least ten years to achieve the results secured. The persons were the victims of a persecution which shocked the conscience of the world, and which resulted in a very considerable response to appeals for asylum. Continuing persecution is not a well-marked feature of the prevailing situation. Moreover, hard as the facts are, it would be misleading not to recognise that, for various reasons, there are many countries which are reluctant to increase the Jewish element in their population, and that group settlement of Jews does not appear to be a practical proposition except in Palestine. Moreover, the reluctance of Governments is apt to increase in proportion to the size of the problem. The wishes of the individuals themselves are also a relevant factor.

“The problem of German and Austrian refugees may prove to be more tractable than that of other categories, because they were, and are still, less intent on a single destination — namely, Palestine — than some of the new groups. Many of those who wished to go there were able to satisfy their wishes while certificates were still obtainable. The information available goes to show that, among those belonging to this group and not yet permanently established, there are comparatively few who give Palestine as their first choice. A survey carried out by voluntary organisations in the United Kingdom gave the following results. About 75% wished to stay in the United Kingdom; of the remaining 25% about one-half elected for emigration to the United States or Canada and the remaining half, namely 12½%, for Palestine. A comprehensive survey carried out by the International Migration Service in Switzerland showed a surprisingly low proportion of German and Austrian refugees who gave Palestine as their first choice, but probably the lack of facilities had something to do with this, since there was a similar low proportion in regard to the United States of America. Of those now in the Western countries of Europe, the majority wish to stay there if they have the opportunity, with the United States as the second priority; of those who wish in any case to leave these countries, the United States is the first priority. The choice of Palestine depends on individual religious and ideological convictions. The majority of those now in Sweden wish to stay there, with the United States as the second priority. Of those in Switzerland, Portugal and Spain, the order of preference is probably: (i) the countries of Western Europe if they were there previously to the war, (ii) the United States, (iii) Palestine.

“The above is a broad generalisation subject to individual exceptions, and also dependent on facilities available.”

Although, as regards numbers, the residual problem of this particular category of refugees is not large, there has inevitably been great distress among those who, during the war, were in countries occupied by the Germans. As a rule, their survival was due only to the fact that they were able to remain in concealment. They lost their homes, their occupations and their property and so have been most adversely affected by the economic conditions which succeeded liberation. Although the Governments concerned have been sympathetic, employment has been difficult, and for those who were previously in business or trade, rehabilitation is a slow process. Very substantial assistance has been given by the Intergovernmental Committee on Refugees, which is carrying out programmes of relief in Belgium, France, Italy, the Netherlands, Portugal and Spain. It is also assisting in the transportation of those who are able to obtain opportunities for settlement elsewhere. Until recently, the opportunities for emigration have been few, and the movement has been mainly in the form of return of refugees to countries of asylum in which they were resident before the war. Within the past few months, however, the Government of the United States of America has relaxed the restrictions which were enforced during the war and the pre-war quota is now operative. For persons whose countries of origin are Germany and Austria, this quota is in excess of 27,000 per annum and, although classes other than refugees are eligible, it is expected that many refugees will benefit. Towards the end of 1945, the Government of the United Kingdom declared its policy regarding naturalisation. While this will be on a selective basis and will, in particular, affect those who joined the military forces or otherwise assisted in the war effort or established industries in Great Britain, there is reason to hope that a considerable proportion of the large group now in the United Kingdom will gradually be absorbed. The Government of the United Kingdom has also granted special facilities to persons in Europe to join their near relatives in the United Kingdom. The Intergovernmental Committee on Refugees has commended this example to other Governments, and it is hoped that there will be a favourable response. As regards children, there have been more offers of asylum than the number of children available, and, on the whole, it may be said that the position in regard to them is very satisfactory.

The voluntary agencies have continued to do admirable work during a year that has placed a great strain on their financial resources, and also on the physical energies of the many workers.

V. GENERAL

It is desirable to explain the present position regarding the refugee problem in general. On the initiative of the Government of the United Kingdom, the question was raised in the First Session of the General Assembly of the United Nations. A long and interesting debate took place on various aspects, and a resolution was adopted by the General Assembly referring the problem to the Economic and Social Council with certain recommendations. The Economic and Social Council in turn considered the reference by the General Assembly and adopted a resolution, the substance of which is cited below:

“THE ECONOMIC AND SOCIAL COUNCIL,

“1. Considering that the General Assembly, on February 12th, 1946, adopted a resolution in the following terms:

“ ‘THE GENERAL ASSEMBLY,

“ ‘Recognising that the problem of refugees and displaced persons of all categories is one of immediate urgency and recognising the necessity of clearly distinguishing between genuine refugees and displaced persons, on the one hand, and the war criminals, quislings, and traitors referred to in paragraph (d) below, on the other:

“ ‘(a) *Decides* to refer this problem to the Economic and Social Council for thorough examination in all its aspects under item 10 of the Agenda for the First Session of the Council and for report to the Second Part of the First Session of the General Assembly;

“ ‘(b) *Recommends* to the Economic and Social Council that it establish a special committee for the purpose of carrying out promptly the examination and preparation of the report referred to in paragraph (a); and

“ ‘(c) *Recommends* to the Economic and Social Council that it take into consideration in this matter the following principles:

“ ‘(i) This problem is international in scope and nature;

“ ‘(ii) No refugees or displaced persons who have finally and definitely, in complete freedom, and after receiving full knowledge of the facts including adequate information from the Governments of their countries of origin, expressed valid objections to returning to their countries of origin and who do not come within the provisions of paragraph (d) below, shall be compelled to return to their country of origin. The future of such refugees or displaced persons shall become the concern of whatever international body may be recognised or established as a result of the report referred to in paragraphs (a) and (b) above, except in cases where the Government of the country where they are established has made an arrangement with this body to assume the complete cost of their maintenance and the responsibility for their protection;

“ ‘(iii) The main task concerning displaced persons is to encourage and assist in every way possible their early return to their countries of origin. Such assistance may take the form of promoting the conclusion of bilateral arrangements for mutual assistance in the repatriation of such persons, having regard to the principles laid down in paragraph (c) (ii) above;

“ ‘(d) *Considers* that no action taken as a result of this resolution shall be of such a character as to interfere in any way with the surrender and punishment of war criminals, quislings, and traitors, in conformity with present or future international arrangements or agreements;

“ ‘(e) *Considers* that Germans being transferred to Germany from other States or who fled to other States from Allied Troops do not fall under the action of this declaration in so far as their situation may be decided by Allied Forces of Occupation in Germany, in agreement with the Governments of the respective countries;’

“ESTABLISHES A COMMITTEE ON REFUGEES AND DISPLACED PERSONS.

“2. The function of the Committee shall be to carry out promptly a thorough examination in all its aspects of the problem of refugees and displaced persons of all categories, and to make a report thereon to the Council at its Second Session.

“3. In making this examination and in preparing its report, the Committee shall take into consideration the principles set forth in paragraphs (c), (d) and (e) of the resolution of the General Assembly cited above. It shall take into account the verbatim records with regard to refugees of the Third Committee of the General Assembly. It shall further take into account the unanimous expression in the Report of the Third Committee of the General Assembly of its sympathy with the Spanish Republican refugees, and its strong view that the Economic and Social Council should examine their case with particular care and attention.”

It will be seen that a special Committee of Enquiry has been set up which is to carry out a thorough examination in all its aspects of the problem of refugees and displaced persons. The Special Committee is to report to the Economic and Social Council, which in turn is to report to the Second Part of the First Session of the General Assembly, which, as at present arranged, will be convened on September 3rd, 1946. Decisions on policy are therefore not likely to be reached until some time in September and, assuming that an international body is established or recognised as responsible for refugees and displaced persons, it is unlikely to commence operations much before the end of the year.

The Special Committee consists of twenty Governments and, as Director of the Intergovernmental Committee on Refugees, I have been invited to attend its sessions in a consultative capacity.

During the debates in the General Assembly, the Nansen refugees were mentioned on several occasions, and there is no reason to suppose that they, and also the category of refugees from Germany, Austria and the Sudetenland, will not be included within the mandate of the international body that may be recognised or established. It will be my duty, as High Commissioner, to see that the interests of these groups are fully represented before the Special Committee. It may be expected that, through the new refugee organisation, the continuity of international protection of refugees which was the creation of the League of Nations will be preserved. This, indeed, should be among the most important functions of any international authority and the principle is so well established that its acceptance may be assumed. During the transitional period before the international body assumes charge, the group of German and Austrian refugees will continue within the mandate of the Intergovernmental Committee, and their interests are therefore safeguarded. There is no corresponding provision for the Nansen refugees, and for this reason it has been suggested that, if feasible, the functions of the High Commissioner should continue, within the sanctioned budget allotment for 1946, until the end of 1946, or until such earlier date as the new international body may assume responsibility.

VI. ADMINISTRATIVE ACCOUNT

A summary of my Administrative Account for the year 1945 is given in statement 1 attached. My original allotment was 115,700 Swiss francs, but when, after the liberation of France and Belgium, it became possible to resume activities in those countries, I applied for a supplementary grant of 67,000 Swiss francs, which was approved by the Supervisory Commission. My total budget allotment was thus 182,700 Swiss francs. My expenditure was equivalent to approximately 169,000 Swiss francs, leaving a saving of 13,700 Swiss francs.

VII. CONCLUSION

I wish again to record my high appreciation of the work done during the year by the officers and staff. Dr. Kullmann, Deputy High Commissioner, has an international reputation in all matters relating to refugee questions, and I hope that advantage will be taken of his services in any new arrangements that may result from the examination of the general problem which is about to take place. The Delegation in France has had a great deal of work to do in restoring normal procedure and activities, and it has done it well. Captain Le Vernoy, the Representative in Germany and Austria, has shown great energy and administrative ability in dealing with the problem of Nansen refugees in those countries. I wish to thank my personal assistant, Miss Shapland, for her excellent work.

(Signed) H. W. EMERSON.

1. STATEMENT OF RECEIPTS AND EXPENDITURE FOR THE YEAR 1945

Administrative Account.

	<i>Receipts.</i>			<i>Expenditure.</i>		
	Swiss francs	£	s. d.	Swiss francs	£	s. d.
<i>Receipts:</i>						
Balance on January 1st, 1945		123	2 11			
Remittances from Geneva {						
1— to Headquarters		6,500	0 0			
2— to Paris	51,024.30					
3— to Brussels	3,488.—					
Sale of stamps {						
1— France	13,328.90					
2— Belgium	265.95					
<i>Expenditure:</i>						
<i>Headquarters:</i>						
High Commissioner's salary				2,262	0	0
Head Office salaries				3,304	16	8
Rent, cleaning, heating, lighting				309	15	9
Travelling expenses				60	18	4
Office equipment				125	8	10
Petty cash				37	0	0
Telephone, telegraph, stamps, etc.				59	7	11
Banking expenses					16	0
<i>Representatives:</i>						
Western Zones of Germany and Austria				380	0	0
Greece (balance due for 1940/41)				70	8	8
France	51,828.20					
Belgium	2,413.35					
Total expenditure				54,241.55	6,610	12 2
<i>Balances on January 1st, 1946:</i>						
Headquarters					12	10 9
France				12,525.—		
Belgium				1,340.60		
	68,107.15	6,623	2 11	68,107.15	6,623	2 11

2. Humanitarian Fund — RECEIPTS AND EXPENDITURE DURING THE YEAR 1945

<i>Receipts.</i>		<i>Expenditure.</i>	
	Swiss francs	<i>Grants:</i>	Swiss francs
Income from Nansen stamps:		To Nansen refugees other than in France	7,465.07
Sold in Geneva	11,200.—	Allocations to organisations in France	40,814.10
„ „ United Kingdom	2,070.18	Banking charges (including printing of Nansen stamps)	822.33
„ „ France	34,152.60 ¹	Refund Civil documents	26.02
	47,422.78	„ Cables	8.67
Civil documents	8.66	Total	49,136.19
Cables	160.69		
Denationalisation certificates	351.53		
	520.88		
Total	47,943.66		

¹ Statement for fourth quarter of 1945 not yet in hand.

3. Humanitarian Fund — STATEMENT OF RECEIPTS FROM SALE OF NANSEN STAMPS, 1945

Date	Country	Swiss francs
January 16th	United Kingdom (for Sweden)	1,980.65
February 1st	" " (for Ireland)	48.57
March 26th	Switzerland	5,600.—
March 27th	United Kingdom (for India)	7.15
May 24th	" " " "	4.54
October 1st	" " " "	29.27
December 3rd	Switzerland	5,600.—
Second and third quarters ¹	France	34,152.60
Total		<u>47,422.78</u>

¹ Statement of sale for fourth quarter of 1945 not yet in hand.

4. Humanitarian Fund — STATEMENT OF GRANTS FOR 1945 ¹

Date	Country	Russian Swiss francs	Armenian Swiss francs	Sundry Swiss francs	Total Swiss francs
1945					
April 27th	Turkey	1,430.07			1,430.07
May 31st	Switzerland	1,650.—	500.—		2,150.—
July 24th	Cyprus	1,735.—			1,735.—
December 4th	Switzerland	1,650.—	500.—		2,150.—
Second and third quarters ²	France	23,645.10	16,575.—	1,594.—	40,814.10
		<u>30,110.17</u>	<u>15,575.—</u>	<u>1,594.—</u>	<u>48,279.17</u>

¹ Grants made for relief in Italy are not included.

² Statement of grants for fourth quarter of 1945 not yet in hand.

5. Humanitarian Fund — BANK BALANCES

	Swiss francs
Lloyds & National Provincial Foreign Bank Ltd., London £196 3s. 8d.	3,395.55
Lloyds & National Provincial Foreign Bank Ltd., London — Gold bar	60,917.30
Lloyds & National Provincial Foreign Bank Ltd., Geneva	4,861.90
Lloyds & National Provincial Foreign Bank Ltd., Geneva (<i>compte bloqué francs belges</i>)	126.35
Lloyds & National Provincial Foreign Bank Ltd., Geneva (<i>compte bloqué dollars</i>)	947.50
Bank of London & South America, New York:	
Humanitarian Account ¹	40,087.35
Saar Account ²	70,349.90
Total: Swiss francs	
	<u>180,685.85</u>
Den Norske Creditbank, Oslo ³ Kr.	319,451.68

¹ The balance of 40,087.35 Swiss francs has since been remitted to Geneva.

² Of the balance of 70,349.90 Swiss francs in the Saar Account, a sum of 400,000 French francs has been placed at the disposal of the High Commissioner's representative in Paris, with Lloyds & National Provincial Foreign Bank Ltd., Paris Branch, and the remainder remitted to Geneva.

³ Of the balance of Kr. 319,451.68, a sum of Kr. 100,000 was remitted to the High Commissioner's Humanitarian Fund, in London, in February 1946.

ANNEX 21

Geneva, April 11th, 1946.

INTERNATIONAL BUREAUX AND OTHER ORGANISATIONS
PLACED UNDER THE DIRECTION OF THE LEAGUE OF NATIONS
OR BROUGHT INTO RELATION THEREWITH

NOTE BY THE ACTING SECRETARY-GENERAL

The object of the present note is to enable the First Committee to consider whether certain measures should be taken in regard to the bureaux and other organisations placed under the direction of the League of Nations or brought into relation therewith.

A. INTERNATIONAL BUREAUX

Five bureaux have been placed under the direction of the League of Nations in accordance with the provisions of Article 24 of the Covenant, the first paragraph of which reads as follows :

“ 1. There shall be placed under the direction of the League all international bureaux already established by general treaties if the parties to such treaties consent. All such international bureaux and all commissions for the regulation of matters of international interest hereafter constituted shall be placed under the direction of the League.”

They are :

1. The International Bureau for Information and Enquiries regarding Relief to Foreigners, Paris (placed under the direction of the League of Nations on June 27th, 1921)¹ ;
2. The International Hydrographic Bureau, Monaco (placed under the direction of the League of Nations on October 2nd, 1921)² ;
3. The Central International Office for the control of the Liquor Traffic in Africa, Brussels (placed under the direction of the League of Nations on January 11th, 1922)³ ;
4. The International Commission for Air Navigation, Paris⁴ ;
5. The International Exhibitions Bureau, Paris (placed under the direction of the League of Nations on May 20th, 1931)⁵ ;

Authority of the League and Relations between the Bureaux and the Organs of the League.

In practice, the “ direction ” exercised by the League of Nations in respect of these bureaux has consisted, on the one hand, in receiving information as to their activities and, on the other, in asking them for technical advice when occasion arose⁶.

As regards finances, the five above-mentioned bureaux are independent. Their budgets are not submitted for scrutiny to the competent organs of the League.

The breaking of the ties between the League of Nations and these bureaux will not in any way affect their working. The Assembly will perhaps decide to thank them for their collaboration with the League and to inform them that they are no longer placed under its direction.

¹ *Official Journal of the League of Nations*, Minutes of the Thirteenth Session of the Council, page 759.

² *Official Journal of the League of Nations*, Minutes of the Fourteenth Session of the Council, page 117.

³ *Official Journal of the League of Nations*, Minutes of the Sixteenth Session of the Council, page 91. The Convention establishing the Central International Office (signed on September 10th, 1919) has been registered with the League of Nations (*Treaty Series*, Vol. VIII, page 11).

⁴ The Convention establishing the Commission, which was signed at Paris on October 13th, 1919, and the Additional Protocol of May 1st, 1920, have been registered with the League of Nations (*Treaty Series*, Vol. XI, p. 173).

⁵ *Official Journal of the League of Nations*, Sixty-third Session of the Council, page 1110.

⁶ Cf., in particular, the Report adopted by the Council on June 7th, 1928 (*Official Journal of the League of Nations*, Fiftieth Session of the Council, page 899).

B. INSTITUTES

Three "Institutes" have been placed under the direction of the League, namely :

1. The International Institute of Intellectual Co-operation (1924), Paris ;
2. The International Educational Cinematographic Institute (1928), Rome ;
3. The International Institute for the Unification of Private Law (1928), Rome.

The two last-named institutes are mentioned merely *pro memoria*.

The International Educational Cinematographic Institute, which was offered by the Italian Government in 1927, was abolished by the same Government at the end of 1937. The duties of the Institute in connection with the application of the Convention of 1933 for facilitating the International Circulation of Films of an Educational Character were then transferred to the Committee on Intellectual Co-operation by virtue of a *procès-verbal* signed in Geneva on September 12th, 1938, which came into force on August 28th, 1939.

The International Institute for the Unification of Private Law was established by a Convention signed in April 1926 by the President of the Council and the Government of Italy. This Convention having been denounced by the Italian Government on December 27th, 1937, the legal ties between the Institute and the League of Nations were brought to an end on April 20th, 1940¹.

The International Institute of Intellectual Co-operation is at present the only institute which is legally connected with the League of Nations.

Up to 1939, the working of the Institute depended entirely on the Agreements of December 8th, 1924, between the French Government, which had offered to establish the Institute, and the Council of the League, which had agreed to its being placed at the disposal of the League of Nations².

On December 5th, 1939, there came into force the Act³ concerning intellectual co-operation, signed in Paris on December 3rd, 1938, which provides for the subsidising of the Institute by annual financial contributions from the contracting parties, calculated in units of 750 gold francs, these contributions being in addition to the grant made by the French Government in accordance with the Agreements of December 8th, 1924⁴.

The coming into force of this Act did not affect those Agreements. Under the terms of Article 5 of the Organic Statute, "the Governing Body of the International Institute shall be composed of the members for the time being of the Committee on Intellectual Co-operation of the League of Nations". In accordance with Article 13, "the budget and accounts of the Institute shall be communicated every year both to the Council and Assembly of the League of Nations and to the French Government. The accounts shall be audited at least once a year by the Chief Auditor of the League of Nations, and his report shall be annexed to the budget and to the accounts communicated to the Council and to the Assembly of the League of Nations".

It has not been possible to comply with these financial dispositions since 1940. It is known, moreover, that the United Nations has established an educational and cultural organisation which is competent in the questions that were within the sphere of activity of the Intellectual Co-operation Organisation of the League of Nations.

It is provided by the Agreements of 1924 that, in the event of the abolition of the International Institute for Intellectual Co-operation, "any articles and, in particular, the archives and collections of documents deposited in the premises by the Governing Body, as well as any property which has been acquired by the Institute during its period of operation, shall remain the property of the League of Nations", whereas the land, buildings and equipment placed at the disposal of the Institute by the French Government will be handed back to the French State.

In order that the work of intellectual co-operation may continue without interruption, the Assembly may perhaps decide to transfer to the United Nations the conditional right vested in the League of Nations over archives, collections of documents and any other property acquired by the Institute which has not to be handed back to the French State in the event of the abolition of the Institute.

* * *

The Nansen Office. This Office, which is in process of being wound up since January 1st, 1939, occupied a special position among the Organisations placed under the direction of the League of Nations. It was created directly by the League itself—which allotted subsidies

¹ The accounts of the International Institute for the Unification of Private Law were audited by the Auditor of the League of Nations up to the end of 1939.

² *Official Journal of the League of Nations*, Minutes of the Thirty-second Session of the Council, pages 137 and 285-289.

³ Registered under No. 4694—*Treaty Series*, Vol. 200, page 250.

⁴ The coming into force of the Act of December 3rd, 1938, did not bring in fresh funds to the budget of the Institute. To-day the budget depends solely on the annual contribution of the French Government, which has been raised to 6 million French francs.

to it on several occasions. The Liquidator of the Nansen Office, M. Hansson, who was appointed by the Governing Body, died in 1944. His successor, M. de Reffye, who also was nominated by the Governing Body, directs a Liquidation Committee which is established in Paris and of which M. Rubinstein and M. Pachalian, representing Russian and Armenian refugees respectively, are members. The work of liquidation, which was interrupted for a long time by the course of events, has been resumed, but has not yet been terminated.

The accounts of the Liquidator will have to be audited by the Auditor of the League of Nations, in accordance with a decision taken in 1939 by the Governing Body of the Nansen Office.

* * *

The International Relief Union was founded in Geneva on July 12th, 1927, by virtue of a Convention¹ which came into force on September 28th, 1932. Although the Assembly and the Council interested themselves in the preparatory work leading up to the conclusion of the Convention establishing the International Relief Union (which was open to the accession of both States Members and non-member States), the Union was not placed under the direction of the League of Nations within the meaning of Article 24 of the Covenant. Its accounts are, however, audited by the League Auditor in accordance with Article 19 of the Statute of the Union annexed to the above-mentioned Convention, it being understood that the League assumes no responsibility thereby.

¹ See *Treaty Series*, Vol. 135, page 247.

ANNEX 22

A.15.1946.V.

Geneva, March 18th, 1946.

COMPLAINT OF CERTAIN FORMER OFFICIALS OF THE GOVERNING
COMMISSION OF THE SAAR TERRITORY

(MM. DANZEBRINK, RITZEL, MACHTS, LEHNERT AND LAURIOLLE).

REPORT BY THE SUPERVISORY COMMISSION

I.

The Supervisory Commission submits the following report to the Assembly on the appeals of five former officials of the Saar Territory, who contend that the League of Nations is responsible to them in that they have not received the pension to which they claim they are entitled. This pension, if it had been awarded, would have been paid by the Government of the Reich.

The case has been before the Council and the Supervisory Commission on various occasions, and it is necessary to review the stages through which it has passed.

Under a Council resolution of July 4th, 1936, relating to the complaint of certain former officials of the Governing Commission of the Saar Territory, a Committee of Jurists was appointed with the following terms of reference, namely: "To look into the different aspects of the question and, in the event of their coming to the conclusion that the League had obligations in the matter, to embody proposals for a fair settlement in their report, for consideration by the Council at its next ordinary session." The Committee of Jurists, which was composed of M. DE RUELLE, Legal Adviser to the Belgian Ministry of Foreign Affairs (*Chairman*), and two members, M. DONNER, member of the Netherlands Supreme Court, and M. IM HOF, member of the Council of State of the Canton of Bâle-Ville, reached the conclusion that the League of Nations had not incurred any legal liability in this case and therefore considered that it was not called upon to examine the subsidiary part of its terms of reference—namely, the embodying in its report of proposals for a fair settlement (document C.394.1936.VII, September 19th, 1936).

The report of the Committee of Jurists was considered and adopted by the Council on September 25th, 1936, during its ninety-third session. On the proposal of M. Paul-Boncour, the Council agreed that, considering the matter solely from the standpoint of equity, there could clearly be no question of any payment but a lump sum as a final settlement. M. Paul-Boncour suggested that a sum of 5,000 Swiss francs for each of the five former officials would be a suitable amount for this purpose.

In order to give effect to the proposal of the Representative of France, the Council, on September 26th, 1936, during the same session (the ninety-third), authorised the Secretary-General to pay to the five persons concerned indemnities totalling 25,000 Swiss francs chargeable to Item 2 (c), Chapter I (Unforeseen Expenses, Political) of the Budget.

Details regarding the service of these five officials with the Governing Commission of the Saar Territory are given in the following statement:

Statement showing: (1) the Duration of Service with the Governing Commission of the Saar Territory of Five of its Former Officials, and (2) the Emoluments and Compensation paid to These Officials by the Commission.

	Date on which official began regular service with the Governing Commission of the Saar Territory	Annual salary		Total duration of service with the Governing Commission of the Saar Territory (to 1/11/35)	Compensation given by the Governing Commission (in addition to 1 month's salary).	
		French francs	Converted into Swiss francs (rate 20.31)		French francs	Converted into Swiss francs (rate 20.31)
M. DANZEBRINK, Heinrich	1.XII.33	45,408	9,222	15 months	25,500 20,000	9,241
M. RITZEL, Heinrich . .	1.XII.33	40,800	8,286	15 months	34,700	7,047
M. MACHTS, Hartwig. . .	1.XII.33	35,784	7,268	15 months	29,510	5,993
M. LEHNERT, Gustav . .	1.XI.33	32,844	6,670	16 months	24,760	5,029
M. LAURIOLLE, Auguste .	1.IX.33	28,920	5,873	18 months	29,520	5,996
		<u>183,756</u>	<u>37,319</u>		<u>163,990</u>	<u>33,306</u>

Three of the officials—MM. Gustav Lehnert, Auguste Lauriolle, and Hartwig Machts—accepted the Council grant of 5,000 Swiss francs to each of them in full settlement and signed the receipt worded as requested by the Secretariat.

The remaining two of the complaining former officials of the Governing Commission of the Saar Territory—M. Danzebrink and M. Ritzel—refused to sign a receipt in full settlement.

In February 1938, however, both M. Danzebrink and M. Ritzel applied for the granting of an advance to them against the Council grant. The Secretary-General approved of a payment of 3,000 Swiss francs to M. Ritzel and 4,000 Swiss francs to M. Danzebrink without imposing the conditions that the acceptance must be regarded as in full settlement. The Secretary-General's reasons were (1) humanitarian grounds, (2) a final settlement had been postponed to the following May.

On May 13th, 1938, the Secretary-General proposed to the Council to vote an additional amount of 30,979 Swiss francs to increase the *ex gratia* payment to these five former officials. The total grant from the League Budget would thus amount to 55,979 Swiss francs, and the sum received by each of the former officials would be equivalent to salary for a year and a-half. The Secretary-General's proposal was adopted.

On May 19th, 1938, a letter was addressed to the five former officials of the Governing Commission of the Saar Territory informing them of the Council's decision of May 13th, 1938. Attached to each letter were: document C.183.1938; a cheque for the amount granted to the official in question, including also the sum still outstanding against the first grant, if any; and a form of receipt.

The attention of the officials in question was especially drawn to the passage of document C.183.1938 stating that the payment referred to in that document would close the matter definitely so far as the League was concerned. The recipients were requested to sign the form of receipt transmitted to them and to return the signed receipt to the Secretariat.

Two of the five officials under reference—M. Lehnert and M. Lauriolle—acknowledged the receipt of the payment and returned the form of receipt signed as requested. The remaining three of the former officials of the Governing Commission of the Saar Territory did not sign the form of receipt as requested, but sent to the Secretariat receipts of their own drafting reserving rights for further claims.

M. Danzebrink, on May 30th, 1938, M. Ritzel, on May 31st, 1938, and M. Machts, on June 16th, 1938, were informed by the Legal Adviser of the Secretariat that, when despatching the cheques, he included a copy of the Council resolution. (This resolution indicated that these payments definitely closed the matter so far as the League of Nations was concerned.) The Legal Adviser's letter included the following sentence:

« Je conteste le bien-fondé des termes dudit reçu et je vous confirme le contenu de ma lettre précitée. »

The position, as it stands at present, is summarised in the following table:

	First payment against the first grant of the Council of 25,000 Swiss francs		Second payment against the second grant of the Council of 30,979 Swiss francs, and the balance of 3,000 Swiss francs remaining due on the first grant	
	Amount Swiss francs	Nature of the receipt signed by the recipient.	Amount Swiss francs	Nature of the receipt signed by the recipient.
M. DANZEBRINK	4,000	Ordinary.	9,833	With reservation.
M. RITZEL	3,000	Ordinary.	9,429	With reservation.
M. MACHTS	5,000	In full settlement.	5,902	With reservation.
M. LEHNERT	5,000	In full settlement.	5,005	In full settlement.
M. LAURIOLLE	5,000	In full settlement.	3,810	In full settlement.
	<u>22,000</u>		<u>33,979</u>	

On May 27th, 1939, the Secretary-General reminded the Council of the complaints put forward on various occasions by the former officials of the Governing Commission of the Saar Territory. The Council had not admitted any legal basis for the complaints of these former officials, but, on humanitarian grounds, it had made them grants *ex gratia* on two different occasions, after which the situation was as follows:

Grants received by Former Officials of the Governing Commission of the Saar Territory.

(1) Name	(2) Annual salary received from the Saar Commission	(3) Grants made by the Council on Sept. 26th, 1936	(4) Additional grants made by the Council on May 13th, 1938.	(5) Total grants from the League Budget (columns 3 and 4)	(6) Payments received from the Saar Commission
M. DANZEBRINK	9,222	5,000	8,833	13,833	9,241
M. RITZEL	8,286	5,000	7,429	12,429	7,047
M. MACHTS	7,268	5,000	5,902	10,902	5,993
M. LEHNERT	6,670	5,000	5,005	10,005	5,029
M. LAURIOLLE	5,873	5,000	3,810	8,810	5,996
Total	<u>37,319</u>	<u>25,000</u>	<u>30,979</u>	<u>55,979</u>	<u>33,306</u>

The question of the former officials of the Governing Commission of the Saar Territory was further considered during the eighty-ninth and ninetieth sessions of the Supervisory Commission held at Montreal, the former in July 1941, and the latter in August 1942. The matter was again discussed during the Commission's ninety-fifth session held in London on February 13th, 1945. On the last occasion, the Supervisory Commission retraced the history of the case and reaffirmed the view that the five former officials of the Governing Commission of the Saar Territory had no legal claim on the League. The Council had awarded them a gratuity on humanitarian grounds, but the amount of this gratuity was regarded by the recipients as inadequate. On a further study being made, the Council had offered the officials concerned a gratuity based on the compensation which would be granted to Secretariat officials similarly placed. The Council had stipulated that this would be a final award, and the recipients were to sign a receipt in full settlement of their cases.

II.

For the sake of completeness, it may be noted that, at the 107th session of the Council (second meeting, December 14th, 1939), the Secretary-General presented the case to the Council, expressing the following view :

“ A question of principle involving such grave consequences should, it would seem, be elucidated by a judicial body having the authority and special experience which the Members of the League of Nations, which are all interested in the matter, are entitled to expect for such a purpose. In my opinion, only the Permanent Court of International Justice fully satisfies this condition and it is for this reason that I propose recourse to the Court.”

The Secretary-General then proposed a draft resolution which the Council approved :

“ The Council of the League of Nations,

“ Being desirous that it should be made clear by the highest judicial authority what is the legal position of the League of Nations in the matter :

“ Decides as follows :

“ 1. A period expiring on March 31st, 1940, shall be allowed to M. Danzebrink, M. Lauriolle, M. Lehnert, M. Machts and M. Ritzel for lodging with the Secretariat, jointly or singly, a memorandum or memoranda addressed to the League of Nations, setting out, together with the arguments upon which they rely, the claims which they make against the League of Nations in connection with the cessation of their services as officials of the Governing Commission of the Territory of the Saar Basin.

“ The complainants shall choose an address at Geneva to which all communications intended for them may validly be addressed.

“ Within ninety days from April 1st, 1940, the Secretary-General will furnish a statement of the point of view of the League of Nations regarding the memorandum or memoranda lodged before that date.

“ Within sixty days from the despatch of the Secretary-General's statement, the complainants, if they so desire, may lodge an additional memorandum to elucidate further the questions at issue. If they use this opportunity, the Secretary-General may himself produce another statement within sixty days.

“ The President of the Council may prolong the periods fixed above.

“ 2. The above-mentioned documents shall be transmitted to the Permanent Court of International Justice at the same time as the request for an advisory opinion provided for in paragraph 3 of the present resolution. The Court will, of course, remain free to take account of any other element of fact or law which may be relevant for the purpose of giving the advisory opinion which is requested.

“ 3. In virtue of the present resolution, which he will communicate to the Permanent Court of International Justice, the Secretary-General of the League of Nations, on behalf of the Council, shall lay before the Court a request for an advisory opinion of the Court upon the following questions :

“ (a) Has the League of Nations any legal obligations towards the authors of the memoranda lodged in accordance with Article 1 of the present resolution in connection with the claims formulated in these memoranda ?

“ If the answer is affirmative, on what basis of law and of facts, duly proved, are these obligations founded ?

“ (b) And further, if the answer is affirmative, what sums are due to each complainant in execution of the obligations in question ?

"4. The League of Nations hereby renounces the exercise of the right to present the written and oral statements provided for by Article 66 of the Statute of the Court, if the same possibility cannot be given to the petitioners, since it does not wish to have greater opportunities of furnishing information to the Court than the petitioners themselves¹."

III.

The Secretary-General of the League of Nations requested a Belgian jurist, M. Kaeckenbeeck, to study the matter. M. Kaeckenbeeck devoted special attention to questions of administrative law in relation to German law which constituted an element in the case.

The memoranda provided for in the Council resolution were presented by the Parties :

1. Introductory memorandum by the complainants, October 31st, 1940 ;
2. Memorandum in reply by the Secretary-General, May 23rd, 1941 ;
3. Further memorandum by the complainants, July 26th, 1941 ;
4. Memorandum in reply by the Secretary-General, September 18th, 1941 ;
5. Supplementary memorandum by the complainants, December 15th, 1941².

In his last memorandum, the Secretary-General, whilst proceeding to examine the former officials' rights to the grant of a pension, emphasised another aspect of the matter which is of more general scope and which, in his opinion, constitutes, to some extent, a question calling for preliminary consideration. He pointed out that the League of Nations had no contractual obligation towards former officials of the Saar Territory and that, in consequence, if, for any reason whatsoever, the League had not succeeded in safeguarding the rights of the former officials of the Saar Territory to a pension, supposing that such rights did in fact exist, it could not, on any ground, incur any obligation of a financial character towards such officials.

On September 18th, 1941, so far as the League of Nations was concerned, the matter was ready for examination by the Permanent Court of International Justice ; but at this stage the war had intervened.

When the Supervisory Commission considered the matter after the close of hostilities, it was satisfied that the ex-officials had received more than generous treatment from the League and that there was no reason to request the Permanent Court of International Justice to hold a session merely for the purpose of dealing with this matter before the existence of the Court came to an end.

The Commission is of opinion that no further action by the League of Nations is required in the matter of the awards to these former officials of the Governing Commission of the Saar Territory and has advised the Acting Secretary-General to take no further action in respect of the Council's resolution.

¹ *Official Journal of the League of Nations*, Twentieth Year, Nos. 11-12 (Part II), pages 502 and 503.

² The periods prescribed for the presentation of the memoranda had been extended by the President of the Council in conformity with the resolution of December 14th, 1939. The supplementary memorandum by the complainants (No. 5), dated December 15th, 1941, did not come within the periods provided for in the resolution.

ANNEX 23

A.16.1946.

Geneva, March 22nd, 1946

**NOTE BY THE ACTING SECRETARY-GENERAL
ON THE JUDGMENTS PRONOUNCED BY THE ADMINISTRATIVE
TRIBUNAL ON FEBRUARY 26th, 1946, CONCERNING CERTAIN
OFFICIALS DISCHARGED IN APPLICATION OF THE EMERGENCY
MEASURES ADOPTED BY THE 1939 ASSEMBLY**

In a series of thirteen judgments pronounced on February 26th, 1946, the Administrative Tribunal found that the Administrations of the Secretariat and International Labour Office were not entitled to apply to the thirteen complainants the amendments to Articles 18 and 73 of the Staff Regulations of the Secretariat of the League of Nations and Articles 19 and 83 of the Staff Regulations of the International Labour Office provided for by the Assembly Resolution of December 14th, 1939, by which amendments the period of notice of termination of appointment in the case of permanent officials was reduced from six months to one month and the payment of the compensation for termination of appointment due to such officials was spread over four years.¹

I. THE ASSEMBLY RESOLUTION OF DECEMBER 14th, 1939

To meet the situation resulting from the outbreak of hostilities, which led on the one hand to the departure of officials who had been mobilised or desired to take up national service, and on the other hand to the necessity for adapting expenditure to the diminishing resources of the League, the Assembly, on the proposal of the Supervisory Commission and after exhaustive discussion in the Fourth Committee, adopted on December 14th, 1939, a series of measures the main features of which were as follows.

Officials who were mobilised, or who took up voluntarily national service, had their contracts suspended; other officials whose services would no longer be required were offered the choice between:

- (a) *Suspension of their appointment*: this meant that they retained their capacity as international officials, the whole of their contributions to the Pensions Fund being paid by their Administration. Finally, they might subsequently be reinstated; and
- (b) *Resignation*: this meant the payment of compensation equal to six months' or one year's salary according to whether they had less or more than seven years' service. This compensation is, in fact, that provided for by the Staff Regulations of both organisations in the case of permanent officials whose appointments are terminated.

The procedure of suspension was intended to make it possible to retain a nucleus of officials whose services might be called upon, should the need arise.

The procedure of resignation respected the legitimate susceptibilities of officials with whom it was necessary to part.

Provision had, however, also to be made for the possibility that some officials might not consent to choose between the alternative courses offered them and that the Administrations would then be obliged to terminate their appointments. Now, the Staff Regulations, as in force at that time, provided that an appointment could be terminated only by giving six months' notice. The result would have been that officials whose appointments had to be terminated would not have been able to leave the service until after the expiration of this period, so that it would have been impossible to effect any immediate economies and these officials would have been in a privileged situation as compared with officials who had been suspended or who had resigned. Accordingly, the Assembly decided to amend the Staff Regulations of the two organisations by reducing to one month the period of notice of termination of appointment in the case of officials receiving compensation on being discharged.

Finally, as the resources anticipated for 1940 would not have been sufficient to pay all the sums due in respect of compensation for termination of appointments, the Assembly decided that these sums should be paid by annual instalments (see Resolution of December 14th, 1939, *Official Journal*, Twentieth Year, Nos. 11-12, pp. 424 *et seq.*, Third and Fourth Reports of the Supervisory Commission for 1939, documents A.5(b).1939 and A.5(c).1939).

II. APPLICATION OF THE EMERGENCY MEASURES

Immediately after the adoption by the Assembly of its Resolution of December 14th, 1939, the Secretary-General and the Director of the International Labour Office informed a certain number of officials that it would be impossible to retain their services and that they must choose between the suspension of their appointments and resignation, in accordance with the provisions summarised above.

¹ See document A.72.1938.X.

A similar situation arose once more when Western Europe was invaded in May-June 1940, and almost all the officials who were to leave the service had to opt either for suspension or for resignation.

The vast majority of these officials consented to make the choice placed before them. Only a very small number refused to make the choice offered them and thus compelled their Administration to terminate their appointments by applying to them the new provisions of the Staff Regulations as decided upon by the Assembly.

Twelve officials of the Secretariat and two of the International Labour Office, holding that these new provisions were not applicable to them, appealed in the first place to the Judicial Committee and subsequently to the Administrative Tribunal, in order to obtain respect for what they considered to be their rights. These are the fourteen cases that came before the Administrative Tribunal at its session in February 1946.¹

The measures taken made it possible to effect a saving equivalent to five months' notice, on an average, in more than 300 cases in the Secretariat (1,500,000 Swiss francs), and in more than 200 cases in the International Labour Office (1,200,000 Swiss francs). Further, by spreading over a period of four years the payment of compensation in respect of termination of contracts, it was possible to reduce from 4,000,000 Swiss francs to 1,000,000 Swiss francs in the case of the Secretariat, and from 2,800,000 Swiss francs to 700,000 Swiss francs in that of the International Labour Office, the amounts that had to be paid in this connection in 1940. Thus, the Budget for 1940 was reduced in all by 4,500,000 Swiss francs for the Secretariat and by 3,300,000 Swiss francs for the International Labour Office.

III. THE CASE

1. *The Submissions of the Complainants.*

The complaints of the fourteen complainants are identical in substance. In their submission, the rights conferred on officials by the terms of the Regulations are acquired rights which cannot be modified, even by a decision of the Assembly, since their appointments, dating from before October 15th, 1932, are not subject to the provisions of Article 30*bis* of the Regulations (Article 16*bis* of the Regulations of the International Labour Office), which enable the terms of appointments to be modified to bring them into conformity with the decisions of the Assembly.

The complainants therefore hold that the amendments introduced by the Assembly in the articles dealing with notice of termination of appointment and the method of payment of the compensation for such termination (Articles 18 and 73 of the Staff Regulations of the Secretariat and Articles 19 and 83 of the Staff Regulations of the International Labour Office) are not applicable to them. In their contention, they were, on their departure, entitled to the whole period of six months' notice as prescribed in the Staff Regulations at the date when the terms of their appointments were fixed and to the immediate payment in full of the compensation due on the ground of the suppression of their posts.

2. *The Submissions of the Secretary-General.*

For his part, the Secretary-General of the League of Nations who was in office at the time, holding that the dispute arose out of a decision by the Assembly, with which he was obliged to comply, considered that the Administrative Tribunal had no competence in the matter and he decided both to contest the competence of the Tribunal and not to present any defence on the merits of the case. Accordingly, the answer to the complaints of the complainants which was submitted to the Administrative Tribunal by Professor Basdevant was confined to a submission that the Tribunal had no competence.

This attitude was confirmed by the Supervisory Commission at its session in January 1946, when it approved the position taken up by the previous Secretary-General. It was decided, further, that, if the Administrative Tribunal declared itself competent, it would be asked to postpone judgment on the substance of the case in order that the Secretary-General might refer the matter to the Assembly and obtain instructions from it. Professor Basdevant being unable to continue to act for the Secretariat, the defence was entrusted to M. Charles Rousseau, Professor at the Faculty of Law in Paris.

3. *The Position taken up by the Director of the International Labour Office.*

In reply to the complaint of one complainant, an official of the International Labour Office, the Director of the International Labour Office presented a written statement of which the conclusion was as follows:

"III. The Director of the International Labour Office, being obliged to apply the resolution of a financial nature adopted on December 14th, 1939, by the Assembly of the League of Nations, does not consider himself entitled to express any opinion whatsoever with regard to that resolution. In his view, it is for the representative of the Secretary-General of the League of Nations to do this in the associated cases."²

¹ The Registrar of the Administrative Tribunal endeavoured at various times during the war to convene a meeting of the Tribunal, but, owing to conditions in Europe, either it was impossible to communicate with the judges or the latter were unable to attend a meeting in Geneva or elsewhere.

² Part II of this memorial contained the following:

"Having recalled the foregoing facts, the International Labour Office desires to add the following observations:

"(1) The decision impugned by Madame Z. was never, strictly speaking, a decision taken with special regard to her. Madame Z. was affected, together with a large number of her colleagues, by a decision which, in reality, involved no prejudicial discrimination against her and which was the outcome of circumstances of an entirely general character.

4. The Hearings and the Judgment of the Tribunal.

At the hearings held on February 21st and 22nd, the Tribunal, upon the presentation *in limine* of a request by Professor Rousseau to the effect that it should first decide the question of competence, rejected this request and decided, by means of an interlocutory judgment delivered forthwith, to pronounce judgment simultaneously upon both the question of competence and the merits of the case.

Thereafter, the Tribunal heard in turn Maître Balmer, who presented the case for the complainants on both the question of competence and the merits, and Professor Rousseau, who presented the case for the Secretary-General on the question of competence only. After the pleadings, the President and one of the judges put a number of questions.

The Tribunal then withdrew to consider its findings and, on February 26th, it pronounced thirteen judgments¹, in practically identical terms. The final part of the judgment in the Mayras case, containing the statement of reasons and the actual decision of the Tribunal, is as follows:

[Translation.]

“AS TO COMPETENCE:

“I. Whereas the Statute of the Administrative Tribunal expressly states in Article II, paragraph 1, that the Tribunal shall be competent to hear complaints alleging non-observance, in substance or in form, of the terms of appointment of officials;

“Whereas these words imply the attribution of full competence in respect of the execution of all contractual obligations entered into by the League of Nations towards its officials, and whereas no distinction whatsoever is made between an act of the Assembly itself and an act of the agents whom it invests with authority over the staff;

“Whereas the Statute of the Tribunal was submitted to the Assembly on September 26th, 1927, and adopted by that body as drafted, without any amendment either in regard to its spirit or in regard to its form; and whereas therefore the scope of the Tribunal's competence was determined by the sovereign authority of the Assembly itself, thus providing the staff with a guarantee of justice which thenceforward it could not retract;

“Whereas, moreover, this was the definite opinion expressed by the Committee of Jurists appointed by the Chairman of the First Committee of the Thirteenth Assembly, which opinion related to the question whether the Assembly had any right to reduce the salary of officials; and whereas this opinion recognising the competence of the Administrative Tribunal was given on October 8th, 1932, the members of this Committee (M. Andersen, M. Basdevant, M. Huber, Sir William Malkin and M. Pedroso) being unanimous, (*cf. League of Nations Official Journal, Special Supplement No. 107, p. 206*);

“II. And whereas, furthermore, the Secretary-General, by the decision impugned, wrongfully applied the Assembly resolution of December 14th, 1939, to the complainant;

“Whereas the appointment of the complainant was, in fact, previous to October 15th, 1932, and the contract of appointment contained no clause providing that the terms thereof might be modified by the Assembly;

“Whereas the Staff Regulations of the Secretariat, as in force at the date of the complainant's contract of appointment, formed part of the terms of that contract, and whereas the complainant had an acquired right in virtue of which amendments to the Regulations and, in particular, the amendments at issue to Articles 18 and 73, could not be applied in her case save by mutual agreement;

“Whereas no such mutual agreement has been reached;

“Whereas it is impossible to entertain the assumption that the Assembly intended, by its Resolution of December 14th, 1939, to affect acquired rights without expressly so stating;

“Whereas, in this respect, the text adopted by the Assembly admits of no doubt and does not even mention Article 80 of the Staff Regulations, which establishes the principle of respect for acquired rights;

“Whereas likewise the interpretation advanced by the defendant party cannot be deduced from any argument *ab absurdo*, or from any argument based on practical effect, since the modifications at issue are applicable to officials appointed after October 15th, 1932, and to those who were appointed before that date, but whose contract of appointment contains a clause providing that the terms thereof may be modified by the Assembly (Article 30*bis* of the Staff Regulations of the Secretariat);

“Whereas, therefore, the complaint is directed, not only formally, but also in fact, against a decision of the Secretary-General, whence it follows that, on any hypothesis, the matter comes within the competence of the Administrative Tribunal:

“(2) The provisions of the Staff Regulations of the International Labour Office which made it possible for the decision impugned by Madame Z. to be taken differ of course from the terms of the Regulations as they previously stood. This amendment is itself due to the events which have taken place in the world. The character of these events and the extent of their consequences warrant the statement that they constituted a contingency not foreseen by the Staff Regulations of the International Labour Office as in force prior to December 21st, 1939, or by the Statute of the Administrative Tribunal itself. It seems doubtful whether the decisions taken during the present emergency, under the direct pressure of exceptional circumstances, can be regarded as decisions subject to the rules and to the remedies governing the action of the Administration in normal circumstances.

“(3) The decision impugned by Madame Z. was the outcome of circumstances of *force majeure* and it has its origin not in any act of volition on the part of the Director of the International Labour Office himself, but in the Resolution adopted on December 14th, 1939, by the Assembly of the League of Nations. The Director merely carried out a decision which was not a decision that he had taken and the effects of which he could not set aside.”

¹ A fourteenth case is still pending; it concerns an official of the Secretariat who had put forward also two supplementary claims:

(a) An increase of the capital of the pension, the reduction of the period of notice having led to his quitting the Pensions Fund prematurely;

(b) The payment of the instalments of the compensation for termination of appointment in Swiss francs of the same value as at the date when he left the Secretariat.

"AS TO THE MERITS:

"Whereas the complainant, in virtue of the terms of her contract of appointment, had an acquired right according to which, upon the termination of her appointment in pursuance of the decision impugned, Articles 18 and 73 of the Staff Regulations of the Secretariat, as in force at the date of her contract of appointment, should be applied;

"Whereas the complainant was, by the decision impugned, wrongfully deprived of the benefit of this acquired right by the application of the Assembly Resolution of December 14th, 1939;

"Whereas, reasons of *force majeure* have been unavailingly invoked to justify such application;

"Whereas it is in fact impossible to entertain the idea that the League of Nations was not in a position to respect the acquired rights of its staff;

"Whereas the complainant is therefore entitled:

- * (1) To six months' notice, or the payment of six months' salary in lieu thereof;
- * (2) To compensation equal to one year's salary, payable immediately;

"Whereas the fact that the payment of salary in lieu of the months of notice will be effected only after a long interval and that the compensation was paid only over a period of time and by instalments on different dates gives the complainant a right to interest for the period that has elapsed since payment became due, which the Tribunal fixes *ex aequo et bono* at 4 per cent."

IV. A SUCCINCT ANALYSIS OF THE JUDGMENT

For a full knowledge of the question at issue, the position taken up by the parties and that adopted by the Tribunal, reference should be made to the following documents and records:¹

1. The written statement by the complainants (M^{lle} Mayras) instituting proceedings, dated February 19th, 1940;
2. The written statement in reply by Professor Basdevant, dated April 2nd, 1940;
3. The reply of the complainants (M^{lle} Mayras), dated June 17th, 1940;
4. The summary of the first speech by Professor Rousseau on February 21st, 1946;
5. Extracts from the oral observations of the President and of Judge Devèze during the hearing on February 21st, 1946;
6. The second speech by Professor Rousseau on February 22nd, 1946;
7. The judgment in the Mayras case, dated February 26th, 1946.

It is not for the Secretary-General to express an opinion on the judgment pronounced by the Administrative Tribunal. What follows is confined to certain statements of fact.

1. — *The Judgment on the Question of Competence.*

As reasons for its decision in regard to the question of competence, the Tribunal gave two arguments.

(a) The Tribunal took account, in the first place, of the general terms of Article II, paragraph 1, of its Statute, which determines the competence of the Tribunal.² This Article indeed makes no explicit distinction between an act by the Assembly or by the Administration.

The Tribunal did not fail to take account also of the opinion given by the Committee of Jurists appointed by the 1932 Assembly to give it an opinion on various questions relating to the rights of officials. This Committee, composed of M. Andersen, M. Basdevant, M. Huber, Sir William Malkin, M. Pedroso, concluded its opinion, dated October 8th, 1932, by saying: "The Assembly does not have the right to reduce the salaries of the officials unless such a right has been expressly recognised in the contracts of appointment"³, and "If the Assembly reduced the salaries of officials, the latter would have the right to have recourse to the Administrative Tribunal."

(b) The Administrative Tribunal then found that "the Secretary-General, by the decision impugned, wrongfully applied the Assembly Resolution of December 14th, 1939" to the complainants.

In the view of the Administrative Tribunal, the Assembly's decision applied only to officials appointed subsequently to October 15th, 1932, their appointments being, in virtue of Article 30 *bis* of the Staff Regulations (Article 16 *bis* of the Staff Regulations of the International Labour Office) subject to such changes as the Assembly might decide upon.

¹ These documents and records are not annexed to the present document; they can be obtained, if desired, in roneographed form (French only) on application to the Distribution Service at the Secretariat.

² Article II, paragraph 1, of the Statute of the Administrative Tribunal reads as follows:

"The Tribunal shall be competent to hear complaints alleging non-observance, in substance or in form, of the terms of appointment of officials of the Secretariat or of the International Labour Office, and of such provisions of the Staff Regulations as are applicable to the case."

³ In regard to the sovereign power of the Assembly, this question was examined by the Committee, which said: "The existence of such rights being recognised, does the Assembly nevertheless possess the right to derogate therefrom in *exercise of its budgetary authority*?"

"This question does not arise in the same manner as it arises for a parliament which, besides its budgetary authority, has power to legislate — that is to say, to make rules of law which can override other rules of law"

"The obligation which flows from the official's contract is an obligation resting upon the League of Nations. To state this is to state that all the organs of the League of Nations are bound to conform to it. Accordingly, in providing for expenditure, the Assembly is bound to take as a basis the contractual rights of officials."

The Secretary-General, through his representative, formally contested this assertion (Reply by Professor Rousseau, February 22nd, 1946). He showed that, if the amendments impugned had had to apply to officials appointed subsequently to October 15th, 1932, they would have affected only a limited number of officials. Further, it should be noted that officials of this category were all appointed in a temporary capacity and, in many cases, the Secretary-General could bring their services to an end either by not renewing their contracts or by giving them the short notice specified in their contracts. The amendments in question had no sense and served no purpose unless they were to apply to the whole of the officials discharged.

Such, in the opinion of the Secretary-General, was the will of the Assembly and he is convinced that he did what he was required to do when he applied Articles 18 and 73 to all the officials.

2. — *The Judgment on the Merits of the Case.*

As the Secretary-General confined himself to pleading that the Tribunal had no competence, he refrained from presenting any defence on the merits of the case.

(a) The Tribunal, after deciding that it was competent, asserted that the provisions of the Staff Regulations constituted, in principle, a contractual element of the situation of officials. The latter, according to the Tribunal, possessed, in virtue of Article 80, an acquired right to the application of the Staff Regulations in force at the moment of their appointment. The Tribunal's view in this matter had moreover already been asserted in earlier judgments.¹

(b) It will be noted that the Tribunal mentioned, only to reject it, the notion of *force majeure*. It said:

“Whereas, reasons of *force majeure* have been unavailingly invoked to justify such application (*i. e.*, the application of the amendments to all officials).”

It should be observed that, as the Secretary-General did not enter into the substance of the dispute, he had no occasion to invoke the juridical notion of *force majeure* which, whatever may be its validity, bore no relation to the question of competence.

If, in the course of his submission, Professor Rousseau quoted passages from speeches delivered in the Fourth Committee in which *force majeure* was invoked, this was because those passages demonstrated the Assembly's intention not to confine itself to the application of the contractual rules and to make the amendments to the Staff Regulations applicable to all officials.

V. QUESTION TO BE CONSIDERED BY THE ASSEMBLY

The Judgment of the Administrative Tribunal affects the scope of the Assembly Resolution of December 14th, 1939. The Supervisory Commission, consulted by the Acting Secretary-General, states in the report of its ninety-ninth session as follows:

“As an acceptance of the findings of the Administrative Tribunal would put its decision above the authority of the Assembly, the Supervisory Commission could not take the responsibility of advising the Acting Secretary-General and the Acting Director of the International Labour Office to apply the judgments of the Administrative Tribunal. It has accordingly instructed the two Administrations to take no action on them pending consideration of the whole question by the Assembly.”

¹ See Judgment No. 1 — di Palma Castiglione *versus* International Labour Office, January 15th, 1929.

This judgment contained the following passage:

“C. Whereas it would be unavailing for the Administration to claim to invoke the general provision which enables it to modify the Staff Regulations during the course of a contract (Article 117 of the Staff Regulations);

“And whereas the purport of an Article of this nature cannot have been to place the official in a position in which he would be exposed to the arbitrary action of the Administration, since, on the contrary, the existence of Staff Regulations arises out of the necessity for giving the members of the staff, both at present and in the future, legitimate guarantees concerning the stability and the conditions of their employment;

“And whereas the report by M. Noblemaire, leading up to the adoption of the Staff Regulations, brings out clearly the intention with which those Regulations were drawn up, by specifying that it was desired to provide a remedy for the insecurity in which the members of the staff found themselves before the establishment of these guarantees of stability;

“And whereas it is therefore impossible to conceive of the interpretation of Article 117 otherwise than *in regard to details of methods of application or to accessory points and not in regard to anything affecting the fundamental rights of the members of the staff.*”

Note. — Article 117 of the Staff Regulations of the International Labour Office corresponds to Article 80 of the Staff Regulations of the Secretariat, which reads as follows:

“The present Regulations and their Annexes may be amended by the Secretary-General, without prejudice always to the acquired rights of officials”

See also:

Judgment No. 2 — Phelan *versus* International Labour Office — January 15th, 1929,

Judgment No. 3 — Maurette *versus* International Labour Office — January 15th, 1929.

ANNEX 24

A.33.1946.

Geneva, April 17th, 1946.

GENERAL QUESTIONS :
REPORT OF THE FIRST COMMITTEE TO THE ASSEMBLY

Rapporteur: Professor K. H. BAILEY (Australia).

The First Committee met under the chairmanship of M. Maurice BOURQUIN, delegate of Belgium. As Vice-Chairman, it elected H.E. Professor CAEIRO DA MATTA, delegate of Portugal, and it invited Professor K. H. BAILEY, delegate of Australia, to undertake the duties of Rapporteur. The Committee held seven meetings.

The main business of the Assembly at its twenty-first session has been to make provision for bringing the League of Nations to an end in orderly fashion, so that as much as possible of its surviving work can be continued without interruption, and as much as possible of its property can be used to promote those high purposes of international peace and co-operation for which the League itself was founded. The Assembly entrusted to the First Committee the responsibility for preparing the necessary formal resolutions, save as regards the strictly financial and administrative matters which the Assembly assigned to the Second Committee.

Much careful planning for the work of the twenty-first session of the Assembly had been done in advance, particularly in the course of discussions between representatives of the United Nations on the one hand and of the League on the other. In addition, the Delegation of the United Kingdom to the Assembly had prepared draft resolutions covering all the main matters on the agenda of the Assembly. The First Committee recommends that the Assembly should record its appreciation of this valuable preliminary work, without which, indeed, the Assembly could not possibly have completed its labours in so short a time.

The First Committee has considered the following matters: the dissolution of the Permanent Court of International Justice; the assumption by the United Nations of certain functions, powers and activities of the League of Nations; the position of certain other activities of the League, such as international assistance to refugees and the execution of the system of Mandates; the future of certain international bureaux and other organisations placed under the direction of the League or brought into relation with it; and, finally, the dissolution of the League of Nations itself, and the final liquidation of its affairs.

DISSOLUTION OF THE PERMANENT COURT OF INTERNATIONAL JUSTICE

The First Committee felt that it would be in accordance with the independent status of the Permanent Court of International Justice to place in a separate report the Committee's resolution regarding the dissolution of the Court. This report has been distributed to the Assembly as document A.35.1946.¹

ASSUMPTION BY THE UNITED NATIONS OF CERTAIN FUNCTIONS, POWERS AND ACTIVITIES
OF THE LEAGUE

Thanks to the vision, courage and energy of many, a great deal of the non-political work of the League has been maintained throughout the difficult years of World War II.

The First Committee recalls that the League of Nations has been intimately associated with the development of international co-operation; in fact, it has been the world centre of activities in this sphere. By various international agreements, Governments have entrusted it with a number of important functions. Further, the Assembly and the Council have themselves set up numerous technical organs which, with the assistance of the Secretariat, have carried out invaluable work in connection with economic and financial problems, communication and transit questions, health questions, intellectual co-operation problems, and various social problems such as slavery, child welfare, the traffic in women and the drug traffic. The League's reports and studies and periodical technical publications have gained for themselves a unique authority in every corner of the world; many have continued to appear through out the war.

As Mr. Cordell Hull wrote in February 1939: "The League of Nations has been responsible for the development of mutual exchange and discussion of ideas and methods to a greater extent and in more fields of humanitarian and scientific endeavour than any other organisation in history."²

¹ See Annex 25, pages 256-257.

² Letter from the United States Secretary of State to the Secretary-General dated February 2nd, 1939.

The General Assembly of the United Nations, in the first part of its first session, adopted in February 1946 certain resolutions concerning functions, powers and activities of a non-political character hitherto performed by the League of Nations. The General Assembly reserved the right to decide, after due examination, not to assume any particular function or activity in these categories. Subject to this reservation, however, it declared that the United Nations is willing to assume the exercise of certain of these functions and activities.

The ultimate decision thus resting with the United Nations, the task of the Assembly of the League at its twenty-first session has been to make the necessary provision for assisting in the assumption of those functions and activities which the United Nations decides to continue, and also for maintaining such functions and activities up till the time of transfer. The First Committee desires to emphasise the great importance it attaches to the uninterrupted exercise of those functions and activities of the League which the United Nations does decide to maintain.

The Acting Secretary-General of the League informed the First Committee that notice has been given to League officials terminating their employment on July 31st. The fact that this particular date has been fixed does not mean that certain activities cannot be assumed by the United Nations before the end of July. Where activities are assumed before that date, the Acting Secretary-General will place at the disposal of the United Nations any competent officials whom it may wish to engage immediately and who are prepared to accept appointment to the Secretariat of the new Organisation. It is also possible that the United Nations may not be ready to assume certain activities till after July 31st. In that case, officials asked to continue their work until the United Nations had made its decision could be re-engaged by the Secretariat of the League for a short period. In this way, any regrettable interruption of work would be avoided. This matter of the re-engagement of certain officials for the possible continuation of some particular activity is altogether independent of the question of the possible re-engagement of officials required after July 31st to help complete the work of liquidation proper.

The First Committee noted with satisfaction the statements of the Acting Secretary-General.

In connection with the assumption by the United Nations of functions and activities hitherto performed by the League, the delegate of Portugal recalled the contribution his country had made to the maintenance and development of international co-operation in the technical organs of the League. He expressed the hope that ways and means might be found whereby States in the position of his own could be associated with such technical activities as the United Nations might decide to continue. He emphasised that the success of activities such as the fight against the drug traffic depended on the maximum degree of international co-operation.

The delegation of Switzerland made the point that the Assembly of the League, which had paid the greatest attention to the resolutions of the General Assembly of the United Nations, could properly, on its part, give clear expression to its last wishes. The Swiss delegation recalled, in this regard, the active contribution which Switzerland had made to the work of the League's technical organisations of every kind. The delegation expressed the hope that the United Nations would approve of the continuation, on the widest possible basis and not within a closed circle, of the technical activities that have been inaugurated at Geneva.

The First Committee unanimously recommends the Assembly to adopt two resolutions in connection with the assumption by the United Nations of certain functions, powers and activities hitherto performed by the League. The first resolution relates specifically to certain functions and powers belonging to the League under various treaties and international agreements. This resolution is set out as Annex A to this Report¹. The second resolution relates to activities of a non-political character other than those which belong to the League under international agreements. This resolution is set out as Annex B to this Report.

THE SYSTEM OF MANDATES

Following upon a number of statements in plenary session of the Assembly with regard to the future of the territories now held under mandate, this subject was but briefly discussed by the First Committee. Attention was drawn by the delegate of China to the fact that, although the Charter of the United Nations—in particular by the establishment of an international trusteeship system—embodied principles corresponding to those of the mandate system, it made no provision for assumption by the United Nations of the League's functions under that system as such. The continued application to the mandated territories of the principles laid down in the Covenant of the League was a matter on which the Assembly would wish to be assured. The First Committee took note of the fact that all the members of the League now administering mandated territories had expressed their intention to continue, notwithstanding the dissolution of the League, to administer these territories for the well-being and development of the peoples concerned in accordance with their obligations under the respective Mandates, until other arrangements were agreed upon with the United Nations.

¹ The second part of this resolution does not refer to international loans issued under the auspices of the League of Nations. The Preparatory Commission of the United Nations considered that this question could be brought before the Economic and Social Council. In this connection, the Committee took note of a statement by the United Kingdom delegate. He recalled that the majority of the functions exercised by the Council of the League in connection with these loans had disappeared, but that there still remained one which might have to be exercised in future, and that was the appointment of fresh trustees. He added that it was the intention of the United Kingdom Government, "if the occasion arose, and after due consultation with other interested Governments, to raise the question at the next meeting of the Economic and Social Council, so that the necessary arrangements might be made."

The First Committee, on the motion of the delegate of China, unanimously recommends the Assembly to adopt on the subject of Mandates the resolution which is set out as Annex C to this Report. The delegate of Egypt reserved his Government's position, in view of its interest in the future of Palestine, and abstained from voting on the resolution.

INTERNATIONAL ASSISTANCE TO REFUGEES

The First Committee discussed fully the present position, and the future prospects, of the international assistance to refugees which has been carried on under the auspices of the League. In this discussion, it had the great advantage of assistance from the High Commissioner for Refugees, Sir Herbert Emerson. Many delegations paid warm tribute to the efforts of Sir Herbert Emerson and his staff during the immense difficulties of the past seven years. They emphasised the high humanitarian value of the work that Dr. Nansen had started at the very inception of the League. Indeed, it was largely owing to the League's work that the necessity for international organisation for the protection of refugees was now generally recognised.

The First Committee took note of the fact that there was sitting in London at the same time a Committee of Enquiry established by the Economic and Social Council of the United Nations, to examine in all its aspects the problem of refugees and displaced persons. There seemed good prospects that the eventual outcome of this Committee's work will be the establishment of a new international authority, under the United Nations, for the protection of refugees and displaced persons. Members of the First Committee expressed their strong hope that the categories of refugees with which the League had been particularly concerned would be included in the unified system of protection and assistance which would eventually emerge and that there would be no break in continuity in the system of international protection.

In order to prevent the premature termination of the League's work for the protection of refugees, the First Committee unanimously recommends the Assembly to adopt a resolution prolonging the term of office of the High Commissioner for Refugees until the end of the present year, if required. The text of this resolution is incorporated in the general resolution on the dissolution of the League, submitted to the Assembly by the Second Committee.

The delegates of Poland and Yugoslavia enquired whether the High Commissioner was in practice able to draw the distinction emphasised in a recent resolution of the General Assembly of the United Nations, between genuine refugees and displaced persons on the one hand and war criminals, "quislings" and traitors on the other. The High Commissioner for Refugees replied that, though not technically bound by this resolution, he had felt himself morally obliged to act in conformity with it, and was in fact doing so.

INTERNATIONAL BUREAUX AND OTHER ORGANISATIONS BROUGHT INTO RELATION WITH THE LEAGUE

The impending dissolution of the League has made it necessary to consider the position that will exist in connection with certain international bureaux and other organisations which have been placed under the direction of the League in accordance with Article 24 of the Covenant or which have been otherwise brought into relation with the League. The question was examined in a document prepared by the Acting Secretary-General: A.I/5. 1946. In most cases the relation between the League and the organisation concerned has been such that the breaking of the ties with the League will not in any way impair the future working of the organisation. The following organisations fall within this category:

- The International Bureau for Information and Enquiries regarding Relief to Foreigners (Paris);
- The International Hydrographic Bureau (Monaco);
- The Central International Office for the Control of the Liquor Traffic in Africa (Brussels);
- The International Commission for Air Navigation (Paris);
- The International Exhibitions Bureau (Paris);
- The International Relief Union (Geneva).

The First Committee unanimously recommends the Assembly to adopt a resolution with a view to notifying these organisations of the termination of the League's relation to them and thanking them for their collaboration with the League. The text of this resolution is set out as Annex D to this Report.

INTERNATIONAL INSTITUTE OF INTELLECTUAL CO-OPERATION

The International Institute of Intellectual Co-operation does not come within the same category as the bureaux and the other international organisations mentioned above. This Institute, which was placed at the disposal of the League of Nations by the French Government in December 1924, will, through the dissolution of the League of Nations, lose its Governing Body "composed of the members for the time being of the Committee on Intellectual Co-operation of the League of Nations". But intellectual co-operation, as developed by the Committee and the Institute, is being re-born in a new form. The United Nations Conference, which met in London in November 1945, set up the United Nations Educational, Scientific

and Cultural Organisation. The province of this new Organisation will extend to problems with which the League of Nations was not empowered to deal. " Means of mass communication " and " popular education " are included in its programme, in addition to the scientific, artistic and cultural matters with which the organs of the League of Nations were concerned. The seat of the Organisation will be in Paris.

Several delegations wished to express thanks to France for the generosity with which that country has, since 1925, borne almost alone the expenses of the International Institute which it founded. If intellectual co-operation is to-day a universally accepted reality, this is certainly due in large measure to the work of the Committee on Intellectual Co-operation and the International Institute in Paris.

In a resolution attached as Annex E to the present Report, the First Committee proposes that the Assembly should address its thanks to the International Institute in Paris. Further, in order to ensure the continuity of the work of intellectual co-operation, the First Committee recommends that the Assembly should transfer to the United Nations the contingent right possessed by the League of Nations over certain assets of the Institute.

DISSOLUTION OF THE LEAGUE OF NATIONS

The resolution required for the formal dissolution of the League and the necessary measures of liquidation included a large number of financial and administrative proposals which fell indubitably within the competence of the Second Committee. On the other hand, it would obviously be convenient that the whole matter should be dealt with, comprehensively and entirely, in a single resolution. Accordingly, the First Committee, after giving consideration to those articles of a draft resolution which seemed to raise questions of general policy, remitted the draft resolution as a whole to the Second Committee. It will therefore be that Committee which will propose the resolution, and report on it to the Assembly. The First Committee contents itself with observing that it fully supports the general plan of liquidation proposed in the resolution.

Annex A.

RESOLUTION ON THE ASSUMPTION BY THE UNITED NATIONS OF FUNCTIONS AND POWERS HITHERTO EXERCISED BY THE LEAGUE UNDER INTERNATIONAL AGREEMENTS

THE ASSEMBLY OF THE LEAGUE OF NATIONS,

Having considered the resolution on the assumption by the United Nations of functions and powers hitherto exercised by the League of Nations under international agreements, which was adopted by the General Assembly of the United Nations on February 16th, 1946 :

ADOPTS THE FOLLOWING RESOLUTIONS :

1. *Custody of the Original Texts of International Agreements.*

The Assembly directs that the Secretary-General of the League of Nations shall, on a date to be fixed in agreement with the Secretary-General of the United Nations, transfer to the Secretariat of the United Nations, for safe custody and performance of the functions hitherto performed by the Secretariat of the League, all the original signed texts of treaties and international conventions, agreements and other instruments, which are deposited with the Secretariat of the League of Nations, with the exception of the Conventions of the International Labour Organisation, the originals of which and other related documents shall be placed at the disposal of that Organisation.

2. *Functions and Powers arising out of International Agreements of a Technical and Non-political Character.*

The Assembly recommends the Governments of the Members of the League to facilitate in every way the assumption without interruption by the United Nations, or by specialised agencies brought into relationship with that Organisation, of functions and powers which have been entrusted to the League of Nations, under international agreements of a technical and non-political character, and which the United Nations is willing to maintain.

Annex B.

RESOLUTION ON THE ASSUMPTION BY THE UNITED NATIONS OF ACTIVITIES
HITHERTO PERFORMED BY THE LEAGUE

THE ASSEMBLY directs the Secretary-General of the League of Nations to afford every facility for the assumption by the United Nations of such non-political activities, hitherto performed by the League, as the United Nations may decide to assume.

* * *

Annex C.

MANDATES

THE ASSEMBLY,

Recalling that Article 22 of the Covenant applies to certain territories placed under mandate the principle that the well-being and development of peoples not yet able to stand alone in the strenuous conditions of the modern world form a sacred trust of civilisation :

1. Expresses its satisfaction with the manner in which the organs of the League have performed the functions entrusted to them with respect to the mandates system and in particular pays tribute to the work accomplished by the Permanent Mandates Commission ;
2. Recalls the role of the League in assisting Iraq to progress from its status under an "A" Mandate to a condition of complete independence, welcomes the termination of the mandated status of Syria, the Lebanon, and Transjordan, which have, since the last session of the Assembly, become independent members of the world community ;
3. Recognises that, on the termination of the League's existence, its functions with respect to the mandated territories will come to an end, but notes that Chapters XI, XII and XIII of the Charter of the United Nations embody principles corresponding to those declared in Article 22 of the Covenant of the League ;
4. Takes note of the expressed intentions of the Members of the League now administering territories under mandate to continue to administer them for the well-being and development of the peoples concerned in accordance with the obligations contained in the respective Mandates, until other arrangements have been agreed between the United Nations and the respective mandatory Powers.

* * *

Annex D.

INTERNATIONAL BUREAUX AND OTHER ORGANISATIONS PLACED UNDER
THE DIRECTION OF THE LEAGUE OF NATIONS OR BROUGHT INTO RELATION
THEREWITH

1. THE ASSEMBLY directs the Secretary-General to thank the international bureaux and other organisations named in this resolution for their collaboration with the League of Nations in the past, and to inform them that the relation with the League which was established in accordance with Article 24 of the Covenant must be regarded as coming to an end on the dissolution of the League, with effect from the day following the close of the present session of the Assembly.

This resolution shall apply to the following organisations :

- The International Bureau for Information and Enquiries regarding Relief to Foreigners (Paris) ;
- The International Hydrographic Bureau (Monaco) ;
- The Central International Office for the Control of the Liquor Traffic in Africa (Brussels) ;
- The International Commission for Air Navigation (Paris) ;
- The International Exhibitions Bureau (Paris).

2. THE ASSEMBLY directs the Secretary-General to address a similar communication to the International Relief Union (Geneva), which, though it was not placed under the direction of the League, was brought into relation with the League under the Convention of July 12th, 1927, which created the Union.

* * *

Annex E.

INTERNATIONAL INSTITUTE OF INTELLECTUAL CO-OPERATION

I. THE ASSEMBLY thanks the International Institute of Intellectual Co-operation (Paris) for the valuable collaboration which, since 1925, it has given to the League of Nations as the organ for the execution of the decisions and recommendations of the International Committee on Intellectual Co-operation.

2. THE ASSEMBLY,

Being desirous of facilitating by all the means in its power the continuity of the work of intellectual co-operation ;

Considering that paragraph 7 of the letter of December 8th, 1924, from the French Government to the President of the Council of the League of Nations provides that, in the event of the abolition of the Institute, any articles and, in particular, the archives and collections of documents deposited in the premises by the Governing Body, as well as any property which has been acquired by the Institute during its period of operation, shall remain the property of the League of Nations :

Resolves to transfer the right of property mentioned above to the United Nations ; and

Instructs the Secretary-General of the League of Nations to take in due time, in conjunction with the Directorate of the Institute, the necessary measures for the execution of the present resolution.

ANNEX 25

A.35.1946.

Geneva, April 17th, 1946.

REPORT AND DRAFT RESOLUTION OF THE FIRST COMMITTEE ON THE DISSOLUTION OF THE PERMANENT COURT OF INTERNATIONAL JUSTICE

Rapporteur: Professor K. H. BAILEY (Australia).

Just as the dissolution of the League of Nations follows upon the establishment of the United Nations, so the dissolution of the Permanent Court of International Justice follows upon the establishment by the United Nations of a new International Court of Justice. The new Court has already commenced to exercise its functions. Accordingly, the Assembly directed the First Committee to prepare the necessary resolution for formally terminating the existence of the Permanent Court.

The First Committee does not think it appropriate to review in detail the work accomplished by the Permanent Court during the past twenty-four years. The record of the judgments and opinions of the Court finds its place in all standard works on the law of nations and enriches the law libraries of the world. The First Committee does wish, however, to emphasise, first, the close continuity that will exist between the Permanent Court and the International Court of Justice and, secondly, the significance for the world community of what the Permanent Court has accomplished.

Men, conscious that they are, after all, mortal, may, when they hear the word "dissolution", think that the Permanent Court is dead. In substance, the contrary is the truth. The Statute of the new Court has been modelled closely upon the Statute of the Permanent Court. The Members of the International Court of Justice have symbolised the relation between the new Court and the old by electing as their first President the distinguished Judge Dr. J. GUSTAVO GUERRERO, who, since 1937, has held the office of President of the Permanent Court.

In the opinion of the First Committee, there can be no two views as to the success of the work done in the realm of International Law by the Permanent Court of International Justice. Its judgments have not only contributed to the development of the doctrines of International Law but—more fundamentally—to the extension of the rule of law in international affairs. The League may take pride in having inaugurated the first successful experiment, after many attempts in this field had failed in the past, to establish a regular world tribunal for determining disputes between States. The First Committee expresses the conviction that the International Court of Justice will maintain the high traditions of its predecessor.

On the present occasion, the First Committee recalls the distinguished judges and officers of the Permanent Court, whose work built up its traditions. The Committee pays tribute to the devotion to duty which enabled the Court to be maintained throughout the war, in the face of great difficulties.

The First Committee records its gratitude for the message sent to the Assembly by Dr. Guerrero, as the last President of the Permanent Court, in contemplation of this solemn occasion.¹

The First Committee unanimously recommends that the Assembly should adopt the following resolution:

"THE ASSEMBLY OF THE LEAGUE OF NATIONS,

"Considering that, by Article 92 of the Charter of the United Nations, provision is made for an International Court of Justice which is to be the principal judicial organ of the United Nations and which is to be open to States not members of the United Nations on terms to be determined by the United Nations;

"Considering that the establishment of this Court and the impending dissolution of the League of Nations render it desirable that measures for the formal dissolution of the Permanent Court of International Justice shall be taken;

¹ See Annex 19, II, pages 225-227.

“Considering that the Preparatory Commission of the United Nations, in a resolution of December 18th, 1945, declared that it would welcome the taking of appropriate steps by the League of Nations for the purpose of dissolving the Permanent Court, and that this resolution records the assent to the dissolution of the Permanent Court of all the Members of the United Nations which are parties to the Protocol of Signature of the Statute of the Permanent Court, whether Members of the League of Nations or not ;

“Considering that all the Judges of the Permanent Court have resigned and that on the dissolution of the League no machinery will exist for the appointment of new Judges :

“RESOLVES :

“That the Permanent Court of International Justice is for all purposes to be regarded as dissolved with effect from the day following the close of the present session of the Assembly, but without prejudice to such subsequent measures of liquidation as may be necessary.”

Geneva, April 18th, 1946.

FINANCIAL AND ADMINISTRATIVE QUESTIONS: GENERAL REPORT
OF THE SECOND (FINANCE) COMMITTEE TO THE ASSEMBLY*Approved by the Assembly on April 18th, 1946.**Rapporteur: Madame C. A. KLUYVER (Netherlands).*

I. INTRODUCTION

Liquidation is, needless to say, the primary question dealt with in the general report of the Second Committee—which, this year, fulfils the rôle of the Finance Committee prescribed by the Financial Regulations. At this moment, when the first and fundamental point to be decided is the dissolution of the League—and on that subject the First Committee has already expressed itself in principle—and the second the adoption of the consequential administrative and financial measures, it may not be amiss that we should begin with a glance at the past record of the League in the sphere of administration and finance.

Since the inception of the League, States Members have contributed more than 561 million Swiss francs, some 50 millions of which have been transformed into tangible assets which will shortly be handed over to the United Nations and to the International Labour Organisation. The organisations and services that had been built up will disappear, but enduring principles have been established in this field which will guide the new international bodies which are replacing the League. It may not be inappropriate that we should, at the outset, clearly express our view that the expenditure the League has incurred has been usefully applied to essential purposes and that the experience which has been acquired in the last twenty-five years in matters of international financial administration will be invaluable to our successors.

Since it first met in 1920, the Finance Committee of the Assembly has been directly responsible for the establishment of the financial system which was later embodied in the Regulations for the Financial Administration of the League of Nations and in 1921 for the setting up of the Supervisory Commission. It subsequently recommended the adoption of such unprecedented schemes as a Pensions Fund designed to meet the varying circumstances of officials recruited in every country in the world, and much of the credit for the imposing buildings which house this Assembly and which, we hope, will continue in the future to accommodate international services may be attributed to its labours. Finally, it has taken all necessary measures in order to provide the funds for the many activities of the League, the gradual development of which it has encouraged with active interest.

The Finance Committee believes that, thanks to the unremitting work of the Supervisory Commission, the League succeeded in establishing a system of international financial administration solid enough to stand the test of a six-years world war which caused untold suffering and immeasurable material and moral losses and, so far as concerns the League of Nations in particular, greatly interrupted communications, rendered consultations almost impossible and disrupted the exchange of currencies. During this period, the wise decisions which, on the report of its Finance Committee, the Assembly had adopted in 1938 and 1939 enabled the Supervisory Commission to preserve intact the structure of the League of Nations and to provide for the continued existence of each of its different institutions, even if general circumstances as well as financial exigencies compelled a reduction in the scale of their operations.

The Finance Committee feels that these efforts have not been in vain. During the long period of suspense which has just come to a close, there was no infringement of principles and material assets were not allowed to deteriorate, with the result that, if circumstances had been different, the League would now be in a position to make a new start. But it has been decreed otherwise, and before passing to specific recommendations for the winding-up of the League, the Finance Committee would draw the attention of the States Members to the admirable statement in which, in 1944, the Supervisory Commission summarised, for the benefit of future international organisations, the results of its peace-time and war-time experiences in the realm of international administration and particularly the benefits to be derived from a centralised well-knit financial structure (see First Report of the Supervisory Commission for the Year 1944: document C.27.M.27.1944.X—Introductory Remarks). The Finance Committee associates itself with the views expressed in this fundamental document and ventures to hope that they may be of practical value to those who are now entrusted with the organisation of institutions, stronger and endowed with far greater material resources than was the League of Nations at any time during its brief career.

II. ACTIVITIES AND GENERAL RECOMMENDATIONS OF THE SUPERVISORY COMMISSION

A. WORK OF THE SUPERVISORY COMMISSION DURING THE WAR

The Committee heard with great interest the comprehensive statements in which the Chairman of the Supervisory Commission, M. Hambro, and the Secretary-General set out the work accomplished by the Supervisory Commission since the 1939 Assembly. During that period, if we except the competent bodies of the International Labour Organisation, the Supervisory Commission was the sole executive organ of the League and, in addition to the discharge of its ordinary functions, it had, in pursuance of resolutions adopted by the Assembly in 1938 and 1939, to assume very extensive duties. Thanks to the sagacity it displayed and with the full co-operation of the Secretary-General, the Acting Director of the International Labour Office, the Registrar of the Permanent Court of International Justice and the Treasurer of the League, it succeeded in keeping the League in being—reduced though its scope was by force of circumstances—during a war which devastated the world during a period of six years. In accordance with the emergency powers conferred upon it, it voted six annual Budgets, approved the audited accounts for six financial years, ensured the continuance of the Staff Pensions and Staff Provident Funds, watched over the collection of contributions both current and in arrears, supervised the carrying-out of the necessary measures of retrenchment, and, finally, within the limits of its competence, made possible the continuance of essential technical work and the study and the preparation of work in connection with post-war reconstruction.

The appreciation of the Finance Committee for the work so successfully accomplished is expressed in the following resolution, which the Committee submits to the Assembly for approval:

“ THE ASSEMBLY,

“ Calling to mind

“ (a) The resolution adopted at its nineteenth ordinary session on September 30th, 1938, and confirmed by the resolution adopted at its twentieth ordinary session on December 14th, 1939, whereby power was conferred, until the next ordinary session of the Assembly, upon the Secretary-General and the Director of the International Labour Office, acting with the approval of the Supervisory Commission, to take any exceptional administrative or financial measures which might appear necessary (including the amendment of administrative or financial regulations), such measures to have the same force and effect as if they had been taken by the Assembly, and

“ (b) The resolution adopted at its twentieth ordinary session on December 14th, 1939, whereby the Supervisory Commission was invested, during the year 1940, with authority to exercise all the powers and functions conferred on the Council of the League of Nations by the Regulations for the Financial Administration of the League or by the Regulations of the Staff Provident Fund with the same force and effect as if they had been exercised by the Council itself:

“ Takes note of the Reports of the Supervisory Commission for the years 1940, 1941, 1942, 1943, 1944 and 1945 and of the Commission's General Summarised Report on its Work during the Period of Emergency, 1940-1946 (document A.5.1946.X)¹;

“ Approves and confirms the decisions taken during these years in pursuance of the above-mentioned resolutions of the Assembly;

“ Expresses its warm appreciation of the efforts made by the Commission, in association with the Secretary-General, the Acting Director of the International Labour Office, the Registrar of the Permanent Court of International Justice and the Treasurer of the League, to safeguard the interests of the League and its Members and to maintain and develop the work of the Secretariat and of the International Labour Office at the highest possible level during the emergency period.”

Before passing on to the present and to the future, a further well-deserved tribute should be paid to the American institutions which have so greatly facilitated the work of the League of Nations during the war.

The Finance Committee therefore proposes that the following resolution be adopted:

“ THE ASSEMBLY:

“ 1. Expresses its warmest appreciation of the offer of hospitality which was extended in June 1940 to the technical services of the League on behalf of Princeton University by its President, Dr. Harold W. Dodds, on behalf of the Institute for Advanced Study by its Director, Dr. Frank Aydelotte, and on behalf of the Rockefeller Institute for Medical Research by Dr. Carl Ten Broeck, Director of the Institute's Department of Animal and Plant Pathology, an offer which was accepted by the Secretary-General in respect of a mission of the Economic, Financial and Transit Department;

“ 2. Expresses its warmest thanks:

“ To the Institute for Advanced Study for the accommodation and working facilities it has accorded to the mission of the Economic, Financial and Transit Department during its stay in Princeton;

¹ See Annex 4, pages 149-159.

“ To Princeton University for the faculty privileges, including the use of the University Library, extended by it to the members of the mission, and for the valuable work carried out for the League of Nations by its Office of Population Research;

“ And to the Rockefeller Foundation for the generous financial aid which it has granted to the Economic, Financial and Transit Department for many years past.”

B. REPORTS ON THE SUPERVISORY COMMISSION'S RECENT WORK

The Finance Committee examined a series of reports of a general character submitted by the Supervisory Commission to the Assembly (documents A.14, A.19, A.25 and A.28.1946.X).

Most of the recommendations contained therein will be found under other headings of the present Report of the Finance Committee. It will therefore suffice to mention here the following two points:

1. *Audited Accounts for 1945.*

Adopting a proposal of the Supervisory Commission, the Finance Committee recommends that the Audited Accounts for the twenty-seventh financial period (1945) for the Secretariat and the Permanent Court of International Justice should be finally approved. It has not yet been possible to have the accounts of the International Labour Organisation—whose headquarters are at present at Montreal—audited by the Auditor, and these will form the subject of a subsequent report by the authority which will then be competent.

2. *Occupancy by the Permanent Court of International Justice of Premises in the Peace Palace at The Hague during the War.*

The Committee took note of the observations made by the Supervisory Commission concerning the claim of the Carnegie Foundation in respect of annual payments for the occupancy by the Permanent Court of International Justice of the Peace Palace at The Hague during the war.

Since the efforts which had been made by the Supervisory Commission to secure, by agreement, a reduction in the claim owing to the relatively limited use possible during the war years had proved unsuccessful, the Committee agreed to recommend the payment of the sum involved, which, over the six years, amounts to 240,000 florins and which, as it was informed, could, by appropriate arrangement, be met out of the Budget of the Court for 1946.

The Finance Committee therefore recommends the adoption of the following resolution:

“ THE ASSEMBLY:

“ I. Finally approves, as regards the Secretariat and the Permanent Court of International Justice, the accounts of the twenty-seventh financial period of the League of Nations closed on December 31st, 1945 (document C.15.M.15.1946.X);

“ II. Approves, in so far as they have not been modified by decisions contained in the present Report of the Finance Committee, the conclusions of the Reports on the Supervisory Commission's recent work submitted to the Assembly (documents A.14, A.19, A.25 and A.28.1946.X).”¹

III. FINANCIAL POSITION OF THE LEAGUE AND CONTRIBUTIONS IN ARREARS

The Finance Committee wishes to point out that during the six war years—*i.e.*, from January 1st, 1940, to December 31st, 1945—the excess of expenditure over receipts of the League of Nations, including the International Labour Organisation and the Permanent Court of International Justice, amounted to no more than 3,215,000 Swiss francs, of which 2,729,000 Swiss francs were for account of the Pensions Fund, and that the whole of this deficit had been met by drawing on existing funds. This excellent result does great credit to the Supervisory Commission and the Special Committee on Contributions. More detailed information on the financial position will be found in documents A.5.1946.X (Appendix) and A.20.1946.X.²

The Finance Committee considered the report, dated March 27th, 1946, of the Special Committee on Contributions (document C.10.M.10.1946.X) and recommends that the Assembly should ratify the arrangements made with the Governments of Bolivia, China, Finland, Luxemburg, Poland and Uruguay for the settlement of their arrears of contributions.

The Committee expressed its warmest thanks to the Committee and particularly to its Chairman, M. Hambro, to whom personally so much credit is due for the Committee's notable achievements, for their unrelenting efforts in view of the collection of the contributions due to the League, a matter which has lost none of its importance now that the League is coming to an end and that, in order to clear up its debts and meet its commitments, it naturally requires the prompt payment of contributions.

The Committee was informed and noted with satisfaction that Honduras and Turkey had just settled their indebtedness in full, and that the Governments of the Argentine Republic, China, Cuba, the Dominican Republic, Egypt, Finland, Greece, Poland, Uruguay and Yugo-

¹ See Annexes 5-8, pages 160-180.

² See Annexes 4, page 159, and 12, pages 209-211.

slavia had taken steps to discharge their obligations to the League Treasury. The statement shown in the footnote shows all the contributions actually received since January 1st, 1946.¹

It is worth recording that, over the full period of the League's activity from its inception in 1919 to December 31st, 1945, a little over 90% of the annual income Budgets has been received, upwards of 4½% cancelled, and about 1½% consolidated for payment over periods of years. Therefore, only 4% of the contributions are still outstanding. Contrary to impressions prevailing in ill-informed circles, the situation may be regarded as very satisfactory.

IV. STAFF QUESTIONS

A. JUDGMENTS PRONOUNCED BY THE ADMINISTRATIVE TRIBUNAL ON FEBRUARY 26TH, 1946, CONCERNING CERTAIN OFFICIALS DISCHARGED IN APPLICATION OF THE EMERGENCY MEASURES ADOPTED BY THE ASSEMBLY IN 1939.

In a series of thirteen judgments pronounced on February 26th, 1946, the Administrative Tribunal found that the Administrations of the Secretariat and the International Labour Office were not entitled to apply to the thirteen ex-officials who had appealed to it the amendments to Articles 18 and 73 of the Staff Regulations of the Secretariat of the League of Nations and to Articles 19 and 83 of the Staff Regulations of the International Labour Office provided for by the Assembly resolution of December 14th, 1939, by which amendments the period of notice of termination of appointment in the case of permanent officials was reduced from six months to one month and the payment of the compensation for termination of appointment due to such officials was spread over four years.

The Committee took note of a document (A.16.1946)² in which the Secretary-General retraced the history of the question and set out and gave a succinct analysis of one of the thirteen judgments—the terms of all of which were practically identical.

The Committee also had before it a Report of the Supervisory Commission (document A.14.1946.X—Chapter C)³ which contains the following conclusion:

“As an acceptance of the findings of the Administrative Tribunal would put its decision above the authority of the Assembly, the Supervisory Commission could not take the responsibility of advising the Acting Secretary-General and the Acting Director of the International Labour Office to apply the judgments of the Administrative Tribunal. It has accordingly advised the two Administrations to take no action on them pending consideration of the whole question by the Assembly.”

In order to elucidate this question, the Finance Committee appointed a Sub-Committee, whose report reads as follows:

“The Sub-Committee appointed by the Finance Committee of the Assembly has taken under consideration the claims to compensation made by certain officials who were discharged from their appointments as a result of the emergency measures taken by the Assembly of the League in December 1939 and in whose favour awards have been made by the Administrative Tribunal. The relevant facts and the history of the matter are set out in document A.16.1946 and it is not proposed to recapitulate them in detail. It is sufficient to say that, in consequence of the grave position which faced the League in 1939, the manifest impracticability of continuing to discharge all the functions in connection with which a large staff had hitherto been engaged and the imperative necessity for making drastic reductions in expenditure, the Assembly, on December 14th, 1939, passed a resolution the effect of which was to amend the Staff Regulations so as to permit the discharge of officials of the League subject to a shorter period of notice than had previously been prescribed. The great majority of the officials, either because they believed that the Assembly had the legal power so to alter the terms of their employment or because they loyally and patriotically accepted the decision taken as being in the interest of the League in the special circumstances existing at the time, did not question the validity of the action taken. Thirteen officials, however, claimed before the Administrative Tribunal that they had been discharged with less than the proper notice and these claims the Tribunal has now upheld, awarding sums represent-

¹ Statement of contributions received in 1946 (as at April 18th, 1946).

States	Swiss francs	States	Swiss francs
Australia (1945)	536,426.72	Nicaragua (consolidated contributions)	465.30
Belgium (1946)	27,593.66	Netherlands (1945)	70,633.80
Bolivia (1940-1944)	212,292.75	New Zealand (1946)	307,018.87
Czechoslovakia (1946)	38,377.36	Norway (1946)	76,754.72
Denmark (1940-1945)	357,816.97	Portugal (1945)	282,535.10
Finland (1941-1946)	150,000.—	Sweden (1940-1945)	2,136,747.03
Greece (1945)	35,316.90	Switzerland (1946)	652,415.09
Honduras (consolidated contributions)	108,564.05	Turkey (1940-1946)	2,179,116.35
Iraq (1945)	105,950.65	Uruguay (1939-1946)	608,125.38
Luxemburg (1945)	35,316.90		
		Total	7,921,467.60

Note. — The Chairman of the Supervisory Commission has received a communication from the Chinese Foreign Minister stating that the sum of U.S.A. \$631,916 has been remitted to the Imperial Bank of Canada, Toronto, for the account of the League of Nations, in full settlement of the contributions due from China. He has also been informed that France will pay her full contribution in a few days.

² See Annex 23, pages 245-249.

³ See Annex 5, page 162.

ing what the officials would have earned had the longer period of notice been given, apparently regardless of the question whether the dismissed officials had mitigated their damages by obtaining other employment in the meantime, as no doubt some did. The Administrative Tribunal based itself on the view (a) that the Assembly could not have intended its resolution to apply to all officials irrespective of the question whether a power existed in their individual contracts of service to alter the terms of their employment and (b) that the Assembly had no legal power to alter a contract into which it had entered with a servant.

" The Sub-Committee disagrees with these conclusions. The delegate for Australia wishes, however, to reserve his Government's position on the whole matter.

" 1. The Sub-Committee does not question the competence of the Administrative Tribunal to consider the application and interpretation of the decisions of the Assembly or other Staff Regulations in the circumstances of any particular case. Indeed, the primary object of the Tribunal's establishment was no doubt to ensure that such decisions and regulations were applied properly and impartially to all members of the staff according to the circumstances of each particular case. It is, however, one thing to say that the Tribunal could apply the decisions of the Assembly to particular cases; it is quite a different thing to say that it could question the validity of those decisions themselves and that it was subject to no overriding powers by the very body which had created it. We do not think that this was the case.

" 2. Little useful analogy can be drawn between an organisation of States such as the League of Nations and the municipal or private corporations familiar in private law. It is perhaps to be observed that, in the case of private corporations, there is always a superior legislative body which in circumstances of necessity can introduce changes in the law, as, for instance, by providing that certain forms of contract shall no longer be enforceable, that a moratorium shall be instituted and the like. No superior power exists to release the League from its contractual obligations, if such obligations exist, however grave the emergency, unless it be the League itself. But the League is not to be compared with a private company; its status and powers are *sui generis*, although they fall to be considered in the light of those general principles of public law and administration which to a greater or lesser degree are to be found in the legislation of all States. Thus all State contracts are governed by the exigencies of the public interest, to which private and personal rights must give way, and although the manner in which it may be exercised, whether by legislative or executive action, varies greatly between different countries, all States retain the power in the last resort to alter the terms on which their officials are employed. Indeed, the supreme authority in the State must retain discretionary powers of the kind, since without them it could not ensure the supremacy of the public interest. The safeguard against their arbitrary abuse is a political rather than a legal one.

" 3. We find nothing startling in the view that, whilst the relations of the League with its Member States depend upon the treaty obligations expressed in the Covenant, the League does possess, in regard to the officials with whom it contracts, what are in effect sovereign powers. No other legislative body can assist the League in this regard and it seems to us impossible to suppose that, in no circumstances, however pressing the necessity in the interests of the peoples of the world, could the League derogate from some contract to a private individual employed by it. On the contrary, we think it necessary for the proper discharge of the functions of a world organisation of States that it should possess a power if necessary to set aside the vested rights of private individuals employed in its administration. Only an excessively static legal view would justify the conclusion that the League was fettered in its own administrative organisation by the rules of the private law of contract applicable to the employees of a trading or commercial undertaking. Relations connected with public employment in the service of the League necessarily presuppose the acceptance of these principles. They are their *naturalia negotii*. These considerations were indeed cogently expressed in the Report of a Committee of Jurists presented to the Council in 1925 on the case of an official who claimed to have been wrongfully dismissed (*Official Journal*, Sixth Year, No. 10, page 1441; see page 1443).

" 4. But, whilst we consider that the matter ought essentially to be approached from the point of view of what is politic and necessary as a matter of public administration, we do not think that our conclusions lack a firm basis in the first principles of law. In saying this, we have by no means ignored the opinion expressed by certain eminent jurists in 1932 and referred to on page 3 of document A.16.1946.¹ Contrary to what happened in 1939, the Assembly at that time was not seeking to set aside contractual rights which its officials possessed. It is sufficient to say of the opinion then given that it proceeded largely upon an examination of the question whether the League could derogate from existing contracts in the exercise of a budgetary authority rather than in that of a legislative power. In our view, the opinion was not intended to express a final conclusion upon the question whether the League could, by a proper legislative act, derogate from private contractual rights. If it was, we are unable to agree with it.

" 5. The Statute of the Administrative Tribunal expressly reserves the Assembly's power to abolish the Tribunal, but in the absence of this express provision, those who contend that the League has no power to alter contracts by unilateral action would, we think, be led to argue that

¹ See Annex 23, page 247.

the League, having once established the Tribunal, could not abolish it with effect on existing contracts. We entertain no doubt that, just as in 1927 the Assembly did abolish, apparently without question, the right of appeal to the Council of the League which employees previously possessed, so in 1939 the Assembly could have abolished the Tribunal. Had this course been taken, the dismissed officials would have had no court or tribunal before which they could have questioned the legality of their dismissal. Nor does the fact that the Tribunal remains significantly alter the position. No outside body exists which can enforce the decision of the Tribunal against the Assembly, and this is a not irrelevant consideration in deciding whether the Assembly is sovereign in this matter and whether the dismissed officials have any right against it. By statutory provision and diplomatic usage, no remedy is available against the League; where, then, is the officials' right against it? *Ubi jus ibi remedium*, and the absence of any remedy in the circumstances of this case here leads to the conclusion that there is no legal right. If only an ethical right is claimed, the protection against its abuse is not a legal but a political one lying in the hands of the States Members of the League. Sovereignty is a question of fact from which a conclusion of law is drawn: it arises from the presence or absence of overriding and controlling powers. In the absence of such powers, the legal conclusion is that sovereignty exists; and, although the use of the term sovereignty in connection with the present matter is not entirely apt, we think it would be an act of juristic purism to doubt that the supremacy of the League is an inherent incident implicit in its contractual relationships with its staff. We therefore conclude that it was not open to the Administrative Tribunal to question the validity of the Assembly's Resolution of December 14th, 1939. Its only duty was to give effect to it.

"6. We are entirely unable to accept the Tribunal's interpretation that the Assembly's Resolution was intended to apply to a limited class of officials only. This view seems to be manifestly contrary to the facts. Although there is no ordinary appeal from the Tribunal's decision, we think that it is within the power of the Assembly, which can best interpret its own decisions, by a legislative resolution, to declare that the awards made by the Tribunal are invalid and are of no effect both because they sought to set aside the Assembly's legislative act and because of their mistaken conclusion as to the intention of that act.

"7. We think it right to add that, if effect was given to the awards of the Tribunal, the other officials who accepted their dismissal in loyalty to the League and, no doubt, in the belief that all officials would be treated alike, are entitled to consideration. It is true that the time within which they could prosecute a legal claim (assuming such a claim exists) has long since passed. Moreover, the assessment of compensation in individual cases might be difficult, for in a number of them the earlier termination of their employment suited the convenience of the officials concerned. But, from an ethical point of view, it is difficult to think that their right to consideration is diminished by the fact that they showed themselves willing to acquiesce, if not to co-operate, in the decision which the Assembly took.

"8. In our view, however, all the claims should be rejected, and the Assembly may be fortified in taking this course not only by the fact that—to their credit—the great body of its officials concurred in the propriety of what was done at the time, but also in the knowledge that, in the grave emergency with which the world was faced in 1939, vast multitudes of people voluntarily made or willingly submitted to drastic infringements of their rights and interests. The League of Nations was entitled to expect from all, and in fact received from the vast majority of its officials, the same devotion and self-sacrifice in the interests of the world community.

"9. We should add that we have not allowed ourselves to be influenced in the conclusion at which we have arrived by the serious effect on the League's budgetary position which the application of the Tribunal's decision and its extension to other officials would inevitably involve.

* * *

"10. In view, however, of the fact that we do not doubt that the claims were made in good faith and involved a difficult and important matter, we think it would be proper to make an *ex gratia* payment in respect of the claimants' legal costs."

Several delegates were unable to accept the conclusions of the Sub-Committee or to agree with various arguments and conceptions set forth in its report. They pointed out, in particular, that it appeared to them to be absolutely contrary to the notion of law and the sovereignty of law that the Assembly, the organ of one of the parties to the dispute, should have the right to oppose the execution of a judgment of which it did not approve. They considered that the question was not whether the Assembly was competent to render operative a judgment of the Administrative Tribunal, but whether the Assembly was competent to prevent the execution of a judgment of the Administrative Tribunal, when the said judgment had been rendered in a matter in respect of which the competence of the Tribunal was not contested. The fact that, had it so wished, the Assembly could, as the report points out, have abolished the Administrative Tribunal did not permit them to draw the conclusion that because this did not happen the Assembly could oppose the execution of a decision given by the Tribunal. Had that been the case, there would have been no point in setting up an Administrative Tribunal. The only reason this Tribunal was set up and endowed with powers previously exercised by the Council of the League was that it was desired

to replace a political organ by a judicial organ, and decisions of a political order by judicial decisions. They were of opinion that it was inaccurate to compare the Assembly of the League with the legislative authority of a State, because, in the case of the international organisation, the organs of the League were dealing with non-subject individuals with whom they concluded a contract which gave rise to a legal relation. League officials were therefore not subjects but co-contracting parties. Furthermore, even in States possessing sovereignty which the Assembly did not possess, if contracts were amended by the legislative authority, no tribunal had the right to give retrospective effect to such amendments unless express provision were made therefor by the terms of the new law. To admit that, because the Administrative Tribunal declined to give retrospective effect to amendments of contract, the Assembly was entitled to refuse to execute its decision would be to admit a thesis which denied all right. Contrary to the assertion in the Sub-Committee's report that there was no law governing the case, the contract entered into between the League and its officials constituted a legal relation and the Assembly had set up a judicial body to interpret that contract—namely, the Administrative Tribunal. The contractual nature of the legal relation binding the League and its officials had, moreover, been clearly recognised in 1932 by the Committee of Jurists. Finally, they did not think the argument of necessity could be invoked to-day, though, at the time the Assembly made its decision, it may have been extremely important to effect economies. Admittedly there was no right of appeal or remedy against the League of Nations, but that did not justify the inference that it was governed by no law. In exactly the same way, international law provided no remedy against States, but it was to the honour of the international community that, almost without exception, States had accepted judicial or arbitral decisions, and very few had declined to accept a judgment though in certain cases they might have thought it ill-founded.

By sixteen votes for and eight against, with four abstentions, the Finance Committee adopted the report of its Sub-Committee; consequently, effect will not be given to the judgment of the Administrative Tribunal.

B. COMPLAINT OF CERTAIN FORMER OFFICIALS OF THE GOVERNING COMMISSION OF THE SAAR TERRITORY

The Committee examined also a document (A.15.1946.V)¹ in which the Supervisory Commission referred to the appeals of five former officials of the Governing Commission of the Saar Territory, who contended that the League of Nations was under an obligation towards them in that they had not received the pension to which they claimed they were entitled, a pension which would have been paid by the Government of the Reich.

The Council awarded a gratuity to the persons concerned in 1936, on humanitarian grounds, but the latter regarded the amount of this gratuity as inadequate. On a further study being made, the Council offered them in 1938 a higher gratuity based on the compensation which would have been granted to Secretariat officials placed in a similar situation. The Council stipulated, moreover, that this would be a final award and should be regarded as finally disposing of the matter and the beneficiaries were asked to sign a receipt to that effect. Finally, on December 14th, 1939, the Council decided to ask the Permanent Court of International Justice for an advisory opinion on various questions arising out of these claims. The Court having been prevented from meeting in consequence of the war, the Supervisory Commission considered that no further action by the League of Nations was required and it advised the Acting Secretary-General to do nothing further in respect of the Council's resolution.

At the request of several delegates, the Finance Committee referred the question to a Sub-Committee whose report was as follows:

"The members of the Sub-Committee—namely, M. Leif Egeland (*Chairman*), M. François and M. Erim—who had been appointed by the Second Committee to give an opinion in the matter of the complaint by former officials of the Governing Commission of the Saar Territory, after considering the documents submitted for their examination, reached the following conclusions:

"1. Like the members of the Committee of Jurists who gave an opinion on September 12th, 1936,² the members of the Sub-Committee consider that the League of Nations could not have incurred any juridical obligations towards complainants who were in no contractual relationship with the League of Nations and who were in no sense officials of the League of Nations.

"2. The Sub-Committee is of opinion that there could be no grounds for granting any further *ex gratia* compensation to the complainants.

"3. Having regard to the fact that the Council of the League of Nations, although under no obligation to do so, decided, by its resolution of December 14th, 1939, to request the Permanent Court of International Justice to give an advisory opinion on the legal value of the claims of the complainants, the Sub-Committee considered whether it might be advisable to put to an arbitral body the legal question previously put to the Court.

"The Sub-Committee confines itself to raising this question, without recommending any solution."

The Finance Committee therefore recommends that the Assembly should take no further action in the matter.

¹ See Annex 22, pages 241-244.

² See *Official Journal of the League of Nations*, November 1936, Seventeenth Year, No. 11, page 1240.

V. DISSOLUTION OF THE LEAGUE OF NATIONS

The Finance Committee devoted the greater part of its time to the main item on the Assembly Agenda—namely, the examination of the financial and administrative aspects of the dissolution of the League of Nations.

Starting with points of secondary importance with a view to leading up to a final resolution, a study of this question can be subdivided under the following heads:

- A. Payment of indemnities to the staff;
- B. Staff Pensions Fund and Judges' Pensions Fund;
- C. Liquidation of the Nansen Office;
- D. Disposal of League assets and scheme of distribution;
- E. Appointment of a Board of Liquidation and other measures with a view to liquidation.

A. PAYMENT OF INDEMNITIES TO THE STAFF

The Finance Committee shares the views expressed by the Supervisory Commission in the Report on the Work of its Ninety-ninth Session (document A.14.1946.X)¹ concerning the indemnities which should be paid to officials of the Secretariat whose careers will be interrupted by the dissolution of the League and many of whom will inevitably encounter difficulties in adjusting their lives and careers to their new circumstances.

These recommendations may be briefly summarised as follows:

(a) That the officials who have been in continuous service since a date preceding the outbreak of the war should, on the final termination of their employment, receive an indemnity equivalent to one year's salary;

(b) That temporary officials appointed since the outbreak of the war, including those re-engaged after the termination of their employment in 1939-1940, should on discharge receive one month's salary for each completed year of their present period of service up to a maximum of six months' salary;

(c) That employees in Geneva (workmen and household staff) should receive an indemnity at the rate of one month's salary for each completed year of service up to one year's salary.

The Committee was informed that these indemnities would be met out of the relevant items of the Budget of the Secretariat for 1946.

B. STAFF PENSIONS FUND AND JUDGES' PENSIONS FUND

The Finance Committee considered the various reports which had been submitted to it by the Administrative Board of the Staff Pensions Fund, by the Consulting Actuary and by the Supervisory Commission, and particularly the report of the Supervisory Commission on the Work of its Hundred-and-first Session (document A.25.1946.X).² Although the competent body of the International Labour Organisation has not yet taken a decision, there is every reason to hope that, after the dissolution of the League, the International Labour Organisation will agree to accept responsibility for the administration and financing of the Staff Pensions Fund, it being understood that the States Members of the League which are also Members of the International Labour Organisation will maintain their existing guarantee of that Fund. The Supervisory Commission trusted that a similar solution might be agreed to by the International Labour Organisation for the future administration of the Judges' Pensions Fund; it was proposed that any balance in this fund after liquidation should be transferred to the International Labour Organisation. Arrangements would be made for both Pensions Funds to be examined by the Consulting Actuary before being handed over to the International Labour Organisation, so that such financial provisions as circumstances indicated could be made from League funds before the transfers were effected.

The Chairman of the Administrative Board of the Staff Pensions Fund, Mr. F. T. Cremins, summarised for the information of the Committee the main conclusions of the Tenth and Eleventh Reports of the Board. He pointed out that, after the dissolution of the League, the active membership of the Fund will be reduced to 108 members, while, on December 31st, 1945, the number of pensioners was 160 in all. Should the officials of the Secretariat and of the Permanent Court of International Justice then retiring elect for payment of the capital sum, the amount payable out of the Fund would be a little over 4 million Swiss francs for the Secretariat and a little under 1 million Swiss francs for the Court. The present solvency of the Fund was unquestionable, but certain long-range factors affecting its ultimate financial situation had arisen, particularly the present trend towards lower interest rates. It had accordingly been decided that, as from November 20th, 1945, increased payments should be made out of the Budget of the Organisation concerned in respect of the admission to the Fund of any new officials. In conclusion, Mr. Cremins stated that the present members of the Board would doubtless agree to remain in office until such time as the Fund was taken over by the International Labour Organisation.

¹ See Annex 5, page 161.

² See Annex 7, page 174.

During the discussion, a delegate suggested that, before definitely accepting the Supervisory Commission's recommendations, which might involve heavy financial consequences, it might be advisable that certain additional figures should be supplied concerning the possible deleterious effect of various factors referred to in the Actuary's report. Would it not perhaps be worth while considering the immediate liquidation of the Fund, since, in this event, as mentioned by the Actuary, the accumulated funds would suffice to pay all retiring members the lump sums due to them?

It was also suggested that officials whose services were now compulsorily terminated might perhaps be allowed to continue in the Fund until they reached the retiring age.

The Rapporteur of the Supervisory Commission pointed out that, after the transfer of the sum of 11 million francs from the Reserve Fund effected in 1940, the Staff Pensions Fund was in a highly satisfactory position according to the rules on which it had been drawn up. The solution proposed by the Supervisory Commission appeared in present circumstances to be the only practical one: nothing would happen as a result of the proposed transfer which would not have occurred if the League had continued in charge and remaining officials and pensioners would continue to enjoy the benefits which had been guaranteed to them. If necessary, the present Fund might be closed and replaced by a new one for new entrants. He further indicated that members of the Fund had the right to opt for a lump sum or an annuity and it was not possible to ignore that right. Continuance in the Fund of those members who would now be retired before reaching the pensionable age would require an amendment of the Staff Pensions Regulations and a reconsideration of the calculations on which the benefits of the Fund were based. The Supervisory Commission was unable to recommend any such changes.

The Finance Committee, being of opinion that the officials' acquired rights should not be encroached upon, thereupon unanimously accepted the recommendations which had been made to it by the Administrative Board and the Supervisory Commission, as well as the amendments to the Regulations of the Fund, which are incorporated in a special section of the general resolution on the dissolution of the League.

As regards the Staff Provident Fund, it will be liquidated this year, so that no further action is required.

The Finance Committee unanimously associated itself with the tributes paid to the memory of Madame G. Rohde-Juncker, who died recently as the result of an accident. As Secretary of the Administrative Board of the Staff Pensions Fund and as Secretary of the Supervisory Commission during the difficult and dangerous war years in London, Madame Rohde-Juncker rendered inestimable services to the League and on many occasions, particularly on the transfer to Great Britain of the essential archives of the Fund, she gave proof of remarkable courage and devotion to duty.

C. LIQUIDATION OF THE NANSEN OFFICE

The Finance Committee adopted the recommendations made by the Supervisory Commission in its Report on the Work of its One-hundred-and-second Session (document A.28.1946.X—Chapter B).¹

It will therefore be for the authority charged with the liquidation of the League to take all necessary steps for the winding-up of the former International Nansen Office.

D. DISPOSAL OF LEAGUE ASSETS AND SCHEME OF DISTRIBUTION

The Supervisory Commission, in certain of its Reports to the Assembly (see documents A.8² and A.9.1946.X), stated that, in view of the general acceptance of the programme outlined in the Secretary-General's telegram to the Members of the League dated September 20th, 1945, it had been authorised to discuss and, so far as feasible, to formulate provisional terms for the transfer of the material assets of the League with representatives of the United Nations "subject to the final decision of the League Assembly".

The discussions between the Supervisory Commission and the Committee set up by the Preparatory Commission of the United Nations resulted in the establishment of a "Common Plan" which was approved by the General Assembly of the United Nations on February 12th, 1946 (Appendix).

The matter was further considered by the Supervisory Commission during the present session of the Assembly and, in its Report on the Work of its One-hundred-and-first Session (document A.25.1946.X—Chapter F),³ the Commission had submitted a "Scheme of Distribution" for the apportionment of the assets of the League.

The Rapporteur of the Commission pointed out that, since contributions would continue to be received in 1946, no precise schedule of percentages could at the present stage be established, and it had therefore been necessary for the moment to state the nature of the scheme only in general terms.

¹ See Annex 8, page 180.

² See Annex 17, pages 217-220.

³ See Annex 7, page 176.

In full agreement with the representatives of the United Nations, it was proposed that the material assets of the League should be transferred to that organisation and it had been arranged that, in that case, credits should be given to States Members of the United Nations which, at the dissolution of the League, were also Members of the League, for their share of such assets in proportion to the contributions paid during the whole period of the League's existence. For this purpose, the material assets would be valued on a cost-price basis—that is, for the United Nations, on highly favourable terms if compared with present prices.

In addition, the extremely valuable gifts which had been presented to the League of Nations would be handed over without cost to the United Nations in the hope that, in accordance with the wishes of the donors, these treasures would remain in the building for which they had been presented.

Liquid assets would be distributed in cash when the final calculations had been established. Finally, the disposition of the material and liquid assets would not become fully effective until the Liquidation Board was in a position to present final audited accounts.

No support being forthcoming for an alternative proposal submitted by the Delegation of the Dominican Republic, the Finance Committee recommends the adoption of the following Scheme of Distribution drawn up by the Supervisory Commission:

" Scheme of Distribution.

" (1) That the Members of the League should pay their contributions to the League, both arrears and current, before December 31st, 1946;

" (2) That participation in the assets of the League should be limited to States at present Members of the League;

" (3) That, subject to the conditions prescribed below, the shares of the States Members of the League in the assets of the League, material and liquid taken together, as at December 31st, 1946, should be based upon a table showing the proportion that the contributions paid by each State Member bear to the total contributions received by the League since its inception;

" (4) That, in the case of any State whose contributions to the League are in arrear at the date when the final calculations are established, the amount of such indebtedness should be deducted from the claim of such State in respect of material and liquid assets, such amount then being redistributed among Members entitled to share according to the proportions laid down in the table referred to in paragraph (3);

" (5) That the shares in the material assets of the League of those Members of the League which are Members of the United Nations on December 31st, 1946, should be calculated and credited to them in the books of the United Nations as provided in the 'Common Plan';

" (6) (a) That the shares in the material assets of the League of those Members of the League which, on December 31st, 1946, are not Members of the United Nations should be held in suspense or otherwise dealt with under arrangements to be made by the authorities charged with the liquidation in agreement with the States concerned;

" (b) That, in the event of any State entitled to a share in the material assets receiving cash in lieu of such assets under paragraph 6 (a), the proportion of the material assets to be credited to States Members of the United Nations should be adjusted upwards and the proportion of the liquid assets payable to such States should be adjusted downwards in both cases according to the table referred to in paragraph (3), so as to ensure that the distribution conforms to the scheme herein established;

" (c) That, in the event of insufficient funds being available on final liquidation to pay under paragraph 6 (b) above the share in the material assets of any League Member which has not become a Member of the United Nations, a proportionate distribution of the available funds should be made;

" (7) That the unappropriated balance of the liquid assets of the League should be distributed in cash as soon as the final calculations are established according to the principles laid down above to all Members of the League, whether or not they have become Members of the United Nations;

" (8) That no credits in respect of material assets or distribution of cash should take effect until the authorities charged with carrying through the liquidation are in a position to present the final audited accounts;

" (9) That any matters arising out of the liquidation and not covered by the above clauses should be dealt with by the authorities charged with the liquidation as they judge most expedient on the understanding that the scheme of distribution set forth above shall be adhered to."

In addition, the Finance Committee, having before it a draft resolution presented by the delegations of Poland and Czechoslovakia, which incorporated an idea expressed in a proposal by the French delegation, appointed a Sub-Committee for the purpose of studying whether the Union of Soviet Socialist Republics might be included amongst the Powers participating in the liquidation of the assets of the League of Nations.

The Sub-Committee's report was in the following terms:

"The Sub-Committee examined the problems which would be raised by altering the scheme already approved by the Finance Committee for the distribution of the assets of the League. It found that any change in the scheme so as to provide for the inclusion of the Soviet Union in this distribution would create technical difficulties of so serious a character as to be practically insurmountable.

"The Sub-Committee, however, feels that the Finance Committee might well show its approbation of the essential purpose of the proposal made by the French delegation and of the draft resolution submitted by the Polish and Czechoslovak delegations and that the Assembly would wish to place on record its recognition of the fundamental contribution of the Soviet Union to the overthrow of the fascist enemies of civilisation and to the triumph of freedom, and to welcome the collaboration of the Soviet Union in building, on the foundations so successfully laid, the new edifice of international solidarity."

In these circumstances, the Finance Committee recommends that the Assembly should adopt the following resolution:

"THE ASSEMBLY desires to place on record its recognition of the fundamental contribution of the Union of Soviet Socialist Republics to the overthrow of the Fascist enemies of civilisation and to the triumph of freedom, and to welcome the collaboration of the Soviet Union in building, on the foundations so successfully laid, the new edifice of international solidarity."

E. APPOINTMENT OF A BOARD OF LIQUIDATION AND OTHER MEASURES WITH A VIEW TO LIQUIDATION

In the final part of its Report, the Finance Committee submits to the Assembly a draft resolution concerning the dissolution of the League of Nations.

After this resolution, which is based upon a text presented by the United Kingdom delegation, had been closely examined by the First Committee, its financial and administrative aspects were studied by the Supervisory Commission and the Finance Committee. Except as regards the International Labour Organisation, it provides for the dissolution of the League of Nations as from the day following the close of the present session of the Assembly and sets out in detail the various methods of effecting this, and the consequences thereof. It makes provision for the appointment of a Board of Liquidation, whose terms of reference it defines. It provides also for the approval of the "Common Plan for the Transfer of League of Nations Assets" already adopted by the General Assembly of the United Nations. It likewise includes the text of amendments to various statutes and fundamental regulations of the League of Nations, the provisions of which will continue to apply in the future to the International Labour Organisation.

As regards the Administrative Tribunal, the Assembly will not have to elect new judges, since the resolution provides that the terms of office of the present judges will be prolonged until April 1st, 1947. It has, moreover, been agreed that this provision shall not in any way limit the right of a member of the Tribunal to refuse to accept the prolongation of his term of office if he so desires.

As regards the membership of the Board of Liquidation, the Finance Committee received a report from the Chairman of the Joint Sub-Committee appointed for the purpose by the First and Second Committees. In this report, the Chairman explained that the Joint Sub-Committee had been guided by the following considerations:

- (1) First and foremost, continuity in the financial work of the League;
- (2) Personal qualifications of the members of the Board;
- (3) Financial standing as regards the payment of contributions to the League of the countries of the members of the Board, due regard being given to the special position of certain countries owing to war circumstances;
- (4) Geographical representation.

Having taken these various factors into consideration, the Joint Sub-Committee proposed that the Board of Liquidation should be composed of the following members:

M. Emile CHARVERIAT (France),
 Sir Atul CHATTERJEE (India),
 M. F. T. CHENG (China),
 M. Adolfo COSTA DU RELS (Bolivia),
 M. Carl Joachim HAMBRO (Norway),
 Mr. Seymour JACKLIN (Union of South Africa) — from August 1st, 1946,
 Sir Cecil H. KISCH (United Kingdom),
 Dr. Jaromir KOPECKÝ (Czechoslovakia),
 M. Daniel SECRETAN (Switzerland).

The Finance Committee unanimously approved the report of the Joint Sub-Committee.

Before the resolution concerning the dissolution of the League of Nations is formally laid before the Assembly for adoption, it would seem to be desirable that, in accordance with established usage, the Report of the Finance Committee should receive the approval of the Assembly by the adoption of the following resolution:

"THE ASSEMBLY approves the Report of the Finance Committee and adopts the resolutions and decisions proposed therein."

In conclusion, the Finance Committee, recalling with satisfaction the positive results accomplished in the international financial and administrative sphere by its predecessors, proposes for adoption by the Assembly at its twenty-first session (1946) the following resolution for effecting the dissolution of the League of Nations:

RESOLUTION FOR THE DISSOLUTION OF THE LEAGUE OF NATIONS

THE ASSEMBLY OF THE LEAGUE OF NATIONS,

Considering that the Charter of the United Nations has created, for purposes of the same nature as those for which the League of Nations was established, an international organisation known as the United Nations to which all States may be admitted as Members on the conditions prescribed by the Charter and to which the great majority of the Members of the League already belong;

Desiring to promote, so far as lies in its power, the continuation, development and success of international co-operation in the new form adopted by the United Nations;

Considering that, since the new organisation has now commenced to exercise its functions, the League of Nations may be dissolved; and

Considering that, under Article 3, paragraph 3, of the Covenant, the Assembly may deal at its meetings with any matter within the sphere of action of the League:

ADOPTS THE FOLLOWING RESOLUTION:

Dissolution of the League of Nations.

1. (1) With effect from the day following the close of the present session of the Assembly, the League of Nations shall cease to exist except for the sole purpose of the liquidation of its affairs as provided in the present resolution.

(2) The liquidation shall be effected as rapidly as possible and the date of its completion shall be notified to all the Members by the Board of Liquidation provided for in paragraph 2.

2. (1) The Assembly appoints the persons named in the Annex to form a "Board of Liquidation", hereinafter called the Board, which shall represent the League for the purpose of effecting its liquidation. Subject to the provisions of this resolution and other relevant decisions taken by the Assembly at the present session, the Board shall have full power to give such directions, make such agreements and take all such measures as in its discretion it considers appropriate for this purpose.

(2) Vacancies on the Board shall be filled by co-option. Provided that the number of members be not reduced below five, the Board may refrain from filling particular vacancies.

(3) The Board shall elect a chairman and vice-chairman and adopt rules of procedure. Five members shall form a quorum and all decisions shall be taken by a majority.

(4) The members of the Board shall be entitled to travelling and subsistence allowances on the scale at present in force for members of the Committees of the League and shall draw fees for their services at the rate of 3,000 Swiss francs per month for the Chairman and 2,000 Swiss francs per month for the other members of the Board.

(5) The members of the Board, in the exercise of their functions, and the staff referred to in paragraph 4 (1) below shall be deemed to be officials of the League within the meaning of Article 7 of the Covenant.

(6) The expenditure incurred by the Board for the year 1946 shall be met from the Budget of the Secretariat for that year and, if the Board continues to function subsequently, it shall adopt a Budget and make appropriations to meet the expenditure involved from the Guarantee Fund or other funds of the League.

3. The Secretary-General shall be responsible to the Board. He shall retire from office on the completion of the liquidation. If for any reason he should cease to act, the Board shall appoint another person to carry out his duties.

4. (1) The officials of the Secretariat having received notice of the termination of their engagements as from July 31st next, such staff shall be employed as may be required for the purpose of carrying out the liquidation and for maintaining in operation the departments and services of the Secretariat to whatever extent is necessary in order that the United Nations may, under the best possible conditions, assume those activities hitherto performed by the League which it decides to assume and take over the material assets which are to be transferred to it.

(2) The Board may employ such professional assistance as it may deem expedient.

5. The Assembly approves and directs that effect shall be given in the manner set out in the Report of the Finance Committee to the "Common Plan for the Transfer of League of Nations Assets", which was drawn up jointly by a United Nations Committee and the Supervisory Commission, acting respectively on behalf of the United Nations and the League of Nations, and was approved by the General Assembly of the United Nations on February 12th, 1946.

6. Nothing in this resolution shall relieve any Member or former Member of the League of Nations from any pecuniary liability incurred by it towards the League of Nations, whether under the Budget for 1946 or under previous Budgets or in virtue of agreements with the League of Nations or in any other manner whatsoever; but the Board may, where in its discretion it considers this course to be justifiable, make a composition with any debtor Government for a lesser sum than is due, on condition that such a sum or the agreed instalments thereof shall be paid as promptly as possible. The report provided for in paragraph 21 shall give particulars of the debts which have been collected in full, those in regard to which a composition or only a partial payment has been made and those, if any, towards which no payment has been made. If any amounts due in respect of the International Labour Organisation remain unpaid at the date of the completion of the liquidation, a report on the collection of such contributions shall be communicated by the Board to the International Labour Organisation and such amounts shall be recoverable by that Organisation.

7. (1) Subject to the provisions of sub-paragraph (2) below and of any relevant decisions embodied in the Report of the Finance Committee, any cash balances resulting from the liquidation shall be divided among the Members of the League in the manner set out in the Report of the Finance Committee.

(2) Balances to the credit of the Reserve Fund and of the Fund to cover exchange losses shall be paid to the Staff Pensions Fund, and the balances in respect of the various funds, extra-budgetary and suspense accounts, enumerated in the Report of the Supervisory Commission on the Work of its One-hundredth Session (document A.19.1946.X)¹ shall be dealt with as recommended in the Commission's report.

8. The Auditor of the League shall remain in office until he has audited the final closed accounts of the League of Nations and of the Board of Liquidation and drawn up a report thereon for communication to the Members of the League. If for any reason he should be unable to act, the Board shall appoint another Auditor.

9. The Board shall, as soon as possible after the transfer of the material assets, and every three months thereafter, make interim reports on the progress of its work and shall take into consideration any observations thereon made by Members of the League.

10. The present High Commissioner for Refugees shall remain in office until the end of the year 1946, or such earlier date as may appear to the Board desirable, and his expenses shall be met out of the provision made for this purpose in the Budget of the Secretariat.

INTERNATIONAL LABOUR ORGANISATION

11. The present resolution shall not in any way prejudice the continued existence of the International Labour Office or the measures taken or to be taken by the International Labour Organisation to make in its Constitution such changes as may be required as the result of the dissolution of the League, or the enjoyment by the International Labour Organisation of the privileges and immunities provided by Article 7 of the Covenant pending elaboration of and acceptance by the Members of the Organisation of other provisions dealing with this matter.

12. The amount collected for the expenses of the International Labour Organisation in the Budget of 1946 shall remain available for that purpose down to and after the end of the year.

13. (1) The Board shall in due course transfer to the International Labour Organisation its appropriate share in the Renovation Fund and any other fund in which it may have an interest.

(2) The balances of the International Labour Organisation for the financial years 1941, 1943 and 1944 shall be transferred from the suspense account in which they are at present placed to a special reserve fund for the International Labour Organisation.

14. An agreement to cause the full ownership of the land and buildings at present occupied by the International Labour Organisation to vest in that Organisation shall be concluded between the Secretary-General of the League and the Acting Director of the International Labour Office and all the steps which, under the law of the Republic and Canton of Geneva or of the Swiss Confederation, are necessary to give effect to the agreement shall be taken as soon as possible.

¹ See Annex 6, pages 169-173.

ADMINISTRATIVE TRIBUNAL

15. The following amendments are hereby made in the Statute of the League of Nations Administrative Tribunal:

(1) Wherever the words " League of Nations Administrative Tribunal " occur in the Regulations, they shall be replaced by the words " International Labour Organisation Administrative Tribunal ".

(2) Paragraph 1 of Article 3 shall read as follows:

" (i) The Tribunal shall consist of three judges and three deputy judges who shall all be of different nationalities.

" (ii) Subject to the provisions set out at (iii) below, the judges and deputy judges shall be appointed by the appropriate organ of the International Labour Organisation.

" (iii) The terms of office of the judges and deputy judges who were in office on January 1st, 1940, are prolonged until April 1st, 1947, and thereafter until otherwise decided by the appropriate organ of the International Labour Organisation. Any vacancy which occurs during the period in question shall be filled by the said organ."

(3) As from October 31st, 1946,¹ but subject always to sub-paragraph (4) below, the Administrative Tribunal shall have no jurisdiction in regard to (a) complaints of non-observance of the terms of appointment of officials of the Secretariat or of the Secretariat's Staff Regulations, (b) disputes concerning the compensation provided for by Articles 45 or 70 of the Secretariat Staff Regulations or (c) complaints of non-observance of the provisions of Article 1 of the Staff Pensions Regulations, in so far as that Article provides for persons who have been appointed as officials of the Secretariat or the Registry of the Permanent Court becoming subject to those Regulations, but the Tribunal shall otherwise retain its existing jurisdiction under its Statute and under Article 26 of the Staff Pensions Regulations.

(4) Complaints already transmitted to the Registrar of the Tribunal shall be heard and determined notwithstanding the provisions of sub-paragraph (3).

(5) In order to enable the International Labour Organisation to make by action of its appropriate organ the changes in the Statute necessitated by sub-paragraphs (1) and (2) above and such other amendments as it may from time to time consider desirable, the third paragraph of Article 12 of the Statute is amended to read as follows:

" The present Statute shall remain in force during the pleasure of the General Conference of the International Labour Organisation. It may be amended by the Conference or such other organ of the Organisation as the Conference may determine."

STAFF PENSIONS FUND

16. (1) Subject to the agreement of the International Labour Organisation, the following measures shall be taken in regard to the Staff Pensions Fund:

(a) Liability for making the contributions due from the League under Article 7 of the Staff Pensions Regulations and, subject to (c) below, the guarantee given by the League under Article 13 of the Regulations shall be assumed by the International Labour Organisation.

(b) The accumulated assets of the Fund (including any amount added by the Assembly at its present session or by the Board of Liquidation) shall be transferred to the International Labour Organisation for application in accordance with the Regulations.

(c) Retired officials of the Secretariat and the Registry of the Permanent Court and their widows and children shall continue to receive the benefits due to them from the Fund, but, if the payment of these benefits involves a deficit for the Fund which has to be met by additional contributions from the International Labour Organisation, the amounts involved shall be divided among and form part of the contributions of those Members of the Organisation which were Members of the League at the date of the present resolution in the proportions in which those Members contribute to the other expenses of the International Labour Organisation.

(d) In order to enable the International Labour Organisation to amend the Regulations of the Fund and, in particular, to make the changes rendered necessary by the dissolution of the League and the Permanent Court, the last sentence of Article 31 of the Regulations is amended to read as follows:

" The Regulations may be amended by the appropriate financial authority of the International Labour Organisation, with due regard to the rights of the beneficiaries."

¹ Note. — This date is selected as giving sufficient time for adjudication of any disputes which may arise out of the notices of dismissal which have been given to the officials of the Secretariat and which take effect on July 31st, 1946. In the unlikely event of a dispute between the Administration and those officials who remain in service after July 31st, who will be on a purely temporary basis, the Board of Liquidation may be trusted to find a just and equitable solution.

This amendment shall not take effect until the agreement of the International Labour Organisation to the provisions of the present sub-paragraph has been secured.

(2) If the International Labour Organisation's agreement is not secured to the provisions of sub-paragraph (1) above, the Board of Liquidation shall make the best provision that it can for giving effect to the rights of the beneficiaries of the Fund and shall have power for that purpose to amend or annul all or any part of the Regulations.

17. Any surplus remaining after the discharge of all claims upon the Staff Pensions Fund shall belong to the International Labour Organisation, if it has accepted the task of administering the Fund.

PENSIONS FUND FOR THE MEMBERS OF THE PERMANENT COURT OF INTERNATIONAL JUSTICE

18. (1) The Regulations for the Administration of the Pensions Fund for the Members of the Permanent Court of International Justice are hereby abrogated.

(2) If the International Labour Organisation consents, responsibility for the administration of the Fund, as augmented by the Assembly during the present session or by the Board of Liquidation, and the responsibility for paying the pensions shall be transferred to the Organisation on the understanding that, (a) if the Fund is inadequate for its purpose, those Members of the Organisation which are at present League Members shall contribute to make good the deficiency, which shall be divided among them and form part of their contributions in the proportions in which those Members contribute to the other expenses of the International Labour Organisation, and (b) any surplus remaining after pensions to the judges have ceased to be payable shall belong to the International Labour Organisation.

(3) Failing such agreement, the Board shall make such other provision for the administration of the Fund and payment of the pensions or for the purchase of annuities for the judges as it may find it possible to arrange.

REGULATIONS FOR THE FINANCIAL ADMINISTRATION OF THE LEAGUE OF NATIONS

19. (1) As from the entry into force of the present resolution, the Regulations for the Financial Administration of the League of Nations shall apply only in so far as they concern the International Labour Organisation or are considered by the Board to be relevant to the liquidation.

(2) Article 51 of the Regulations is hereby amended to read as follows:

“These Regulations may be amended by the appropriate financial authority of the International Labour Organisation.”

WORKING CAPITAL FUND

20. Subject to maintenance of the existing rights to repayment of the States which own shares therein, the whole balance of the Working Capital Fund shall be transferred to the International Labour Organisation for use as working capital.

FINAL ARTICLE

21. On the completion of its task, the Board shall make and publish a report to the Governments of the Members of the League giving a full account of the measures which it has taken, and shall declare itself to be dissolved. On the dissolution of the Board, the liquidation shall be deemed to be complete and no further claims against the League shall be recognised.

Annex. — MEMBERS OF THE BOARD OF LIQUIDATION

M. Emile CHARVERIAT (France),
 Sir Atul CHATTERJEE (India),
 Mr. F. T. CHENG (China),
 M. Adolfo COSTA DU RELS (Bolivia),
 M. Carl Joachim HAMBRO (Norway),
 Mr. Seymour JACKLIN (Union of South Africa) — from August 1st, 1946,
 Sir Cecil H. KISCH (United Kingdom),
 Dr. Jaromír KOPECKÝ (Czechoslovakia),
 M. Daniel SECRETAN (Switzerland).

* * *

Appendix.

COMMON PLAN FOR THE TRANSFER OF LEAGUE OF NATIONS ASSETS
ESTABLISHED BY THE UNITED NATIONS COMMITTEE
AND THE SUPERVISORY COMMISSION OF THE LEAGUE OF NATIONS

1. The League of Nations agrees to transfer to the United Nations, and the United Nations agrees to receive on or about August 1st, 1946, the precise date to be determined by the administrative authorities of the two Organisations, all material assets of the League of Nations shown in column I of the attached Schedule at the valuation shown in column II.

The League of Nations agrees that the shares in the total credit thus established shall be distributed between States entitled to participate, in accordance with percentages to be laid down by the League at its next Assembly.

The United Nations agrees:

(a) That the shares, thus established, of such of these States as are Members of the United Nations shall be credited¹ to them respectively in the books of the United Nations; and

(b) That the General Assembly shall decide on the purposes to which these credits shall be applied and on the dates on which they shall be so applied; and further that these credits shall in any event begin to be available not later than December 31st, 1948.

The United Nations further agrees:

(a) That the International Labour Organisation may use the Assembly Hall, together with the necessary committee rooms, office accommodation and other facilities connected therewith at times and on financial terms to be agreed from time to time between the United Nations and the International Labour Organisation;

(b) That the International Labour Organisation may use the Library under the same conditions as other official users thereof.

2. The League of Nations shall take steps to discharge all its obligations as soon as practicable.

3. The League of Nations shall take steps to settle the question of contributions of Member States in arrears.

4. The League of Nations shall take steps to separate the interests of the International Labour Organisation in the assets of the League, before transfer to the United Nations. It is understood that the International Labour Organisation building at Geneva will be transferred to that Organisation.

5. Any ex-officials of the League of Nations subsequently engaged by the United Nations shall enter service under conditions of employment established by the United Nations, and it will be for the League of Nations to take the necessary steps to make this possible.

6. It is understood that the League of Nations shall make arrangements, independently of the United Nations, with regard to the continued administration of the Staff Pensions Fund and with regard to the pensions of the Judges of the Permanent Court of International Justice.

7. When the League has discharged all its obligations and made the necessary dispositions concerning the Working Capital Fund and regarding outstanding contributions, the remaining liquid assets shall be credited or distributed to Members of the League under a scheme to be determined by it.

8. Both the United Nations and the League of Nations shall authorise competent authorities to make any necessary agreements with the Swiss Authorities on all matters connected with the transfer of assets of the League of Nations to the United Nations.

¹ These credits shall be translated into dollar currency at the rate effective on the day of transfer of the material assets referred to in paragraph 1.

SCHEDULE AMENDED BY THE SUPERVISORY COMMISSION (document A.5.1946.X)

Property: ¹	Swiss francs
Secretariat building and Assembly Hall	38,576,958.78 ²
Library building	— ³
Real estate belonging to the League of Nations having an area of 203,446 sq. metres and comprising four villas and other buildings	2,889,453.45
Furniture, fittings, typewriters, etc., for the use of the Secretariat, including the branch offices, and for the other buildings in Geneva:	
	Swiss francs
Total according to the inventories	3,345,364.50
To be deducted:	
(a) Amounts included under Secretariat building, Assembly Hall and Library building	1,433,058.70
(b) Accounts in respect of extra-budgetary accounts	25,782.99
	1,886,522.81 ⁴
Furniture, fittings, typewriters, etc., for the use of the Court of Justice in The Hague (florins 121,097.30)	199,810.55
in Geneva	89.65
	199,900.20 ⁵
Stocks of stationery, printing paper, office supplies and equipment, in Geneva and branch offices	132,831.17 ⁵
Publications: Stocks at Headquarters and in hands of agents (estimated market value)	50,000.00 ⁵
Books, stocks of stationery, printing paper and publications, office supplies and equipment for the Court in The Hague (florins 33,674.17)	55,562.35 ⁵
Gifts	— ⁶
Library:	
Books, etc., in Geneva according to the inventory	1,913,404.10 ⁵
Archives of the League of Nations and of the Permanent Court of International Justice	—
Total	<u>45,704,632.86</u>

¹ The building in the occupation of the International Labour Organisation, although registered in the name of the League of Nations, has been excluded: the value (less depreciation) shown in the balance-sheet is 3,114,161.13 Swiss francs.

² Cost of building and equipment of the Secretariat and the Assembly Hall. The League has a transferable right to use the land on which the buildings stand, the land 100 metres around it and the two roads leading to the buildings. The League further has a non-transferable right to use the remainder of the plot of land in Ariana Park in which the buildings stand. No value is placed on these rights in the schedule.

³ The cost of this building given by Mr. Rockefeller was 5,564,206.22 Swiss francs.

⁴ The figures shown on page 9 of the Audited Accounts as at December 31st, 1945 (document C.15.M.15.1946.X), are 3,345,364.50 Swiss francs; the difference of 1,458,841.69 Swiss francs is included under the items Secretariat building, Assembly Hall, Library building and extra-budgetary accounts. Owing to possible changes before the date of transfer, these figures are provisional and subject to revision.

⁵ Owing to possible changes before the date of transfer, these figures are provisional and subject to revision.

⁶ The nominal value of the gifts should be put at 1,234,640 Swiss francs.

ANNEX 27

RESOLUTIONS ADOPTED BY THE ASSEMBLY

during its Twenty-first Ordinary Session, from April 8th to 18th, 1946.

CONTENTS

	Page
I. APPOINTMENT OF (a) CREDENTIALS COMMITTEE, (b) NOMINATIONS COMMITTEE, (c) GENERAL COMMITTEE :	
1. Appointment of a Credentials Committee	275
2. Appointment of a Nominations Committee	276
3. Appointment of the General Committee	276
II. APPOINTMENT OF MAIN COMMITTEES AND DISTRIBUTION OF WORK	276
III. RESOLUTIONS ADOPTED ON THE PROPOSALS OF THE GENERAL COMMITTEE :	
1. Attribution to the Assembly of the Responsibilities of the Council	277
2. Communication from the Austrian Federal Government	277
3. Mandate of the Acting Secretary-General	277
IV. RESOLUTIONS ADOPTED ON THE REPORTS OF THE FIRST COMMITTEE :	
1. Dissolution of the Permanent Court of International Justice	277
2. The Assumption by the United Nations of Functions and Powers hitherto exercised by the League under International Agreements	278
3. The Assumption by the United Nations of Activities hitherto performed by the League	278
4. Mandates	278
5. International Bureaux and Other Organisations placed under the Direction of the League of Nations or brought into relation therewith	279
6. International Institute of Intellectual Co-operation	279
V. RESOLUTIONS ADOPTED ON THE REPORT OF THE SECOND (FINANCE) COMMITTEE :	
1. Work of the Supervisory Commission during the War	279
2. Tribute to American Institutions	280
3. The Supervisory Commission's Recent Work	280
4. Approval of the Finance Committee's Report	280
5. Tribute to the Union of Soviet Socialist Republics	280
6. The Dissolution of the League of Nations	281

I. APPOINTMENT OF (a) CREDENTIALS COMMITTEE, (b) NOMINATIONS COMMITTEE, (c) GENERAL COMMITTEE

I. APPOINTMENT OF A CREDENTIALS COMMITTEE

The Assembly appointed a Credentials Committee, which was constituted as follows :

- M. Adolfo COSTA DU RELS (Bolivia), *Chairman* ;
- M. Jaromír KOPECKÝ (Czechoslovakia), *Vice-Chairman* ;
- M. Georges KAECKENBEECK (Belgium) ;
- The Rt. Hon. Sir Hartley SHAWCROSS (United Kingdom) ;
- Mr. Hume WRONG (Canada) ;
- Professor Georges SCELLE (France) ;
- M. Jerzy PUTRAMENT (Poland) ;
- M. Axel SJÖBORG (Sweden) ;
- M. Julián NOGUEIRA (Uruguay).

The Committee made reports to the Assembly, which approved them.

[Meetings of April 8th (morning) and 18th (morning), 1946.]

2. APPOINTMENT OF A NOMINATIONS COMMITTEE

The Assembly appointed a Nominations Committee, which was constituted as follows :

- M. BEELAERTS VAN BLOKLAND (Netherlands), *Chairman* ;
- Mr. Leif EGELAND (Union of South Africa) ;
- M. MORENO QUINTANA (Argentine Republic) ;
- Professor K. H. BAILEY (Australia) ;
- The Rt. Hon. Sir Hartley SHAWCROSS (United Kingdom) ;
- Mahmoud Mahomed EL DARWICHE Bey (Egypt) ;
- M. Emile CHARVERIAT (France) ;
- M. AGHNIDES (Greece) ;
- Mr. F. T. CREMINS (Ireland) ;
- M. FUNCK (Luxemburg) ;
- M. José CAEIRO DA MATTA (Portugal).

[*Meeting of April 8th, 1946 (morning).*]

3. APPOINTMENT OF THE GENERAL COMMITTEE¹

The General Committee of the Assembly for its twenty-first ordinary session was constituted as follows :

(a) *President of the Assembly.*

His Excellency M. Carl J. HAMBRO (Norway).

(b) *Vice-Presidents of the Assembly.*

The first delegates of the United Kingdom, Canada, China, France, Mexico, Poland, Switzerland and Turkey.

(c) *Chairmen of the Two Main Committees.*

Professor BOURQUIN (Belgium) and Sir Atul CHATTERJEE (India).

(d) *Chairman of the Nominations Committee.*

M. F. BEELAERTS VAN BLOKLAND (Netherlands).

(e) *Chairman of the Credentials Committee.*

M. Adolfo COSTA DU RELS (Bolivia).

(f) *Secretary-General of the League of Nations.*

Mr. Sean LESTER.

[*Meeting of April 8th, 1946 (morning).*]

II. APPOINTMENT OF MAIN COMMITTEES AND DISTRIBUTION OF WORK

The Assembly appointed two main Committees.

[*Meeting of April 8th, 1946 (morning).*]

The following questions were referred by the Assembly to these Committees for consideration and report :

First Committee (General Questions).

1. Dissolution of the Permanent Court of International Justice.
2. Assumption by the United Nations of Certain Functions, Powers and Activities of the League.
3. International Assistance to Refugees.
4. Dissolution of the League.

¹ On the proposal of the President of the Assembly, it was decided not to appoint an Agenda Committee, but to invite the General Committee to perform the duties normally allotted to the Agenda Committee.

Second Committee (Financial and Administrative Questions).

1. Dissolution of the Permanent Court of International Justice (administrative and financial problems).
2. Financial and Administrative Questions.

In addition, the following questions were referred by the Assembly to the General Committee :

1. Attribution to the Assembly of the Responsibilities of the Council.
2. Communication from the Italian Government.
3. Communication from the Austrian Federal Government.
4. Mandate of the Acting Secretary-General.

III. RESOLUTIONS ADOPTED ON THE PROPOSALS OF THE GENERAL COMMITTEE

1. ATTRIBUTION TO THE ASSEMBLY OF THE RESPONSIBILITIES OF THE COUNCIL

The Assembly, with the concurrence of all the Members of the Council which are represented at its present session :

Decides that, so far as required, it will, during the present session, assume the functions falling within the competence of the Council.

[Resolution adopted on April 12th, 1946 (morning).]

2. COMMUNICATION FROM THE AUSTRIAN FEDERAL GOVERNMENT

The Assembly :

Takes note of the communication addressed to the Secretary-General on April 1st, 1946, by the Foreign Minister of Austria ;

Recalls that Austria, which for many years gave her loyal co-operation to the League of Nations, was the first victim of Nazi aggression ;

Heartily welcomes the liberation of Austria, and notes with satisfaction the desire she expresses to collaborate with the free peoples of the world ;

Invites the representatives of the Austrian Government to be present as observers at the present Assembly of the League.

[Resolution adopted on April 12th, 1946 (morning).]

3. MANDATE OF THE ACTING SECRETARY-GENERAL

The Assembly, in accordance with paragraph 2 of Article 6 of the Covenant, appoints Mr. Sean Lester Secretary-General of the League of Nations as from September 1st, 1940.

The Assembly also approves the appointment of Mr. Seymour Jacklin as Under-Secretary-General as from January 1st, 1944.

[Resolution adopted on April 18th, 1946 (morning).]

IV. RESOLUTIONS ADOPTED ON THE REPORTS OF THE FIRST COMMITTEE

1. DISSOLUTION OF THE PERMANENT COURT OF INTERNATIONAL JUSTICE

The Assembly of the League of Nations,

Considering that, by Article 92 of the Charter of the United Nations, provision is made for an International Court of Justice which is to be the principal judicial organ of the United Nations and which is to be open to States not members of the United Nations on terms to be determined by the United Nations ;

Considering that the establishment of this Court and the impending dissolution of the League of Nations render it desirable that measures for the formal dissolution of the Permanent Court of International Justice shall be taken ;

Considering that the Preparatory Commission of the United Nations, in a resolution of December 18th, 1945, declared that it would welcome the taking of appropriate steps by the League of Nations for the purpose of dissolving the Permanent Court, and that this resolution records the assent to the dissolution of the Permanent Court of all the Members of the United Nations which are parties to the Protocol of Signature of the Statute of the Permanent Court, whether Members of the League of Nations or not ;

Considering that all the Judges of the Permanent Court have resigned and that on the dissolution of the League no machinery will exist for the appointment of new Judges :

Resolves :

That the Permanent Court of International Justice is for all purposes to be regarded as dissolved with effect from the day following the close of the present session of the Assembly, but without prejudice to such subsequent measures of liquidation as may be necessary.

[*Resolution adopted on April 18th, 1946 (morning).*]

2. THE ASSUMPTION BY THE UNITED NATIONS OF FUNCTIONS AND POWERS HITHERTO EXERCISED BY THE LEAGUE UNDER INTERNATIONAL AGREEMENTS

The Assembly of the League of Nations,

Having considered the resolution on the assumption by the United Nations of functions and powers hitherto exercised by the League of Nations under international agreements, which was adopted by the General Assembly of the United Nations on February 16th, 1946,

Adopts the following resolutions :

1. *Custody of the Original Texts of International Agreements.*

The Assembly directs that the Secretary-General of the League of Nations shall, on a date to be fixed in agreement with the Secretary-General of the United Nations, transfer to the Secretariat of the United Nations, for safe custody and performance of the functions hitherto performed by the Secretariat of the League, all the original signed texts of treaties and international conventions, agreements and other instruments, which are deposited with the Secretariat of the League of Nations, with the exception of the Conventions of the International Labour Organisation, the originals of which and other related documents shall be placed at the disposal of that Organisation.

2. *Functions and Powers arising out of International Agreements of a Technical and Non-political Character.*

The Assembly recommends the Governments of the Members of the League to facilitate in every way the assumption without interruption by the United Nations, or by specialised agencies brought into relationship with that organisation, of functions and powers which have been entrusted to the League of Nations, under international agreements of a technical and non-political character, and which the United Nations is willing to maintain.

[*Resolution adopted on April 18th, 1946 (afternoon).*]

3. THE ASSUMPTION BY THE UNITED NATIONS OF ACTIVITIES HITHERTO PERFORMED BY THE LEAGUE

The Assembly directs the Secretary-General of the League of Nations to afford every facility for the assumption by the United Nations of such non-political activities, hitherto performed by the League, as the United Nations may decide to assume.

[*Resolution adopted on April 18th, 1946 (afternoon).*]

4. MANDATES

The Assembly,

Recalling that Article 22 of the Covenant applies to certain territories placed under mandate the principle that the well-being and development of peoples not yet able to stand alone in the strenuous conditions of the modern world form a sacred trust of civilisation :

1. Expresses its satisfaction with the manner in which the organs of the League have performed the functions entrusted to them with respect to the mandates system and in particular pays tribute to the work accomplished by the Mandates Commission ;

2. Recalls the role of the League in assisting Iraq to progress from its status under an "A" Mandate to a condition of complete independence, welcomes the termination of the mandated status of Syria, the Lebanon, and Transjordan, which have, since the last session of the Assembly, become independent members of the world community ;

3. Recognises that, on the termination of the League's existence, its functions with respect to the mandated territories will come to an end, but notes that Chapters XI, XII and XIII of the Charter of the United Nations embody principles corresponding to those declared in Article 22 of the Covenant of the League ;

4. Takes note of the expressed intentions of the Members of the League now administering territories under mandate to continue to administer them for the well-being and

development of the peoples concerned in accordance with the obligations contained in the respective Mandates, until other arrangements have been agreed between the United Nations and the respective mandatory Powers.

[Resolution adopted on April 18th, 1946 (afternoon).]

5. INTERNATIONAL BUREAUX AND OTHER ORGANISATIONS PLACED UNDER THE DIRECTION OF THE LEAGUE OF NATIONS OR BROUGHT INTO RELATION THEREWITH

1. The Assembly directs the Secretary-General to thank the international bureaux and other organisations named in this resolution for their collaboration with the League of Nations in the past, and to inform them that the relation with the League which was established in accordance with Article 24 of the Covenant must be regarded as coming to an end on the dissolution of the League, with effect from the day following the close of the present session of the Assembly.

This resolution shall apply to the following organisations :

The International Bureau for Information and Enquiries regarding Relief to Foreigners (Paris) ;

The International Hydrographic Bureau (Monaco) ;

The Central International Office for the Control of the Liquor Traffic in Africa (Brussels) ;

The International Commission for Air Navigation (Paris) ;

The International Exhibitions Bureau (Paris).

2. The Assembly directs the Secretary-General to address a similar communication to the International Relief Union (Geneva), which, though it was not placed under the direction of the League, was brought into relation with the League under the Convention of July 12th, 1927, which created the Union.

[Resolution adopted on April 18th, 1946 (afternoon).]

6. INTERNATIONAL INSTITUTE OF INTELLECTUAL CO-OPERATION

1. The Assembly thanks the International Institute of Intellectual Co-operation (Paris) for the valuable collaboration which, since 1925, it has given to the League of Nations as the organ for the execution of the decisions and recommendations of the International Committee on Intellectual Co-operation.

2. The Assembly,

Being desirous of facilitating by all the means in its power the continuity of the work of intellectual co-operation ;

Considering that paragraph 7 of the letter of December 8th, 1924, from the French Government to the President of the Council of the League of Nations provides that, in the event of the abolition of the Institute, any articles and, in particular, the archives and collections of documents deposited in the premises by the Governing Body, as well as any property which has been acquired by the Institute during its period of operation, shall remain the property of the League of Nations :

Resolves to transfer the right of property mentioned above to the United Nations ;

Instructs the Secretary-General of the League of Nations to take in due time, in conjunction with the Directorate of the Institute, the necessary measures for the execution of the present resolution.

[Resolution adopted on April 18th, 1946 (afternoon).]

V. RESOLUTIONS ADOPTED ON THE REPORT OF THE SECOND (FINANCE) COMMITTEE

I. WORK OF THE SUPERVISORY COMMISSION DURING THE WAR

The Assembly,

Calling to mind :

(a) The resolution adopted at its nineteenth ordinary session on September 30th, 1938, and confirmed by the resolution adopted at its twentieth ordinary session on December 14th, 1939, whereby power was conferred, until the next ordinary session of the Assembly, upon the Secretary-General and the Director of the International Labour Office, acting with the approval of the Supervisory Commission, to take any exceptional administrative or financial

measures which might appear necessary (including the amendment of administrative or financial regulations), such measures to have the same force and effect as if they had been taken by the Assembly, and

(b) The resolution adopted at its twentieth ordinary session on December 14th, 1939, whereby the Supervisory Commission was invested, during the year 1940, with authority to exercise all the powers and functions conferred on the Council of the League of Nations by the Regulations for the Financial Administration of the League or by the Regulations of the Staff Provident Fund with the same force and effect as if they had been exercised by the Council itself :

Takes note of the Reports of the Supervisory Commission for the years 1940, 1941, 1942, 1943, 1944 and 1945 and of the Commission's General Summarised Report on its Work during the Period of Emergency, 1940-1946 (document A.5.1946.X)¹;

Approves and confirms the decisions taken during these years in pursuance of the above-mentioned resolutions of the Assembly ;

Expresses its warm appreciation of the efforts made by the Commission, in association with the Secretary-General, the Acting Director of the International Labour Office, the Registrar of the Permanent Court of International Justice and the Treasurer of the League, to safeguard the interests of the League and its Members and to maintain and develop the work of the Secretariat and of the International Labour Office at the highest possible level during the emergency period.

[Resolution adopted on April 18th, 1946 (afternoon).]

2. TRIBUTE TO AMERICAN INSTITUTIONS

The Assembly :

I. Expresses its warmest appreciation of the offer of hospitality which was extended in June 1940 to the technical services of the League on behalf of Princeton University by its President, Dr. Harold W. Dodds, on behalf of the Institute for Advanced Study by its Director, Dr. Frank Aydelotte, and on behalf of the Rockefeller Institute for Medical Research by Dr. Carl Ten Broeck, Director of the Institute's Department of Animal and Plant Pathology, an offer which was accepted by the Secretary-General in respect of a mission of the Economic, Financial and Transit Department ;

2. Expresses its warmest thanks :

To the Institute for Advanced Study for the accommodation and working facilities it has accorded to the mission of the Economic, Financial and Transit Department during its stay in Princeton ;

To Princeton University for the faculty privileges, including the use of the University Library, extended by it to the members of the mission, and for the valuable work carried out for the League of Nations by its Office of Population Research ;

And to the Rockefeller Foundation for the generous financial aid which it has granted to the Economic, Financial and Transit Department for many years past.

[Resolution adopted on April 18th, 1946 (afternoon).]

3. THE SUPERVISORY COMMISSION'S RECENT WORK

The Assembly :

I. Finally approves, as regards the Secretariat and the Permanent Court of International Justice, the accounts of the twenty-seventh financial period of the League of Nations closed on December 31st, 1945 (document C.15.M.15.1946.X) ;

II. Approves, in so far as they have not been modified by decisions contained in the present Report of the Finance Committee, the conclusions of the Reports on the Supervisory Commission's recent work submitted to the Assembly (documents A.14, A.19, A.25 and A.28.1946.X)².

[Resolution adopted on April 18th, 1946 (afternoon).]

4. APPROVAL OF THE FINANCE COMMITTEE'S REPORT

The Assembly approves the Report of the Finance Committee and adopts the resolutions and decisions proposed therein.

[Resolution adopted on April 18th, 1946 (afternoon).]

5. TRIBUTE TO THE UNION OF SOVIET SOCIALIST REPUBLICS

The Assembly desires to place on record its recognition of the fundamental contribution of the Union of Soviet Socialist Republics to the overthrow of the Fascist enemies of civilisation and to the triumph of freedom, and to welcome the collaboration of the Soviet Union in building, on the foundations so successfully laid, the new edifice of international solidarity,

[Resolution adopted on April 18th, 1946 (afternoon).]

¹ See Annex 4, pages 149-159.

² See Annexes 5-8, pages 160-178.

6. RESOLUTION FOR THE DISSOLUTION OF THE LEAGUE OF NATIONS

The Assembly of the League of Nations,

Considering that the Charter of the United Nations has created, for purposes of the same nature as those for which the League of Nations was established, an international organisation known as the United Nations to which all States may be admitted as Members on the conditions prescribed by the Charter and to which the great majority of the Members of the League already belong;

Desiring to promote, so far as lies in its power, the continuation, development and success of international co-operation in the new form adopted by the United Nations;

Considering that, since the new organisation has now commenced to exercise its functions, the League of Nations may be dissolved; and

Considering that, under Article 3, paragraph 3, of the Covenant, the Assembly may deal at its meetings with any matter within the sphere of action of the League:

Adopts the following resolution:

Dissolution of the League of Nations.

1. (1) With effect from the day following the close of the present session of the Assembly, the League of Nations shall cease to exist except for the sole purpose of the liquidation of its affairs as provided in the present resolution.

(2) The liquidation shall be effected as rapidly as possible and the date of its completion shall be notified to all the Members by the Board of Liquidation provided for in paragraph 2.

2. (1) The Assembly appoints the persons named in the Annex to form a "Board of Liquidation", hereinafter called the Board, which shall represent the League for the purpose of effecting its liquidation. Subject to the provisions of this resolution and other relevant decisions taken by the Assembly at the present session, the Board shall have full power to give such directions, make such agreements and take all such measures as in its discretion it considers appropriate for this purpose.

(2) Vacancies on the Board shall be filled by co-option. Provided that the number of members be not reduced below five, the Board may refrain from filling particular vacancies.

(3) The Board shall elect a chairman and vice-chairman and adopt rules of procedure. Five members shall form a quorum and all decisions shall be taken by a majority.

(4) The members of the Board shall be entitled to travelling and subsistence allowances on the scale at present in force for members of the Committees of the League and shall draw fees for their services at the rate of 3,000 Swiss francs per month for the Chairman and 2,000 Swiss francs per month for the other members of the Board.

(5) The members of the Board, in the exercise of their functions, and the staff referred to in paragraph 4 (1) below shall be deemed to be officials of the League within the meaning of Article 7 of the Covenant.

(6) The expenditure incurred by the Board for the year 1946 shall be met from the Budget of the Secretariat for that year and, if the Board continues to function subsequently, it shall adopt a Budget and make appropriations to meet the expenditure involved from the Guarantee Fund or other funds of the League.

3. The Secretary-General shall be responsible to the Board. He shall retire from office on the completion of the liquidation. If for any reason he should cease to act, the Board shall appoint another person to carry out his duties.

4. (1) The officials of the Secretariat having received notice of the termination of their engagements as from July 31st next, such staff shall be employed as may be required for the purpose of carrying out the liquidation and for maintaining in operation the departments and services of the Secretariat to whatever extent is necessary in order that the United Nations may, under the best possible conditions, assume those activities hitherto performed by the League which it decides to assume and take over the material assets which are to be transferred to it.

(2) The Board may employ such professional assistance as it may deem expedient.

5. The Assembly approves and directs that effect shall be given in the manner set out in the Report of the Finance Committee to the "Common Plan for the Transfer of League of Nations Assets",¹ which was drawn up jointly by a United Nations Committee and the Supervisory Commission, acting respectively on behalf of the United Nations and the League of Nations, and was approved by the General Assembly of the United Nations on February 12th, 1946.

¹ See pages 273 and 274.

6. Nothing in this resolution shall relieve any Member or former Member of the League of Nations from any pecuniary liability incurred by it towards the League of Nations, whether under the Budget for 1946 or under previous Budgets or in virtue of agreements with the League of Nations or in any other manner whatsoever; but the Board may, where in its discretion it considers this course to be justifiable, make a composition with any debtor Government for a lesser sum than is due, on condition that such a sum or the agreed instalments thereof shall be paid as promptly as possible. The report provided for in paragraph 21 shall give particulars of the debts which have been collected in full, those in regard to which a composition or only a partial payment has been made and those, if any, towards which no payment has been made. If any amounts due in respect of the International Labour Organisation remain unpaid at the date of the completion of the liquidation, a report on the collection of such contributions shall be communicated by the Board to the International Labour Organisation and such amounts shall be recoverable by that Organisation.

7. (1) Subject to the provisions of sub-paragraph (2) below and of any relevant decisions embodied in the Report of the Finance Committee, any cash balances resulting from the liquidation shall be divided among the Members of the League in the manner set out in the Report of the Finance Committee.

(2) Balances to the credit of the Reserve Fund and of the Fund to cover exchange losses shall be paid to the Staff Pensions Fund, and the balances in respect of the various funds, extra-budgetary and suspense accounts, enumerated in the Report of the Supervisory Commission on the Work of its One-hundredth Session (document A.19.1946.X)¹ shall be dealt with as recommended in the Commission's report.

8. The Auditor of the League shall remain in office until he has audited the final closed accounts of the League of Nations and of the Board of Liquidation and drawn up a report thereon for communication to the Members of the League. If for any reason he should be unable to act, the Board shall appoint another Auditor.

9. The Board shall, as soon as possible after the transfer of the material assets, and every three months thereafter, make interim reports on the progress of its work and shall take into consideration any observations thereon made by Members of the League.

10. The present High Commissioner for Refugees shall remain in office until the end of the year 1946, or such earlier date as may appear to the Board desirable, and his expenses shall be met out of the provision made for this purpose in the Budget of the Secretariat.

International Labour Organisation.

11. The present resolution shall not in any way prejudice the continued existence of the International Labour Office or the measures taken or to be taken by the International Labour Organisation to make in its Constitution such changes as may be required as the result of the dissolution of the League, or the enjoyment by the International Labour Organisation of the privileges and immunities provided by Article 7 of the Covenant pending elaboration of and acceptance by the Members of the Organisation of other provisions dealing with this matter.

12. The amount collected for the expenses of the International Labour Organisation in the Budget of 1946 shall remain available for that purpose down to and after the end of the year.

13. (1) The Board shall in due course transfer to the International Labour Organisation its appropriate share in the Renovation Fund and any other fund in which it may have an interest.

(2) The balances of the International Labour Organisation for the financial years 1941, 1943 and 1944 shall be transferred from the suspense account in which they are at present placed to a special reserve fund for the International Labour Organisation.

14. An agreement to cause the full ownership of the land and buildings at present occupied by the International Labour Organisation to vest in that Organisation shall be concluded between the Secretary-General of the League and the Acting Director of the International Labour Office and all the steps which, under the law of the Republic and Canton of Geneva or of the Swiss Confederation, are necessary to give effect to the agreement shall be taken as soon as possible.

Administrative Tribunal.

15. The following amendments are hereby made in the Statute of the League of Nations Administrative Tribunal:

(1) Wherever the words " League of Nations Administrative Tribunal " occur in the Regulations, they shall be replaced by the words " International Labour Organisation Administrative Tribunal ".

¹ See Annex 6, pages 169-173.

(2) Paragraph 1 of Article 3 shall read as follows:

“ (i) The Tribunal shall consist of three judges and three deputy judges who shall all be of different nationalities.

“ (ii) Subject to the provisions set out at (iii) below, the judges and deputy judges shall be appointed by the appropriate organ of the International Labour Organisation.

“ (iii) The terms of office of the judges and deputy judges who were in office on January 1st, 1940, are prolonged until April 1st, 1947, and thereafter until otherwise decided by the appropriate organ of the International Labour Organisation. Any vacancy which occurs during the period in question shall be filled by the said organ.”

(3) As from October 31st, 1946,¹ but subject always to sub-paragraph (4) below, the Administrative Tribunal shall have no jurisdiction in regard to (a) complaints of non-observance of the terms of appointment of officials of the Secretariat or of the Secretariat's Staff Regulations, (b) disputes concerning the compensation provided for by Articles 45 or 70 of the Secretariat Staff Regulations or (c) complaints of non-observance of the provisions of Article 1 of the Staff Pensions Regulations, in so far as that Article provides for persons who have been appointed as officials of the Secretariat or the Registry of the Permanent Court becoming subject to those Regulations, but the Tribunal shall otherwise retain its existing jurisdiction under its Statute and under Article 26 of the Staff Pensions Regulations.

(4) Complaints already transmitted to the Registrar of the Tribunal shall be heard and determined notwithstanding the provisions of sub-paragraph (3).

(5) In order to enable the International Labour Organisation to make by action of its appropriate organ the changes in the Statute necessitated by sub-paragraphs (1) and (2) above and such other amendments as it may from time to time consider desirable, the third paragraph of Article 12 of the Statute is amended to read as follows:

“ The present Statute shall remain in force during the pleasure of the General Conference of the International Labour Organisation. It may be amended by the Conference or such other organ of the Organisation as the Conference may determine.”

Staff Pensions Fund.

16. (1) Subject to the agreement of the International Labour Organisation, the following measures shall be taken in regard to the Staff Pensions Fund:

(a) Liability for making the contributions due from the League under Article 7 of the Staff Pensions Regulations and, subject to (c) below, the guarantee given by the League under Article 13 of the Regulations shall be assumed by the International Labour Organisation.

(b) The accumulated assets of the Fund (including any amount added by the Assembly at its present session or by the Board of Liquidation) shall be transferred to the International Labour Organisation for application in accordance with the Regulations.

(c) Retired officials of the Secretariat and the Registry of the Permanent Court and their widows and children shall continue to receive the benefits due to them from the Fund, but, if the payment of these benefits involves a deficit for the Fund which has to be met by additional contributions from the International Labour Organisation, the amounts involved shall be divided among and form part of the contributions of those Members of the Organisation which were Members of the League at the date of the present resolution in the proportions in which those Members contribute to the other expenses of the International Labour Organisation.

(d) In order to enable the International Labour Organisation to amend the Regulations of the Fund and, in particular, to make the changes rendered necessary by the dissolution of the League and the Permanent Court, the last sentence of Article 31 of the Regulations is amended to read as follows:

“ The Regulations may be amended by the appropriate financial authority of the International Labour Organisation, with due regard to the rights of the beneficiaries.”

This amendment shall not take effect until the agreement of the International Labour Organisation to the provisions of the present sub-paragraph has been secured.

(2) If the International Labour Organisation's agreement is not secured to the provisions of sub-paragraph (1) above, the Board of Liquidation shall make the best provision that it can for giving effect to the rights of the beneficiaries of the Fund and shall have power for that purpose to amend or annul all or any part of the Regulations.

¹ *Note.* — This date is selected as giving sufficient time for adjudication of any disputes which may arise out of the notices of dismissal which have been given to the officials of the Secretariat and which take effect on July 31st, 1946. In the unlikely event of a dispute between the Administration and those officials who remain in service after July 31st, who will be on a purely temporary basis, the Board of Liquidation may be trusted to find a just and equitable solution.

17. Any surplus remaining after the discharge of all claims upon the Staff Pensions Fund shall belong to the International Labour Organisation, if it has accepted the task of administering the Fund.

Pensions Fund for the Members of the Permanent Court of International Justice.

18. (1) The Regulations for the Administration of the Pensions Fund for the Members of the Permanent Court of International Justice are hereby abrogated.

(2) If the International Labour Organisation consents, responsibility for the administration of the Fund, as augmented by the Assembly during the present session or by the Board of Liquidation, and the responsibility for paying the pensions shall be transferred to the Organisation on the understanding that, (a) if the Fund is inadequate for its purpose, those Members of the Organisation which are at present League Members shall contribute to make good the deficiency, which shall be divided among them and form part of their contributions in the proportions in which those Members contribute to the other expenses of the International Labour Organisation, and (b) any surplus remaining after pensions to the judges have ceased to be payable shall belong to the International Labour Organisation.

(3) Failing such agreement, the Board shall make such other provision for the administration of the Fund and payment of the pensions or for the purchase of annuities for the judges as it may find it possible to arrange.

Regulations for the Financial Administration of the League of Nations.

19. (1) As from the entry into force of the present resolution, the Regulations for the Financial Administration of the League of Nations shall apply only in so far as they concern the International Labour Organisation or are considered by the Board to be relevant to the liquidation.

(2) Article 51 of the Regulations is hereby amended to read as follows:

“These Regulations may be amended by the appropriate financial authority of the International Labour Organisation.”

Working Capital Fund.

20. Subject to maintenance of the existing rights to repayment of the States which own shares therein, the whole balance of the Working Capital Fund shall be transferred to the International Labour Organisation for use as working capital.

Final Article.

21. On the completion of its task, the Board shall make and publish a report to the Governments of the Members of the League giving a full account of the measures which it has taken, and shall declare itself to be dissolved. On the dissolution of the Board, the liquidation shall be deemed to be complete and no further claims against the League shall be recognised.

Annex. — Members of the Board of Liquidation.

M. Emile CHARVERIAT (France),
 Sir Atul CHATTERJEE (India),
 Mr. F. T. CHENG (China),
 M. Adolfo COSTA DU RELS (Bolivia),
 M. Carl Joachim HAMBRO (Norway),
 Mr. Seymour JACKLIN (Union of South Africa) — from August 1st, 1946,
 Sir Cecil H. KISCH (United Kingdom),
 Dr. Jaromír KOPECKÝ (Czechoslovakia),
 M. Daniel SECRETAN (Switzerland).