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LEAGUE OF NATIONS

INTERNATIONAL COMMITTEE ON INTELLECTUAL CO-OPERATION

REPORT OF THE GOVERNING BODY

OF THE

INTERNATIONAL INSTITUTE OF INTELLECTUAL CO-OPERATION

Submitted by Dr. Krüss, on behalf of the Governing Body of the International Institute of Intellectual Co-operation, to the Council of the League of Nations and to the Government of the French Republic and communicated to all the Members of the League of Nations.

(Article 14 of the Organic Statute of the International Institute of Intellectual Co-operation.)

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¹ In pursuance of Article 12 of the Organic Statute of the Institute, the financial regulations of the Institute are submitted for approval to the Council of the League of Nations. In pursuance of Article 11 of the said Statute, Articles 27 and 28 of the Staff Regulations are also submitted for the Council's approval, in order that they may be put into force.

The Governing Body of the International Institute of Intellectual Co-operation held its eighth session at Geneva on July 20th, 21st and 25th, 1931, under the chairmanship of M. PAINLEVÉ.

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The following were present: Mme. CURIE-SKLODOWSKA, M. SANIN-CANO, M. CASTILLEJO, M. DESTRÉE, Sir Frank HEATH, M. KRÜSS, M. LIN-YUTANG, Mr. Gilbert MURRAY, Sir SARVAPALLI RADHAKRISHNAN, M. DE REYNOLD, M. ROCCO, Mr. SHOTWELL, M. VON SRBIK, M. ŠUSTA, M. TANAKADATE and M. TITULESCO (temporarily replaced by M. OPRESCU). For the League of Nations Secretariat, M. DUFOUR-FERONCE, M. DE MONTENACH,

M. VIVALDI.

For the International Institute of Intellectual Co-operation, M. BONNET and M. SECRÉTAN. During the past year, the Committee of Directors of the Institute held four meetings. It consisted of M. PAINLEVÉ, Chairman of the Governing Body, who presided, Mr. Gilbert MURRAY, Chairman of the International Committee on Intellectual Co-operation, and M. CASARES, Mme. CURIE-SKLODOWSKA, M. DESTRÉE, Sir Frank HEATH, M. KRÜSS, M. ROLAND-MARCEL, M. DE REYNOLD, and M. Rocco. In 1930, the Governing Body asked the Directors' Committee to undertake, jointly with

the Executive Committee, the reorganisation of the Institute. The special task devolving upon the Directors' Committee was to prepare a scheme for the new composition of the staff and to frame the 1931 budget. The Directors' Committee was also called upon to adjust the regulations of the Institute to the new conditions.

The report of the Directors' Committee and that of the Director of the Institute, 1 which

were presented to the Governing Body, deal, in the first place, with these questions. As regards staff, the reports show that the total number of Institute officials has been considerably reduced; on the other hand, a few new appointments have been made. The rates of salary have been slightly increased so far as funds permitted. It is, nevertheless, desirable that the Institute's financial position should be such as to permit, in the future, of a further slight increase of salary rates, in order that the Institute may secure the highly qualified staff which the work requires.

As regards the regulations, 2 the Governing Body adopted the following resolution :

"The Governing Body :

"After examining the three draft regulations (Rules of Procedure, Financial Regulations and Staff Regulations), approved by the Directors' Committee; "Adopts the substance of these texts and decides that the Rules of Procedure and

the Staff Regulations shall immediately come into force, reserving, however, in the Staff Regulations, Articles 27 and 28, specifying the categories of staff which shall enjoy diplo-matic privileges and immunities as contemplated in Article 7 of the Covenant of the League of Nations;

'Submits the Financial Regulations for approval to the Council of the League of Nations, in pursuance of Article 12 of the Organic Statute; "Communicates the Staff Regulations to the Council of the League of Nations, in

accordance with Article 7 of the Organic Statute, and requests the Council, in accordance with Article II of the said Statute, to give its formal approval to the rules laid down in Articles 27 and 28 of the said regulations.'

As contemplated in the new Staff Regulations, the Governing Body considered the question of a system of pensions or retired pay for Institute officials. In this connection, it adopted the following resolution :

" The Governing Body :

"Fully conscious of the moral and practical reasons which make it desirable to provide the permanent staff of the Institute at an early date with the system of pensions or retired pay contemplated in Article 26 of the new Staff Regulations;

"Believing that the most suitable means of instituting such a system would be to secure the assistance of the League of Nations Pensions Fund, on the understanding that the assistance thus given would not involve the League of Nations in any financial or other responsibility, as specified in point 4 of the French Government's letter of December 8th, 1924;

"Requests the Council of the League of Nations to instruct the competent Secretariat services to study the possibility of achieving this result by a modification of the present Pensions Fund regulations, which might be submitted to the next Assembly of the League of Nations."

In budget matters, the Governing Body had a threefold duty to perform. It had to approve the closed accounts for the 1930 financial period, on the basis of the report of M. Vivaldi,

¹ See Appendix 1.

² See Appendix 2.

Deputy-Auditor of the League of Nations, ¹ consider the 1931 budget, which had been drawn up by the Committee of Directors in virtue of special powers conferred upon that body; and draw up the budget for 1932.

The closed accounts for 1930-that is, for the financial period preceding the reorganisation—showed a deficit of 133,000 francs, in spite of the savings made on expenditure, as certain sums entered on the "Income" side of the estimates were not received in time. It should, moreover, be observed that the sums necessary for the constitution of the Reserve Fund upon which the Governing Body had decided in 1929 were drawn from the ordinary income of the period in question. This fund amounted to 221,000 francs. The budgetary deficit mentioned above was covered in part by the surplus of 86,000 francs left over from the year 1929, and in part by the Reserve Fund, which was thus reduced to 165,000 francs. Thanks to the receipt of a subsidy which had fallen in arrears, it has since been possible to make up the Reserve Fund to its original figure of 221,000 francs, and still leave part of that subsidy available for 1931. The Governing Body approved the closed accounts for the 1930 financial year.

For the year 1931, the Directors' Committee, taking as a basis the scheme of the Committee of Enquiry, drew up the following budget :

		Francs
А.	Receipts	3,405,000
В.	Expenditure:	
	I. Staff	1,782,000
	II. Upkeep	145,000
	III. Travelling expenses, meetings of experts, special	
	work, publications, etc.	1,230,000
	IV. Unforeseen expenditure	248,000
	Total	3,405,000

This budget covers the special budget of the International Museums Office; in this connection, a total expenditure of over 300,000 francs has been allowed for.

During the past year, the Institute's financial position led the Directors' Committee, as a measure of prudence, in view of the possibility that certain subsidies included in the estimated receipts might not be paid in on the expected dates, to provide for economies in administrative expenditure. The cuts in expenditure thus made by the Directors' Committee amounted to 360,000 francs. This dispels all uneasiness as to the Institute's financial position and even makes it possible to expect certain supplementary reserves. The Governing Body also prepared a draft budget for 1932. This is to be found in the

attached report by the Director of the Institute, and estimates receipts and expenditure at 3,365,000 francs.

As regards the administration of the 1931 budget and the framing of the 1932 budget, the Directors' Committee and the Governing Body have acted with great caution, as experience of the budgets of the other international organisations shows that it is not possible in present circumstances to obtain punctually the full amount of the Government subsidies on which the Institute feels entitled to count. It should, nevertheless, be noted, as a most favourable omen, that, in 1931, half the contributions anticipated were paid in before the end of the first half-year.

In view of the importance of maintaining the balance of the Institute's budget, which is, by itself, but barely sufficient for the carrying out of the programme, the Governing Body adopted a resolution in the following terms :

"The Governing Body of the International Institute of Intellectual Co-operation

expresses its sincere thanks to those countries which have made grants to the Institute. "It is particularly grateful to those which have made annual grants, such support being the more valuable the more regular it is. The Governing Body appeals to the good will of all to maintain and initiate financial support in as definite a form as possible.

As anticipated in the French Government's letter of December 8th, 1924, which was the origin of the Institute's Organic Statute, a certain number of international associations of an intellectual character are accommodated at the Institute. Further requests for accommodation having been submitted, the questions of principle involved in such requests the determined term with special reference to the extra-territoriality of the Institute premises. M. Nisot, for the Legal Section of the League Secretariat, and M. Weiss, Legal Adviser to the Institute, drew up a memorandum² on the subject, which is annexed to the present report and which the Governing Body approved in the following resolution :

" The Governing Body :

" In accordance with the resolution passed by the Directors' Committee ;

" Approves the conclusion of the report of M. Nisot and M. Weiss on the legal situation arising out of the granting of premises by the International Institute of Intellectual Co-operation, in accordance with point 3 of the French Government's letter of December 8th, 1924;

¹ See Appendix 3.

² See,"Appendix 4.

" Decides to apply in future to the applicant associations the rules recommended in this report, the Directors' Committee being empowered to grant premises if occasion arises, subject to reporting its action to the Governing Body at the next session."

The report also submitted to the Council of the League of Nations by the International Committee on Intellectual Co-operation, gives a detailed account of the Institute's work. There is, consequently, no need, in the present report, to emphasise the value of the work accomplished in spite of the various difficulties encountered in a year of transition and retrenchment.

It can only be hoped that the financial position of the Institute will improve in future in such a way that it may take full advantage of all the possibilities of work which are now open to it.

(Signed) Dr. H. A. KRüss, Rapporteur.

Appendix 1.

REPORT BY THE DIRECTOR OF THE INTERNATIONAL INSTITUTE OF INTELLECTUAL CO-OPERATION TO THE GOVERNING BODY, APPROVED BY THE LATTER AT ITS EIGHTH SESSION, JULY 1931.

1. REORGANISATION OF THE INSTITUTE.

The principles of the reorganisation of the Institute were established by the International Committee on Intellectual Co-operation at its session of last July and put into force by the Executive Committee at its November session. Since then, their application from the admi-nistrative point of view has been followed by the Directors' Committee, which has held four sessions under the presidency of M. Paul Painlevé. The International Committee had recommended that the allocation of work and distri-

bution of staff should be adapted to the plan of work, and that any rigidity in the internal organisation of the Institute should be avoided. It has been constantly borne in mind during the year that the Institute is the Committee's instrument of work, and its efforts have been concentrated on those parts of the programme entrusted to it by the Committee. Officials who, through previous experience either in the Institute or in their own countries, had a special knowledge of a question have, of course, dealt specially with that subject; but there have been very numerous cases in which members of the staff have joined forces for the sake of speed. For instance, in the case of educational questions which are in the province of the Information Centre, reorganised in accordance with the decisions of the Committee and the Assembly, assistance has been given by several officials who are not directly attached to that centre but have special knowledge on certain subjects, such as broadcasting, adult education, etc. The Institute has thus endeavoured to use to the best advantage both the experience gained by certain of its officials and the methods of elasticity and co-operation recommended by the Committee.

In some special cases it is, of course, necessary for officials to work together continuously -for example, in connection with the contributions to the Intellectual Co-operation Bulletin, which necessitates a perpetual exchange of information between officials, and the meetings of officials which are held from time to time to prepare the work, particularly before the meetings of the Executive Committee.

In accordance with the Committee's suggestions, the central services of the Institute were reduced from the beginning of November 1930, and the number of officials decreased by about thirty. A certain number of posts provided for were, moreover, left vacant; most of these have been filled since that date. The last vacant post of principal secretary has been occupied since the month of May by an official who has specially taken in hand the reorganisation of the Educational Information Centre. 1

Two posts of secretaries have yet to be filled ; the Executive Committee decided at its November session that their holders should, in principle, be of British and Polish nationality respectively.

2. BUDGET.

The budget for 1931 was established in November by the Directors' Committee. The

Governing Body has to decide on the terms of the 1932 budget at its present session. With regard to the financial year 1931, there are only two points to be noted. The first is that, contrary to the information given to the Directors' Committee at its last meeting in April, there is no need to consider the reconstitution of the Reserve Fund. Since that meeting,

¹ List of principal secretaries and secretaries annexed.

a contribution in respect of the financial year 1930, amounting to 64,000 francs, has been received from Egypt, and it has been possible to repay the loan of 56,252 francs taken from the Reserve Fund.

The second point has reference to the economies to be effected during the year. The Directors' Committee decided on the following at its last session :

	Francs
Chapter I (Staff)	110,000
Chapter III, paragraph E (Contributions for special work)	150,000
Chapter IV (Unforeseen expenditure and new organisation	
of the Institute	100,000
Total	360,000

The finances for 1931 are being administered in consequence of these decisions, which were based on the experience of the year 1930, a certain number of contributions due for that period being still unpaid.

The draft budget drawn up for 1932 is closely similar to that for 1931. For the moment, the receipts anticipated are almost the same. All the Governments which grant subventions to the Institute have been informed by the Chairman of the Governing Body through their delegates that their subventions will be included under receipts anticipated for the financial year 1932. Uncertainty and misunderstandings will thus be avoided.

The following differences between the two budgets should be mentioned: Chapter I (Staff) shows, in comparison with the year 1931, a slight increase of 39,000 francs, which is necessary for the payment of family and other allowances. With regard to the composition of the staff, it should be noted that the number of posts of "secretary" has been increased from nine to ten in accordance with a decision of the Directors' Committee on January 27th, 1931, though this increase is largely counterbalanced by a decrease of one post of "chief clerk".

The sum provided under Chapter III, paragraph C (Journeys made by officials), has had to be increased from 70,000 francs to 80,000 francs. This credit is still very inadequate and is lower than those voted in previous budgets (156,000 francs in 1928, 100,000 in 1929, 102,247 in 1930).

in 1930). The 39,000 francs required for the payment of family allowances have been found partly by reducing paragraph B of Chapter III (Officials' entertainment allowance), which has had to be decreased to 8,000 francs.

Lastly, in view of the uncertainty of payment of several grants included under receipts, a large sum (166,000 francs) has again been provided under Chapter IV for unforeseen expenditure.

If, in the course of the year, the receipts from the payment of subventions make it possible, the numerous items which have been reduced or for which insufficient provision has been made will, of course, be increased in proportion to the funds available.

In spite of its imperfections, due to special circumstances, the budget of the International Institute of Intellectual Co-operation drawn up in 1931 provides, on the whole, adequately for the internal administration of the Institute and the accomplishment of its work. There are obvious difficulties, and longer experience may show the necessity for changes in several respects; but it seems most desirable to wait for another year before forming a definite opinion. The resources and support on which the Institute can count will by that time be known more certainly.

Meanwhile, the essential item of 300,000 francs for meetings of committees of experts, which unfortunately cannot be increased, will make it possible for the necessary meetings to be held at the Institute for preparing the Committee's work according to the methods which the latter has recommended and which have, in practice, given increasingly good results. It has not been possible to increase the item of 400,000 francs for outside work in the draft budget. Part of this item will still have to be allocated in the coming year to regular work and also to translations and additional secretarial work. Nevertheless, a large sum, greater than that available in the current year, will be reserved for experts' work. Since the budget cannot be increased, it is hoped that this item will be sufficient for the essential work for which the Institute must have recourse to outside help.

3. THE REGULATIONS.

The reorganisation of the Institute has raised a certain number of legal questions. In particular, it has been necessary to redraft the three regulations—i.e., the Internal Regulations, the Financial Regulations and the Staff Regulations.

This work has been carried out by the Institute in close co-operation with the secretariat of the Committee and the Legal Section of the League of Nations Secretariat, and three new texts, which the Directors' Committee has decided to submit to the Governing Body, have been drawn up.

(a) Internal Regulations.

The new internal regulations submitted to the Governing Body specify in Article 3 the various texts which determine the main lines and the programme of the Institute, but introduces important amendments to the old regulations as follows : After an article enumerating the authorities responsible for the control of the Institute -(a) the Governing Body, (b) the Directors' Committee, (c) the Director of the Institute-Article 5 provides that the Secretary-General of the League of Nations or his representative shall be consulted before an appointment is made, a contract confirmed or any of the staff discharged.

Article 7 lays down that the three members of the Executive Committee chosen outside the International Committee on Intellectual Co-operation shall sit on the Governing Body in an *advisory capacity*.

With regard to the convening of the Governing Body, Article 12 provides that notices must be sent out at least forty-five days before the date of the meeting.

Article 13 provides that the Governing Body may discuss questions on its agenda whatever the number of members present, but that, in the case of questions not on the agenda, a majority of the members must be present, of whom two-thirds must be in favour of the discussion.

Under the old regulations, the members of the Directors' Committee were appointed for five years, one member (to be determined by lot) being re-eligible each year. No member could be re-elected for more than one term (old Article VIII).

By the new Article 15, the members of the Directors' Committee are appointed by the Governing Body for a period of two years and are re-eligible.

Paragraph 2 of the same article deprives the members of the Directors' Committee of the right to be replaced by a substitute, which was expressly recognised in the old Article XII. The new Article 18 organises a Budget Sub-Committee not provided for in the old text.

The new Article 18 organises a Budget Sub-Committee not provided for in the old text. This Sub-Committee is composed of three members. It must meet before each ordinary session of the Directors' Committee. The Director of the Institute, the Secretary of the Directors' Committee and the Auditor may also attend the Sub-Committee's meetings.

Committee and the Auditor may also attend the Sub-Committee's meetings. Article 19 lays down that the Directors' Committee must be convened at least twenty days before each meeting.

Article 23 introduces a radical change in the internal structure of the Institute, in that it does not maintain the fixed divisions or sections established by Article XIX of the old text. The new Article 23 empowers the Director to apportion the work and distribute the staff in such a way as to avoid any inelasticity of system.

(b) Staff Regulations.

The new Staff Regulations differ from the old, in that they are prefaced in Article I by a statement of the general duties of officials, (a) always to bear in mind the international character of their duties; (b) to accept no outside employment without the consent of the Director; (c) to regard all questions dealt with by the Institute as confidential.

Article 3 provides that all positions on the Institute shall be open equally to men andwomen.

Article 7 maintains the probationary period for every official, but whereas this period could not be less than six months (under the old Article IV), the new Article 7 lays down that the probationary period must be not less than a year in the case of an appointment made for more than two years. The old Article VIII limited the normal duration of appointments to three years, excluding

The old Article VIII limited the normal duration of appointments to three years, excluding the probationary period; the new Article 8 allows for officials of a rank not lower than chief clerk a maximum duration of seven years. Contracts are subject to renewal; decisions in this respect should, as far as possible, be taken three months before the date of expiration of the contract.

In the case of the death of an official, the new Article 16 empowers the Directors' Committee to grant the persons who were dependent on him an allowance at least equal to three months' pay.

Under Article 22 the Director has the right to grant special leave to officials for exceptional reasons. This leave was not provided for in the old regulations.

Articles 27 and 28 define diplomatic privileges and immunities. They require officials to report to the Director every case in which they are obliged to claim the benefit of such privileges and immunities.

Under Article 30, the Institute may cancel contracts, the decision to be taken by the authority making the appointment. This right was recognised in the old regulations subject to the payment of compensation equivalent to six months' pay (Article X). By the new Article 35, the official whose contract of service is terminated receives compensation calculated on the basis of two months' salary per year's service, but this compensation may not be less than three months' salary or more than a year's salary.

The new regulations establish means of redress not provided for in the old texts.

Under Article 36, an official who considers himself wronged may submit his case for arbitration to the Administrative Tribunal of the League of Nations. Article 36 establishes the procedure to be followed and lays down that the allowances and travelling expenses, if any, of the members of the Administrative Tribunal shall be borne by the Institute.

This solution has been approved by the Secretary-General of the League and by the six members of the Administrative Tribunal.

It should be added that the new regulations maintain in Article 37 the provision that exceptions may be made by special clauses inserted in the engagement contract.

Lastly, the organisation of pensions or retired pay for the staff is authorised by Article 26, as soon as the financial situation of the Institute permits. The new regulations lay down that the necessary deductions for this purpose shall be made from officials' salaries.

(c) Financial Regulations.

The new regulations do not greatly differ from the provisions at present in force. It should be noted that the budget must be prepared before May 15th of each year. It must be submitted to the Budget Sub-Committee (Article 4), and the procedure laid down in Article 5 must be followed.

Article 6 entitles the Chairman of the Directors' Committee to authorise by written order the adoption of urgent amendments proposed by the Director. Similarly, transfers within a particular chapter of the budget may be authorised by the Chairman on the proposal of the Director.

Article 7 maintains the power of the Directors' Committee to approve expenditure up to 50 per cent of new grants in the year of their actual receipts. This right existed under the old regulations, but the Governing Body decided at its meeting on July 29th, 1929, to limit the amount in question to a maximum of 300,000 francs. This limit is abolished by the new regulations.

Finally, it should be noted that, under Article 14, the employment of sums included in the budget for "Unforeseen expenditure" is subject to the following conditions:

(a) The amount shall be limited to 5,000 francs for any one transaction and to a total of 15,000 francs, the expenditure to be authorised by the *Director*;

(b) For larger amounts the expenditure must be proposed by the Director and authorised by the Directors' Committee.

These are the essential amendments introduced in the new Financial Regulations. should be added that these regulations cannot come into force until they have received the approval of the Council of the League of Nations, which was not required for the two other regulations.

Sub-Appendix 1.

HIGHER STAFF OF THE INTERNATIONAL INSTITUTE OF INTELLECTUAL COOPERATION.

 M. BELIME, Principal Secretary. M. MOHR, Principal Secretary. M. PICHT, Principal Secretary. M. Rossi, Principal Secretary. M. WEISS, Legal Adviser. M. BRAGA, Technical Adviser for literary questions. M. ESTABLIER, Secretary. M. FOUNDOUKIDIS, General Secretary of the International Museums M. LAJTI, Secretary. M. PISTOLESE, Secretary. MILe. ROTHBARTH, Secretary. M. SATO, Secretary. M. SECRÉTAN, Secretary. Mr. WRIGHT, Secretary. X, Secretary. 	(Hungarian) (Italian) (German) (Japanese) (Swiss) (British) (British) (Polish)

Sub-Appendix 2.

BUDGET FOR 1932.

RECEIPTS.

I. Subventions of States:

																Francs
Austria.																5,000
Belgium.														٠		25,000
Brazil											٠					75,000
Colombia									٠			٠				15,000
Denmark							٠			+		•	٠			23,000
Egypt .						•		٠	•	٠		٠				63,000
Ecuador										٠						2,000
France .			٠					*		•	•		•			2.500,000
								-	Ca	rri	ed	fc	nv	vai	rd	2 708 000

4.700,000

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I. Subventions of States (continuation):	Francs
Brought forwa	
Hungary	
Italy	
Luxemburg	· ·
Mexico	f
Poland	
Portugal	
Roumania	
San Domingo	
Czechoslovakia	
Venezuela.	
Yugoslavia	
II. Miscellaneous Receipts:	
Interest on deposits	
Sale of publications	
Subvention from the "Deutsche Hochschule für Politi	
Subvention from the Italian Committee on Intellect	
Cooperation	
III. Extraordinary Receipts (pour mémoire)	
111. Extraorainary Receipts (pour memone)	
Total receipts	3,365,000
Expenditure.	
Chapter 1. — Staff.	
I Director	
4 Principal Secretaries.	
I Legal Adviser	
Internal Administration	
10 Chief Clerks and Clerks	. 256,000
6 Assistant Clerks	. 76,600
11 Shorthand-Typists	
$ Junior staff \dots (f_{2}, i_{2}, \dots, i_{n-1}, \dots, i_{n-1}) $	
Sundry allowances (family allowances, etc.)	91,980 1,821,000
Chapter II.	
A. Upkeep of building and furniture	
B. Heating and lighting.	. 70,000
C. Insurance policies	. 15,000 145,000
Chapter III.	
A. Travelling expenses of members of the Directors' Co	m-
mittee	10 000
B. Entertainment allowances:	
Directors' Committee (lump sum) 30,000	
Director: lump sum for entertainment	
allowance	
Secretaries : entertainment allowance 8,000	
Lump sum for Director's car expenses 30,000	1
C. Journeys made by officials	
E. Contributions for special work	-
F. Office expenses	
G. Purchase of books	. 5,000
H. Publications.	1,233,000
Chapter IV.	
Provision for unforeseen expenditure.	
Chapter V.	
Contributions to reserve fund (pour mémoire)	· · · · · · · · —
Chapter VI.	
Balances payable on closed accounts (pour mémoire)	
	3,365,000

Appendix 2.

RULES AND REGULATIONS OF THE INSTITUTE Approved by the Governing Body at its Eighth Session, 1931.

I. RULES OF PROCEDURE

I. THE INSTITUTE.

Article I.

The seat of the International Institute of Intellectual Co-operation shall be at Paris.

Article 2.

The principal object of the Institute shall be to prepare the work to be discussed by the Committee on Intellectual Co-operation, to ensure in all countries the carrying out of the decisions and recommendations of that Committee and, under the direction of that Committee and of its Executive Committee, to promote, through international co-operation, the organisation of intellectual work throughout the world, and, generally, to develop international co-operational co-

Article 3.

The main lines and programme of the Institute of Intellectual Co-operation are determined: (a) By the Assembly resolution of September 23rd, 1924, relating to the report

of the International Committee on Intellectual Co-operation of July 29th, 1924; (b) By the Council resolution of September 30th, 1924, and the French Government's

letter of December 8th, 1924, and the Statutes thereto annexed;

(c) By the Council resolution of December 13th, 1924;

(d) By the report of August 11th, 1930, submitted by the International Committee on Intellectual Co-operation at its twelfth session, and the report of the Governing Body of August 20th, 1930;

(e) By the Council resolution of September 9th, 1930, and the Assembly resolution of October 3rd, 1930.

Article 4.

The authorities responsible for the control of the Institute shall be:

- (a) The Governing Body;
- (b) The Directors' Committee;
- (c) The Director of the Institute.

Article 5.

Staff.

Before making an appointment, confirming a contract, or discharging any of the staff of the Institute, the Governing Body and the Directors' Committee shall, in each case, consult the Secretary-General of the League of Nations or his representative.

2. The Governing Body.

Article 6.

The Governing Body shall be the supreme authority of the Institute. It shall, more particularly, be its duty, as defined by the Organic Statutes and by the letter of the French Government :

(a) To draw up, with the approval of the Council of the League of Nations, the financial regulations of the Institute;

(b) To pass the budget and approve the accounts of the Institute;

(c) To submit the annual report, which under Article 14 of the Statutes, must be communicated to the Council of the League of Nations and to the French Government;

(d) To determine, by a decision approved by the Council of the League of Nations, the classes of the personnel of the Institute which enjoy diplomatic privileges and immunities;

(e) To frame the Rules of Procedure and the Staff Regulations of the Institute;

(f) To appoint the Director and, after consulting him, the principal officials of the Institute, as well as the Financial Comptroller, subject always to the provisions of Article 5.

Article 7.

In addition to the members sitting in a deliberative capacity, the three members of the Executive Committee chosen outside the International Committee on Intellectual Co-operation shall sit on the Governing Body in an advisory capacity. The Secretary-General of the League of Nations shall have the right to take part in an

advisory capacity in the meetings of the Governing Body. The same applies to the Director of the Institute of Intellectual Co-operation.

Article 8.

Members of the Governing Body shall cease to hold office when they cease to be members of the International Committee on Intellectual Co-operation. When unable to attend meetings in person, members of the Governing Body are entitled to send a deputy, provided he or she is approved by the Chairman of the Governing Body.

Article 9.

The Secretary of the International Committee on Intellectual Co-operation shall be Secretary of the Governing Body.

Article 10.

The Governing Body shall meet regularly once a year at Geneva.

Article II.

Members of the Governing Body shall not receive any remuneration.

Members of the Governing Body shall not receive any remaneration. Members may not accept work paid for by the Institute. Members of the Governing Body and the Secretary shall be entitled to a travelling and subsistence allowance and the refund of their travelling expenses in accordance with the practice of the League of Nations. The same applies to the three members of the Executive Committee sitting on the Governing Body in an advisory capacity.

Article 12.

The Governing Body must be convened at least forty-five days before the date fixed for its meeting.

Article 13.

The Governing Body may discuss:

(a) Questions on its agenda whatever the number of members present;

Questions not on its agenda if there is a majority of the members present and (b)if two-thirds of the members present recognise the urgency of such questions.

3. THE DIRECTORS' COMMITTEE.

Article 14.

The Directors' Committee, presided over by the Chairman of the Governing Body, shall consist of five members of different nationalities. The Chairman of the International Committee on Intellectual Co-operation may also attend the meetings. The three members of the Executive Committee chosen outside the Committee (who may also be called upon to sit on the various sub-committees) may attend in an advisory capacity. The Secretary-General of the League of Nations and the Director of the Institute may be present at meetings in an advisory capacity. The Secretary of the Governing Body shall be Secretary of this Committee.

Article 15.

Members of the Directors' Committee shall be appointed by the Governing Body for a period of two years. They shall be eligible for reappointment.

When during his term of office, a member ceases to belong to the International Committee on Intellectual Co-operation or the Directors' Committee, his successor cannot hold office

beyond the term of the retiring member. Members of the Directors' Committee may not be replaced by deputies. The provisions of Article 11 of the present Regulations concerning the performance of the duties of a member of the Governing Body shall also apply to persons who may be called upon under Article 14 of the present Regulations to attend the sessions of the Directors' Committee.

Article 16.

The decisions of the Directors' Committee shall be valid whatever the number of members present.

Article 17.

The Directors' Committee shall meet at least four times a year. Its sessions shall be held in Paris, except in cases when it may wish to meet at Geneva. One of the sessions shall be held immediately after the ordinary session of the Governing Body and the International Committee on Intellectual Co-operation.

Article 18.

The Directors' Committee shall set up a Budget Sub-Committee, composed of three members, which shall meet before the ordinary sessions of the Directors' Committee. It shall be the duty of this Sub-Committee to keep itself informed of the financial administration of the Institute, prepare the draft budget for the following year with the assistance of the Director of the Institute and submit it to the Directors' Committee at the session immediately before the July session of the Governing Body.

the July session of the Governing Body. The Director of the Institute, the Secretary of the Directors' Committee and the Auditor of the League of Nations may also attend the Sub-Committee's meetings.

Article 19.

The Directors' Committee must be convened at least twenty days before the date fixed for its meetings.

Article 20.

Subject to the provisions of the Organic Statutes, the duties of the Directors' Committee shall be determined by the Governing Body. The Directors' Committee shall, more particularly :

(a) Keep in touch with the work done by the Institute during the year;

(b) Nominate those officials whose appointment under the Staff Regulations is not in the hands either of the Governing Body or of the Director of the Institute.

(c) Study the draft budget prepared by the Budget Sub-Committee, and forward this budget in such form as it may approve to the Governing Body;

(d) Submit a report to the Governing Body on the closed accounts of the Institute.

Article 21.

The Directors' Committee shall make an annual report to the Governing Body of its work.

4. THE DIRECTOR.

Article 22.

The Director of the Institute shall be appointed for a term of seven years. He shall be re-eligible for one further term. In choosing the successor of a Director leaving office, regard shall be had to the international character of the Institute.

Article 23.

The Director is required to devote his whole time to the Institute and strictly to preserve its international character.

The Director shall ensure the execution of the programme laid down by the Committee and the Governing Body. The apportionment of the work and the distribution of the staff shall be made in accordance with this programme, while avoiding any inelasticity of system in the internal organisation of the Institute.

The Director shall hold meetings of his colleagues from time to time to discuss the work of the Institute.

Article 24.

In virtue of the powers conferred on him, the Director shall appoint and dismiss the minor staff.

Article 25.

Provision shall be made in the budget for a lump sum entertainment allowance, and a lump sum allowance for the running cost of a car, to be at the disposal of the Director of the Institute.

Article 26.

The Director shall present each year a report on the work of the Institute to the Governing Body and to the Committee on Intellectual Co-operation.

This report shall be accompanied by any observations that may be made either by the Directors' Committee or by the Executive Committee.

Article 27.

The Director shall sign the Institute's official correspondence, but may delegate this duty to the principal secretaries.

Article 28.

He shall submit each year to the Governing Body the name of an official to replace him in case of need.

5. MISCELLANEOUS PROVISIONS.

Article 29.

The Secretary-General of the League of Nations and the Director of the Institute may take part in an advisory capacity or be represented at meetings of committees of experts. The same shall apply to the Secretary of the Governing Body.

Article 30.

Any official deputed to study a particular question must attend meetings of the International Committee on Intellectual Co-operation and of the Executive Committee at which this question is discussed.

If the work in question leads to the summoning of a committee of experts, the said official shall act as its secretary.

Article 31.

The Institute is authorised to maintain relations with the delegates appointed by States to follow the work of the Institute, under the conditions laid down in the resolution of the Assembly of the League of Nations dated October 3rd, 1930.

The relations of the Institute with the National Committees are governed by the same resolution.

II. FINANCIAL REGULATIONS.

Article I.

The budgetary year of the International Institute of Intellectual Co-operation shall be the same as the calendar year.

Article 2.

The funds of the Institute are :

The annual subsidy granted by the French Government; (a)

(*b*) Any other subsidy granted by the French Government or by foreign Governments;

All gifts, bequests, etc., which may be offered to the Institute and accepted (c)by the Governing Body;

- The income from movable and immovable property belonging to the Institute; (d)
- The revenue from the Institute's normal work. *(e)*

Article 3.

The annual subsidy granted by the French Government shall be paid annually to one or more banks selected by agreement between the Secretary-General of the League of Nations and the French Government. Any other subsidies which may be received shall be deposited with the same banks.

The Directors' Committee may authorise the opening of a postal cheque account.

Article 4.

Before May 15th of each year, the Director shall draw up a draft budget on the basis of the reports of the responsible officials and give the necessary explanations in support of the requests for credits.

This draft shall be submitted to the Budget Sub-Committee constituted in accordance with Article 18 of the Rules of Procedure. This Sub-Committee shall study it and submit it, together with a report, to the next meeting of the Directors' Committee. The draft budget, as approved by the Directors' Committee, shall then be submitted for

final approval to the Governing Body.

Article 5.

After approval by the Governing Body, the budget shall be immediately forwarded, under the signature of the Chairman and the Director of the Institute, to the Secretary-General of the League of Nations for communication to the Council and the Assembly. The budget shall be accompanied by a general report drawn up on behalf of the Governing Body, giving all the necessary explanations.

Copies of the budget and of the report shall also be sent to the French Government.

Article 6.

Any amendments to the budget which may be proposed in the course of the financial year shall be submitted to the Budget Sub-Committee for its observations. The Chairman shall then forward the Sub-Committee's observations to the Directors' Committee. In exceptional cases, the Chairman may authorise by written order the adoption of urgent amendments proposed by the Director. Such amendments shall also be communicated to the Directors' Committee at its next session and subsequently to the Governing Body for confirmation.

Transfers within a particular chapter of the budget shall be authorised by the Chairman on the proposal of the Director.

Article 7.

The surplus from a financial year shall constitute a special fund from which the Governing Body may authorise expenditure on the Institute's work during subsequent financial years. At the same time, the Directors' Committee shall be entitled to approve expenditure up to 50 per cent of new grants in the year of their actual receipts, and up to 50 per cent of any available surplus. This provision shall not apply to donations for special work approved by the International Committee on Intellectual Co-operation or by the Executive Committee.

Sums included in the budget for any financial period but not received during that period are not, when subsequently received in arrears, considered as new receipts and the Directors' Committee may dispose of such special receipts without restriction.

Article 8.

A Working Capital Fund shall be established in order to meett emporarily normal require-Payments of the Institute which cannot be paid out of income at the time when they are due. Payments from the fund shall be given in the form of advances to the Director of the Institute, and such advances shall be repaid to the fund as soon as the necessary income is available. Recoverable advances from this fund shall be authorised by the Governing Body or, in

urgent cases, by the Directors' Committee, as required, for work undertaken by the Institute.

Sums drawn from the Working Capital Fund by way of recoverable advances under the terms of the last paragraph, but which the Governing Body subsequently decides cannot, in fact, be recovered, shall be repaid to the fund, either by means of a transfer approved by the Governing Body from some other part of the budget for the current year or by means of a specific vote for the purpose in the budget for the year following that in which they were declared by the Governing Body to be irrecoverable. The Working Capital Fund shall be deposited with the same banks with which the other

funds of the Institute are deposited.

Article 9.

In the case of every proposed item of expenditure, the responsible officials shall fill up a form stating :

The name and address of the recipient ; (a)

- (b) The object of the outlay;
- (c) The expenditure involved;
- (d)The item of the budget to which the expenditure is chargeable.

Article 10.

The Director shall examine the form referred to in the preceding article, and, if he approves of the disbursement, shall forward it with his signature to the Chief Accountant for checking and entry in the register of approved expenditure.

Article 11.

Payments shall be made by means of cash orders. Cash orders shall be signed by the Director after being seen and approved by the Financial Comptroller. Cash orders for collection and payments must show

(a)A detailed specification of the individual or corporation paying or receiving the money;

(b) The signature of the Director and the Chief Accountant or their deputies as a receipt or authorisation;

An exact statement of the reason for the collection or payment and the item (c) of the budget to which the expenditure is charged.

Article 12.

The Institute shall have a steward, who shall prepare and keep up to date an inventory of the property in use by the Institute, and of the property owned by the Institute.

Article 13.

The accounts of the past financial year shall remain open until March 31st of the following year. The accounts shall be submitted before May 1st to the Auditor of the League of Nations. The accounts must be approved by the Directors' Committee and by the Governing Body and sent to the Secretary-General of the League of Nations, who shall communicate them to the Council and Assembly of the League of Nations.

Certified copies of the accounts and of any reports annexed thereto shall also be communicated to the French Government.

- 14'-

Article 14.

Should certain sums be included in the budget for unforeseen expenditure, their employment shall be subject to the following conditions :

(a) Up to 5,000 French francs for any one transaction, and, to a total amount of 15,000 French francs, the expenditure must be authorised by the Director;

 $(b) \quad \mbox{For larger amounts the expenditure must be proposed by the Director and authorised by the Directors' Committee.$

Article 15.

As regards expenses of officials sent on missions, the Institute shall refund the following items :

 $(a) \,$ Travelling expenses, according to the rules adopted by the Directors' Committee for the various classes of officials ;

(b) Cost of maintenance or daily subsistence allowance, varying according to scales determined by the Directors' Committee.

The rules shall be subject to ratification by the Governing Body.

Article 16.

For all cases not provided for in the present Regulations, reference shall be made to the analogous provisions in force at the League of Nations.

Article 17.

The present Regulations may be revised by the Governing Body, provided always that a motion showing the articles to be revised has been placed on the agenda.

III. STAFF REGULATIONS.

I. DUTIES AND OBLIGATIONS OF OFFICIALS.

Article 1.

The officials of the Institute must always bear in mind the essentially international character of their duties.

They may accept no outside employment without the consent of the Director, who shall decide whether such employment is compatible with their duties at the Institute.

Officials shall observe the utmost discretion in regard to all questions dealt with at the Institute.

Article 2.

The normal period of attendance at the offices of the Institute shall be seven hours on each ordinary working-day.

A half-holiday will, however, be given on Saturday, subject to the necessities of the service.

2. Appointments and Promotions.

Article 3.

All positions on the Institute shall be open equally to men and women.

Article 4.

The recruitment of higher officials shall be effected with special regard to the international character of the Institute and the importance of securing the collaboration on its staff of nationals of the greatest possible number of countries.

Article 5.

The staff of the Institute shall be appointed :

(a) By the Governing Body in conformity with Article 7 of the Organic Statute and Article 6 of the Rules of Procedure in the case of the Director, the principal secretaries and the Financial Comptroller;

(b) By the Directors' Committee in conformity with Article 20 of the Rules of Procedure in the case of secretaries and persons assimilated thereto;

(c) By the Director in conformity with Article 24 of the Rules of Procedure in the case of other categories of the staff. The approval of the Directors' Committee is, however, necessary in the case of chief clerks.

Article 6.

No person shall be appointed as a permanent official until the Director has been satisfied by a certificate from a duly qualified medical practitioner that the person is free from any physical defect or disease likely to interfere with the proper discharge of his duties.

The Director may, for the purpose of the preceding paragraph, require a candidate for appointment to submit to examination by a medical practitioner named or approved by the Institute. The cost of examination in this case shall be borne by the Institute.

Article 7.

Appointments made for a period exceeding two years shall not become permanent until after a probationary period of one year, unless other conditions have been made in writing at the time of the appointment. If the appointment is made for less than two years, the official should normally go through a period of probation equal to one-quarter of the length of the contract.

Article 8.

The duration of each appointment shall be determined by the authority responsible for making the appointment under the terms of Article 9; in certain cases, and for officials of a rank not lower than chief clerk, the duration of the appointment may be for a maximum period of seven years.

In accordance with the right reserved in Article 37 of the present Regulations, the system of short-term contracts will be used whenever the nature of the work permits.

Article 9.

Appointments are subject to renewal, without their holders being in any way entitled to regard this possibility as laying the Institute under any moral obligations towards them, or to regard non-renewal as indicating any lack of appreciation of their services.

Decisions regarding the renewal of a contract should, as far as possible, be taken at least three months before the date of expiration of the said contract.

Article 10.

With the exception of the minor staff, officials shall receive a letter of appointment signed by the Director or by an official duly authorised by him for that purpose, together with a copy of the Staff Regulations. Acknowledgment of the receipt of this letter shall constitute the contract of engagement.

Officials whose appointment becomes final after the period of probation laid down in Article 7 of the present Regulations shall receive a letter of confirmation delivered in identical conditions.

Article 11.

For the purposes of these Regulations, the period of an official's appointment and his service, and also in the absence of an express stipulation to the contrary in his letter of appointment, the payment of his salary, the prerogatives attaching to his duties, such as diplomatic privileges and immunities, shall begin on the date upon which he actually enters upon his duties and shall end on the date on which he relinquishes them.

3. Organisation of the Staff and Scales of Salary.

Article 12.

The present Regulations shall apply solely to the permanent staff. They shall not apply either to the Financial Comptroller or to the Medical Officer attached to the Institute. The minor staff shall be treated in accordance with local custom.

Article 13.

Except in the case of the Director of the Institute and of posts equivalent to that of Principal Secretary, the governing organs of the Institute shall have full freedom to engage specialists temporarily as experts without entering into contracts with them as officials.

The Director may accept the collaboration of voluntary officials, subject to authorisation by the Directors' Committee and the maintenance of the balance of nationalities.

Article 14.

Without prejudice to the rights appertaining to officials in virtue of the contracts in force and the guarantees accorded to them by the Regulations in the case of termination of these contracts, no post shall be maintained once the object for which it was created has been achieved.

Article 15.

Officials of the Institute shall be appointed at the scales of salary fixed for the various categories of officials by the Governing Body on the proposal of the Director. Family allowances shall be assigned to them on conditions laid down by the Governing Body, and on production of documents certifying the civil status of the persons entitled.

Officials may be required to furnish such evidence yearly.

4. SALARIES.

Article 16.

In the absence of a decision of the Director to the contrary, the salaries of the officials of the Institute shall be payable at the end of each month in respect of the past month. In the case of an official's death, the Directors' Committee may grant the persons who were wholly or partly dependent upon him an allowance at least equal to three months' pay.

In the interval between two sessions and in urgent cases the President is authorised to grant an advance in respect of the said allowance.

Article 17.

Periodical increments of salary may be granted, subject to the financial resources available and in accordance with the scales of salary provided for in Article 15 of the present Regulations.

5. SICK LEAVE.

Article 18.

Every official absent on the ground of illness must submit, after three days, a medical certificate stating that he is unable to perform his duties and giving the probable duration of incapacity.

A sick official may also be required to submit to examination by a medical practitioner named by the Director and at the expense of the Institute.

Article 19.

In maternity cases, special leave will be allowed which in normal cases shall not exceed six weeks before and six weeks after confinement.

6. HOLIDAYS AND ANNUAL LEAVE.

Article 20.

Subject to the exigencies of the service, officials will have leave on the following public holidays, which will not be deemed to be part of their annual leave:

- (a) From Good Friday to Easter Monday inclusive.
- (b) Ascension Day and Whit-Monday.
- (c) Christmas Day and New Year's Day.
- (d) The other days which are legal public holidays in France.

Article 21.

Officials appointed for at least one year are entitled to annual leave as indicated hereunder :

(a) Officials of a grade at least equal to that of clerk (rédacteur) are entitled to thirtysix working-days in each year;

(b) Other officials are entitled to twenty-eight working-days in each year;

(c) The date of the leave shall be fixed by the Director, regard being had to the exigencies of the service.

An official who spends all or part of his annual leave in his country of origin is entitled to add to his leave the time required for the journey there and back by the quickest route (except by air) or by an approved route. This privilege may not be exercised more frequently than once a year. Officials desiring to proceed to a distant country may, by way of exception, be authorised by the Director to hold over two-thirds of their annual leave during two years and to add such period to the ordinary leave for the third year.

Officials appointed for less than one year are not entitled to any annual leave until they have served for at least six months in the year; in such cases they will be granted leave, so far as is compatible with the exigencies of the service, at the rate of six working-days for each period of three months' service.

Article 22.

Special leave may, if requested by an official, be granted by the Director for exceptional reasons so far as is compatible with the requirements of the service.

Article 23.

An official entering or quitting the service during the course of a year shall only be entitled in respect of that year to an amount of annual leave proportionate to the period served by him during the year, and shall not be entitled to any leave if the period is less than four months. On quitting the service, an official, in so far as he has not received the annual leave which

On quitting the service, an official, in so far as he has not received the annual leave which is allowable to him under Article 21 of the present Regulations, may be granted, in proportion to the duration of his service, a number of days' leave on full pay equivalent to such arrears of leave, or an equivalent sum of money.

7. TRAVELLING AND REMOVAL EXPENSES AND SUBSISTENCE ALLOWANCES.

Article 24.

The travelling expenses of officials authorised to travel on the business of the Institute shall be defrayed by the latter in accordance with a scale approved by the Governing Body.

Article 25.

The travelling and removal expenses on arrival and departure of an official entering the service of the Institute and not domiciled at Paris or in the immediate suburbs shall in principle be defrayed by the Institute.

Nevertheless, such reimbursement shall only be due if it has been formally stipulated in the letter of appointment provided for in Article 14 of the present Regulations, and subject to the conditions stated in the said letter. The absence of such stipulation in the letter of appointment indicates that the parties have by common agreement renounced the possibility of a subsequent claim for such reimbursement by the official.

8. Allowances by Way of Compensation, and Pensions.

Article 26.

As soon as the financial situation permits, a system of pensions or retired pay shall be instituted for the benefit of the permanent staff of the Institute, by means of special regulations which the Director shall submit to the Directors' Committee with a view to subsequent approval by the Governing Body.

Each official shall be regarded, in virtue of his engagement, as having agreed to accept as a contribution to the pensions or retired pay fund any deduction from his salary which may be fixed or stipulated in application of the first paragraph of the present article.

9. DIPLOMATIC PRIVILEGES AND IMMUNITIES.

Article 27.

Diplomatic privileges and immunities as provided for by Article VII of the Covenant of the League of Nations and recognised by Article II of the Organic Statute of the Institute shall be confined to officials of a grade at least equal to that of secretary.

shall be confined to officials of a grade at least equal to that of secretary. The Director is instructed to conclude all the necessary agreements with the competent administrations with a view to ensuring for the persons entitled the full exercise of the diplomatic privileges and immunities, subject to the terms of Article 28 of the present Regulations.

Article 28.

The diplomatic privileges and immunities provided for in Article 27 are conferred on officials in the interests of their functions. They do not exempt the officials who enjoy them from discharging their private obligations or from observing the laws and police regulations in force.

When they are obliged to claim the benefit of the said privileges and immunities, the officials of the Institute shall report the matter to the Director, who shall decide whether these privileges and immunities shall be waived, subject to the Directors' Committee being informed at its next session.

10. TERMINATION OF CONTRACTS.

Article 29.

The appointment of an official guilty of misconduct may be terminated at any time. In such case, the official shall not be entitled to claim such notice and allowances as are provided for in the other articles of the present Regulations, or the leave to which he would ordinarily have a right.

Article 30.

The appointment of any official may be cancelled by the Institute either in virtue of the rule laid down in Article 5 of the present Regulations, or as the result of circumstances necessitating a reorganisation of the work, account being taken in both cases of the legitimate interests of the official as guaranteed by the Regulations. The decision shall be taken by the authority making the appointment.

Officials must be notified of the cancellation of their appointments at least six months in advance; this period is reduced to three months when the duration of the contract or the period for which it is still valid does not exceed two years.

Any termination of contract under the present article entitles the official to the compensation provided for in Article 35 of the present Regulations.

Article 31.

In the case of sickness lasting more than three consecutive months, the authority which appointed the official concerned may terminate the engagement, subject to the payment of the compensation provided for in Article 35 of the present Regulations.

Article 32.

An official on probation may be discharged at one month's notice if he fails to perform his duties in a satisfactory manner. The decision in such cases shall be taken by the Directors' Committee if the official has been appointed by that Committee or by the Governing Body, or by the Director if the official has been appointed by him.

Article 33.

In each individual case a decision must be taken at the end of the period of probation regarding either the final appointment of the official or the extension of the period of probation. This decision shall be taken by the authority who made the appointment under Article 5

of the present Regulations.

Article 34.

The Institute may dismiss immediately any official entitled to notice under Articles 30. 31 and 32 of the present Regulations, provided he is paid the salary for the period of such notice.

Article 35.

An official whose contract of service is terminated under Article 30 or Article 31 of the present Regulations shall be allowed compensation calculated on the basis of two months' salary per year's service, but the said compensation shall not be less than three months' salary or more than a year's salary.

The provisions of this article shall not affect the application of the Regulations regarding the granting of pensions or retired pay provided for in Article 26 of the present Regulations,

II. MEANS OF REDRESS.¹

Article 36.

Any official who considers that a decision taken in regard to him by an organ of the Institute is, from the legal point of view, contrary to the terms of his appointment shall be entitled to apply, within fifteen days from the date on which the decision is notified to him, to the

Governing Body for the purpose of securing the re-examination of the case. The decision taken by the Governing Body after the matter has thus been submitted to it shall be communicated to the official in writing.

Within one month from the date of such communication, the official shall have the right to submit to the Administrative Tribunal of the League of Nations for arbitration the question

(b) The Secretary-General's reply to M. Painlevé, dated February 26th, 1931;

(c) M. Painlevé's further reply to the Secretary-General, dated March 6th;

Letter dated May 8th, 1931, from M. Painlevé to each member of the Administrative Tribunal. (d)The members of the Administrative Tribunal having signified their acceptance, the terms of Article 36 are finally settled.

¹ The duties devolving on the members of the Administrative Tribunal of the League of Nations under the present article were decided after an exchange of letters between the Chairman of the Governing Body of the Institute and the Secretary-General of the League of Nations on the one hand, and the Chairman of the Governing Body and the members of the Administrative Tribunal on the other. The following are annexed (see Sub-Appendices):

⁽a) Letter dated February 3rd, 1931, from M. Painlevé, Chairman of the Governing Body of the Institute, to the Secretary-General of the League of Nations, communicating a report by M. Pilotti, M. Nisot and M. Weiss, concerning the settlement of disputes relating to decisions taken by the Institute in regard to its officials;

whether the decision taken by the Governing Body is, from the legal point of view, contrary to the terms of his appointment. Should he avail himself of this right, he shall advise the Governing Body thereof by registered letter; the Chairman of the Governing Body shall represent the Institute before the Administrative Tribunal. This Tribunal, acting in an arbitral capacity, shall not be bound by any legislation and shall lay down its own procedure. Its decision shall be final and bind the official and the Institute.

The allowances and the travelling expenses, if any, of the members of the Administrative Tribunal when acting in accordance with the present article shall be borne by the Institute. The latter shall refund to the Secretariat of the League of Nations any other expenses resulting from the operation of the Administrative Tribunal in cases affecting the Institute.

The Institute shall conclude with the League of Nations and the members of the Administrative Tribunal agreements to allow of the application of the present article.

MISCELLANEOUS PROVISIONS.

Article 37.

Exceptions may always be made to the provisions of the present Regulations in virtue of special clauses inserted for that express purpose in the engagement contract.

Article 38.

The present Regulations and the annexes thereto may at any time be amended by the Governing Body in all cases, without prejudice to the acquired rights of the officials.

Final Article.

The present Regulations shall come into force on July 1st, 1931 and shall supersede the Regulations in force prior to that date.

Current engagement contracts shall continue to run unless by common agreement they have been replaced by fresh engagement contracts.

Sub-Appendix (a).

LETTER TO THE SECRETARY-GENERAL OF THE LEAGUE OF NATIONS FROM M. PAINLEVÉ, CHAIRMAN OF THE GOVERNING BODY, CONCERNING THE SETTLEMENT OF DISPUTES RELATING TO DECISIONS TAKEN BY THE INSTITUTE IN REGARD TO ITS OFFICIALS.

International Institute of Intellectual Co-operation,

Paris, February 3rd, 1931.

I have the honour to transmit to you herewith the report forwarded to me by M. Pilotti, M. Weiss and M. Nisot, who were instructed by the Directors' Committee of the International Institute of Intellectual Co-operation, at its meeting in January 1931, to consider certain legal points concerning the new Regulations for the staff of the Institute.

This report, which deals with the question of the settlement of disputes relating to decisions taken by the Institute in regard to its staff, contemplates, in particular, the possibility of submitting these decisions to the Administrative Tribunal of the League of Nations.

You will observe that the report in question contains, not only the text of an article with a view to this solution, but also a draft letter ¹ to the members of the Administrative Tribunal, which defines the special features of that arrangement.

As the proposed article cannot come into force without the consent of the Secretary-General of the League of Nations, I venture to refer the matter to you herewith, so that I may be in a position to inform the Directors' Committee of the Institute, which will have to decide next April.

(Signed) Paul PAINLEVÉ, Chairman of the Governing Body.

Report forwarded to the Chairman of the Governing Body of the International Institute of Intellectual Co-operation by M. Pilotti, M. Weiss and M. Nisot concerning the Settlement of Disputes relating to the Decisions taken by the Institute in regard to its Officials.

At its session in January 1931, the Directors' Committee of the International Institute of Intellectual Co-operation instructed the undersigned to draw up provisions to be included in the new Staff Regulations of the Institute for the settlement of disputes relating to the decisions taken by the Institute in regard to its officials.

For this purpose, several possibilities may be considered. These are indicated in the following drafts for an article. In each of these proposals, provision is made, in the first place, for the said decisions being

¹ Note by the Secretariat. — For the final text of this letter see Sub-Appendix (d).

Proposed Article.

First text.

Article $_{36.}$ — Any official who considers that a decision taken in regard to him by an organ of the Institute is, from the legal point of view, contrary to the terms of his appointment, shall be entitled to apply, within fifteen days from the date on which the decision is notified to him, to the Governing Body for the purpose of securing the re-examination of the case.

"The decision taken by the Governing Body after the matter has thus been submitted to it shall be communicated to the official in writing.

"Within one month from the date of such communication, the official shall have the right to submit to the Administrative Tribunal of the League of Nations the question whether the decision taken by the Governing Body is, from the legal point of view, contrary to the terms of his appointment. Should he avail himself of this right, he shall advise the Governing Body thereof by registered letter; the Chairman of the Governing Body shall represent the Institute before the Administrative Tribunal. The decision of the Administrative Tribunal shall be final and bind the official and the Institute.

"The allowances and the travelling expenses, if any, of the members of the Administrative Tribunal, when acting in accordance with the present article, shall be borne by the Institute; the latter shall refund to the Secretariat of the League of Nations any other expenses resulting from the operation of the Administrative Tribunal in cases affecting the Institute.

"The Institute shall conclude with the League of Nations and the members of the Administrative Tribunal agreements to allow of the application of the present article."

Under the article as worded above, the members of the Administrative Tribunal of the League of Nations would be given jurisdiction not provided for in the Statute of that Tribunal. The article cannot therefore come into force unless the Institute first of all secures the consent of the individual members of the Tribunal (see the annexed letter, Sub-Appendix (d), for this purpose).

This first text would further require the consent of the Secretary-General of the League of Nations. His opinion should therefore also be obtained.

Second Text.

"Article 36. — Any official who considers that a decision taken in regard to him by an organ of the Institute is, from the legal point of view, contrary to the terms of his appointment, shall be entitled to apply, within fifteen days from the date on which the decision is notified to him, to the Governing Body for the purpose of securing the re-examination of the case.

"The decision taken by the Governing Body after the matter has thus been submitted to it shall be communicated to the official in writing.

"Within one month from the date of such communication, the official shall have the right to submit to arbitration the question whether the decision taken by the Governing Body is, from the legal point of view, contrary to the terms of his appointment. Should he avail himself of this right, he shall advise the Governing Body thereof by registered letter; the Chairman of the Governing Body shall represent the Institute.

"The arbitral decision shall be final and bind the official and the Institute. It shall also decide as to the costs of arbitration.

"The arbitrator shall not be bound by any legislative provisions. He shall himself lay down the procedure.

"There shall only be one arbitrator, who shall be chosen by common consent by the Chairman of the Governing Body of the Institute and the official concerned.

"If, within fifteen days of the notification to the Governing Body provided for in paragraph 3 above, it has not been possible to reach agreement as to the appointment of the arbitrator, the latter shall, at the request of the official concerned, be appointed by the President of the Permanent Court of International Justice."

Third Text.

"Article 36. — Any official who considers that a decision taken in regard to him by an organ of the Institute is, from the legal point of view, contrary to the terms of his apopintment, shall be entitled to apply, within fifteen days from the date on which the decision is notified to him, to the Governing Body for the purpose of securing the re-examination of the case.

"The decision taken by the Governing Body after the matter has thus been submitted to it shall be communicated to the official in writing.

"Within one month from the date of such communication, the official shall have the right to submit to arbitration the question whether the decision taken by the Governing Body is, from the legal point of view, contrary to the terms of his appointment. Should he avail himself of this right, he shall advise the Governing Body thereof by registered letter : the Chairman of the Governing Body shall represent the Institute.

"The arbitral decision shall be final and bind the official and the Institute. It shall also decide as to the cost of arbitration.

"The arbitrator shall not be bound by any legislative provisions. He shall himself lay down the procedure.

"There shall only be one arbitrator; he shall be appointed each year by the President of the Permanent Court of International Justice."

1.2.2.1

Sub-Appendix (b).

Reply of the Secretary-General to M. Painlevé.

Geneva, February 26th, 1931.

I have the honour to acknowledge receipt of your letter of February 3rd concerning the possibility of submitting to the Administrative Tribunal of the League of Nations disputes relating to decisions taken by the International Institute of Intellectual Co-operation in regard to its staff.

You point out that the consent of the Secretary-General of the League of Nations would be necessary for this purpose, and you were good enough to refer the matter to me in the above-mentioned communication.

As the Administrative Tribunal, under its Statute, can only deal with disputes affecting the staff of the League of Nations (Secretariat, International Labour Office and, in regard to pensions, the Registry of the Permanent Court of International Justice), the competence to be assigned to it in this case would have an arbitral character. The League would not be in any way responsible (nor would it incur any expenses) in respect of such competence, which would be exercised on the responsibility of the Institute and that of the members of the Tribunal. The members of the Tribunal would, therefore, have to give their individual consent to the mandate, which they would thus hold exclusively from the Institute. If I am correctly expressing your views, the special features of the proposed solution would also be submitted to the judges of the Administrative Tribunal in the communication, the text of which was annexed to your above-mentioned letter.

Under these circumstances, and subject to the consent of the judges in so far as they are concerned, I can inform you that I shall be very glad to authorise the official of the Secretariat acting as Registrar of the Administrative Tribunal, and also its executive services, to give their assistance to the members of the Tribunal when acting in the proposed capacity in pursuance of the following provision, which you submit to me.¹

I am particularly anxious, however, that the beginning of the third paragraph of this provision should be modified, in accordance with the actual position, to read as follows: ". . . shall have the right to submit to the Administrative Tribunal of the League of Nations for settlement by arbitration . . ." (instead of ". . . shall have the right to submit to the Administrative Tribunal of the League of Nations . . .").

(Signed) Eric DRUMMOND, Secretary-General.

Sub-Appendix (c).

M. PAINLEVÉS' FURTHER REPLY TO THE SECRETARY-GENERAL.

Paris, March 6th, 1931.

In a letter dated February 26th, you informed me that you agree, so far as the Secretariat of the League of Nations is concerned, to any disputes that arise between the International Institute of Intellectual Co-operation and its staff being submitted to the jurisdiction of the Administrative Tribunal of the League of Nations under a special article of the Staff Regulations of the said Institute.

You also expressed to me the desire that an addition should be made to the draft Article 36 communicated to you, indicating that the intervention of the Administrative Tribunal in the disputes in question would have an arbitral character.

I have the honour to inform you that I shall communicate your reply to the Directors' Committee at the forthcoming session, which will open on April 13th at Paris. Should this Committee accept the formula proposed by the Committee of Jurists, with the modification suggested by you, I shall forward to the individual members of the Administrative Tribunal the communication, the text of which is contained in my letter of February 3rd last.

I am certain that I am expressing the views of my colleagues in now thanking you for the sympathetic spirit in which you have examined the request I was instructed to transmit to you, and for the very valuable facilities which the Secretariat is prepared to afford our Institute with a view to dealing with its disputes.

(Signed) Paul PAINLEVÉ, Chairman of the Governing Body.

Sub-Appendix (d).

Letter from M. Painlevé to the Members of the Administrative Tribunal.

International Institute of Intellectual Co-operation, Paris, 2, rue de Montpensier,

May 8th, 1931.

The Governing Body of the International Institute of Intellectual Co-operation will be called upon in a few months' time to give its final approval to the new Staff Regulations of the Institute. It will accordingly examine the attached draft, which has been drawn up in concert with the Directors' Committee of the Institute.

¹ See page 20, First text, Article 36.

As you will see, this draft contains an article reading as follows :

"Article 36. — Any official who considers that a decision taken in regard to him by an organ of the Institute is, from the legal point of view, contrary to the terms of his appointment, shall be entitled to apply, within fifteen days from the date on which the decision is notified to him, to the Governing Body for the purpose of securing the re-examination of the case.

"The decision taken by the Governing Body after the matter has thus been submitted to it shall be communicated to the official in writing.

"Within one month from the datc of such communication the official shall have the right to submit to the Administrative Tribunal of the League of Nations for settlement by arbitration the question whether the decision taken by the Governing Body is, from the legal point of view, contrary to the terms of his appointment. Should he avail himself of this right, he shall advise the Governing Body thereof by registered letter; the Chairman of the Governing Body shall represent the Institute before the Administrative Tribunal. This Tribunal, acting in an arbitral capacity, shall not be bound by any legislation and shall lay down its own procedure. Its decision shall be final and bind the official and the Institute.

"The allowances and the travelling expenses, if any, of the members of the Administrative Tribunal, when acting in accordance with the present article, shall be borne by the Institute; the latter shall refund to the Secretariat of the League of Nations any other expenses resulting from the operation of the Administrative Tribunal in cases affecting the Institute.

"The Institute shall conclude with the League of Nations and the members of the Administrative Tribunal agreements to allow of the application of the present article."

In so far as it provides for the intervention of the Administrative Tribunal of the League of Nations, it will not be possible for this article to be brought into operation until the Institute has obtained the consent of cach of the members of that Tribunal. The latter was set up for the sole purpose of dealing with disputes affecting the League of Nations staff (Secretariat and International Labour Office); and as such it is therefore not competent to deal with matters concerning the staff of the International Institute of Intellectual Co-operation. Consequently, the members of the Tribunal would have to be given powers other than those provided for under its constitution.

As you are aware, although its legal personality is separate from that of the League, the Institute's work is carried on within the framework of the League. Hence the Governing Body, which is the supreme organ of the Institute, consists of the members, for the time being, of the International Committee on Intellectual Co-operation, which is an advisory committee of the League. In accordance with its juridical Statute, the Institute was placed at the disposal of the League, and constitutes the executive organ of the Committee.

As regards, more particularly, the question with which we are concerned, I would point out that, at its last session, the League Assembly expressed itself in favour of the proposals made by a committee of enquiry and accepted by the Committee on Intellectual Co-operation. The chief aim of these proposals was to provide the Institute's staff with regulations based on principles similar to those underlying the Staff Regulations of the League. It is on account of those provisions that the Institute is at present considering means to enable its officials to apply to the Administrative Tribunal.

This being so, and in order that I may be in a position to enlighten the Governing Body of the Institute on this matter, I have the honour to request you to inform me whether, subject to the consent of the other members of the Administrative Tribunal, you would be prepared, if desired, to accept the obligations which would result from the application of the proposed article. Judges acting on behalf and for account of the Institute would receive allowances on the same bases as are applicable to them when acting as members of the Administrative Tribunal of the League. This would also apply to any travelling expenses incurred in the unlikely contingency of matters affecting the Institute not being examined by the Tribunal at the regular sessions which it holds at Geneva in accordance with its Statute.

> (Signed) PAINLEVÉ, President of the Governing Body.

Appendix 3.

AUDITOR'S REPORT ON THE ACCOUNTS OF THE INTERNATIONAL INSTITUTE OF INTELLECTUAL CO-OPERATION FOR THE FINANCIAL YEAR 1930.

SUBMITTED BY DR. F. VIVALDI, DEPUTY AUDITOR OF THE LEAGUE OF NATIONS.

Approved by the Governing Body at its Eighth Session.

For the first time since the Institute was founded, its bookkeeping has, as I recommended in my five preceding reports, been cleared of all extraneous items so that the 1930 accounts disclose nothing but the results of carrying the budget into effect. The special accounts for the publication of Latin-American classics, for the "American Enquiry" and for publishing the Acts and Memoranda of the International Congress of Popular Arts held at Prague in October 1928 have been definitely separated from the general budget accounts and distinct accounts and tables ¹ allotted to them. I will now describe the results of the financial year 1930 as revealed by the Institute's accounts.

REVENUE.

In pursuance of the falling tendency to which I drew attention in my preceding report,² the surplus of revenue over estimates continued to diminish during the period under review and eventually disappeared, the figures for revenue falling below those of the estimates. This result is all the more striking since the extraordinary revenue alone was double the estimates, so that the final unfavourable result is solely due to the fact that the ordinary revenue, on which the Institute's existence really depends, was not all collected.

Ordinary revenue was estimated to amount to 3,203,800 francs ³, of which only 2,849,800 francs were actually received, making a deficit of 354,000 francs, or more than 11 per cent of the estimates. This is due to the fact that, of twenty-one States, seven (Belgium, Colombia, Czechoslovakia, the Dominican Republic, Egypt, Principality of Monaco, Poland ⁴) did not pay their contributions. Fortunately, the consequences of this fact were mitigated :

(a) By two fresh contributions paid during the financial year but not estimated forviz., Mexico (60,679.60 francs) and Yugoslavia (25,000 francs), totalling 85,679.60 francs;

(b) By the fact that certain States (Denmark, Ecuador, Luxemburg and the Principality of Monaco) paid up their arrears for 1928 and 1929 to a total amount of 28,800 francs;

(c) By the fact that, in converting the various contributions into French currency, a profit of 13,446.60 francs was realised.

Ordinary revenue (contributions) thus amounted finally to :

	Francs
Contribution of France	2,500,000
Other contributions estimated for in the budget	349,800 —
Fresh contributions	85,679.60
Contributions in arrears	28,800.—
Profit on exchange	13,446.60
Total	2,977,726.20

which, notwithstanding the above additional unforeseen revenue, is still 226,073.80 francs below the budget estimates for these items (3,203,800 francs).

I append a list of the State contributions still due to the Institute according to the budgets of the various financial years.

x	Francs
Balance of Poland's contribution for 1926	10,615.25
Contribution by Poland for 1930	
Contribution by the Republic of Ecuador for 1928	2,000
Contribution by the Principality of Monaco for 1930	2,000
Contribution by the Dominican Republic for 1929	25,000
Contribution by the Dominican Republic for 1930	
Contribution by the Republic of Colombia for 1929	15,000
Contribution by the Republic of Colombia for 1930	15,000.—
Contribution by the Kingdom of Belgium for 1930	
Contribution by the Kingdom of Egypt for 1930	64,000.— 5
Contribution by the Republic of Czechoslovakia for 1930.	73,000.—
Total	406,615.25 °

which is five times greater than the corresponding arrears at the end of the preceding financial year (81,416.25 francs).

¹ The former system would appear from the books to have still been in force during the first six months of the financial year 1930.

² See document A.21.1930.XII, page 66.

³ The sums given in francs in this report represent French francs.

⁴ At the moment of writing—*i.e.*, after the close of the financial year—the Institute has received the Egyptian contribution of 63,738.66 francs; but, as this amount is now included in the 1931 accounts, it cannot affect the 1930 results.

Apart from these observations on contributions, the position of which is certainly a little disquieting, there is little to be added regarding the miscellaneous receipts, which amounted to 118,540.12 francs, or more than twice the estimate of 56,200 francs, though even the former figure is 4,716.16 francs less than the corresponding amount for the preceding year.

These miscellaneous receipts are made up as follows :

	Francs
Interest on funds deposited at the bank	4,100.09
at the Institute	35,824.25 288.40
ments, etc.)	67,204.43 1,625.—
calls	1,653.45
Miscellaneous payments	1,434.50 6,410.—
Total	118,540.12

The *interest* accruing from funds deposited at the bank (4,100.00 francs) was considerably less than that for the previous year (19,862.06 francs), due partly to the lower interest rate by banks and partly to the smaller funds available, which prevented the Institute from making long-term deposits.

The grant by the "Deutsche Hochschule für Politik" (35,824.25 francs) was smaller than usual, the said body having only paid 5,900 Reichsmarks in 1930 instead of the usual 6,000, a difference of 100 Reichsmarks, or about 600 francs.

On the other hand, receipts from the sales of the Institute's publications rose very considerably, from 24,644.17 francs in 1929 to 67,204.43 francs, and are solely responsible for the large surplus in the total of miscellaneous receipts as compared with the estimates for this item. I shall comment later on this favourable result when I deal in detail with the accounts of the Publications Bureau.

The contribution to the upkeep of the Assembly Hall (1,625 francs) is a receipt to which I must draw attention this year for the first time, since it occurs rather frequently. The item covers the lump sums paid to the Institute by various bodies which were allowed to use the hall temporarily for conferences or meetings; the amounts are intended to cover the cost of upkeep (lighting, heating, cleaning, etc.).

The sum of 6,410 francs (the last item on the foregoing list) is the gift regularly made for publishing a propaganda pamphlet.¹

If, lastly, we take into account the balance from the previous period (85,700.44 francs), the following table may be drawn up of the sums at the Institute's disposal during 1930.

⁵ Paid, as already mentioned, after the close of the 1930 financial year—viz., on May 18th, 1931.

⁶ Of these contributions, the 1930 budget estimated for those of Belgium, Colombia, Czechoslovakia, the Dominican Republic, Ecuador, Egypt, the Principality of Monaco and Poland. The Institute is justified in reckoning upon the other contributions :

As regards Poland's contribution for 1926, by reason of the undertaking several times referred to in previous reports, and the fact that during 1929 Poland paid part of this contribution; As regards the contributions of Colombia and the Dominican Republic for 1929, by reason of documents serving as the basis of the official statement concerning these contributions which appears in the report submitted by the Director of the Institute to the Governing Body in July 1929 (League of Nations document A.20.1929.XII, page 35). Colombia, moreover, duly paid its contribution for 1928. 1928

As regards Ecuador's contribution for 1928, by reason of the official accession of this State and its payment of its contribution during the above-mentioned period. According, however, to the explanations given in my 1928 report (page 43, note, document A.20.1929.XII), the contribution could not be collected owing to an error on the cheque, which had to be sent back for correction and has never been returned.

¹ See report for 1927 (document A.28.1928.XII, page 53).

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	Revenue from items entered in the 1930 budget (includ- ing profit on rate of exchange)	Revenue from arrears of con- tributions (in- cluding profit on rate of exchange)	Revenue from fresh contributions	Balance from 1929
	Francs	Francs	Francs	Francs
Grants by :				
France	2,500,000.—			
Austria	5,389.—		-	
Brazil	75,000.—	—		
Denmark	23,777.20	23,728.80	—	
Ecuador	2,326.50	2,326.50		
Hungary	20,664.—			
Italy \ldots \ldots \ldots	152,997.65		—	
Luxemburg	2,466.25	2,466.25		
Mexico			60,679.60	
Principality of Monaco .		4,000.—		
Portugal	15,241.95		galaphang	
Roumania	25,000.—	—	<u> </u>	—
Switzerland	24,662.50		—	
Venezuela	I2,000.—		—	
Yugoslavia			25,000.—	
Miscellaneous receipts .	118,540.12			
Balance from 1929				85,700.44
Total	2,978,065.17	32,521.55	85,679.60	85,700.44
		3,096,266.32		

3,181,966.76

It will be seen from this table that, apart from the 1929 balance, the *total* revenue for the year amounted to 3,096,266.32 francs, or 163,733.68 francs less than the total revenue estimated (3,260,000 francs).

Changes introduced into the Budget during the Financial Year.

As in every preceding year, numerous changes were made in the budget of expenditure, details of which are given in Table 4 annexed.

I shall not, however, repeat my usual criticisms of such changes in the form of the budget, in view of the quite exceptional circumstances which caused them. These changes were due to the proposals made by the Committee of Enquiry which met during the year, and the decisions taken after that meeting by the higher authorities, and consisted of transfers of appropriations as between various items, amounting to 324,780.59 francs and of certain increases in appropriations equal in all to the balance from 1929 (85,700.44 francs). In the upshot, the estimates of expenditure rose from 3,260,000 to 3,345,700.44 francs.

estimates of expenditure rose from 3,260,000 to 3,345,700.44 francs. A glance at Table 4 will show that the transfers of appropriations (amounting to 319,830.59 francs) between various items (in other words, the real transfers) occurred almost entirely under the heading of "Staff". These transfers consist merely of inscribing to the "Allowances Account" a part of the amounts appropriated originally to salaries and are due partly to the wish to regularise entries—some allowances having originally been confused with salaries 1—and partly to the paying of allowances in lieu of notice.

I think I should now, in order to supplement the information given, submit a chronological table recapitulating the changes made in the original budget of expenditure for the financial year 1930.

	Increase of appropriation	That part of the increased men- tioned in the preceding column was balanced by reductions in other appropria- tions (transfers)	<i>appropriations</i> — that is to say, that part of the increase not bal- anced by reduc-
	Francs	Francs	Francs
 Decision by the Governing Body at the July 1930 session	88,400.44	2,700.—	85,700.44
the October 1930 session	319,830.59	319,830.59	
3. Decision by the Committee of Directors at the January 1931 session	2,250.—	2,250.—	
Total	410,481.03	324,780.59	85,700.44

¹See preceding report (document A.21.1930.XII, page 71).

Comparison between Receipts and Expenditure.

The expenditure of the Institute for 1930 (see Table 5) amounted to 3,228,589.44 francs, or a saving of 117,111 francs on the figure of the final budget above mentioned (original budget plus supplementary credits-viz., 3,345,700.44 francs).

This saving of an amount exceeding the extra appropriations granted during the financial year, and equivalent, as has been said, to the 1929 balance (85,700.44 francs), proves that, as far as the budget itself and the books were concerned, it was quite unnecessary to increase appropriations.

On the other hand, if, to ascertain, not the theoretical result of the budget, but the real result of the financial year, we compare the total expenditure in question, not with the budget estimates, but with the actual revenue (3,096,266.32 francs), far from having a surplus to show, we find ourselves faced by a deficit of 132,323.12 francs.

Thus, the whole 1929 balance of 85,700.44 francs, which would not have been touched if all the budget estimates had not merely existed on paper but materialised in actual cash. has really been used in order to meet partly the deficit which was the real result of the financial year; "partly" because the remaining amount required to make up the total expenditure had to be taken from the working capital fund.

The amount so drawn was 56,252.58 francs, of which 46,622.68 francs were used for payments and the remaining 9,629.90 francs should have been paid to the heirs of a French Government architect for inspecting certain work done on the Institute's premises. This payment could not be made, however, as the parties concerned had not yet proved their title, and the amount involved was still on hand at the end of the financial year. 1

Working Capital Fund.

This fund was created during the year by taking an amount of 221,000 francs from the budgetary credits. Strictly speaking, however, this expenditure is merely a transfer of funds, since, though it is shown in the accounts as booked out from the general cash account, it remains the Institute's property, is entered in a separate account and kept in a separate safe to meet any temporary requirements or difficulties in the future.

For the reason already given, an amount of 56,252.58 francs has been taken from this fund and 46,622.68 francs of it used as above for certain essential payments and the balance of 9,629.90 francs put to reserve at the end of the year to enable a still undischarged obligation to be met. When the books were closed, therefore, the Working Capital Fund had been reduced from 221,000 to 164,747.42 francs. ²

The results of the financial year under investigation, the difficulties that may be expected in future, and the fact that no cash surplus from previous financial years will henceforth enable such difficulties to be met, make it unnecessary for me to stress the necessity of safeguarding this fund most energetically and reconstituting it immediately. Arrangements should therefore be made to refund the amount already withdrawn, which would, incidentally, be a simple matter in view of the amounts available belonging to 1930, but only received after the close of that year.

RESULTS OF THE FINANCIAL YEAR.

To summarise, the financial year 1930 closed :

With a deficit of 163,733.68 francs on the revenue estimates; (a)

(b) With a saving in the budget of 117,111 francs, or considerably less than the above deficit;

- (c)With the total extinction of the balances of preceding years;
- (*d*) With a cash balance of 9,629.90 francs ;
- With a debt of 56,252.58 francs to the Working Capital Fund; (e)

With a contingent asset of 406,615.25 francs in the form of State contributions (f)unpaid.

¹ In Table 6, the amount of 9,629.90 francs is therefore shown as surplus revenue at the end of the financial year and is the actual cash balance of the year, though it is, in this particular case, merely the unused balance of a loan—*i.e.*, an amount owed by the Institute to its own working capital fund. The explanation which I have always inserted here regarding the cash balance and the savings in the budget is perhaps unnecessary this year, as the accounts are so clear. Revenue having, as already noted, fallen 163,733.68 francs below estimates, the saving on expenditure (*i.e.*, the saving in the budget of 117,111 francs) was insufficient to balance the account; and it was thus necessary to borrow the deficit of 46,622.68 francs, plus the above-mentioned amount of 9,629.90 francs, from the working capital fund.

² The amount in the fund at the end of 1930 was thus scarcely more than 4.8 per cent of the expenditure

budget for 1931 (3,404,000 francs). At the same date, the working capital funds of the League of Nations, the International Educational Cinematographic Institute, and the International Institute for the Unification of Private Law at Rome, amounted to about 17, 11 and 18 per cent respectively of the estimated expenditure for the following financial period.

OBSERVATIONS ON EXPENDITURE.

Chapter I. — Staff.

The appropriation under this chapter, originally fixed at 2,139,640 francs, was raised during the year to 2,160,640 francs. The not excessive increase of only 21,000 francs occurred under the item "Other allowances" and arose, as I have stated, from the unforeseen expenditure entailed by allowances, totalling 178,666.62 francs, granted by the higher authorities to twenty-six employees discharged at the end of November. This expenditure must therefore be considered as an extra appropriation over and above the estimates, but the fact of the Institute having saved the December salaries budgeted for these twenty-six employees should also not be forgotten.

In an earlier paragraph, I have also referred to fifteen transfers, totalling 319,830.59 francs, made in favour of the item "Other allowances". This sum was obtained by drawing on the credits of all the other items in the chapter without exception.

I have nothing further to add on this chapter, apart from pointing out that the appropriations made were completely expended, except for a saving of 16,195.42 francs in the documentation service. It is a mere fiction of accountancy to enter the saving in this particular item only, when it is really a general saving on the whole chapter, attributed for the sake of clearness—on final adjustment of the accounts—to a single fortuitously selected item.

Neither the general administration nor the various expenses in this chapter appear to call for further remarks from me, as the circumstances referred to in my previous report have not changed. The fresh expenditure entailed by new circumstances (allowances in lieu of notice) were, of course, the result of the decisions taken by the higher authorities and strictly complied with.

CHAPTER II. — UPKEEP AND MAINTENANCE.

The appropriation for this chapter was slightly raised by 10,700 francs to 185,700 francs, but at the end of the year there was a total saving of 15,501.91 francs on the three component items, which shows that, for the second half of the year, much of the expenditure budgeted for by the increased credit referred to was avoided. The extra 8,000 francs provided for "Upkeep of building and furniture" was even not used at all.

Under "Lighting and heating", where the biggest saving (13,793.35 francs) was made, it is interesting to note that 13,310.50 francs less were expended in 1930 than in the previous financial year.

On the other hand, the item "Insurance policies" shows a slight increase of 2,585.20 francs on the previous year, mainly due to a new French law and to the fact that insurance premiums for officials increase as the salaries rise. It was thus necessary to raise the original appropriation by 2,700 francs.

CHAPTER III. — WORKING EXPENSES.

The appropriation of 635,000 francs originally fixed for this chapter was also increased during the financial year, but only by the comparatively small sum of 46,950.44 francs—a considerable improvement on the previous year, both as regards the amount of the increase itself (in 1929 about 250,000 francs) and as regards the number of items requiring additional credits—only three as against six in 1929 (see Table 4).

It should be added that the saving of 35,710.63 francs on this item largely offset the increased appropriation.

This result is to be traced mainly to the first item "Travelling expenses and subsistence allowances of members of the Committee of Directors", which alone shows a saving of 8,549.20 francs.

The item "Entertainment allowance" has for the first time not called for larger appropriation, and even shows a considerable decrease (33,121.75 francs as compared with 54,995.45 francs in 1929 and the 1927 maximum of 84,966 francs). "Travelling" is also more than 35,000 francs below the 1929 figure, though a slightly larger appropriation (2,250 francs) was necessary.

The cost of upkeep, use and repair of the *motor-car* amounted in 1930 to 21,011.45 francs, ¹ to which must be added 8,800 francs for the chauffeur's wages, 1,600 francs for the allowance

-																												Francs
1	Repairs .																•											4,934.10
	Accessories																					•			٠		•	1,573.85
	Petrol and o	oil																					+	+	٠			12,753.50
	Garage rent		•	•	•	•	•	•	•	•	•	٠	•	•	•	•	•	•	•	•	•	٠	•	•	•	•	•	1,750
		T	°o1	tal											•					•	•	•	٠	٠	٠		•	21,011.45

paid him in lieu of notice on November 30th, about 800 francs for his uniform, plus 5,873.75 francs for the car's insurance, 465.95 francs for the chauffeur's insurance, and fines of 446.80 francs for a collision and for fast driving—that is, a total of 38,997.95 francs, or 3,000 francs more than for the previous financial year. The cost of *taxi-cabs* in Paris amounted to 2,937.20 francs, or more than 3,000 francs less than in the preceding financial year. Expenditure on *experts' meetings, office expenses* and the item "Library" also shows a large decrease on the original appropriations. Item F, "Publications, etc.", had to have its appropriation raised during the year by 43,080.44 francs, so that the estimate for this item rose from 115,000 francs to 158,080.44 francs, of which 152,904.26 francs were expended, leaving a saving of 5,176.18 francs.

The following table shows the expenditure on each of the Institute's publications and the figure fixed for this expenditure in the estimates :

Publication	Estimated		Difference	
	amount	spent	Plus	Minus
	Francs	Francs	Francs	Francs
Intellectual Co-operation (twelve numbers)	80,000		Francs	
Mouseion (three numbers)		77,146.661 30,069.65²	69.65	2,853.34
List of Notable Works	30,000	4,855.		
Pamphlet on Advanced Holiday Courses in	4,000	4,055	855.—	
Europe	18,000	17,875.253		TOATE
Bulletin of International School Correspondence	10,000	17,073.23		124.75
(two numbers)	I,200	3,625.—4	2,425.—	
Guide to National Information Services, Inter-	1,100	J,0 <u>4</u> J.		
national Loans and Exchanges (Library Co-				
ordination)	3,000	3,885.—	885.—	
International Code of Abbreviations of the Titles	5,			
of Periodicals.	5,000	2,250.—		2,750
Propaganda pamphlet of the Institute	11,000	5,950.—		5,050.—
Various (prospectus, contribution to the publi-				0,.0
cation of the Index Bibliographicus, etc.)	5,000	7,247.705	2,247.70	
Total	157,200	152,904.26		10,778.09
	-57,200	1 94,904.20	0,404.35	10,770.09
			4,29	5.74

The following table shows the financial result of each of these publications arrived at by a comparison between the expenditure given above and the receipts obtained for each.

Publication	Expendi- ture as shown in the preced- ing table	Receipts	Out- standing claims
Intellectual Co-operation Mouseion. List of Notable Works Pamphlet on Advanced Holiday Courses in Europe Bulletin of International School Correspondence Guide to National Information Services, International Loans and Exchanges (Library Co-ordination) International Code of Abbreviations of the Titles of Periodicals Propaganda pamphlet for the Institute Various Total	Francs 77,146.66 30,069.65 4,855 17,875.25 3,625 3,885 2,250 5,950 7,247.70 152.904,26	Francs 12,796.85 10,256.15 486.75 224.85 1,806.70 4,387.50 — — — 29,958.80	Francs 7,075

¹ 1,300 francs in payment for articles ; 358.50 francs for commissions to publicity agents ; 410 francs for editing and 75,078.16 francs for printing.

² 400 francs in payment for articles ; 25.65 francs for photographs ; 300 francs for editing and 29,344 francs for printing.

 $^{^3}$ 5,830.25 francs for the German edition ; 5,845 francs for the English edition and 6,200 francs for the French edition.

⁴ 2,065 francs for the French edition and 1,560 francs for the German edition (one number only).

 $^{^5}$ The Institute contributed 4,932.70 francs (1,000 Swiss francs) to the publication of the Index B liographicus.

We must add to the receipts shown in the preceding table (29,958.80 francs) the sum of 37,245.63 francs paid for publications printed during the preceding years, thus making the total receipts for publications the sum of 67,204.43 francs mentioned by me above, representing practically three times the amount received for the previous year. This favourable result is enhanced if we bear in mind that the large increase in receipts is supplemented by a considerable decrease in expenses as compared with the previous year—viz., 40,751.44 francs.

As the special accounts which it used to contain have been eliminated from the budget and the expenditure on the Museums Office has been added to the general expenditure, Item G, "Organisations and Various Work ", only covered during the financial year a certain number of study scholarships and a special allowance, for which purposes, however, the initial appropriation of 20,000 francs—the same as for the preceding year—had to be increased by 1,620 francs. There were four such scholarships of 4,000 francs each, which the Committee of Directors has since 1927 awarded to a lecturer in Prague (for studies of Ukrainian engravings of the sixteenth to the eighteenth centuries), a professor of Sofia University (for a journey to Paris, Geneva and The Hague to make a special study of the League of Nations), a Vienna archivist (for research in France on mediaeval literature), and a professor of Ljubljana University (for studies of the pre-Indo-European languages and civilisations of ancient Europe).

The special allowance mentioned consisted of a payment of 4,500 francs to a woman employee whose post had been abolished; the sum was paid to compensate her for work done during the first quarter of 1930, for the so-called "Liaison Committee of the Major Associations and School Information Centre", reports of meetings, correspondence, library research, drafting of reports, a description which leaves it rather doubtful whether such expenditure should have been met by the Institute or not.

CHAPTER IV. — UNFORESEEN EXPENSES.

As usual, this chapter has served partly, though to a less degree than formerly, to make up shortages in other appropriations; 2,700 francs, for instance, were transferred to the item "Insurance policies" and 2,500 francs to "Travelling". On the other hand, the chapter was directly debited with 4,450.35 francs, practically the whole cost of two journeys of officials arriving from, and departing for, their native countries. Of the initial appropriation of 20,360 francs, there thus remained available, when the accounts were closed, an amount of 10,959.65 francs.

CHAPTER V. — Additional Office Expenses.

As stated in previous reports, this chapter was specially created in the financial year 1928 for the expenses of installing central heating. This installation, which in the two previous financial years had cost the Institute an amount of 201,087.89 francs, necessitated the further expenditure in 1930 of 49,950 francs, which makes the total cost 251,037.89 francs.

CHAPTER VI. — SUMS STILL TO BE PAID IN RESPECT OF PAST FINANCIAL YEARS.

The payments still outstanding at the end of 1928 owing to the work done at the Institute's premises not having been yet inspected by the French Government architect ¹ have been gradually increased by other debts due to the subsequent decease of the architect and still shown, as I have already pointed out, in the Institute's accounts. In 1930, 2,306.61 francs were paid on account of this item, leaving 9,629.90 francs outstanding, as already mentioned, for 1931.

SPECIAL ACCOUNTS SEPARATED FROM THE BUDGET.

A. Publication of the Collection of Latin-American Classics.

The balance of this item carried over from 1929, amounting to 117,135.45 francs, was increased during 1930 by 113,694.25 francs paid by Venezuela (77,212.35 francs) and the Argentine (36,481.90 francs).

Of the total of 230,829.70 francs, 15,415.80 francs ² were expended, leaving 215,414.20 francs, which have been credited to the same item in the 1931 financial year.

¹ See preceding report (document A. 21. 1930. XII, pages 78 and 79).

² 5,600 francs on translations (of which 1,500 francs for a translation not used because inadequate), 9,000 francs publishing expenses and other petty miscellaneous expenses.

In accordance with the decision of the higher authorities, this account is to be subdivided into as many accounts as there are contributions from States. The position is shown in the following table:

	Payments _				Expenditure			
Country	Year	Amount paid	Contribution to general publication ex- penses (5 per cent of the payment)	making the	Year 1929	Year 1930	Total	Balance available
		(a)	(b)	payment (d)			(c)	
Chile	1928	30,874.70	1,543.73	29,330.97	263.25	13,600	13,863.25	$\begin{vmatrix} a - (b+c) \\ 15,467.72 \end{vmatrix}$
Brazil	1929	86,916.—	4,345.80	82,570.20		1,800	1,800.—	$\begin{vmatrix} d - c \\ 80,770.20 \end{vmatrix}$
Venezuela Argentine	1930 1930	77,212.35 36,481.90	3,860.61 1,824.09	73, 351 .74 34,657.81				73,351.74 34,657.81
Total	• • •	231,484.95	II,574.23 ¹	219,910.72	263.25	15,400	15,663.25	204,247.47

B. Enquiry into the Organisation of International University Interchanges and the Measures taken in all the Countries of Europe to promote these Interchanges (American Enquiry).

The balance of 60,314.51 francs ² at the end of 1929 was not touched during 1930 and has been carried over to the credit of the same item for 1931.

C. Publication of the Acts and Memoranda of the International Congress of Popular Arts, held at Prague in October 1928.

During 1930, the balance of 599.50 francs carried down under this heading at the end of 1929 was increased by 1,804.50 francs derived, as usual, from private subscriptions. No expenditure having been incurred for the publication in question, the whole amount of 2,404 francs has been carried over to the following year.

CONCLUSION.

It is clear that the results of the 1930 accounts show a definite improvement on those of the preceding year, as, though the higher authorities reduced appropriations by more than 400,000 francs ³, the 1930 accounts still closed with a saving of 117,111 francs; it follows that, had the administration been normal, the balance of the preceding year (85,700.44 francs) would have remained intact and been increased by 31,410.56 francs, being the 1930 surplus; in addition, 221,000 francs would have been saved for the working capital fund.

Unfortunately, the revenue which the Institute expected to receive and which formed the financial basis of the praiseworthy effort made was not forthcoming. This explains the above result, which, though not absolutely discouraging, at present, nevertheless, gives ground for anxiety and calls for the greatest caution.

The cursory review I have made of the Institute's expenditure in 1930, effected in the same conditions as in the previous year (see my 1929 report), shows that there is a marked tendency to reduction which is likely to continue during 1931. It is certain, however, that reduction has now almost reached its limit, and that no improvement of the present situation can be looked for in this quarter. The Institute's further progress therefore depends entirely on an expansion of its financial resources, and this is the problem to be put before the higher authorities.

Geneva, June 11th, 1931.

(Signed) Dr. F. VIVALDI,

Deputy-Auditor of the League of Nations.

 $^{^1}$ At the end of the 1930 financial year, only 407.50 francs of this amount had been spent, leaving a reserve for general expenses of 11,166.73 francs.

² Paid by the "American Council on Education" and placed to the Institute's account through the League of Nations Secretariat.

⁸ The exact amount of the reduction was 3,768,756.65 francs — 3,345,700.44 francs = 423,056.21 francs.

Table 1.

POSITION AS ON DECEMBER 31ST, 1930.

Balance as on December 31st, 1929.	Total Francs 167,451.97	Budget services Francs 10,597.49	Non-budget services Francs 178,049.46
Actual receipts in 1930 :			
 For the financial period 1929		3,336,096.01 3,325,498.52	338,090.75 516,140.21
Actual expenditure in 1930:			
 For the financial period 1929 238,861.38 For the financial period 1930 3,073,156.94 For non-budget services 	3,357,433.82	3,312,018.32	45,415.50
45,415.50 / Balance as on December 31st, 1930 .	484,204.91	13,480.20	470,724.71

Table 2.

BUDGET FOR 1930.

I. RECEIPTS.

A. Grants by:

Β.

Austria	5,000	
Belgium	75,000	
Brazil	75,000	
Colombia	15,000	
Czechoslovakia	73,000	
Denmark	20,800	
Dominican Republic	25,000	
Ecuador. 	2,000	
$Egypt \dots \dots$	64,000	
France	2,500,000	
Hungary	20,000	
Italy	152,000	
Luxemburg	2,000	
Monaco	2,000	
Poland	100,000	
Portugal	12,000	
Roumania.	25,000	
Switzerland	24,000	
Venezuela.	12,000	0
		3,203,800
Miscellaneous receipts:		
Missellencous receipts	20,200	
Miscellaneous receipts	36,000	
'Deutsche Hochschule für Politik''		56,200

3,260,000

Francs

II. EXPENDITURE.

Chapter I. — Staff.

acc	Numbe of post cording e budg	to Name of service	Estimates for 1930	Total estimates for the section or service	Observations
I.	Gen	eral Services.	Francs	Francs	
	А.	Directorate :			
	I	Director	75,000		The Director
	I	Deputy-Director			has free
	I	Secretary of the Institute	62,000 62,000		housing accommodation.
	I	Assistant Head of Section	30,000		
	3 3	Experts	19,200 49,500		
	-			297,700	
	В.	Staff and Administrative Services :	~		
	I I	Head of Service	36,000		
	-	Officer	30,000		
	I	Housekeeper	18,000		
	I I	Auditor	8,000 1,000		
	I	Doctor	6,000	00.000	
	C			99,000	
	С. 1	Correspondence Service: Head of Service			Papked as
			30,000		Ranked as Assistant
	I I	Registrar	25,000		Head of Service.
	I	Clerk	21,000 17,000		
	8	Shorthand-typists	112,000		
	I I	Roneo operator	11,400 9,600		
	6	Assistants (Attachés)	83,520		
	I	Clerk (Commis).	12,000	321,520	
	D.	Documentation:		5=2,5=0	
	I.	Head of Service	30,000		Ranked as
	I		-		Assistant Head of
	I	Shorthand-typist	14,000 21,000		Service.
	3 8	Translators	58,000		
	8	Assistants (Attachés)	88,660	211,660	
II.	Tec	hnical Services.			
	A.	University Relations Section:			
	л. I	Head of Section	62,000		
	I	Assistant Head of Section.	36,000		
	I	Clerk	21,000		
	I	Secretary shorthand-typist	16,500	135,500	
	Bı.	<i>Scientific Relations Section</i> (Ma- thematical, Physical and Natural Sciences) :			
	I	Head of Section	62,000		
	I	Clerk	21,000		
	I	Secretary shorthand-typist	16,500	99,500	
	B2.	Scientific Relations Section (Histo- rical and Social Sciences):			
	I	Head of Section	62,000		Vacant.
	I I	Assistant Head of Section Expert	36,000 6,600		Allowance.
	I	Secretary shorthand-typist.	16,500	121,100	
-	62	Carried forward	1,285,980	1,285,980	

o: acco	lumb f post ordin bud	g to Name of service	Estimates for 1930	Total estimates for the section or service	Observations
	62	Brought forward	Francs 1,285,980	Francs 1,285,980	
	C.	Literary Relations Section:	1,203,900	1,205,900	
	I I	Assistant Head of Section Secretary shorthand-typist	36,000 16,500	52,500	
	D.	Artistic Relations Section and Inter- national Museums Office:		0 /0	
	I I I	Head of Section	62,000 30,000		
		Museums Office	30,000		Ranked as Assistant
	I	Assistant (Attaché) Secretary shorthand-typist	8,000 16,500	146,500	Head of Section.
	E.	Information Service and Publications Service :			
	I	Head of Section	62,000		
	3	Clerks	63,000		
	3 2	Assistants	31,000 28,000	0	
	Б			184,000	
	F. I	Legal Service: Head of Service	62,000		Ranked as
	I	Official on special duty	30,000		Head of Section.
	I	Clerk	21,000		
	I	Secretary shorthand-typist	16,500	129,500	
	G.	Educational Information Centre and Liaison Committee of the Major Associations:			
	I	Expert	13,200	13,200	Allowance
	H.	Cinematographic Study Service (ad memorian).			
	I.	National Services :			
	I	Assistant Head of Section on special duty	36,000	36,000	Grant by the "Deutsche Hochschule für Politik".
	Ţ.	French Delegate :			
	I.	French delegate	35,000	35,000	
	K.	House Staff:	007	307	
		Office-keepers, messengers, cleaners, cyclist	TE6 TO0	756 700	
	L.		156,120	156,120	
	L.	Sundry Allowances:	700 840		
-	Q ==	(Family allowances, etc.) Total	100,840	100,840	
(85	10(a)	2,139,640	2.139,640	
		Chapter	II.		
			Appropriation suggested for 1930	1929 appropriations	Paid in 1928
	¥		Francs	Francs	Francs
A. B. C.	Ligl	eep of building and furniture nting and heating	75,000 80,000	100,000 80,000	71,564.60 82,293.75
0.	11151	Total	20,000	17,000	13,617.25

Total.

197,000

175,000

167,475.60

Chapter III.

 A. Travelling expenses and subsistence allowance, of members of Committee of Directors. B. Entertainment allowance C. Travelling (journeys made by officials of the Institute). Cbis. Experts' meetings D. Office expenses E. Library F. Publications, etc. G. Organisations and various work. Total. 	Estimates for 1930 Francs 50,000 40,000 100,000 150,000 140,000 20,000 115,000 20,000 635,000	1929 appropriations Francs 50,000 50,000 100,000 150,000 140,000 20,000 100,000 20,000 630,000	Paid in 1929 Francs 52,113.55 68,936.70 156,715.95 179,370.65 157,888.76 19,854.20 203,475.78 188,170.19 1,026,525.78
Chapter IV	•		
Unforeseen expenditure	20,360	43,000	22,591.65
Chapter V	•		
Additional office expenses (central heating).	69,000	100,000	104,881.85
Chapter VI	Γ.		
Payment to working capital fund	221,000		
Summary.			
Chapter I.	2,139,640 175,000 635,000 20,360 69,000 221,000 3,260,000	2,247,900 197,000 630,000 43,000 100,000 	1,898,405.83 167,475.60 1,026,525.78 22,591.65 104,881.85 3,219,880.71

Table 3.

	RECEIPTS FOR 1930. Francs	Francs
I.	Grants by:	
	Austria 5,389 Brazil. 75,000 Denmark (for 1929 and 1930) 47,506 Ecuador (for 1929 and 1930) 4,653 France 2,500,000 Hungary 20,664 Italy 152,997.65 Luxemburg (for 1929 and 1930) 4,932.50 Mexico 60,679.60 Monaco (for 1928 and 1929) 4,000 Portugal 15,241.95 Roumania. 25,000 Switzerland 12,000 Yugoslavia 25,000	2,977,726.20
2.	Miscellaneous receipts:Payment by the "Deutsche Hochschule für Politik".35,824.25Sundry	118,540.12
3.	Borrowed from Working Capital Fund	56,252.58

Table 4.

TRANSFERS AND SUPPLEMENTARY CREDITS FOR THE FINANCIAL PERIOD 1930.

		Transfers	and supplementary cre	dits		
Items	Original crédits	July 1930	Executive Committee	January 1931	Final credits	
Chapter I. — Staff.	Francs	Francs	Francs	Francs	Francs	
1. General Services.						
A. Directorate	297,700		72,066.84		225,633.16	
Services.	99,000		1,860.08		97,139.92	
C. Correspondence Service D. Documentation	321,520 211,660		54,759.81 11,047.90		266,760.19 200,612.10	
2. Technical Services.	125 500		0.156.51			
A. University Relations Section BI. Scientific Relations Section (physical, mathematical	135,500		- 2,476.74		133,023.26	
and natural sciences). B2. Scientific Relations Section (historical and social	99,500		8,146.82		91,353.18	
sciences)	121,100		- 65,660		55,440.—	
C. Literary Relations Section D. Artistic Relations Section and International Museums	52,500		— 16,692.—		35,808.—	
Office	146,500		- 59,371.74		87,128.26	
Publications Service F. Legal Service G. Educational Information Centre and Liaison Com-	184,000 129,500		5,516.98 8,500.08		178,48 3.02 120,999.92	
mittee of the Major Asso- ciations	13,200		— I,I00.—		12,100	
I. National Services	36,000 35,000		- 360		35,640.—	
J. French delegate	156,120		- 6,416.74 - 5,854.86		28,583.26 150,265.14	
L. Sundry allowances (family, etc.)	100,840	+ 21,000.—	+ 319,830.59		441,670.59	
Chapter II.						
A. Upkeep of building and	75,000	+ 8,000			0	
furniture	80,000	+ 8,000 + 2,700			83,000.— 80,000.— 22,700.—	
Chapter III.						
A. Travelling expenses and subsistence allowances of members of Committee of						
Directors	50,000 40,000				50,000.—	
C. Travelling	100,000			+ 2,250	40,000.— 102,250.—	
Cbis. Experts' meetings D. Office expenses	150,000 140,000				150,000.— 140,000.—	
E. Library	20,000				20,000	
F. Publications, etc G. Organisations and various	115,000	+ 43,080.44			158,080.44	
works	20,000	+ 1,620.—			21,620.—	
Chapter IV. Unforeseen expenses	20,360	— 2,700.—		- 2,250	15,410.—	
Chapter V.						
Additional office expenses (central heating)	69,000				69,000.—	
Chapter VI.						
Payment to Working Capital Fund	221,000				221,000	
Chapter VII.						
Expenses outstanding in respect of past financial years		+ 12,000.—			12,000.—	
	3,260,000	85,700.44			2 245 700 44	
	5,200,000	3,750.44			3,345,700.44	

Table 5.

DETAILED ACCOUNT OF EXPENDITURE DURING THE FINANCIAL PERIOD 1930.

	T. 4.1	Actual e	xpenditure			Expenses out-	
Items	Total credits en- tered for the finan- cial period	From January 1st to December 31st, 1930	From January 1st to March 31st, 1931	Total expenses for financial period	Cancelled credits	standing at end of finan- cial period	
	Francs	Francs	Francs	Francs	Francs	Francs	
Chapter I. — Staff.							
I. General Services.							
A. Directorate B. Staff and Admi-	225,633.16	225,633.16		225,633.16			
nistrative Ser-	07 120 02	07 700 00					
C. Correspondence	97,139.92	97,139.92		97,139.92			
Service D. Documentation .	266,760.19 200,612.10	266,461.19 184,416.68	299.—	266, 760 .19 184,416.68	16,195.42		
2. Technical Services.		10,7,710,000		104,410.00	10,195.42		
A. University Rela-							
tions Section . B1. Scientific Rela- tions Section	133,023.26	133,023.26		133,023.26			
(physical, ma- thematical and natural							
sciences)	91,353.18	91,353.18		91,353.18			
B2. Scientific Rela- tions Section (historical and							
social sciences) C. Literary Rela-	55,440	55,440		55,440.—			
tions Section .	35,808.—	35,808.—		35,808			
D. Artistic Rela- tions Section and Interna- tional Mu-							
seums Office .	87,128.26	87,128.26		87,128.26			
E. Information Sec- tion and Pu- blications Ser-							
vice F. Legal Service .	178,483.02	178,483.02 120,999.92		178,483.02			
G. Educational In-	120,999.92	120,999.92		120,999.92			
formation Centre and Liaison Com- mittee of the Major Asso-							
ciations	12,100	12,100		12,100			
I. National Services J. French delegate	35,640	35,64 0 .— 28,583.26		35,640.— 28,583.26			
K. House staff L. Sundry allow-	150,265.14	150,265.14		150,265.14			
ances (family							
allowances, etc.	441,670.59	441,670.59		441,670.59			
Chapter II. A. Upkeep of build-							
ing and furniture	83,000.—	21,616.35	50,076.99	71.693.34	11,306.66		
B. Lighting and heating.	80,000	44,425.15	21,781.50	66,206.65	13,793.35		
C. Insurance poli- cies			,,,3-		\$3.		
Chapter III.	22,700.—	22,298.10		22,298.10	401.90		
A. Travelling ex-							
penses and subsistence al-							
lowances of mem-							
bers of the Com- mittee of Direc-							
tors	50,000.—	41,450.80		41,450.80	8,549.20		
allowances	40,000.—	28,136.75	4,985.—	33,121.75	6,878.25		
C. Travelling Cbis Experts' meet-	102,250.—	96,620.35	5,626.90	102,247.25	2.75		
ings D. Office expenses .	150,000.— 140,000.—	144,203.50 90,250.05	43,017.40 6,194.15	144,203.50 133,267.45	5,796.50 6,732.55		
E. Library	20,000	11,478.70	23,451.56	17,672.85	2,327.15		
F. Publications . G. Organisations	158,080.44	129,452.70		152,904.26	5,176.18		
and various work	21,620.—	21,371.95		21 271 05	248.05		
				21,371.95			
Carried forward	3,028,290.44	2,195,449.98	155,432.50	2,9 50, 882.48	77,407.96		

	(
	Total credit en-	Actual expenditure		Total expenses		Expenses out-
Items	tered for the finan- cial period	From January 1st to December 31st 1930	From January 1st to March 31st, 1931	for financial period	Cancelled credits	standing at end of finan- cial period
	Francs	Francs	Francs	Francs	Francs	Francs
Brought forward	3,028,290.44	2,795,449.98	155,432.50	2,950,882.48	77,407.96	
Chapter IV. Unforeseen expenses Chapter V. Additional office ex-	15,410.—	4,450.35		4,450.35	10,959.65	
penses (central heating) Chapter VI.	69,000.—	49,950.—		49,950.—	19,050.—	
Paid to Working Capital Fund . Chapter VII. Expenses outstand-	221,000.—	221,000.—		221,000.—		
ing in respect of past financial						
years	I2,000.—	2,306.61		2,306.61	9,693.39	9,629.90
Total	3,345,700.44	3,073,156.94	155,432.50	3,228,589.44	117,111.—	9,629.90

Table 5 (continued).

DETAILED ACCOUNT OF EXPENDITURE DURING THE FINANCIAL PERIOD 1930 (continued).

Table 6.

RESULT OF FINANCIAL PERIOD 1930. (Closed on March 31st, 1931.)

TRANSACTIONS DURING THE FINANCIAL PERIOD 1930.

		Francs	Francs					
I.	Receipts :							
	 (a) January 1st to December 31st, 1930 (b) January 1st to March 31st, 1931 	3,000,936.70 151,582.20						
2.	Total	3,152,518.90	3,152,518.90					
	*	r						
	(a) January 1st to December 31st, 1930 \ldots	3,073,156.94						
	(b) January 1st to March 31st, 1931	155,432.50						
	Total	3,228,589.44	3,228,589.44					
	Deficit		76,070.54					
The result of the financial period 1929 showed a surplus of.263,749.90Of which "non-budget services" accounted for178,049.46								
The budgetary result of the financial period 1929 therefore showed a surplus of								
Th	The final result of the financial period 1930 is a surplus of							

Table 7.

NON-BUDGET SERVICES.

	Balance on December 31st, 1929	Actaul receipts 1930	Total receipts	Actual expenditure 1930	Balance on December 31 st, 1930
Latin-American classics American enquiry Subscriptions to the Acts and Memo- randa of the International Congress of Popular Arts, held at Prague in	Francs 117,135.45 60,314.51	Francs 113,694.25	Francs 230,829.70 60,314.51	Francs 15,415.50	Francs 215,414.20 60,314.51
October 1928	599.50	1,804.50 221,000.—		2,404.— 30,000.—	2,404.— 191,000.—
Sums received in advance		I,592.—	I, 592.—		I ,592.—
Total, , , , , , , , , , , , , , , , , , ,	178,049.46	338,090.75	516,140.21	45,415.50	470,724.71

— 37 —

Table 8.

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1928 :	Francs	1928 :	Francs
January 1st, Value of furniture acquired up to December 31st, 1927 December 31st, Value of furniture acquired in 1928	822,319 32,248.80 854,567.80	January 1st, Depreciation on De- cember 31st, 1927 : 20 per cent December 31st, Depreciation on fur- niture acquired in 1928 December 31st, Balance	164,463.80 6,449.76 170,913.56 683,654.24 854,567.80
1929: January 1st, Balance on December 31st 1928 December 31st, Value of furniture acquired in 1929	683,654.24 85,711.75 769,365.99	1929 : December 31st, Depreciation 20 per cent on 940,279.55 December 31st, Balance	188,055.91 581,310.08 769,365.99
1930 : January 1st, Balance on December 31st 1929 December 31st, Value of furniture acquired in 1930	581,310.08 	1930 : December 31st, Depreciation 20 per cent on 947,382.25 December 31st, Balance	189,476.45 _39 <u>9,936.33</u> _588,412.78

VALUE OF FURNITURE APPEARING IN THE INVENTORY.

Appendix 4.

MEMORANDUM BY THE LEGAL EXPERTS ON THE LEGAL SITUATION RESULTING FROM THE CONCESSION OF PREMISES GRANTED BY THE INTERNATIONAL INSTITUTE OF INTELLECTUAL CO-OPERATION.

(Approved by the Governing Body at its Eighth Session).

At its April 1931 session, the Directors' Committee instructed the undersigned to prepare, for the present session, "a memorandum giving an interpretation of the passage in a letter from the French Government to the Council of the League of Nations concerning the concession by the Institute of offices and conference rooms, and laying down the conditions in which headquarters could be placed at the disposal of associations

Paragraph 3 of the letter from the French Government, dated December 8th, 1924, specially states that :

the Administrative Council, in so far as the premises at its disposal permit, may grant the use of offices and conference rooms to such institutions and associations working for the development of international intellectual relations as may submit a request to that effect and as may seem, in its opinion, to offer adequate guarantee. "

Further, paragraph 7 of the above-mentioned letter provides that, in the event of the suppression of the Institute,

" Institutions and associations to whom the use of offices and conference rooms has been granted by the Administrative Council shall each remove their furniture and collections. '

It would seem that, in so far as they are used by the grantee institutions and associations, the offices and conference rooms referred to in the paragraph quoted above cannot be regarded as having the same legal particularity as that characterising the premises of the Institute. It could not, for example, be argued that, in these conditions, these offices and conference rooms are entitled to diplomatic privileges as is the case with the Institute's premises.

In point of fact, the absence of any reference to this point in the texts precludes as from admitting that it was the intention of the French Government to grant to the institutions and associations in question any privilege or exemption beyond the scope of common law.

So long as they are occupied by these third party organisations, the premises here in question must be regarded, from the point of view envisaged, as being subject to the provisions of common law.

The Institute is therefore under the obligation, should the occasion arise, not to object

to the conduct of judiciary proceedings in the conceded offices and rooms. Such are the conclusions to be drawn from the existence, in the organic texts of the Institute, of the provisions set forth in paragraphs 3 and 7 above mentioned.

Up to the present, the Institute has confined itself to requiring the institutions and associations concerned to satisfy the primary condition formally laid down in the letter from the French Government—to endeavour to promote international intellectual relations.

The undersigned, relying on the experience of past years, are of the opinion that the following formalities might in future be imposed by the Institute on institutions and associations applying for a concession of premises :

(I) Communication of the statutes and by-laws of the association concerned, together with the name, nationality, qualifications and address of the persons responsible for its management.

An examination of these documents would enable the Institute to judge of the character and doctrine of the association, and, in full knowledge of the facts, to formulate for the consideration of the Directors' Committee its proposals regarding the action to be taken in respect of the application.

(2) Communication to the Chairman of the Administrative Council of the Institute of an official application, in conformity with the appended text (see Sub-Appendix), in which the association undertakes to abstain from conducting any activities with a view to financial gain. This same application should also state that the association agrees to conform to any internal regulations and orders that may be drawn up by the Institute regarding the use of the conceded offices and rooms and, further, that it agrees to vacate these premises at the first request of the Institute.

These two formalities would suffice to render the danger of judiciary proceedings being conducted within the Institute building extremely improbable, and at the same time they would emphasise the revocable character of the hospitality accorded by the Institute.

It is for the Administrative Council to judge whether similar engagements should be assumed at the Institute's request by the associations at present enjoying this hospitality.

Sub-Appendix.

DRAFT OF LETTER TO BE ADDRESSED TO THE CHAIRMAN OF THE GOVERNING BODY OF THE INSTITUTE BY THE INSTITUTIONS AND ASSOCIATIONS HERE IN QUESTION, APPLYING FOR ACCOMMODATION IN VIRTUE OF PARAGRAPH 3 OF THE LETTER DATED DECEMBER 8TH, 1924, FROM THE FRENCH GOVERNMENT.

Dear Sir,

The (name of the association) has the honour to apply to the Governing Body of the Institute for permission to use office accommodation in virtue of paragraph 3 of the letter dated December 8th, 1924, from the French Government. (*Journal* . *Officiel* of the French Republic, of August 9th, 1925, pages 7670 and 7671.) Enclosed please find the text of the statutes and by-laws of our association, together with

Enclosed please find the text of the statutes and by-laws of our association, together with a list of the persons responsible for its management, stating their nationality, qualifications and address.

The (name of the association) hereby undertakes to abstain from pursuing any activity with a view to financial gain. It agrees to conform to any internal regulation or order laid down by the Institute in respect of the use of the conceded offices and to communicate to the Institute at regular intervals information enabling it to follow the activities of the association.

The association further agrees to vacate the quarters placed at its disposal, within one month, on receipt of a notice addressed to it by the Institute by registered letter.

It undertakes to regard this measure as being neither of a vexatious character nor detrimental to its interests in any manner whatsoever.

The Chairman of the (name of the association).