Enclosure No. 2. Article 3 of the Geneva Draft Convention reads as follows: -"The average daily effectives are reckoned by dividing the total number od days' duty performed in each year by the number of days in such year." The meaning of this article may be illustrated in examining the question of the trained reserves of France. France has, in round figures, 4.5 million of trained reserves. Of those, 230,000 men participate in the annual military training for twenty days. The total number of days' duty performed annually is, therefore, twenty times 230,000 = 4,600,000. This figure is to be divided by 365, making 12,603. The 4.5 million of French trained reserves shrink down, by this method of computing, to 12,603. That those 4.5 million trainedereserves are real schdiers and are to be counted as military forces of a nation, needs no special proff. If, nevertheless, proof should be required, such proof may be offered in quoting the Chief Inspector of the Polish Army, General Gustav Orlica-Dreszer, who recently visited Canada. In an interview granted to a representative of the Montreal "Gazette" and published on October 28th, 1931, the Polish General, speaking on the Polish army, stated:-"At the moment there is a standing army of 270,00, but in case of war 1,500,000 men could easily be put into the field, as the peasants make good soldiers and after 3 or 4 days soldiering they become almost hardened campaigners." Such trained reserves are, however, prohibited to Germany by the Treaty of Versailles. The question whether the method of limitation of armaments by limitation of the annual expenditure can be considered as an effective