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PERMANENT MANDATES COMMISSION

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12th, 1934,

including the
REPORT OF THE COMMISSION
TO THE COUNCIL

SECOND MEETING.

Held on Thursday, May 31st, 1934, at 10.30 a.m.

**Palestine and Trans-Jordan : Examination of the Annual
Report for 1933.**

Mr. J. H. Hall, D.S.O., O.B.E., M.C., Chief Secretary to
the Government of Palestine,
and Mr. M. Nurock, O.B.E., Assistant Secretary to the
Government of Palestine, accredited
representatives of the mandatory Power, came to the table
of the Commission.

WELCOME TO THE ACCREDITED REPRESENTATIVES: CATASTROPHE AT
TIBERIAS:
FORM OF ANNUAL REPORT.

The CHAIRMAN welcomed the accredited representatives.

He desired to convey to the accredited representatives, on behalf of the Commission, his sympathy in connection with the disaster that had recently overtaken the population of Tiberias.

The Chairman expressed the Commission's great appreciation of the form in which the annual report had been drawn up. He asked Mr. Hall whether he wished to make a general statement on the situation in Palestine and Trans-Jordan.

GENERAL STATEMENT BY THE ACCREDITED REPRESENTATIVE.

Mr. HALL.--I am most grateful to the Chairman for the terms in which he has been so kind as to extend a welcome to me and to my colleague, Mr. Nurock. This is Mr. Nurock's first appearance at Geneva, and he has yet to experience the happy manner in which the Commission combines a high sense of public duty with a generous appreciation of the difficulties of those who are called upon to appear before it. I myself, as the Chairman has said, am no stranger to Geneva or to the Mandates Commission, and it was with a keen sense of personal pleasure that I learned that I had been selected as accredited representative and would thus be privileged once more to be associated with the labours of a body whose members, both collectively and individually, have extended to me in the past so much consideration, sympathetic understanding and constructive advice.

The annual report on the Administration of Palestine and Trans-Jordan for 1933, which has been in the hands of the members of the Commission for some little time, contains, I hope, a full description of the activities of the Governments of Palestine and Trans-Jordan in their several departments during the year 1933, as well as a general appreciation of the development taking place in both territories, economically, socially and politically.

That report contains also all available information in reply to the general and special observations made by the Commission in the course of its examination of the report for the previous year. If there is any particular in which the Commission would like the report to contain fuller or more detailed information in future years, I shall do my

utmost to see that the wishes of the Commission are met.

Before proceeding to the general examination of the report, I think it would be of advantage if I were to bring the picture there presented up to date, at least in so far as its main features are concerned. In particular, I would wish to indicate the extent to which the various forms of development and the various projects of Government, described in the statement made before you by the High Commissioner in November 1932,1/ have been realised.

The High Commissioner informed you that the economic condition of Palestine remained sound and that, in spite of large remissions of taxation, revenue has been maintained at its previous level, owing chiefly to a considerable increase in the receipts from import duty. That happy state of affairs, I am glad to say, has continued, and Palestine to-day can claim an enviable prosperity in a world of general economic depression.

At March 31st, 1934, the surplus balances of the Palestine Government had reached the figure of two and a-half million pounds, and, although no inconsiderable proportion of this must be regarded as hypothecated to the liquidation of anticipated commitments, nevertheless it can, I think, be regarded as reflecting a very satisfactory financial condition, and as justifying the increased programme of public expenditure which is contemplated this year.

One clear reflection of this prosperity is the amount of currency in circulation, which is nearly £P4,000,000, compared with £P2,540,000 in 1932, and the share of the Palestine Government in the profits from currency is now almost £P100,000 a year. The Trans-Jordan Government obtains its due proportion of these profits in respect of the Palestine currency in circulation in that territory.

In large measure, this favourable situation is attributable to Jewish capital and Jewish enterprise and to a general feeling of security of persons and property.

As the members of the Commission will be aware, His Majesty's Government in the United Kingdom has approved the issue of a guaranteed loan of £P2,000,000 for the purpose of financing important projects of development in

Palestine. The objects of the loan were explained by His Majesty's Government in the recent announcement made in the House of Commons.

An important feature of the commercial life of Palestine is the Levant Fair, which is held at Tel Aviv every second year. This enterprise has grown from a modest local fair to the dimensions of an International Exhibition, and is the means of attracting much business to the country. In the 1934 fair, as many as sixteen foreign Governments took part, including the United Kingdom, and an astounding range of Palestinian products was displayed. The Government of Palestine displayed in a special pavilion exhibits of the work of its Departments of Health and Agriculture, Posts and Telegraphs and Public Works.

The success of the first Arab fair, which was held in Jerusalem in 1933, prompted a second and profitable venture this year; there were again large sales of the products of Arab arts and crafts in Syria, Trans-Jordan, Egypt and Iraq, as well as local workmanship, to the many visitors from Palestine and the adjoining countries.

Although the finances of Palestine are sound and the economic situation is generally good, the rural population is still suffering from the effects of a series of seasonal misfortunes--drought, crop failure and lack of grazing. Remissions of taxation which were necessary in 1933 are recorded in the report. While the prospects of a good season in 1934 are, I am happy to say, reasonably fair, the winter months and the early spring of the year found a large proportion of the fellahin in a state of destitution, approaching starvation in some cases, and their live-stock dying in large numbers.

The High Commissioner arranged, in the worst cases, for the free distribution by Government doctors of milk and soup. Where necessary, loans were given for seed and for fodder, and in the more seriously affected areas extensive relief works were set on foot to provide employment for the tribes and villagers. On these works, which for the most part take the form of village roads, constituting a useful addition to the communications of the country and enabling the villagers more rapidly and profitably to dispose of their produce, there are at

present more than 8,000 villagers employed. The wages which they receive serve in one way or another to supply the needs of a very much larger number of persons. In addition, it was found necessary to remit three-quarters of the animal tax.

Side by side with these measures of relief, the Government has continued and expanded its activities in agricultural education and experiment.

The Agricultural School at Tulkarm is in full operation. The new Agricultural School at Mount Tabor, the inauguration of which has been postponed on account of constructional delays, will be opened for the reception of pupils on June 1st. A private donation by the High Commissioner will enable the school at Tulkarm to be enlarged to take seventy Arab pupils instead of forty. The school at Mount Tabor accommodates forty Jewish pupils. But Jewish boys and girls who wish to study agriculture can also enter a number of training-schools and farms already in existence and conducted by the Jewish Agency and its affiliated organisations and by the «Alliance israélite».

The number of Government agricultural and horticultural stations is now nine compared with six in 1932, or an increase of 50 per cent, and at every station there is a section for poultry and bee-keeping. Demonstration plots are being extended, and the distribution of selected seed and fruit-trees, as well as of fruit-tree stocks, to farmers is being developed as rapidly as possible with a view, in particular, to the encouragement of the cultivation of fruit-trees, carobs and olives. Other means are being explored of adding to the fodder crops of the country, and the grading up of local cattle, sheep and goats is being fostered through the service of pedigree animals imported and bred on the Government farm of Acre. Bee-keepers who suffered from a lack of natural food for their bees at the beginning of this year were assisted by the Government, which distributed, at cost price and duty free, sugar imported for the purpose.

Co-operative organisations continue to take a prominent part in the economic life of the Jewish population, and the number of Jewish societies in existence as on December 31st, 1933, was 504. These societies embrace very wide

activities, the most important of which are urban and rural credit and thrift, colonisation, marketing of produce in Palestine and abroad, industrial producers and the road transport of passengers and merchandise.

A promising beginning has been made with the organisation by Government of co-operative societies among the more backward Arab sections of the population, and it is hoped that it will be found possible, in the present and future years, to accelerate the rate of progress. There were, at the end of December 1933, twenty-six Arab societies in existence, of which fourteen were village societies, for the purpose of granting credits to members and the encouragement of thrift.

A new Co-operative Societies Ordinance was enacted in December 1933, which consolidated previous legislation, introducing such changes as experience had shown were necessary. It will also facilitate the establishment, on the initiative of Government, of societies among the Arab cultivators and provide for their supervision during the early stages of their existence.

The experimental scheme for settling fifty families of landless Arabs on Government estates near Beisan is now in progress, and it is hoped that it will be carried through with a success that will justify the Government in extending the experiment to others.

The High Commissioner referred in 1932 2/ to the question of additional accommodation for elementary education in the principal towns and, as you will see from the report, 1,500 extra places are now available for urban pupils. Moreover, a sum of £P106,000 has been set aside in the new loan of £P2,000,000 for the construction of school buildings in the principal towns, which, by providing improved accommodation, will enable the Department of Education to admit a further number (between 8,000 and 9,000 eventually) of schoolchildren.

Complementary with that expansion of schoolrooms, the Government has provided funds for additional teaching staff and equipment.

The Palestine Government has embarked upon an extended

programme of health services in the current financial year. The Ophthalmic Service, which is doing invaluable work in eradicating one of the worst scourges of Palestine, comprised two urban centres and six village clinics; to these have been added eight village clinics, so that this service now operates in Majdal, Hebron, Ramleh and Tulkarm districts. At Jaffa, where the rapidly increasing population provides a large number of such cases, a permanent additional hospital for infectious diseases is being established with fifty beds. The quarantine lazaret is being enlarged at Haifa to deal with the immigrant traffic, and an isolation block is being provided.

The improvement of rural health, which has attended the work of the Village Sanitary Service, had been very gratifying, and the Palestine Government is therefore increasing its operations. Provision has been made to instal between 5,000 and 6,000 standard-type bored-hole latrines in villages during the present year (compared with 2,000 in the previous year). Hygienic conditions thus ensured go far to check the spread of hookworm, typhoid and dysentery in the villages in which these latrines have been installed.

To the twenty infant welfare centres existing under Government control and with Government participation, three will now be added.

The High Commissioner has been concerned to institute a control over the purity of essential foodstuffs in Palestine, and His Majesty's Government has at present under consideration a draft Ordinance which deals effectively and on modern lines with the adulteration of butter and other foodstuffs in Palestine.

Some reference is made in the report itself to the measures taken by the High Commissioner for the permanent improvement of village water supplies. During the first five months of the present year, the Committee appointed by the High Commissioner to examine and report on this project has arranged for a survey of those village water supplies which are suitable for permanent improvement and has authorised the immediate

undertaking of fifty-one schemes from which fifty-six villages, having an aggregate population of over 43,000, will benefit. The estimated expenditure is approximately £P11,000. It is difficult to overestimate the value of these works to the rural population in a country lacking perennial irrigation where rainfall and temperature determine agricultural success and failure.

The overcrowding at Jaffa, Tel Aviv and Haifa towards the end of 1933 forced upon the attention of the Government the necessity to vest local authorities with power to restrict rents. In February, a Committee was set up by the High Commissioner to enquire into the matter, composed of an official chairman and one Arab and one Jewish unofficial member, and this Committee presented a unanimous report, of which, I think, copies are already in the possession of the Commission. On the basis of this report, legislation was passed at the beginning of April empowering municipal councils to make bylaws for the protection of tenants and the reasonable limitation of rents on the basis of a maximum of £P2 500 millièmes per month per room. It is the custom in Palestine to assess rentals on the basis of the unit of a room. So far as can be judged in the short time since it was passed, this legislation has proved of benefit to a large section of the population in the towns concerned.

A comprehensive new Ordinance to regulate the sale of intoxicating liquors is on the verge of enactment. The members of the Commission will have observed that the advance promulgation in 1933 of a provision empowering licensing authorities to refuse to grant or renew licences without reason assigned has conduced already to a substantial reduction in the number of licensed premises compared with the returns for 1933. There has been a decrease of "on licences" in the Jerusalem and northern districts and an increase in the southern district, which is chiefly due to the expansion of Tel Aviv. There has been a general decrease in the number of "off licences" throughout the country.

At Haifa, in order to provide further facilities both for general cargo and for shipments of citrus fruit, the Government is spending an additional sum of P20,000 on

erecting a third transit shed, which it is hoped will be ready for use by the time the next export season opens in November. Steps are being taken to secure the appointment as Port Manager at Haifa of a person experienced in the administration of modern commercial ports.

Work is already in hand in Jaffa upon the construction of a sea-wall and the reclamation of a further large area both to serve as a quay space and to provide a site for new accommodation for the storage of oranges and imported goods. Within the sea-wall there will be a small dredged basin in which lighters can load and discharge their cargo without interruption on account of the seasonal gales which have hitherto caused so much delay in the work of the roadstead.

The Government has felt justified in adding to the various contributions from public funds to Jewish educational, health and agricultural services, and the total amount of these grants in the current financial year is £P46,445. The arrangement whereby the Government co-operates in the research work carried out by the different institutions maintained by the Jewish Agency and the Jewish Community is of the utmost benefit to the country as a whole.

Negotiations of a non-official character have been in progress during the past year between the Vaad Leumi and the Central Agudath Israel in regard to the possibility of reaching an agreement on the basis of which these two bodies could co-operate in their communal affairs.

The discussions were concerned chiefly with the questions of the position and powers of the Rabbinate and Rabbinical courts of the Agudath Israel, and a tentative basis of agreement was reached in these matters. Official negotiations were then opened and accredited representatives of the Vaad Leumi and the Central Agudath Israel have recently met, and in a series of meetings under the chairmanship of a Government officer have formulated the heads of an agreement for reference to and ratification by their respective constituent bodies. The draft Agreement is designed to provide that the requirements of the Agudath Israel in respect of jurisdiction in matters of personal status shall be met within the framework of a reconstituted Rabbinical Council and that the Agudath Israel shall suspend for the time being its claim to recognition as a

separate community.

The draft Agreement is still under consideration by the constituent bodies, and, in order that the further negotiations between the parties should not be prejudiced, the mandatory Power considers it advisable to defer the formulation of its views on the submissions and counter-submissions which have been put forward by the Central Agudath Israel, by the General Council (Vaad Leumi) of the Jewish Community and by the Chief Rabbinate of that Community, in connection with the claim of the Central Agudath Israel for recognition as a separate community in Palestine.

The Protection of Cultivators Ordinance, after being re-adapted in 1933 with a view to securing the proper attainment of the object in view, has been administered with effect. Commissions have been appointed, one for the northern and one for the southern district, to investigate disputes and claims arising under Section 19 of the Ordinance, and these Commissions have, in the short space of time up to the end of March of this year, disposed finally of not less than 356 cases, with only three appeals. The administration of this Ordinance is working smoothly, and the use which the general public are making of its provisions is sufficient to prove that it is serving a most useful purpose.

The Municipal Corporations Ordinance was enacted on January 4th, 1934, and steps were taken at once for the constitution of electoral committees in the various municipal centres and the preparation of rolls of townsmen for the election of new councils. These elections have already taken place in a number of the smaller municipalities, and it is expected that they will be completed throughout Palestine by the end of July. The elections so far have passed off without incident. The enactment of the Ordinance has been unexpectedly delayed owing to the necessity for consulting the wishes of all sections of the community and reconciling, so far as possible, conflicting views and divergent interests. The process has been long-drawn and difficult, but in a matter of such paramount importance to the country at large the end has, I feel sure, justified the means.

Much has been said about the inadequacy of the Municipal Corporations Ordinance as regards women's franchise; but, in a country like Palestine, where a large section of the population is still in a stage of comparative backwardness, so drastic an innovation as universal female suffrage would have been neither understood nor welcomed. For that reason, the Palestine Government thought itself justified in confining the suffrage of women to those municipal areas which have already had this concession under the previous legislation. Any other arrangements would only have led to indignant protests, not only from Moslems, but also from orthodox Jews.

After lengthy negotiations with all parties concerned, a draft Ordinance providing for the new election of an Orthodox Patriarch has been published prior to enactment. In the view of the Palestine Government, this Ordinance represents the best solution of the temporary problem caused by the changed circumstances in Palestine surrounding the election of a Patriarch.

The informal conferences which preceded the framing of this Ordinance were of great value to the Government, and it is hoped that the Conference will continue its deliberations and will resume meetings under the chairmanship of an officer of the Government after a Patriarch has been elected.

It is a matter of concern to the Government that certain grave defects have developed in the structure of the Church of the Holy Sepulchre and steps were taken for a survey of the edifice to be carried out by an expert in these matters. On the basis of his preliminary survey, the Palestine Government arranged to carry out immediate repairs of a temporary character to prevent collapse, and a full report has now been made which indicates the steps which should be taken for complete and permanent restoration. So soon as that report is published, the Government will consult with the heads of the religious communities concerned as to the ways and means for raising the necessary funds and the carrying out of these essential works.

There is no need for me to dwell upon the disturbances of the autumn of 1933. You have before you, in the report of

the Commission which investigated the facts, a full description of those events and of their immediate cause.

The Arab community of Palestine suffered a very severe loss in the death of Musa Kazem Pasha al Husseini at the age of 84 years. Musa Kazem Pasha had a long and distinguished career as a civil servant under the Turkish authorities, and, since the occupation, he was the leader of the Arab national movement in Palestine. He earned the esteem of all sections of the population by his personal integrity and disinterestedness.

I am most grateful to the Chairman for his kind and sympathetic reference to the tragic catastrophe which befell Tiberias on May 14th, 1934, causing serious loss of life and much damage to property. Effective measures to restore the situation and to relieve those rendered homeless and destitute were immediately undertaken by the Government, and generous gifts of clothing and blankets were despatched to the sufferers from the towns and villages of Palestine.

I have with me a full report on the nature and extent of the damage caused and shall be ready to answer any questions that the Commission may see fit to put to me. The Government is now considering what steps will be necessary for the reconstruction in that portion of the old town of Tiberias which was destroyed.

Turning now to Trans-Jordan : Reference has been made in the report to the ratification of the treaty between the Amir Abdullah and King Ibn Saud. A further stage in the improvement of relations between Trans-Jordan and Sa'udi Arabia was marked by the inauguration, in February, of direct wireless communication between the frontier officials of the two territories.

Cordial relations continue to be maintained between Trans-Jordan and Syria. The Officer Commanding, Desert Region, of the Trans-Jordan Arab Legion, accompanied by the Assistant British Resident, recently visited Beirut and, in conference with officers of the French High Commission, disposed of a number of outstanding matters relating to Bedouin affairs.

The new Trans-Jordan Government under the leadership of Ibrahim Pasha Hashem,

himself a distinguished Arab jurist, is handling the problems of the country with energy and discretion.

There has been considerable distress among the nomad population of Trans-Jordan in recent months. Voluntary contributions have been collected by a Relief Committee and distributed in the form of rations; of these contributions, sums aggregating £P1,000 have been received in cash, while rice and flour to the value of £P250 have been given. In addition, other foodstuffs and a considerable quantity of clothing have been distributed. In addition to these measures of voluntary relief, the Trans-Jordan Government has undertaken a number of relief works.

Seed loans were granted, as in Palestine, in the early part of 1934 for the summer sowing and a sum of £P14,000 was provided for the employment of indigent cultivators and tribesmen upon relief works, mainly on road construction. Arrangements are being made also to set aside funds for the purchase of goats with a view to replenishing the dwindling flocks of the tribes.

In September 1933, the High Commissioner authorised the formation of a Committee containing official members and representative cultivators and landowners to study the possibility of developing the resources of Trans-Jordan. The report of the Committee is expected to be received very shortly and will be carefully examined, with a view to determining whether it will be possible to put into effect any or all of its recommendations.

The services of the Chief Veterinary Officer and the Irrigation Officer of the Palestine Government have been made available to provide the Committee with technical advice on certain matters.

During the course of its deliberations, the Committee made recommendations for the issue of seed loans amounting to £P38,000 to impoverished cultivators in Trans-Jordan. After further investigation, loans totalling £P30,000 have been issued with the assistance of an advance of £P21,000 from the Palestine Government.

That, gentlemen, concludes my review of the principal

events of the last five months in Palestine and Trans-Jordan. It is admittedly a sketch rather than a complete picture, but I did not feel justified in trespassing further on your time.

Palestine is a small country, but it has a large number of problems, and I am afraid that my nine months' residence in the country has not been sufficient to make me familiar with all its problems and complicated issues. There are, I fear, all too many gaps in my knowledge, and if I am unable to answer any of the questions that may be put to me on this occasion, I can only ask your indulgence and promise to be better equipped next time, if it should again be my privilege to appear before the Commission.

The CHAIRMAN asked the members of the Commission whether they had any comments to make on the accredited representative's statement.

ECONOMIC DEVELOPMENT OF THE TERRITORY : ORGANISATION OF AGRICULTURAL CREDITS.

M. ORTS observed that the accredited representative had referred to the economic situation of Palestine as being very satisfactory. A petition had, however, been received from an Arab source maintaining that the prosperity was in no sense general, and that the situation of the country as a whole, far from being satisfactory, was, on the contrary, deplorable. The prosperity referred to was confined to the Jewish colonies and was attributable to the influx of capital from abroad. The greater part of the population--that was to say, the Arabs were said to be in a state bordering on destitution. Owing to the seasonal circumstances of which the accredited representative had spoken, the fellahin had exhausted their reserves, and hence the critical position in which they were now placed. He would be glad to know how much credit should be given to these allegations.

M. Orts further pointed out that Mr. Hall had included among the signs of prosperity the large increase in the currency circulation. But was not this, like the increase in bank deposits, merely the effect of the importation of Jewish capital?

Mr. HALL replied that, generally speaking, the prosperity to which he had referred applied to the commercial classes

of both Arabs and Jews, and to the citrus producers. He had pointed out in his statement that the prosperity of the country was not reflected in the rural population, and that applied to Jews and Arabs alike, both of whom were suffering as the result of four years of drought. The Arab was perhaps in a more difficult position, as he did not yet practise mixed farming.

The Government had done its best to assist the agricultural population by relief works, and by measures for the improvement of water supplies.

M. Orts had suggested that the Arab probably possessed no reserve of capital--that was true. During the last four years, the Arab had got more heavily into debt with moneylenders, hitherto his only source of credit. The Government was concentrating on providing him with an alternative system of credit. It had arranged with Barclays Bank for the granting of short-term credit in the form of crop loans, repayable when the crop was harvested. Secondly, the Government was taking steps with a view to the establishment of an agricultural mortgage bank for long-term loans; it was hoped that private financial groups would supply the bank's capital, while the Government would provide its reserve. Lastly, a system of co-operative credit was in process of organisation, which should be of immense value to the Arab cultivator --Jewish cultivators were already extensively organised on those lines. The arrangements were in the hands of an official who had studied the co-operative system in Europe, India and Ceylon. Co-operation would provide for medium-term credit and, it was hoped, would inculcate in the Arab the principles of thrift and economy.

M. ORTS alluded to another sign of prosperity mentioned by the accredited representative --namely, the considerable profit from currency made by the Palestinian Government-- and said he would like to have information on the subject.

Mr. HALL explained that, as the currency circulation increased, the Government's profits also increased automatically and had now reached the sum of about £100,000. He added that, owing to the effects of commercial prosperity, the Government obtained increased revenues, and was thus enabled to expend larger sums on the extension of agricultural stations and demonstration plots, and on the issue of selected seed, budded fruit-trees and similar

measures for the benefit of the agricultural population. The general purpose was to "up-grade" the condition of the agricultural classes, in order that they might share in the prosperity now enjoyed by the more fortunate commercial classes.

M. RAPPARD stressed the reference to "immovable property" in paragraph 82 on page 24 of the annual report, which read:

"An arrangement has been made by the Government with Barclays Bank, for a period of three years in the first instance, for the issue of short-term (annual) crop loans by the bank to groups or individuals wherever there is adequate security in the form of immovable property, crops or joint personal surety, or credit is otherwise justified."

Mr. HALL said that, while the crop loans to groups or individuals might sometimes be on immovable property, generally speaking they were granted on the crop or on personal or collective surety. Such loans were granted on favourable terms as regarded interest.

M. RAPPARD pointed out that interest was at the rate of 8 per cent.

Mr. HALL, continuing, said that the legal rate of interest was 9 per cent, but various devices were used by moneylenders to extract a higher return. A draft Ordinance had now been prepared whereby any cultivator could apply to have his debt re-examined by the court, which could decide what he could and should pay. Even though he might have undertaken to pay a larger amount, the court would have power to say that he should not pay more than the legal 9 per cent.

Lord LUGARD suggested that banks might be unwilling to lend without better security than the crops.

Mr. HALL agreed as regards long-term loans, but said he had heard of no difficulty in the case of short-term loans.

INCIDENTS IN OCTOBER-NOVEMBER 1933.

M. ORTS had before him pages 4 et seq. of the annual report, which dealt with the circumstances preceding the disorders of October and November 1933, and the report of the Murison Commission, which was entrusted with the enquiry into those disturbances.

He quoted various passages from the annual report to the effect that there had been preliminary signs of these disorders since the beginning of 1933 and that those signs had recurred in different forms up to the eve of the Jaffa riot on October 27th.

It was clear that the Government had intervened on at least two occasions in order to show that its Jewish immigration policy had not changed and that demonstrations likely to cause a breach of the peace would not be tolerated. The report also said that the Intelligence Service of Police and Prisons was still functioning and was found very useful in preventing disorders. Nevertheless, M. Orts desired to ask certain questions with regard to those incidents.

First of all, had the Government taken all means to prevent the riot which was to be expected in view of the increasing excitement in Arab circles and in the Arab Press?

Had the Government endorsed the conclusions of the Murison report?

What penalties had been inflicted on the agitators and rioters?

Was there a likelihood of further agitation or fresh disorders?

Was the transfer of the chief of police at the time of the Jaffa disturbances, whose conduct had been favourably reported on by the Commission of Enquiry, connected with the riot?

Mr. HALL said he would endeavour to reply to M. Orts' questions.

(1) There was always strong Arab feeling in Palestine

against Jewish immigration and that feeling had been intensified by Press articles for some weeks before the disturbances took place. The responsible editors had been warned and, on the publication of a statement by the Arab Executive that a demonstration was to be held in Jerusalem on October 13th, comprising a procession to the Government Offices, the speaker, in his capacity as Officer administering the Government, had sent for the President of the Arab Executive and informed him that no such demonstration would be permitted. He suggested that, in place of a demonstration, which would be illegal and might lead to bloodshed, the Arab Executive should send a deputation to lay before the Officer administering the Territory a statement of their grievance for transmission to the League of Nations. Musa Kazim Pasha undertook to consult his colleagues; but, in the result, less prudent counsels prevailed and the Arab Executive decided to adhere to their plan for holding an illegal demonstration. The public were clearly informed by official notice and otherwise that the demonstration would not be permitted. The demonstration was, nevertheless, held, and was in due course dispersed by the police without loss of life.

The High Commissioner, on his return, sent for the Arab leaders, who had announced their intention of holding a further demonstration at Jaffa, and solemnly warned them of the dangerous consequences that would follow, not only for themselves, but also for innocent members of the public if they persisted in this course. They rejected a suggestion, made by the High Commissioner with the object of providing a legitimate channel for the submission of their representations, that a certain number of their members should be allowed to proceed together to the District Offices and there lay their case before the District Commissioner, and reiterated their determination to proceed with their declared intention. The consequences of their attitude are described in the Murison report. Certain of the leaders were arrested and subsequently released on bail. Recently, they had been sentenced to terms of imprisonment varying from nine months. Appeals against these sentences were now pending.

(2) There had since, he thought, been some improvement in the political position. The relations of mutual confidence which the High Commissioner had established with influential Arabs had done much to ease the situation; there was also the increasing appreciation, on the part of

the fellahin, of the measures taken by the High Commissioner to better their condition. Moreover, the High Commissioner had considered the possibility of providing both Arabs and Jews with some means of giving public expression to their views without danger to public security--(since the disturbances of 1929, no processions had been allowed)--and an amending ordinance had accordingly been passed early this year under the terms of which processions could take place on formal permission being granted by the District Commissioner, who was empowered to impose conditions as to the route to be followed, etc. Applications were duly submitted by the Arab leaders, in accordance with the terms of the new Ordinance, for permission to hold processions in various towns in Palestine on January 17th, and, the conditions laid down by the District Commissioners having been accepted, permission was granted. The processions duly took place in strict conformity with the Government's conditions, and passed off quite peacefully.

(3) The Government fully accepted the findings of the Commission of Enquiry.

(4) The accredited representative explained that the transfer of the police officer mentioned by M. Orts was the outcome of disciplinary action under the Colonial Regulations arising out of an incident connected with the Jaffa disorders. He stated further, in reply to M. Rappard, that this question was outside the terms of reference of the Murison Commission.

M. ORTS supposed that that was the incident which had led to a question being asked in March 1934 in the House of Commons. He observed that the suppression of disorders was an ungrateful task; those responsible for such duties were invariably accused of being unduly energetic or not energetic enough.

M. VAN REES observed that several of the points on which he desired information had already been raised by M. Orts. He wished in addition to refer to a discrepancy between the figures for casualties in the 1933 disorders as shown in the annual report and in the report of the Commission of Enquiry : according to the former document there were one constable and twenty-four civilians killed or died of wounds, twenty-eight constables

and 204 civilians wounded, while the totals given in the Murison report were : Killed--police 1, public 26; injured--police 56, public 187. He was concerned, nevertheless, not so much with the discrepancy between those two sets of figures as with the fact that the disorders had evidently been of a serious character, and that, according to the findings of the Committee of Enquiry, the responsibility for direct instigation lay with the Arab Executive. That body, which had been officially recognised, had, by that fact, shown itself to be little worthy of confidence. Had the Government considered it necessary and advisable to take action against the organisation, as distinct from the prosecution of certain of its members?

Mr. HALL suggested that the number of casualties at Jaffa might perhaps give a wrong impression of the seriousness and extent of the disorders in that town. The number of casualties was to be explained in part by the difficulty of police action in a town such as Jaffa, with its narrow streets and topographical peculiarities.

Mr. Hall added that a reprimand had actually been administered by the High Commissioner, within a day or two of the disturbances, to those members of the Arab Executive who were available.

Lord LUGARD enquired what were the relations of the Arab Executive with the Istiqlal, which was, he believed, the most reactionary party.

Mr. HALL said that the Arab Executive included among its members certain persons who were prominent in the Istiqlal party.

JOINT CO-OPERATIVE SOCIETIES FOR ARABS AND JEWS.

M. VAN REES, reverting to the question of co-operative societies, to which reference had already been made, noted the reference in the annual report (page 14, paragraph 37) to Athlit, where Arabs and Jews had formed a co-operative society together. As the increase in the number of these co-operatives seemed to him to be a good sign, M. Van Rees asked the accredited representative whether he could give any information concerning another such society in Upper Galilee, of which details had appeared in

the Press.

Mr. HALL said that the Assistant District Commissioner had, he understood, been assisting in the formation of an association of Arab and Jewish farmers in Upper Galilee. Arabs and Jews were also associated in the trade union of railway and postal workers.

THIRD MEETING.

Held on Thursday, May 31st, 1934, at 3.30 p.m.

Palestine and Trans-Jordan : Examination of the Annual Report for 1933 (continuation).

Mr. Hall and Mr. Nurock came to the table of the Commission.

RELATIONS BETWEEN ARABS AND JEWS, AND THEIR CO-OPERATION IN
THE ADMINISTRATION
OF THE TERRITORY : PETITIONS OF THE "ARAB INDEPENDENCE
PARTY"
AND OF "AGUDATH ISRAEL".

Count DE PENHA GARCIA, while congratulating the mandatory Power on the material progress achieved in Palestine, noted that very little mention was made in the report of effective steps which would lead to eventual self-government. Yet that was the most serious problem --how to weld the different demographical elements in Palestine into a homogeneous whole. Could the accredited representative state if any measures had been taken or were being considered to create a national Palestinian sentiment among the various ethnical groups? There seemed to be a certain tendency on the part of the Government--a tendency possibly imposed by present circumstances--to keep Jews and Arabs apart.

Mr. HALL said he could assure Count de Penha Garcia that, on the contrary, the constant aim of the High Commissioner was to bring Jews and Arabs together in every possible

wary.

His policy, as communicated to the Mandates Commission in 1932,^{3/} was, in the first place, to set up advisory committees, including Jewish and Arab members, who were encouraged to assist the Government with their advice in matters concerning roads, railways, harbours, agriculture and trade. He felt that the realm of economic co-operation offered the best initial prospects for the establishment of closer relations between the two races. This policy had been attended by a reasonable measure of success.

The second stage was co-operation of Arabs and Jews in municipal affairs. A Municipal Corporations Ordinance had now been enacted under which in mixed centres of population there would be Jewish and Arab councillors working together. When the new municipal arrangements were in full working order, the third stage would be reached and steps taken towards the formation of a legislative body. The Commission would understand that, in Palestine, nothing would be gained by attempting to move too rapidly.

Count DE PENHA GARCIA asked whether a beginning could not be made by bringing the upper intellectual classes of Jews and Arabs together.

Mr. HALL replied that political feeling found its strongest expression among the more educated classes. There were, however, encouraging instances of co-operation between cultivators of the two races. Similar instances of co-operation were to be found in the commercial community. There were, for example, a number of companies with mixed boards of directors.

Count DE PENHA GARCIA, noting that the proportion of Jews to Arabs was roughly one to four, asked whether the accredited representative did not think that, in future, it might be desirable slightly to increase the proportion of Jews to Arabs.

Mr. HALL said that the mandatory Power was mindful of its dual obligation under the

mandate. The Government adhered strictly to the policy that immigration should be governed by the country's economic absorptive capacity. As a matter of fact, the present proportion of Jews to Arabs was nearer one to five.

Count DE PENHA GARCIA said he was not suggesting that Arab rights should in any way be endangered. The present Arab majority was large. He had said that possibly the situation might improve if the numeric disproportion between the two races were gradually reduced. It might perhaps become easier to establish equilibrium.

M. PALACIOS welcomed the note of optimism which so frequently occurred in the accredited representative's statements. It happened, however, that he was Rapporteur on a petition from the Arab Independence Party protesting against the statements made by the accredited representative of the mandatory Power at the twenty-second session of the Commission; the whole policy of the mandatory Power was reviewed and the authors of the petition gave details from which it would appear that a very unfortunate state of affairs existed in the country.

The impression left by the information derived from various sources, including official sources, was that very little progress had been made in peaceful relations between the different populations of Palestine. The opposition between the various elements might even have become accentuated. Collaboration between Jews and Arabs appeared to be difficult, if not impossible. Co-operation between the Arabs and the Administration was no less difficult. The Press was responsible for spreading the rumour--echoes of the complaint had even reached the Commission--that the Jews were not satisfied with the policy of the mandatory Power, which seemed to them weak and hesitating compared with the comprehensive nature of an undertaking such as the establishment of the Jewish national home.

That was probably why the forces of the United Kingdom Government were strengthened from day to day. The conflict between the two peoples, Arabs and Jews, had made it necessary to bring in considerable police and military forces in order to

maintain peace, or re-establish it when it was disturbed from time to time. Those same conflicts stood in the way of local autonomy--for the new ordinance was on restrictive lines--and of the organs of self-government. There seemed now to be no more talk of the Legislative Council, the creation of which was to depend on the success of the new municipal organisation. Even the term of office of the members of the Moslem Supreme Council appointed by the Government as an interim measure was tending to be continuous.

M. Palacios thought that the difficulties of the situation arose from the difficulties of the mandate and that there was perhaps no other solution to that situation, which was bound to be very slow in evolving. He simply wished to know whether his views, based upon the data to which he had just referred, were correct, and to allow the accredited representative an opportunity of correcting him or giving some explanation in regard to the problems in question.

Mr. HALL said that he could not accept the assertion that relations between Jews and Arabs had deteriorated. There might have been no sensible improvement politically, but in the economic and agricultural spheres some progress had been made, and there were grounds for hope. The aim of the Administration was to promote by every means the welfare of Palestine as a whole. If it had not yet succeeded in certain directions, that was not through any lack of endeavour. That there had been complaints on both sides regarding the Government's immigration policy did not necessarily prove that that policy was wrong. The Government's special concern was to help the poorer classes and raise their economic and intellectual level. This policy was making headway in spite of material difficulties.

He did not accept M. Palacios's suggestion that the rights conferred by the new Municipal Corporations Ordinance were more restricted than those which had existed under the Turkish regime. The Government thought it prudent, in the interests of the ratepayers, to retain a certain measure of control in the early stages. The High Commissioner, however, publicly announced his confident anticipation that, as the elected councils gained experience and public

confidence, a progressive relaxation of Government control would prove possible.

The Government had no intention of interfering with the internal affairs of the various religious communities. With the exception of the President of the Supreme Moslem Council, Haj Amin Husseini, the remaining four members of the Council had all been nominated to their offices as vacancies occurred, owing to the difficulties which would have attended the holding of elections.

M. PALACIOS further explained his views, which, he repeated, were based on the allegations contained in a certain petition and on various documents and other sources of information, some of them official, which had reached the Commission. The petitioners referred explicitly to the failure of the scheme for the participation of Jews and Arabs in receptions and administrative and other committees. Some were mentioned by name. As the Arabs insisted that they did not want a Legislative Council, Sir Herbert Samuel's policy in the matter would seem to have failed so far. Similarly, their aspirations appeared to lie outside anything that might be done as regards the Moslem Supreme Council--which had to do with the Waqfs and the Sharia courts--as long as they were refused what they described as their natural rights to independence and liberty. At the same time, the mandatory Power could not neglect to follow a policy of progress in conformity with Article 2 of the mandate.

M. Palacios was also very much alive to the importance of a religious policy ensuring the protection and liberty laid down in Articles 13, 14, 15 and 16 of the mandate. A timely recommendation was the more urgent in view of the problems that had arisen in connection with the window in the Church of the Nativity at Bethlehem and the conservation of the Church of the Holy Sepulchre (page 74, paragraphs 2 and 3 of the annual report).

Mr. HALL pointed out that the offer of a Legislative Council made by Sir Herbert Samuel in 1922 had been uncompromisingly rejected by the Arabs, who had boycotted the elections. The nomination of the members of the Supreme Moslem Council was an exceptional measure.

The Church of the Holy Sepulchre had been in imminent

danger of collapse and the Palestine Government, with the acquiescence of the religious authorities concerned, had advanced about £2,500 for temporary buttressing in order to enable the Easter ceremonies to be held in safety. Before any permanent repairs were undertaken, those authorities would again be consulted as to the manner in which the necessary works should be financed and executed.

M. RAPPARD said he had been placed in a difficult position because he was called upon to make a report regarding the claim of Agudath Israel to be recognised as a separate community. The accredited representative had stated that morning that the Government had submitted no observations on this point because negotiations were in progress and it would be inexpedient to make any statement at present. Could he take it that any expression of opinion by the Mandates Commission on this subject would also be inexpedient at the present juncture?

Mr. HALL said that, if the Commission or His Majesty's Government were to disclose its views at present, the delicate negotiations now in progress would be prejudiced. There was good reason to hope that these negotiations would be successful and that an arrangement would be reached which would meet the requirements of Agudath Israel without compromising the unity of the Jewish community.

M. ORTS desired to point out that, contrary to the reassuring impression conveyed by the accredited representative at the previous meeting, the most recent petitions seemed to indicate a growing exasperation among the Arabs. Was the Government fully in touch with the situation? Was the intelligence service, which had not been in existence at the time of the 1929 occurrences, as wide awake as was stated?

Mr. HALL replied that the Palestine Intelligence Service, which had been re-organised after the disturbance of 1929, was now highly efficient.

M. ORTS enquired whether, with the means at its disposal, the Government could undertake to maintain order in any contingency.

Mr. HALL replied in the affirmative.

MUNICIPAL CORPORATIONS ORDINANCE.

M. PALACIOS said that paragraph 17 on page 8 of the report showed that the new Municipal Corporations Ordinance had come into force in 1934, the aim being to give effect to Article 3 of the Palestine mandate. On page 30 of the report, it was said that the draft text had been communicated to the Arab and Jewish organisations and to other local authorities for comment and criticism. According to the report, the principal objection which was taken to the draft was that it provided for the limitation of independence of municipal corporations by official intervention. The text was therefore altered to meet the objection as far as practicable and the freedom of action of municipal councils would now be subject only to that measure of control which was at present regarded as essential for the due discharge of municipal responsibilities.

The report further stated that the mandatory Power hoped that in time, as the municipal councils gained experience and public confidence, this control would be relaxed and the Government be ready in due course to consider the suggestions of the Councils to that end.

As, according to the *Oriente Moderno* of March 1934, the Ordinance had not entirely satisfied either Arabs or Jews, could the accredited representative supply the following information:

1. In what directions did the Ordinance mark progress in establishing local autonomy?
2. Had any provisions of the Ordinance already been applied and, if so, which?
3. Were the provisions of the Ordinance similar to any other system in force in the British Empire or elsewhere, and, if so, which?
4. On what principle had the country been divided into municipalities? Was the division the same as previously and what were the reasons for changes, if any?
5. Under Article 8, paragraph 4, of the Ordinance, the High Commissioner in Council was

allowed to increase or decrease the number of councillors in every municipality. Why had the High Commissioner the right in the municipalities of Haifa and Jerusalem to appoint only two municipal councillors?

6. It appeared that many of the decisions reached by the municipal councillors must, according to the Ordinance, be approved by the -High Commissioner or the District Commissioner before they could come into force. In what respect had municipal councils any responsible powers not subject to the control of the representatives of the mandatory Power?

Mr. HALL, with regard to 1, referred the Commission to his reply to Count de Penha Garcia and M. Palacios. He would be ready to support his previous statement by a detailed analysis of the provisions of the Ordinance, if the Commission could spare the time.

With regard to 2, the answer was in the affirmative. Elections had already been held in some of the smaller municipalities. The preliminary arrangements for the elections had been completed in the larger towns, such as the appointment of electoral committees and the preparation of registers of voters.

With regard to 3, the Ordinance was modelled partly on municipal practice in the United Kingdom, on colonial legislation and on the original Turkish law, subject to such modifications as the discussions with local interests had shown to be desirable.

With regard to 4, previously existing municipal divisions had been preserved, with the addition of Tel Aviv, hitherto a township.

With regard to 5, the object was to allow the High Commissioner, if advisable, to nominate councillors to represent foreign interests. Both at Jerusalem and at Haifa, there was a considerable foreign commercial community.

With regard to 6, the aim of the restrictions was to ensure that the money of the ratepayers would be wisely expended.

As he had already explained, the Government contemplated the relaxation of these restrictions when the municipal councils were working satisfactorily and had gained the ratepayers' confidence.

LEGISLATION RELATING TO THE PRESS.

M. PALACIOS noted (paragraph 3, page 56, of the report) that a new Press Ordinance had been promulgated. Why had the Administration deemed it necessary to alter the law on this subject? According to the report, the incidents of October 1933 were largely due to Press propaganda. Was that why the new law had been passed?

Mr. HALL replied that the Shaw Commission had pointed out that the Government's powers of control over the vernacular Press were inadequate and needed strengthening. Consequently, power had been taken in the new Ordinance to suspend the publication of a paper if it contained any matter likely to endanger the public peace. There had only been two instances of such suspension.

Lord LUGARD thought that the Ordinance went further than was usual. For instance, a permit had to be obtained before a newspaper of any kind could be published. If the newspaper were of a seditious character, he could understand this clause, but otherwise it seemed to be rather drastic.

Mr. HALL believed that a similar provision had existed prior to the new Ordinance, and that similar regulations existed elsewhere. It was necessary for the Government to know when and where newspapers were published and who was the responsible editor. He was not aware of any case up to the present in which permission had been refused.

IMMIGRATION : DIVISION OF LABOUR BETWEEN ARABS AND JEWS.

M. RAPPARD noted a statement on page 16, paragraph 46, of the report that the Palestine Government was considering the formation of a statistical office and the taking of measures to establish a closer relation between immigration and the absorptive capacity of the country. He wished the Administration every success. In spite of existing prosperity, he understood its reluctance to conclude that

the upward trend would continue indefinitely. He was relieved to know that reports concerning the heavy immigration from Trans-Jordan were said to be exaggerated. He supposed that the authorities did not base their calculations on a sort of cancelling out of claims made by both sides. M. Rappard would be grateful if the accredited representative could give an indication as to what method the authorities adopted in reducing, for instance, the figures of 12,000 and of 24,500 claimed by the Jewish Agency to the 5,000 finally allowed.

M. VAN REES said that he also would be grateful to the accredited representative if he would explain in some detail how the competent organs proceeded to fix the annual quota of immigrants coming under category C of the Immigration Ordinance.

It was stated on page 31, paragraph 2, of the report that the Jewish Agency had submitted proposals, for 1933, for labour schedules of 37,240 workers belonging to that category, and that, after due consultation with the representatives of the Agency, only 11,000 certificates of entry had been granted. Such a considerable discrepancy called for more comment than was given in the report. If the Agency submitted a detailed list guaranteeing that, during the next six months, a certain number of workers could be given employment in various urban and agricultural undertakings in process of execution or on the point of being executed, and if, during its negotiations with the competent authority, the Agency supplied all the supplementary data required to justify its application, on what was the Government's decision based whereby it admitted only one-third or one-fourth of the number proposed? There must surely be some concrete grounds for such a decision. Immigration must not exceed the country's power of economic absorption. That was understood; but was an appeal to that principle--a particularly elastic one--sufficient to justify the decision taken even in the case where it had been demonstrated that the labour suggested by the Agency was actually required?

Mr. HALL said that the authorities certainly did not adopt any haphazard system such as the cancelling out of rival claims. The Zionist Organisation submitted its estimates of the number of labour vacancies it believed to exist, giving full details. These claims were then closely examined by the Director of Immigration assisted by his Labour Officer,

in consultation with the Directors of Trade, Public Works and Agriculture. In the course of this examination, each item was discussed with the Jewish representatives, who were informed by the Director of Immigration of the grounds upon which he differed from their estimates. The final recommendations of the Director of Immigration were then submitted to the Government for consideration by the High Commissioner in Executive Council. The Commission would realise that the High Commissioner, who was responsible for the present and future welfare of the country as a whole, was bound to take a longer and more cautious view than the Jewish Agency. Having reached his decision, the High Commissioner, in communicating it to the Jewish Agency, informed that body, in general terms, of the reasons for reducing their estimates.

The Commission should also remember that each year from 2,000 to 3,000 Jewish children, and about twice as many Arab children, entered the labour market; also that the present arrangements for the reception and accommodation of Jewish immigrants were inadequate for the numbers at present authorised to enter the country. There was some local and seasonal shortage of labour.

There was some local and seasonal shortage of labour, for instance, during the citrus-picking season. On these occasions, town workers could be, and were, brought in to help, like the hop-pickers who went to Kent from London. The Jewish Agency had applied for the immigration of permanent settlers to supply this purely seasonal requirement. The Government had rightly declined this request. There was also a shortage of labour for building owing to the "boom" conditions at present prevailing in that industry. But the Government felt that it would be unwise to regard this as a permanent feature of the economic life of the country, and some discrepancy between the supply of labour and the demand could not be avoided if a proper measure of caution were to be observed at a time of rapid development. Moreover, this discrepancy had been aggravated by the fact that the Jewish Agency had frequently nominated under the labour schedules professional men and non-manual immigrants instead of working men. A selection of immigrants more in conformity with the requirements of the labour market would have mitigated instead of accentuating the shortage of labour.

It would be realised by the Commission that it was

impossible for the authorities to verify the occupation, trade or profession of immigrants, at the time of entry, or to ensure that they did in fact occupy the vacancies which they had been nominated to fill. In replying to M. Van Rees' question, Mr. Hall said that he could assure the Commission that the Government would not be deterred from its avowed policy by any pressure or political considerations.

In reply to a further question by Lord Lugard, he said that the Jewish Agency gave a guarantee for one year's maintenance, but not for specific employment, of each Jewish immigrant.

M. RAPPARD understood that the authorities examined the figures suggested by the Jewish Agency in the light of the existing position. Did they not also bear in mind the possibility of leaner times in the future?

Mr. HALL said that the High Commissioner, in examining the Jewish Agency's figures, necessarily bore in mind both present and future possibilities.

M. VAN REES said that he had listened with great interest to the accredited representative's explanations. He fully realised the Government's difficulties in attempting to fix the quota of workers authorised to settle in Palestine during a given period, and readily admitted that the Jewish labour organisation's proposals in the matter frequently proved to be over-optimistic, as the accredited representative had stated. At the same time, one could not but wonder if the extreme caution that the Government had shown in allowing, for the year 1933, less than one-third of the number of workers mentioned in the Jewish proposal was really in keeping with the considerable increase in the demand for Jewish labour resulting directly from the country's state of prosperity, and thus to a large extent with the increasing activity of the Jewish element. It seemed perfectly clear that, in a country like Palestine, there was a danger that the shortage of Jewish labour might not only affect the normal extension of Jewish undertakings of every kind but might be detrimental to the regular economic development of the territory as a whole. Did not the mandatory Power's report itself refer, in several

places, to the period of unprecedented prosperity which Palestine was now enjoying? Did not that same report, on pages 97 (paragraph 6) and 226 (paragraph 7), refer to some, at all events, of the regrettable consequences of the shortage of Jewish labour?

While directing attention to those passages, M. Van Rees would venture also to refer to the letter of February 13th, 1931, from the Prime Minister of the United Kingdom to Dr. Weizmann, paragraph 16, of which read as follows:⁴/

"The practice of sanctioning a 'Labour Schedule' of wage-earning immigrants will continue. In each case consideration will be given to anticipated labour requirements for works which, being dependent on Jewish or mainly Jewish capital, would not be or would not have been undertaken unless Jewish labour was made available."

Could it be seriously maintained that that affirmation, which was perfectly clear, was adequately enforced, when the considered Jewish estimate of the labour requirements was reduced to one-third?

M. HALL said there was no general shortage of unskilled labour in the country if Arab, as well as Jewish, workers available were taken into account. There was, however, a certain shortage of "skilled labour"; but he understood that the Jewish Agency was experiencing great difficulty in finding members of skilled trades for nomination.

There was nothing to prevent the Jewish Agency, which was alone responsible for the selection of immigrants under the Labour Schedule, from nominating for vacancies doctors or traders in place of labourers or artisans, and, as he had already explained, this was, in fact, happening.

M. VAN REES asked why, if there had been only a shortage of specialised labour, it had been impossible to obtain the 30 per cent of Jewish labour required for public works, as mentioned in the report. Those works did not require only specialised workers.

Mr. HALL referred M. Van Rees to page 226 of the report, where he would find an answer to his question.

M. VAN REES wished to ask a final question : In fixing the number of workers who would be allowed to enter the country for settlement, was account taken of the position with regard to Arab labour?

Mr. HALL replied that there had been no necessity to do so up to the present. M. Van Rees would remember, however, that in the Prime Minister's letter to Dr. Weizmann, it was said that, if in consequence of the policy of the exclusive employment of Jewish labour by Jewish organisations, Arab labour was displaced or existing unemployment became aggravated, that was a factor in the situation to which the Mandatory was bound to have regard.

M. VAN REES said that that passage had not escaped his notice. But was it fair to interpret it without reference to what went before--namely, "The principle of preferential and, indeed, exclusive employment of Jewish labour by Jewish organisations is a principle which the Jewish Agency is entitled to affirm"? The passage referred to by the accredited representative did not then lay down a general rule.

Mr. HALL said he did not wish to be drawn, or even appear to be drawn, into an interpretation of the meaning of the Prime Minister's words.

Mr. HALL replied that, during their three months, they could make such application. On the expiration of the three months, if they had not left the country, or had not obtained permission either to extend their stay as travellers or to remain permanently, they became illegal settlers.

LABOUR ORGANISATIONS.

M. SAKENOBÉ asked whether any other labour organisation existed in Palestine besides the Jewish Labour Federation, which was, he understood, connected with the Labour Party.

Mr. HALL replied that details concerning various unions would be found on pages 100 and 101 of the report. The General Federation of Jewish Labour was the principal union

in
Palestine, with more than 40,000 members, though an
independent labour organisation had
now been set up by the Revisionists. He could not forecast
what would be the future of the
new union.

FOURTH MEETING.

Held on Friday, June 1st, 1934, at 10.30 a.m.

**Palestine and Trans-Jordan : Examination of the Annual
Report for 1933** (continuation).

Mr. Hall and Mr. Nurock came to the table of the
Commission.

LAND REGIME : LAND DEVELOPMENT SCHEME.

M. VAN REES noted (page 10 of the report) that, up to
December 31st, 1933, the
Development Officer had received 3,225 applications for
admission to the register of landless Arabs. At that date,
652 Arab heads of families had been admitted to the
register; 2,541 claims had been disallowed and 532 claims
were still under examination at the end of the year. The
sum of the last three figures was 3,725, exceeding the
total claims by exactly 500. What was the explanation of
that discrepancy?

Mr. HALL said that he hoped to give an explanation in the
course of the meeting; and, at a later stage, explained
that there appeared to be a typographical error, he
suspected, in the figure of claims awaiting examination.

M. VAN REES suggested that it would be of interest to know
how many Arabs whose
claims were admitted had been evicted, with or without
compensation, by their compatriots,
and how many of those who had been evicted following on the
sale of land to the Jews had not received compensation. He
suggested that the enquiry now proceeding should be used,

if possible, to supply information for the next annual report.

Mr. HALL explained that, in general, Jews took over land from the Arab landlords, with a proviso that it would be handed over free of encumbrances. Thus, generally speaking, it was the Arab vendors (not the Jews) who were responsible for obtaining eviction orders where necessary in order to give vacant possession. In certain cases, however, former tenants had returned to the land and the Jewish owners had then been obliged themselves to take proceedings for their eviction. It was customary for the Jewish purchaser to pay compensation for crops left on the land and for disturbance.

M. SAKENOBE said that he was surprised at the slowness of progress of the resettlement scheme; about 650 Arab heads of families were registered and the Government had acquired, up till now, about 15,000 dunums of land for their resettlement. The Wadi Hawareth Arabs had rejected the invitation to take up holdings in the Baisan and Jenin sub-districts, while, of the remaining registered Arabs, only 146 had declared their readiness to accept (see page 10, paragraphs 23, 24 and 25 of the report). What were the conditions attaching to the offer that had led to such wholesale refusal? He could not understand how the Arabs themselves, without any land to cultivate, could stand the delay in settling.

Mr. HALL replied that the first cause of delay was the difficulty in purchasing from private owners suitable land, free of tenants, there being insufficient areas of State land available for the purpose. The land had then to be drained and otherwise prepared (irrigation channels, etc.) for cultivation. The most general reason for the reluctance to accept the Government's offer was to be found in the Arab's deep attachment to his own locality. A settlement in Baisan had first been offered to the Wadi Hawareth Arabs, who had refused it as being too distant from their habitat. The Government now proposed to drain an adjacent area of marshland belonging to the State, upon which they had expressed their willingness to settle; that should solve the problem. The same difficulty was not to be anticipated in the case of the Jenin settlement, where it was proposed to settle Arabs belonging to the immediate neighbourhood.

Pending settlement, the Arabs had been able to obtain

casual employment in the towns
and in neighbouring settlements.

M. SAKENOBE observed that when the question of a land and agricultural development scheme was examined by the Palestinian Government special note was taken of the very poor condition of Arab cultivation in the hill districts, and the urgent necessity for teaching them an intensive method of cultivation was strongly emphasised. He wished to know what special measures had since been taken in this direction.

Mr. HALL replied that £50,000 of the £2,000,000 loan had been set aside for loans to the hill Arabs. The loans would be used for planting fruit-trees, terracing, etc. But it was also hoped to improve the condition of these Arabs by co-operation. In addition, hill stations had been started in which horticultural instruction would be given.

M. SAKENOBE thought that the establishment of the hill stations was a particularly significant and beneficial measure. It was essential to instruct the Arabs, or the money loaned to them would never be spent in a useful way.

Lord LUGARD, referring to paragraph 41a (page 15) asked whether Mr. Hall did not fear that the negotiations for the Agricultural Mortgage Bank might be prejudiced by the new Protection of Cultivators Ordinance, which seemed to create statutory rights for squatters. Banks would be unwilling to advance money on the mortgage of land if they had continually to watch that such rights were not being created.

Mr. HALL said that the financial groups who were concerned in the formation of the proposed Agricultural Mortgage Company represented to the Government that the effect of the Protection of Cultivators Ordinance, of 1933 would be to depreciate the value of the security, for long-term agricultural loans, and their representations were now under consideration. He himself thought that they were mistaken in that view, since the Ordinance provided no protection for tenants who did not pay rent or

who grossly neglected their holdings. Thus, rights under the Ordinance could only be claimed by satisfactory tenants, and the existence of such rights should not, he thought, impair the value of the mortgage. He did not anticipate that this difficulty would prove insurmountable.

M. VAN REES referred to a passage in the report (page 45) which stated that 36,991 dunums of land had been purchased by Jews from non-Jews at a total cost of £P854,796 in 1933, the corresponding figures for 1932 being 18,893 dunums at a total cost of £P148,881. Those non-Jewish vendors appeared to him to have done a very good stroke of business. Who were they, exactly?

Mr. HALL said that they were almost entirely Arabs, not necessarily all large landholders.

M. VAN REES objected that if the Arabs themselves kept on selling land, there seemed to be no real meaning in their continual protests and requests to the High Commissioner to prohibit the sale of land to Jews.

Mr. HALL replied that it was not necessarily the same people who made the protests as sold the land.

M. VAN REES replied that the petitioners were only asking then to be protected against their own weakness.

Referring next to the statement that 300 State domain properties had been leased and £P4,421 collected in rent in 1933 (page 45 of the report), he enquired whether those transactions concerned Arabs only or whether account was taken of Article 6 of the mandate and part of such properties leased to Jews.

Mr. HALL said that such properties were leased both to Jews and to Arabs.

Lord LUGARD asked if details were available of a scheme of colonisation on the frontiers of Syria, to which reference had been made in a Jewish paper.

Mr. HALL suggested that the accredited representative of Syria might be better able to answer that question, as the proposed settlement was, he believed, within the borders of Syria. He stated, in reply to Lord Lugard, that the mafruz

system was a form of individual tenure of land.

AGRICULTURAL POLICY.

M. RAPPARD said that he had been interested in the previous day's exchange of views on agriculture and land; the country as a whole, he understood, was prosperous, but agriculture was in difficult circumstances, the cause being not so much the lack of markets as the four years' drought and poor crops. As to remedies, the Commission had been told that credits could be secured on crops. If, however, the real cause of distress was the continuous drought, no credits could help, and, clearly, with the increase of population, and under the prevailing policy of agricultural protection there must be a market, so that credits would be unnecessary when droughts had ceased. Was he right in thinking that the only effective form of relief was to be found in drainage and similar works?

r. HALL thought that natural circumstances were only a partial explanation. Undoubtedly, by inculcating better methods, such as mixed crops, and introducing drought-resisting seeds, better stock and irrigation, much could be done, and, for that, credits were necessary.

M. RAPPARD enquired whether the increase in population and in wealth in Palestine had had any repercussion on the local market for agricultural products.

Mr. HALL replied that the increase in population was probably largely neutralised by the increase in the number of cultivators and increased yields under intensive farming. Owing to the failure of local harvests, the cultivators of Palestine had not as yet derived the full benefit of their own protective tariffs; and, in addition, citrus and soap exporters had been severely affected by the high tariffs recently introduced in Egypt.

JUDICIAL ORGANISATION: RELIGIOUS COURTS.

The CHAIRMAN noted that, in the land courts, 610 cases had been entered and 600 decided, but that 729 were still outstanding at the end of the year (page 63 of the report). Could the accredited representative explain why so many

cases were still outstanding? Was it perhaps due to there not being sufficient personnel?

Further, it was stated (page 64) that the pending cases in the Supreme Court numbered 234 at the end of 1933, an increase largely due to a vacancy on the Bench. Had that vacancy been filled?

It appeared also that sixteen persons had been sentenced to death (page 64). For what offences?

On page 68, the total should, he thought, read 2,506 instead of 506, under the total for magistrates' courts.

Mr. HALL replied that the last point was due to a printing error.

Land cases in Palestine, he explained, sometimes necessitated the calling of large numbers of witnesses, and the complexity of the cases rather than a shortage of judges accounted for delay. The Government, he stated, was filling the vacancy in the Supreme Court.

Murder was in every case the crime for which sentence of capital punishment had been imposed. The High Commissioner possessed the right of pardon, and had actually exercised it in three cases during 1933.

Count DE PENHA GARCIA wished to direct attention to a certain anomaly in the attitude of the mandatory Power towards certain religious courts. During the Turkish regime, when there had been a State religion, it was understandable that there should also have been religious courts of a single religion subsidised by the State. Since the advent of the mandatory Power, however, the fact of subsidising the Moslem courts alone appeared to imply an inequality as between those courts and the other religious courts.

M. RAPPARD observed that a petition had been received by the Mandates Commission in which that very point came up. The Moslem courts, it was claimed, were subsidised, while the Jewish courts received no aid. The mere fact of there being an historical basis for that situation was hardly a

sound reason for perpetuating the anomaly under the regime of the mandate.

Mr. HALL replied that the attitude of the Government towards this question was not based merely upon the maintenance of the status quo, but principally upon considerations of administrative convenience and efficiency. The Government recognised a responsibility itself to provide a means--if other means were not available--for the adjudication of matters of personal status according to the religious laws of the several communities concerned; but the Government was entitled to choose the means to be adopted. The payment of subsidies to courts over which the Government exercised no financial or other control was not a means which commended itself. By taking over en bloc the system of Shari'a courts which existed in Palestine before the war, the Government considered that it had made the most economical and efficient arrangement for the administration of the law of personal status of the vast majority of the population. There was here no question of a subsidy. The Government paid the salaries of the Shari'a court officials over whose appointment it had a measure of control, and received the fees; at present there was a deficit, but the deficit had been reduced and might be expected to diminish further. The Government did not consider it either advisable or practicable to extend this particular system to other communities in which the same conditions did not exist; but, as His Majesty's Government had stated, the Palestine Government was prepared to make suitable arrangements if any community desired, for the administration of the appropriate law of personal status.

M. RAPPARD said that, none the less, two systems remained in being : one was financed by the Government, and one was not. If the Government offered the Jewish courts the same conditions as applied to the Moslems, and the Jewish courts turned down that offer, the apparent injustice would then disappear.

Mr. NUROCK said that the courts of the Christian religious communities administered their own codes of law without Government subsidy or control.

M. RAPPARD observed then that, if any discrimination

existed, it was at the expense of the Christian Arabs as well as the Jews.

Mr. HALL pointed out that discrimination would only exist if the Government withheld a means of settlement of personal status cases--but that it had not done. It would be prepared to take over Jewish cases, but it would choose its own means.

He stated, in reply to Lord Lugard, that the magistrates, just as the judges, all possessed the necessary judicial qualifications, the difference between the various courts being simply one of jurisdiction. Precedence was now given to the hearing of criminal cases.

MINIMUM AGE OF MARRIAGE FOR GIRLS.

Lord LUGARD expressed his satisfaction that the minimum age of marriage for girls had now been raised to 14 years and that the heads of the various religious communities had, without exception, concurred (page 67, paragraph 32, of the report).

CUSTOMS AGREEMENT BETWEEN PALESTINE AND SYRIA.

M. ORTS enquired whether the Customs Agreement concluded with Syria was provisional or whether it was binding upon the territory for a definite length of time. It was, he presumed, concluded on the basis of Article 18 of the mandate, which provided that the Administration of Palestine, might, on the advice of the Mandatory "conclude a special Customs agreement with any State the territory of which in 1914 was wholly included in Asiatic Turkey or Arabia".

Mr. HALL replied that the Agreement was concluded in virtue of Article 18 of the mandate and was definitive, but that it could be denounced at six months' notice.

M. ORTS asked whether goods liable to import duties under the general tariff were exempted under the "Syria-Palestine Customs Agreement". Certain industrial products imported duty-free competed with local industry. Was any revision of that Customs Agreement contemplated?

Mr. HALL could not go so far as to say that none of the products imported competed with local industry. Industrial products found a place among the exemptions, which, however, for the most part related to agricultural produce.

No revision of the Customs Agreement with Syria was contemplated.

EXECUTION OF THE WORK FOR THE CONSTRUCTION OF HAIFA
HARBOUR:
ECONOMIC EQUALITY.

M. ORTS observed that the Mandates Commission had asked the previous year for detailed information on the arrangements for the construction of Haifa Harbour.⁵/ That information was now given on page 235 of the report, but the explanation appeared to him somewhat involved. Had the firm of Messrs. Rendel, Palmer & Tritton received privileged treatment in the matter of the Haifa works? Had it been remunerated, in its capacity as a firm of consulting engineers? Had that same firm supplied the material for those works, or had it acted as middleman in the purchase of that material, and, if so, had it received a commission?

Mr. HALL stated that the firm in question had acted as Government's consulting engineers; and in that capacity had drawn up the designs for the harbour and advised on all technical questions connected with its construction. The firm had been paid fees for its services at the standard rates and beyond those fees had received no remuneration whatsoever. The firm had had nothing to do with the materials supplied, which, except for local material (cement, quarried stone, etc.), had been bought through the Crown Agents in the usual way.

M. RAPPARD asked whether the firm was normally a consulting firm, as distinct from a firm of constructing engineers.

Mr. HALL replied that they had always acted as consulting engineers, and in no other capacity.

M. ORTS asked whether non-British firms had been given direct contracts for the execution of public works.

Mr. HALL stated in reply that Haifa Harbour had been built

by the Government. Sub-
contracts had been given out, though whether in every case
by tender or not he could not say. Stone and cement had
been supplied by local Palestine firms.

Some of the most important building works in Jerusalem had
been or were being carried
out by non-British firms, for example, the Museum and the
Post Office buildings, for both of which Italian firms were
responsible.

CONVENTION CONCLUDED WITH THE ANGLO-PERSIAN OIL CO. FOR THE
CONSTRUCTION
OF A PIPE-LINE.

M. VAN REES wished to draw attention to a passage in the
report (page 72) as follows:

"During the year, a Convention was concluded by
the Government of Palestine with the Anglo-
Persian Oil Co., Ltd., with a view to
facilitating the conveyance of mineral oils by
the Anglo-Persian Oil Co. through Palestine."

He desired to know whether that second pipe-line was quite
distinct from the one
belonging to the Iraq Petroleum Co., Ltd.

Mr. HALL said that the second pipe-line, if built, would be
quite separate from the one already in existence. The route
was not yet decided, and he could not say whether the new
pipe-line would have the same terminal as the first one.

M. ORTS asked whether the terms of the new Convention were
the same as those of the
earlier agreement and whether there was any question of a
branch line through Syria.

Mr. HALL said that, subject to slight differences--such as
the payment of annual sums to Trans-Jordan--the terms of
the second agreement were substantially the same as those
of the first. He had heard of no suggestion for a branch
line through Syria.

The CHAIRMAN enquired whether the Iraq Petroleum Co. and
the Anglo-Persian Co. would
enjoy the same advantages in the port of Haifa.

Mr. HALL replied that the agreement gave the company similar rights at the Mediterranean terminal. The Iraq Petroleum Co.'s pipe-line was already through to Haifa and the company was erecting certain installations there.

INSTALLATIONS OF THE IRAQ PETROLEUM CO. IN THE PORT OF HAIFA.

The CHAIRMAN invited the accredited representative's views on information that had come to his notice to the effect that the installations set up by that company stood in the way of vessels entering the port of Haifa, such vessels frequently having difficulty in coming alongside. Improvements in the port of Haifa, it was maintained, were chiefly for the benefit of the oil company's docks, whereas they ought to serve the general interest of the territory.

Mr. HALL said that, in the original plan of the harbour, the construction of an oil dock was not envisaged. When it was decided to build an oil dock, the plan was altered and the lay-out of the harbour enlarged so as to provide space for an oil-dock without encroaching upon the area set aside for other shipping. The port had never been designed to take enormous vessels such as the *Conte di Savoia* or the *Queen Elizabeth*. It could take normal ships without difficulty.

The new Haifa oil dock would in fact prove a good investment as it would bring in an annual revenue of £30,000.

IMPORTS AND EXPORTS.

M. MERLIN congratulated the Palestine Government on the economic situation of Palestine at a time of crisis. He noted that, while the Customs returns had increased, the cost of collecting had decreased; that showed the existence of sound administrative measures.

In the trade balance, he noted that, while imports totalled about £P11,500,000, exports totalled only £P3,500,000 (page 199 of the report). Perhaps the accredited representative would give the Commission some information as to the invisible items of the balance of payments.

Mr. HALL replied that the invisible imports were no doubt

to be sought, partly in expenditure by tourists, whose numbers showed a continual increase, partly in remittances from abroad to Jews and non-Jews, partly in the expenditure of the British garrison and expenditure involved in works such as the Haifa port and the pipe-line.

M. MERLIN put a question as to the smuggling of gold between Syria and Palestine.

Mr. HALL replied that the smuggling of gold had been largely checked as the result of stricter frontier control on the part of the Egyptian and Syrian authorities. There were no restrictions in Palestine upon the import or export of gold (see page 185 of the report).

M. MERLIN asked what were the commodities in which Germany was concerned in the trade with Palestine. He noted from the export (page 201 of the report) and import tables that Germany figured second on the list of countries trading with Palestine after the United Kingdom.

Mr. HALL replied that the export trade to Germany was almost exclusively in citrus fruits.

HOLY PLACES.

M. PALACIOS enquired as to the position in regard to the Church of the Nativity at Bethlehem. He understood that the conflict arising out of the cleaning of one of the windows was still very keen.

Mr. HALL replied that the District Commissioner was doing everything in his power to promote a settlement of the dispute; but, so far, he had not been successful.

M. PALACIOS drew special attention to the problems arising out of the dangerous condition of the fabric of the Church of the Holy Sepulchre. What had been done to prevent its collapse, and who would pay the cost? The question had been raised in the House of Commons.

He wished, in particular, to know whether those

difficulties that had occurred in the Holy Places had caused the mandatory Power to revert to the Balfour suggestion of 1922 to appoint a Commission under Article 14 of the mandate, under conditions acceptable to the Powers and the religious bodies concerned.

Mr. HALL replied that the Palestine Government had merely advanced funds to prevent the immediate collapse of the church. He saw no reason to anticipate serious difficulty in arranging with the different Christian communities interested in the church for financing the permanent repairs. The sum involved would be a very large one; and there was no suggestion that the Palestine Government should pay. This question would have to be taken up when the report on the condition of the building had been published.

So far as he was aware, His Majesty's Government had not reconsidered the question of setting up the Commission for the Holy Places.

The CHAIRMAN observed that his own experience of the country under the Turks suggested that each of the Christian communities concerned would be only too ready to defray the expenditure in question, in order to retain its rights over the building.

Mr. HALL answered that the action of the Palestine Government--the sole object of which was to prevent the collapse of the sacred edifice--was taken with the acquiescence of the three Christian communities concerned.

The CHAIRMAN enquired whether, in fact, they delegated their rights, as it were, to the mandatory Power?

Mr. HALL replied that the action was taken with their knowledge and acquiescence.

Notes

1/ See Minutes of the Twenty-second Session, page 79.

2/ See Minutes of the Twenty-second Session, page 82.

3/ See Minutes of the Twenty-second Session, pages 81 and

82.

4/ Document C.173.1531.VI and CPM. 1139.

5/ See Minutes of the Twenty-third Session of the Commission, pages 106 and 190.
