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CONFIDENTIAL.

PALESTINE ESTIMATES 1936-1937.

Enclosures to Despatch Confidential C
of the 25th March, 1936, from the
High Commissioner.

ENCLOSURE II. — Treasurer's Memorandum on Revenue.

ENCLOSURE III. — Memorandum on Expenditure.

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PALESTINE ESTIMATES, 1936-37.

ENCLOSURE II.

TREASURER'S MEMORANDUM ON THE REVENUE ESTIMATES FOR 1936-37.

The Revenue Estimates for 1936-37 are submitted herewith under the relative heads and sub-heads together with a covering abstract showing under heads the actual revenue received in 1934-35 and the revised revenue estimates for 1935-36.

2. The draft Estimates for 1936-37 were framed in November but they have since been revised as explained later in this memorandum. As originally prepared and as shown in the printed draft Estimates they show an estimated surplus balance at the 31st March, 1937, of LP.6,516,115, which is made up as under:—

	L.P.	LP
Surplus Balance at 1st April, 1935		4,733,555
Revised Estimated Revenue, 1935-36	6,149,120	
Less Revised Estimated Expenditure, 1935-36	4,220,000	1,929,120
Revised Estimated Surplus Balance at 31st March, 1936		6,662,675
Estimated Revenue, 1936-37	6,063,887	
Less Estimated Expenditure, 1936-37	6,210,447	146,560
Estimated Surplus Balance at 31st March, 1937		LP.6,516,115

3. The following table shows the actual revenue received in the first eight months of the current year, the receipts (as estimated when the printed estimates were prepared) during the last four months of the year and the resultant increases and decreases on the approved estimates:—

Heads of Revenue	Estimated Revenue 1935-36	Actual Receipts, April to November 1935	Estimated Receipts, December 1935 to March 1936	Revised Estimated Total Revenue, 1935-36	Increase (+) or Decrease (—) of Revised Estimates as Compared with Original Estimates
	L.P.	L.P.	L.P.	L.P.	L.P.
I. Customs	2,737,350	1,962,637	1,112,363	3,075,000	+ 337,650
II. Port and Marine	106,750	70,099	44,901	115,000	+ 8,250
III. Licences, Taxes, etc.	1,063,200	689,729	435,271	1,125,000	+ 61,800
IV. Fees of Court or Office, etc.	685,568	603,417	296,583	900,000	+ 214,432
V. Posts and Telegraphs	349,100	279,280	150,720	430,000	+ 80,900
VI. Revenue from Government Property	30,500	14,456	15,544	30,000	— 500
VII. Interest	165,500	98,146	51,854	150,000	— 15,500
VIII. Miscellaneous	124,400	120,578	14,422	135,000	+ 10,600
Total LP.	5,262,368	3,838,342	2,121,658	5,960,000	+ 697,632
IX. Land Sales	6,000	14,738	11,262	26,000	+ 20,000
LP.	5,268,368	3,853,080	2,132,920	5,986,000	+ 717,632
X. Grant-in-Aid	147,500	68,448	76,552	145,000	— 2,500
LP.	5,415,868	3,921,528	2,209,472	6,131,000	+ 715,132
XI. Colonial Development Fund	20,219	686	17,434	18,120	— 2,099
Total Revenue LP.	5,436,087	3,922,214	2,226,906	6,149,120	+ 713,033



4. The factors determining the first revised estimates of revenue for the current year and the estimates of revenue for 1936-37 are illustrated by the following comparison of the conditions obtaining in the two calendar years 1934 and 1935.

During the calendar year 1935 a total of 64,147 immigrants entered Palestine as compared with 44,143, in 1934. The total value of imports increased from LP.15,426,211 in 1934 to LP.17,906,000 in 1935; while the total value of exports increased from LP.4,351,768 to approximately LP.4,681,000. The number of dunums of land sold in 1935 is estimated at 187,000, valued at LP.11,720,000, as compared with 156,000 dunums, valued at LP.8,378,000, in 1934. The estimated value of investments in buildings was LP.7,000,000 as compared with LP.6,000,000 in 1934. The increase in the area planted with citrus trees was, however, 28,000 dunums only, as compared with 50,000 dunums in 1934.

During 1935 new companies registered totalled 298, with a registered capital of LP.3,120,000, as compared with 227 new companies in 1934, having a registered capital of LP.2,180,000; and 55 companies increased their capital from LP.1,182,000 to LP.2,952,000, as compared with the year 1934 when 35 companies increased their capital from LP.1,737,000 to LP.4,141,000.

At the 31st December, 1935, the currency in circulation amounted to LP.6,561,134 as compared with LP.4,738,964 at the 31st December, 1934. Deposits with the leading local Banks at the 31st December, 1935, amounted to approximately LP.16,000,000 as compared with approximately LP.14,000,000 at the 31st December, 1934, and LP.12,300,000 at the 31st March, 1934.

5. It was felt, however, at the time the original estimates of revenue for 1936-37 were framed that, owing to slight unfavourable local conditions precipitated by the unsettled political outlook in Europe, immigration and capital importations were unlikely to continue at the rate of the preceding eleven months of the calendar year 1935; nor was it expected that the "boom" conditions which largely prevailed during the period would continue. Assuming a total immigration of 40,000 in 1936-37 and the falling-off of capital importations by approximately one-third, a total estimated revenue of LP.6,064,000 for 1936-37 was not then regarded as unreasonable, having regard to the actual receipts of LP.3,922,000 in the eight months ended the 30th November, 1935, when net immigration totalled 39,111 and the actual receipts of LP.3,388,986 in the corresponding eight months of the preceding year when net immigration totalled 27,219. Unfortunately the economic situation deteriorated to a greater extent than was anticipated.

REVISED ESTIMATES OF REVENUE 1935-36 AND 1936-37.

6. With effect from the month of December, when the effect of the international situation on the revenue was first visible, a decline occurred in the receipts from import duty and other sources of revenue dependent on local economic conditions. There is, however, a normal falling-off in revenue during the winter months. For example the revenues from import duties in October and November, 1934, were LP.246,000 and LP.243,000 respectively while in December and January they fell to LP.221,000 and LP.201,000 respectively. In 1935 these revenues in October and November were LP.245,000 and LP.256,000 respectively, while in December they fell to LP.205,000 and in January to LP.203,000. The approximate receipts from import duty in February, 1936, are LP.175,000 as compared with LP.216,000 in February, 1935. While the immediate situation is not of a nature to cause undue alarm, it is necessary to re-survey the financial position in view of the many projects involving recurrent or extraordinary expenditure in 1936-37 and subsequent years for which budgetary provision has already been made or is contemplated. Some decline in anticipated immigration is to be expected so long as the present feeling of uneasiness persists while capital awaiting investment is unlikely to be employed, thereby entailing some restriction on building activities and on investment in trade and industry. Speculation in immovable property has also been checked. The unsettled outlook has also made itself felt in a marked falling-off in the tourist traffic. There is, however, no immediate reason to regard the set-back in the matter of anticipated immigration and capital importations as other than temporary but the outlook which justified the original estimate for 1936-37 has deteriorated.



7. In the circumstances now prevailing, the revised estimates of revenue for 1935-36 as shown in paragraph 3 and the original estimates of revenue as contained in the printed draft Estimates for 1936-37 are unlikely to be realised. The first revised estimate of revenue for 1935-36 and the original estimate of revenue for 1936-37 have therefore been revised as under:—

Heads of Revenue	1935-36			1936-37		
	First Revision	Second Revision	Reductions	Original Estimate	Revised Estimate	Reductions
	L.P.	L.P.	L.P.	L.P.	L.P.	L.P.
I. Customs	3,075,000	2,750,000	325,000	3,000,010	2,600,010	400,000
II. Port and Marine	115,000	115,000	—	123,300	123,300	—
III. Licences, Taxes, etc.	1,125,000	1,084,700	40,300	1,118,900	1,086,900	32,000
IV. Fees of Court or Office, etc.	900,000	881,850	18,150	801,695	740,745	60,950
V. Posts and Telegraphs	430,000	415,000	15,000	486,200	486,200	—
VI. Revenue from Government Property	30,000	27,600	2,400	40,000	40,000	—
VII. Interest	150,000	149,350	650	187,500	167,500	20,000
VIII. Miscellaneous	135,000	130,500	4,500	127,000	127,000	—
Total L.P.	5,960,000	5,554,330	406,000	5,884,605	5,371,655	512,950
IX. Land Sales	26,000	22,400	3,600	21,000	16,000	5,000
L.P.	5,986,000	5,576,400	409,600	5,905,605	5,387,655	517,950
X. Grant-in-Aid	145,000	144,500	500	146,500	146,500	—
L.P.	6,131,000	5,720,900	410,100	6,052,105	5,534,155	517,950
XI. Colonial Development Fund	18,120	18,120	—	11,782	11,782	—
Total Revenue L.P.	6,149,120	5,739,020	410,100	6,063,887	5,545,937	517,950

8. It will be seen that the reductions affected by revision of the estimates of revenue for 1935-36 and 1936-37 as shown in the printed draft Estimates for 1936-37 (page 4) will reduce the estimated surplus balance of L.P.6,516,115 at the 31st March, 1937, as shown in paragraph 2, by L.P.928,050, namely:—

	L.P.
Revised Estimates, 1935-36	410,100
Original Estimates, 1936-37	517,950
	<u>L.P.928,050</u>

On the revised basis the surplus balances are now estimated as under:—

	L.P.	L.P.
Surplus Balance at 1st April, 1935		4,733,555
Second Revised Estimates of Revenue, 1935-36	5,739,020	
Less Revised Estimated Expenditure, 1935-36	4,220,000	1,519,020
Estimated Surplus Balance at 31st March, 1936		6,252,575
Revised Estimated Revenue, 1936-37	5,545,937	
Less Estimated Expenditure, 1936-37	6,210,447	664,510
Estimated Surplus Balance at 31st March, 1937		<u>L.P.5,588,065</u>

9. Appendix I shows the items of revenue in 1935-36 and in the draft Estimates for 1936-37 which have been or are likely to be affected by the prevailing economic depression and the extent by which it has been found necessary to revise them.

It will be observed that in some cases it has been found possible to increase the estimates of receipts. In all cases the revision takes account of the actual revenue received by the 31st January, 1936. Two months' revenue only therefore fell to be re-estimated in 1935-36 and approximate returns of revenue receipts during February have also been taken into account in the case of certain major items. The revision of the Estimates for 1936-37 is largely based on the revised Estimates for 1935-36 but due regard has been paid to extraordinary (or extra-neous) factors affecting them.

In the following notes explanation is afforded regarding the main items of revenue as originally and subsequently estimated. In general, however, it may be accepted that the variations shown in the preceding paragraphs are the natural consequence of the prevailing economic situation. The increases shown against the items are the increases appearing in the printed draft Estimates over the Estimates of 1935-36.

HEAD I — CUSTOMS — Increase LP.262,660.

10. As already explained the revenue from Import Duty was framed in circumstances which justified the estimate of LP.3,000,000. It is already evident, however, that the first revised estimate of LP.3,075,000 for the current year will not be realised and that receipts in the early months of 1936-37 are unlikely to return to the level prevailing before December last, even after taking into account further anticipated immigration and capital importations in 1936-37. It is not, therefore, regarded as likely that the revenue from import duties in 1936-37 will exceed the revised estimate of LP.2,600,000.

In framing this later estimate due allowance has been made for reductions in imports of cement, wheat and flour and other commodities in respect of which protective tariffs in the interest of local production have been recently imposed and for approved reductions in import tariffs during 1935-36.

HEAD II — PORT AND MARINE — Increase LP.16,550.

11. The estimate of revenue from Port and Marine Dues in 1936-37 is LP.123,300 which compares with an original estimate of LP.106,750 in 1935-36 and a revised estimate of LP.115,000. The approximate total receipts at the end of February, 1936 are LP.98,300. The increase in the estimate for 1935-36 is due to anticipated increases of LP.5,000 in the revenue from Wharfage Dues and of LP.9,000 in the revenue from Oil Dock Dues. The first increase is due to the proposal that wharfage dues shall be imposed at Jaffa, where the improvements made to the Port and the facilities thereby provided are deemed to justify their imposition. It is anticipated that the wharfage dues collected at Haifa will show a decline owing to the economic situation but the imposition of the dues at Jaffa should more than restore the revenues thus lost. The estimated increase in receipts from oil dock dues is accounted for by the anticipated completion of the Oil Dock and the consequential implementation of Government's agreement with the Iraq Petroleum Company, under which a minimum payment of LP.30,000 per annum is due to Government in consideration of the facilities provided.

HEAD III — LICENCES, TAXES, ETC. — Increase LP.55,700.

12. The second revised estimate of revenue for 1935-36 shows that a total revenue of LP.1,084,700 is to be expected from Licences, Taxes, etc., in 1935-36 as compared with the earlier revised figure of LP.1,125,000. The original estimate for 1936-37 has been reduced from LP.1,118,900 to LP.1,086,900. The original estimate for 1935-36 was LP.1,063,200, so that the revised estimate represents an increase for the year of LP.21,500, while in respect of 1936-37 an increase of LP.55,700 is shown in the printed draft Estimates which is reduced to an increase of LP.23,700 by the later revision. The approximate receipts to the 29th February, 1936, amounted to LP.977,000.



The main items deserving of comment under this head are explained below.

ITEM 12. ROAD TRANSPORT LICENCES — Decrease LP.10,000.

A reduced scale of licence fees came into effect on the 1st July, 1935, and was published in Supplement No. 2 to the Palestine Gazette Extraordinary No. 521 of 25th June, 1935. Prior to the enactment of this measure licences were available quarterly and expired on the last day of the period in respect of which they were taken out. Under the new measure all licences are valid for a period of one year from the date of the issue of the licence. The former measure also imposed fees on public vehicles on a higher scale than on private vehicles and on a still higher scale on commercial vehicles. The new measure imposes the same fees, on a reduced scale, on both public and private vehicles and affords a substantial reduction in the case of commercial vehicles.

The number of motor vehicles on the roads at the 31st December, 1935, as compared with the number at the 31st December, 1934, is shown below:—

	1934	1935	Increase	Decrease
Omnibuses	1,037	1,251	214	—
Taxis	1,084 ✓	1,087 ✓	3	—
Commercial Vehicles	2,436	2,953	217	—
Privately owned cars	3,454 ✓	4,682 ✓	1,228	—
Motor Cycles	2,163	1,873	—	290
Tractors	15	28	13	—
	10,189	11,874	1,975	290

Notwithstanding the increase in the number of motor vehicles, the lower scale of fees is expected to produce a smaller aggregate revenue than was obtained under the earlier scale in respect of fewer vehicles. The revised estimate of revenue for 1935-36 is LP.45,000 and although that estimate is likely to be realised it should be explained that this is due, in part, to the fact that receipts for 1935-36 include the quarterly licence fees for the quarter ended the 30th June, 1935, payable on the old basis, and the annual licence fees payable after that date on the new basis. Moreover, if the present depression continues, the number of vehicles in use may be expected to decline. The revised estimate for 1936-37 has therefore been placed at LP.30,000.

ITEM 16. ANIMAL TAX — Increase LP.1,000.

The original estimate of revenue from this source in 1935-36 was LP.30,000 and the actual receipts at the 31st January, 1936, amounted to LP.24,311. The revised estimate for 1935-36 is now LP.32,000. The original estimate for 1936-37 was LP.31,000 and this has now been revised to LP.25,000 — a decrease of LP.6,000 on the original estimate and of LP.7,000 on anticipated receipts for 1935-36. The lack of beneficial rains in parts of the Southern District is expected to result in some inability on the part of stock owners to pay the tax, especially in the Beersheba Sub-District where the scarcity of rains was most marked. Some remissions on this account are likely to be necessary.

ITEM 17. HOUSE AND LAND TAX — Decrease LP.30,000.

The latest revised estimate of revenue in 1935-36 is LP.40,000, covering the anticipated collection of arrears from previous years. The total arrears at the 31st March, 1936, are estimated at LP.135,000 and of this total it is further estimated that a sum of LP.20,000 will be collected in 1936-37. This tax in rural areas together with the tithe was replaced with effect from the 1st April, 1935, by the Rural Property Tax, except in the Beersheba area where the Tithe remains in force.

ITEM 18. TITHES — Decrease LP.20,000.

The second revised estimate of revenue in 1935-36 is LP.25,000 which is LP.14,000 short of the original estimate. Arrears at the 31st March, 1935, amounted to LP.131,000 and the assessment in 1935-36 in the Beersheba area amounted to LP.9,000. The arrears at the 31st March, 1936, will therefore be approximately LP.115,000. It is not anticipated that collections of arrears in 1936-37 will exceed LP.19,000.



ITEM 19. RURAL PROPERTY TAX — Increase LP.15,000.

The estimated revenue from this source in 1935-36 is now LP.120,000 based on assessments amounting to LP.190,000. With the increased collection in respect of citrus lands, which are exempted from payment at the higher rate for a period of six years, and the collection of arrears from 1935-36, the revenue in 1936-37 is estimated at LP.165,000. The present season cannot be regarded as entirely satisfactory from the point of view of the cultivator as light rains only fell in the early part of the season while in certain parts of the Southern District an almost total absence of beneficial rains has been recorded. It should be pointed out, however, that the collection of the tax in 1935-36 was delayed owing to the difficulty of completing assessments in time for collections to commence at the beginning of the harvest season. This tax was first introduced from the 1st April, 1935, in substitution of the House and Land Tax in rural areas and the Tithe.

ITEM 20. URBAN PROPERTY TAX — Increase LP. 45,000.

The revised estimated revenue in 1935-36 is now LP.250,000 based on assessments totalling LP.308,000. It is anticipated that assessments in 1936-37 will show a substantial increase over the assessments in 1935-36 owing to the large number of buildings constructed in 1932 and 1933 on which tax will fall to be paid in 1936-37. It is estimated that a sum of LP.2,945,000 was invested in buildings in 1932 and a sum of LP.5,600,000 in 1933. The revised revenue from this source has, however, been estimated at LP.275,000 only in 1936-37 as the increase in the assessments is partly off-set by a reduction in the rate of tax from 12½% to 10%, which took effect from the 1st April, 1935, and by an anticipated fall in rents resulting from the present depression. Collections in respect of arrears will also be fewer in 1936-37 as fewer transactions of property are expected and the condition that transfers may not be effected until arrears of tax have been paid will be correspondingly less effective.

ITEM 21. STAMP DUTIES — Increase LP.15,000.

The total revenue anticipated from Stamp Duties in 1936-37 is LP.115,000 which compares with an original estimate of LP.100,000 in 1935-36 and a second revised estimate for that year of LP.120,000. Although revenue from this source is susceptible to economic influences the present level of collections indicates that the estimate for 1936-37 of LP.115,000 is likely to be realised.

ITEM 24. EXCISE — TOBACCO — Increase LP.18,000.

The revised estimate of revenue from this source in 1935-36 is LP.245,000 and it is now anticipated that the estimated revenue of LP.235,000 shown in the draft Estimates for 1936-37 can safely be raised to LP.245,000. It is anticipated that owing to economic causes the consumption of tobacco per head of the population will decline but the decline per head should be made good by the increase in the number of consumers.

The output of local factories was 747,655 kilos and 909,683 kilos in the years 1934 and 1935 respectively ; but with effect from the 16th April, 1935, the rate of excise duty on tobacco was reduced from 350 mils to 250 mils per kilo, while the rate of duty on hisheh was reduced from 150 mils to 100 mils per kilo. No change was made in the rate of duty on tombac.

HEAD IV. FEES OF COURT, ETC. — Increase LP.116,127.

13. The draft Estimates for 1936-37 provide for total receipts amounting to LP.801,965 under this head as compared with an original estimate of LP.685,568 for 1935-36. The latest estimate of receipts from this source is LP.881,850 in 1935-36 and LP.740,745 in 1936-37. The following notes explain the principal items:—

ITEM 1. BANKRUPTCY FEES — LP.1,000.

This is a new item required for the classification of fees collected under the new Bankruptcy Ordinance.



ITEM 2. COURT FEES — Increase LP.20,000.

The revised receipts for 1935-36 are LP.135,000 but conditions in respect of litigation are still somewhat abnormal and it has been thought prudent to anticipate a slightly lower revenue in 1936-37, namely LP.125,000. Actual receipts in 1934-35 were LP.115,000 approximately. This source of revenue is not greatly affected by economic factors and the figure shown in the draft Estimates needs no revision on this account.

ITEM 14. PORTERAGE CHARGES, HAIFA HARBOUR — Increase LP.1,500.

The actual receipts to the 31st January, 1936, indicate that a sum of LP.27,500 only is likely to be collected during the current financial year, but the estimate of revenue (LP.43,500) was framed in 1934 on the assumption that the new customs portorage service would be in operation throughout the whole of 1935-36. In fact it was not possible to introduce it until the 1st July. Even for the remaining 9 months of the year, however, receipts have fallen below expectations and this is due to the decrease in the volume of imported commodities passing through the port at Haifa since the depression set in. The revenue estimate for 1936-37 is LP.45,000 and should this fall, as it may well do, it will be off-set by a corresponding reduction under expenditure in respect of the maintenance of the service.

ITEM 18. REGISTRATION OF COMPANIES AND PARTNERSHIPS — Increase LP.15,000.

The revenue from this source in 1935-36 is now estimated at LP.27,500 and in view of present circumstances it is considered prudent to revise the estimate of revenue for 1936-37 by reducing the original estimate of LP.30,000 to LP. 25,000. The number of new companies registered in 1935 was 298 with a registered capital of LP.3,120,000 as compared with 227 new companies in 1934 with a registered capital of LP.2,180,000. The increases in the capital of existing companies in the two years 1934 and 1935 were LP.2,404,000 and LP.1,770,000 respectively. It is difficult at any time to frame an estimate of revenue from this source and the difficulty is enhanced under present conditions, but in view of the actual receipts in 1934-35, amounting to LP.30,200, and the revised estimate of LP.27,500 for 1935-36, it is considered that the revised estimate of LP.25,000 in 1936-37 should be realised, despite the unsettled outlook.

ITEM 20. REGISTRATION OF BANKS — LP.2,500.

It is proposed to enact legislation dealing with the local Banks and to impose fees to cover the cost of services. A new item is therefore shown in the draft Estimates. The terms of the legislation have not yet been determined, and the estimate has therefore been revised to a nominal figure of LP.1,000 in the first year.

ITEM 21. REGISTRATION OF BUSINESS NAMES — LP.100.

This is a new item for the classification of fees payable under the Business Names Ordinance, 1935.

ITEM 22. REGISTRATION OF IMMIGRANTS.

The estimated revenue of LP.40,000 in 1936-37 from fees for the registration of immigrants was based on the anticipation that the number of immigrants in 1936-37 will be lower than the number in 1935-36. When the first revised estimates for the current financial year were prepared the estimated receipts from this source were LP.55,000, but a decline occurred in December and in the following months and the later estimate for the current year is now LP.45,000.

Many intending immigrants have probably deferred their departure until the depression lifts and the international situation is easier, and it may be expected that they will take early advantage of any improvement in the international situation; but it would be unwise to attach too much importance to this factor and in the circumstances the estimate of LP.40,000 in respect of 1936-37 seems justifiable.

ITEM 23. REGISTRATION OF LAND.

The revised estimate of revenue from this source for the current year is LP. 385,000, of which LP.358,118 had been received by the 29th February, 1936. A further sum of LP.27,000 is expected before the close of the financial



year. The original estimate for 1935-36 was LP.250,000. Transactions in immovable property have, however, substantially declined in recent months. It must also be realised that registration formalities are considerably in arrear and that collection of fees in no way reflects the number of transactions or land values in the month of collection. It is not anticipated that collections in 1936-37 will exceed LP.200,000. The following figures are of interest in connection with transactions in immovable property:—

	1931	1932	1933	1934	1935
Number of transactions registered	14,263	18,392	28,393	36,555	49,133
Number of dunums sold	67,608	96,516	149,899	156,146	187,344
	£P.	£P.	£P.	£P.	£P.
Total value of immovable property sold	1,680,498	2,278,701	5,266,092	8,378,164	11,721,159
Total revenue from registration fees	77,849	100,719	208,983	331,774	455,146

These figures are in respect of total transactions but many transactions may have taken place in respect of the same property. It cannot be assumed therefore that in 1935 LP.11,720,000 new capital has been invested in immovable property.

ITEM 27. CIVIL AVIATION — LP.1,000.

A new item has been inserted to cover fees payable by civil air craft at the new landing grounds at Lydda and Haifa. The basis and scale of fees are still under consideration.

ITEM 35. VETERINARY RECEIPTS — Increase LP.12,000.

The actual receipts in 1934-35 were LP.15,934 and the revised estimated receipts in 1935-36 are LP.28,000. The increase in the current financial year is due to the larger importation of animals through the port at Haifa, mention of which is made in the Veterinary section of the expenditure memorandum (paragraph 427). The estimate for 1936-37 is LP.25,000.

ITEM 37. REIMBURSEMENTS — RAILWAYS — Decrease LP.550.

It was anticipated that a sum of LP.4,000 would be paid to the new printing press in 1935-36 for work undertaken on behalf of the Railways, but the press was not in operation until the 1st December, 1935, and the whole of the estimated revenue from the Railways has been lost to Government in consequence. The estimated revenue of LP.11,768 for 1935-36 has therefore been reduced to LP.7,500. The reduction of LP.550 in 1936-37 is accounted for by a decrease of LP.555 in respect of the services of the Audit Department and an increase of LP.5 in respect of services rendered by the Department of Health.

HEAD V — POSTS AND TELEGRAPHS — Increase LP.137,100.

14. The revised estimate of receipts for the current financial year is now LP.415,000 which is LP.65,900 in excess of the original estimate. The earlier revised estimate for 1935-36 was LP.430,000 but a decline has occurred in the past few months and the earlier revised estimate will not be realised. The decline is mainly attributable to a falling-off in stamp sales but telephone receipts have also shown a decrease in comparison with estimated figures by reason of the delay in installing the relief exchange in Jerusalem; a further part is due to a decrease in receipts from the Parcel Post Service and Broadcast Licence Fees. The estimate for 1936-37 is LP.486,200 and there is no present reason to anticipate any reduction on this estimate. The decline in receipts from the sale of stamps in 1935-36 should be made good by increased sales to the new immigrant population. Receipts from stamp sales are not dependent on business factors in the same degree as they are in other countries as a considerable part of the revenue is derived from private correspondence to foreign destinations. The es-



timate for 1936-37 was also framed on a conservative basis and the installation of new telephones in the current year and in 1936-37 is expected to maintain the revenue in spite of any decline under other items. The provision of telegraphic and postal services is considerably in arrear of the demand; and until that demand is met the local economic conditions are not expected to result in a corresponding reduction in receipts.

The expansion of the services conducted by the Department is fully discussed in paragraphs 595—651 of the expenditure memorandum.

The estimated excess of revenue over ordinary expenditure in respect of the Posts and Telegraphs Services in the two years 1935-36 (as revised) and 1936-37 is as under:—

1935-36:	LP.	LP.
Estimated Revenue		415,000
Ordinary Expenditure	295,000	
Renewals Fund	<u>20,000</u>	<u>315,000</u>
Net Excess of Revenue over Ordinary Expenditure		<u>LP.100,000</u>
1936-37:	LP.	LP.
Estimated Revenue		486,200
Ordinary Expenditure	350,759	
Renewals Fund	<u>27,500</u>	<u>378,259</u>
Net Excess of Revenue over Ordinary Expenditure		<u>LP.107,941</u>

The foregoing summary does not include capital expenditure or charges on account of public debt or pensions. The estimated capital expenditure in 1935-36 is LP.189,416, including LP.44,416 under Public Works Extraordinary, while in 1936-37 it is LP.313,432, including LP.15,417 under Public Works Extraordinary.

HEAD VI — REVENUE FROM GOVERNMENT PROPERTY

Increase LP.9,500.

15. The original estimate of revenue from this source in 1935-36 was LP.30,500 and the latest revised estimate is LP.27,600. The decrease is due to an anticipated short-fall in receipts from the former rental tithe. The rental tithe was substituted with effect from the 1st April, 1935, by a rental payment equal to the assessed rural property tax; and the assessment of rural property tax is lower than that of the commuted tithe, and, as previously explained, collections were late. In 1936-37 additional rents fall to be paid in respect of leases in the reclaimed area at Haifa and the estimate of revenue from State Domains has been increased on this account by LP.10,000. The annual rents payable in respect of leases in this area amount to LP.30,000 while rental payments in lieu of rental tithes are estimated at LP.4,000. The rental assessments from State Domains for 1936-37 thus total LP.34,000 while revenue from other sources under this head is estimated at LP.10,000, making a total for the head of LP. 44,000. The estimated receipts of LP.40,000 in 1936-37 make due allowance for a short-fall in receipts from rental payments under the Rural Property Tax Ordinance and for some delay in the payment of rents in respect of leases in the reclaimed area at Haifa.

HEAD VII — INTEREST — Increase LP.22,000.

16. The original estimate of revenue from interest in 1935-36 was LP.165,500 of which LP.160,000 was expected to accrue from interest on investments by the Crown Agents and LP.5,500 from interest on Bank balances and other sources. The revised estimate of revenue in 1935-36 is LP.150,000 of which LP.145,000 is in respect of investments by the Crown Agents, while LP.5,000 only is anticipated under other items. The original estimate of 1936-37 is LP.187,500 but it has been found necessary to revise the total owing to the



change in the economic situation, which has resulted in a reduction of approximately LP.522,000 in the estimate of surplus balances shown in the printed Estimates at the 31st March, 1937; and by the improbability of raising the Loan in sufficient time for the proceeds to be invested during the first quarter of 1936-37. Moreover, interest on amounts held in the Joint Colonial Fund is paid quarterly in arrear.

If the Loan is raised in the early part of the financial year 1936-37, the revised estimate of interest receipts from investments and the Joint Colonial Fund is approximately LP.160,000 as under:—

	L.P.
(a) Investments at an average yield of 3% per annum —	
LP.4,500,000 for 12 months	135,000
LP.750,000 for 6 months	11,250
It is estimated that at the 1st April, 1936, investments will amount to LP.4,500,000 and that when the Loan is raised a further LP.750,000 will be available for investment for a period of approximately 6 months	
(b) Joint Colonial Fund at an average yield of 2% per annum—	
LP.500,000 for 12 months	10,000
LP.550,000 for 6 months	5,500
It is estimated that at the 1st April, 1936, LP.500,000 will be held in the Joint Colonial Fund, and that this amount will be increased when the Loan is raised by LP.1,250,000 (LP.2,000,000 less LP.750,000 invested) and decreased during the year by the deficit of approximately LP.250,000 on the draft Estimates for 1936-37 and by loan expenditure of LP.450,000 during the year. During the first 3 months of 1936-37 revenue receipts should balance expenditure and loan payments	
	LP.161,750
	Say <u>LP.160,000</u>

If the Loan is not raised in 1936-37 it will be necessary to realise a part of the invested surplus balances. On this assumption the position would then be as under:—

(a) Investments at an average yield of 3% per annum —	
LP.3,800,000 for 12 months	114,000
LP.700,000 for 6 months	10,500
It is estimated that at 1st April, 1936, investments will amount to LP.4,500,000 and that investments totalling LP.700,000 will have to be realised between the 1st July, 1936, and the 31st March, 1937, to meet the deficit of approximately LP.250,000 on the draft Estimates for 1936-37 and further loan payments during the year totalling LP.450,000. It is desirable that the amount held in the Joint Colonial Fund which is withdrawable on demand should not fall below LP.500,000.	
(b) Joint Colonial Fund at an average yield of 2% per annum —	
LP.500,000 for 12 months	10,000
	LP.134,500
	Say <u>LP.130,000</u>



On the other hand if the Loan is not raised in 1936-37, there will be a saving of LP.30,606 in the provision under Expenditure Head II, Public Debt and Loan Charges in respect of interest charges for six months and management charges on the proposed loan of LP.2 million.

The estimate in the draft Estimates for 1936-37 of receipts from Investments by Crown Agents under Head III, Interest, has therefore been reduced from LP.180,000 to LP.160,000 or by LP.20,000.

RAILWAYS — Deficit LP.385,805.

17. The draft expenditure Estimates for 1936-37 show an anticipated deficit of LP.385,805 on the year's working but the provision for capital expenditure, namely LP.431,494, is large and on the basis of operation expenses only there is an estimated surplus of revenue over expenditure of LP.284,980. This is turned into a deficit by the incidence of debt charges, the need for further capital expenditure, provision for a renewals programme and the contribution to the Kantara-Rafa Railway Special Fund. The position is illustrated by the following summary:—

	Palestine Railway	Kantara- Rafa Railway	Hijaz Railway	Petah Tiqva Railway	Total
	L.P.	L.P.	L.P.	L.P.	L.P.
Estimated Receipts 1936-37	668,000	127,000	110,000	3,500	908,500
Operation Expenses 1936-37	394,707	110,845	117,138	840	623,520
Surplus	273,293	16,165	—	2,660	292,118
Deficit	—	—	7,138	—	7,138
Total Excess (all Railways) of Receipts over Operation Expenses					284,980
Debt Charges	157,145	—	64	—	157,209
Extraordinary Expenditure	419,789	—	11,705	—	431,494
Contribution to Palestine Railway Renewals Fund	74,000	—	—	—	74,000
Contribution to Special Fund, Kantara-Rafa Railway	—	8,082	—	—	8,082
	650,934	8,082	11,769	—	670,785
Deficit	377,641	—	18,907	—	396,548
Surplus	—	8,083	—	2,660	10,743
Total Deficit (all Railways)					385,805

ESTIMATE OF BASIC REVENUE AND ITS RELATION TO THE PROVISION FOR EXPENDITURE IN THE DRAFT ESTIMATES FOR 1936-37.

18. In paragraphs 16 and 17 of my memorandum on the current year's draft Revenue Estimates I recorded my opinion that, of a total estimated revenue of LP.5,378,000 for 1935-36, the basic revenue was LP.3,750,000. I think this estimate can now be further revised, and for the reasons given hereunder I estimate that of a total estimated revenue of LP.5,546,000 for 1936-37 the basic revenue is LP.4,250,000.



The total revenue receipts for the eleven months ended the 29th February, 1936, approximated LP.5,231,000, excluding grants from the Colonial Development Fund; and the revised estimate of receipts for the financial year is LP.5,720,000. It is therefore anticipated that receipts in the last month of the year will amount to LP.489,000. As already explained the last four months of 1935-36 show the effects on revenue of the economic depression. During the first eleven months of the financial year the receipts from import duties amounted to LP.2,546,000 while LP.204,000 only is expected during the last month. Immigration, the tourist traffic and capital importations have declined. Despite these set-backs the revised estimated revenue during the last four months of the year is at the rate of LP.5,398,000 per annum. During 1935 the number of immigrants recorded as entering Palestine was over 64,000 as compared with the estimate of 40,000 when the basic revenue figure of LP.3,750,000 was given; and there is likely to be further immigration in 1936-37. This increase in population when added to the natural increase, increases considerably the tax-paying ability, and, in consequence, the figure of basic revenue. For these reasons I do not consider that an estimate of LP.4,250,000 for basic revenue is unduly optimistic. It means that, if revenue falls to the figure of LP.4,250,000, a further drop of LP.1,471,000 as compared with the revised revenue for 1935-36, and of LP.1,284,000 as compared with the reduced estimate of revenue for 1936-37, would be experienced. In my opinion nothing short of a national calamity could produce such a result.

19. The total estimated expenditure in 1936-37 is LP.6,210,447 of which LP.3,666,848 is recurrent, LP.332,633 is special expenditure, LP.1,825,161 is in respect of extraordinary expenditure and LP.385,805 is in respect of the Railway deficit — included in which is a sum of LP.431,494 for capital expenditure. It will be seen therefore that recurrent expenditure is well within the compass of the estimated basic revenue. The position is best illustrated by the following summary:—

	L.P.	L.P.
Basic Revenue		4,250,000
Less Ordinary Expenditure as Estimated for 1936-37:		
Recurrent	3,666,848	
Special	332,633	3,999,481
		<hr/> 250,519
Add Surplus of Railway Revenue over Ex- penditure after excluding Capital Works		<hr/> 45,689
Surplus of Basic Revenue over Ordinary Expenditure	LP.	<hr/> 296,208

20. If, however, economic conditions deteriorated to the extent that revenue receipts dropped to LP.4,250,000, it is likely that the Railway surplus of LP.45,689 would be converted into a deficit of LP.75,000. Moreover the draft Estimates of ordinary expenditure for 1936-37 include provision for new services which involve commitments in future years, including a further half year's interest charges on the proposed loan of LP.2 million and ultimate Sinking Fund payments on that loan and further liability for Pensions: these are estimated to increase the annual provision that would have to be made for ordinary recurrent expenditure by LP.230,000. It will also be necessary to reserve a margin of, say, LP.300,000 for a normal programme of extraordinary works in addition to that in respect of which the surplus balance is earmarked. On the other hand in such event the provision under ordinary heads for special expenditure could be reduced by LP.133,000 to LP.200,000; and there would be savings on recurrent expenditure totalling, say, LP.200,000 by the automatic reductions of services, such as Customs, Posts and Telegraphs, etc., and in votes generally in respect of vacancies in establishment, etc. The financial position in relation to the provision in the draft Estimates for 1936-37, under ordinary heads, and the estimate of basic revenue is set out as under:—

	L.P.
Estimated Basic Revenue	<u>4,250,000</u>



	L.P.
Estimated Recurrent Expenditure on the basis of the provision in the draft Estimates for 1936-37 plus commitments in future years (approximately)	3,900,000
A minimum programme of Special and Extraordinary Expenditure	500,000
	<u>75,000</u>
Railway Deficit	4,475,000
Less automatic reduction of provision for expenditure on Customs and Posts and Telegraphs Votes, etc., and savings generally	<u>200,000</u>
	<u>LP. 4,275,000</u>

Having regard to the somewhat arbitrary nature of these estimates — and they cannot be otherwise — and the need for additional recurrent services to meet the reasonable demands of a rapidly increasing population — which are considerably in arrear — I do not think that the provision in the draft Estimates for 1936-37 for recurrent expenditure is excessive or likely to embarrass Government in the unlikely contingency of revenue receipts falling to the figure of basic revenue as estimated.

21. Nor can it be said that the provision in the draft Estimates for 1936-37 for extraordinary expenditure is excessive having regard to the need of services, the remunerative nature of the services for which provision is made and the general financial position at the time that provision was requested. The structure of the draft Estimates of expenditure for 1936-37 in relation to reduced estimated revenue for 1936-37 is set out in the following summary:—

	L.P.	L.P.
Revised Estimate of Revenue, 1936-37		5,545,937
Estimated Recurrent Expenditure 1936-37:		
Ordinary	3,666,848	
Special	<u>332,633</u>	<u>3,999,481</u>
Add Surplus of Railway Revenue over Expenditure after excluding Capital Works		<u>45,689</u>
Surplus of Revenue over Ordinary Expenditure		1,592,145
Estimated Extraordinary Expenditure, 1936-37:		
Posts and Telegraphs	298,015	
Public Works	1,507,181	
Trans-Jordan Frontier Force	19,965	
Railways	<u>431,494</u>	<u>2,256,655</u>
Revised Deficit, 1936-37		<u>LP. 664,510</u>

22. As already explained, since the provision in the draft Estimates for 1936-37 for extraordinary expenditure was made, the revenue position has deteriorated as shown in paragraph 7, with the result that the estimated surplus balance at the 31st March, 1937, as shown in paragraph 8, is insufficient to provide for the completion of works and services which are already in progress or in respect of which provision for commencement is made in the draft Estimates for 1936-37, together with other capital works and services which are necessary and for which it was originally intended to earmark the surplus balance. These total LP.7,184,000 and are as under:—

	LP.
(1) Reserve Fund	3,000,000
(2) Treasury Working Balance	500,000
(3) Ottoman Regie des Tabacs and Ottoman Public Debt	150,000
(4) Completion of works for which part provision is made in draft Estimates for 1936-37	804,000
(5) Other Works in Approved Building Programme	235,000
(6) Completion of Married Quarters for Defence Forces	210,000
(7) First stage of Haifa Harbour Extension Scheme, Construction of Liner Berth and Cargo Jetty (The full development scheme is estimated to cost LP.1,750,000)	900,000
(8) Huleh Irrigation	150,000
(9) Arrears of Railway Renewals in accordance with the Price, Waterhouse Report	550,000
(10) Balance of Railway Improvements recommended by Sir Felix Pole and Mr. Jenkin Jones including additional third class coaches and wagons required in 1937-38 and 1938-39	175,000
(11) Write off of Irrecoverable Agricultural Loans	110,000
(12) Reserve to meet probable excesses in estimates of certain Loan Works over provision in Loan Schedule	100,000
(13) Reserve to meet probable excesses in estimates of cost of certain works either in the Approved Building Programme or in respect of which provision in whole or in part is made in the draft Estimates for 1936-37 (In certain cases final estimates of cost have not been prepared and it is probable that additional temporary supervisory Public Works Department staff will be required for extraordinary works services generally in respect of which the surplus balance is earmarked)	150,000
(14) Reserve to meet excess expenditure over revenue in likelihood of fall in revenue to LP.4,250,000 until automatic reduction in expenditure is realised	150,000
	<u>LP.7,184,000</u>

23. It will be observed that the extent to which it was originally intended to earmark the estimated surplus balance at the 31st March, 1937, exceeded the estimated surplus of LP.6,516,115 (see paragraph 2) at that date by approximately LP.668,000. This is partly due to the necessity for adding to that list items (11) to (14), totalling LP.510,000. The suggestion was also made that a smaller sum than LP.3 million might be placed to Reserve in anticipation of revenue prospects, which at the time indicated that any present deficiency in that respect could be made good within the measurable future. But since then it has become evident that the estimated surplus of LP.6,516,115 at the 31st March, 1937, should be reduced by LP.928,050 (see paragraph 8) to LP.5,588,065; and the extent to which the surplus balance is earmarked now exceeds this figure by LP.1,595,935. Moreover, if the proposed loan of LP.2 million is not raised and loan expenditure which has been met by advances — is charged to expenditure against surplus balances, this excess will be increased to LP.3,595,935.

24. I attach great importance to the establishment of a Special Reserve Fund to meet the contingency of a serious shrinkage of revenue. In my opinion a year's basic revenue of LP.4,250,000 should be set aside; but this is impossible at the moment in view of the claims for urgent and immediate capital expenditure and the forecast of future revenue. It is generally admitted that revenue re-



ceipts of recent years have been abnormal; and it has been the avowed policy of Government that a substantial part of the surplus accumulated by reason of these abnormal receipts shall be set aside for the purpose of supplementing the revenue in the event of any serious decline in receipts to a figure below the estimated annual basic revenue of LP.4,250,000. If this contingency materialises and there is no adequate Reserve Fund it will be necessary to resort to the former practice in similar circumstances of meeting such deficit by reducing recurrent services. In my opinion at least LP.3 million should be set aside for the reserve Fund by the 31st March, 1936.

25. It is unlikely that there will be ultimate savings on the provision in the proposed loan of LP.2 million. It is estimated that advances in respect of approved expenditure to be reimbursed ultimately from the proceeds of the loan will, at the 31st March, 1936, amount to approximately LP.1,209,000 and at the 31st March, 1937, to approximately LP.1,663,000; and the balance of Loan Funds is mainly required for the Haifa Water and Drainage Schemes and for further expenditure on the settlement of displaced Arabs which was the principal object of the Loan. It is difficult therefore to suggest how a reserve of LP.3,000,000 can be established at the 31st March, 1936, unless the proposed loan of LP.2 million is raised without further delay, and provision made for extraordinary works in the draft Estimates for 1936-37, or against surplus balances, totalling some LP.1,775,000, at least is reserved. But even so, a margin of LP.180,000 is very little in present conditions as a free surplus to meet any possible further fall in the estimated revenue for 1936-37 or for unforeseen expenditure for which there is no provision in the draft Estimates for 1936-37. It may also be necessary to increase the provision in the draft Estimates for 1936-37 by some LP.45,000 in respect of the grant for Jewish Education, the provision for Tuberculosis Services, the carrying out in 1936 of a quinquennial census, etc; but it is anticipated that these increases will be met by savings during the year on votes generally. There is likely to be considerable savings on the provision for recurrent expenditure owing to vacancies in establishment and delay in implementing new services. Normally actual recurrent expenditure is between 2% and 3% under the estimate; and there should be savings in 1936-37 on this account of at least LP.75,000.

REVISED ESTIMATE OF FINANCIAL POSITION AT THE 31st MARCH, 1937.

26. If (a) the proposed LP.2 million loan is raised, (b) provision totalling approximately LP.404,000 in the draft Estimates for 1936-37 for extraordinary works is reserved, and (c) the extent to which surplus balances are earmarked is temporarily reduced by LP.1,371,000, the approximate position at the 31st March, 1937, will be as under:—

	L.P.	L.P.
Estimated Surplus Balance at 31st March, 1936		6,253,000
Estimated Revenue, 1936-37	5,546,000	
Less Estimated Expenditure, 1936-37	<u>5,806,000</u>	
Estimated Deficit, 1936-37		<u>260,000</u>
Estimated Surplus at 31st March, 1937		<u>LP.5,993,000</u>
		L.P.
Extent to which estimated Surplus Balance of LP.5,993,000 is earmarked excluding LP.3,000,000 for Reserve Fund		2,813,000
Special Reserve Fund		3,000,000
Free Surplus		<u>180,000</u>
		<u>LP.5,993,000</u>

The free surplus of LP.180,000 shown above is unlikely to be increased in 1936-37 by savings in the provision for recurrent expenditure, which are estimated at LP.75,000, as since the draft Estimates were prepared the necessity for supplementary expenditure in 1936-37 totalling LP.45,000 has become necessary, and supplementary expenditure in 1936-37 which cannot now be foreseen is estimated at LP.30,000.

27. If the Reserve Fund of LP.3,000,000 is set aside by the 1st April, 1936, the LP.2 million Loan raised, and expenditure reserved as proposed in paragraph 25, the financial position is reasonably secure on the basis of revenue prospects for 1936-37 as at present estimated. But it must be made quite clear to Heads of Departments before any commitments in respect of new appointments or services provided in the draft Estimates for 1936-37 are incurred that supplementary expenditure in 1936-37 will not be authorised for recurrent services unless corresponding savings are available on the recurrent expenditure of their respective departments in 1936-37 and future years, and that supplementary expenditure in 1936-37 on special and extraordinary services will not be authorised unless corresponding savings are available on the reduced provision for special and extraordinary expenditure in 1936-37 or on services in respect of which the surplus balance is now earmarked. If the proposed loan of LP.2 million is not raised, it will be necessary to reduce the allocation to the Reserve Fund from LP.3 million to LP.1 million. I do not think that in present circumstances Government should work with a smaller reserve than LP.3,000,000 and a free surplus of approximately LP.200,000, but this position cannot be attained at the moment unless the loan is raised and I am unable to point to further savings which would provide for this without dislocating the services of Government and postponing the execution of services and works which are vitally necessary for the development of the country. Such action would expose Government to severe criticism.

28. It will be realised that in the special circumstances now obtaining any forecast of the financial position a year ahead must necessarily be approximate. In addition it is always difficult to estimate capital requirements. The works and services shown in paragraph 22 contain many which have come before Government in recent months. It is possible that other important works, not yet foreseen, will need consideration during the course of the next twelve months, particularly if economic conditions improve. It is pertinent to mention that at this time a year ago the list of requirements against surplus balances was LP.5,253,000 (*vide* paragraph 21 of the memorandum on the revenue for 1935-36) and that although provision for some of these works has been made in the draft Estimates for 1936-37 the list of requirements now totals LP.7,184,000 or an increase of LP.1,931,000. The increase is due to rapid development and to the social requirements of a rapidly increasing immigrant population.

29. The increase in the population of Palestine necessitates increases in recurrent services, including Public Security, and expenditure on capital works, particularly in connection with Harbours, Railways, Roads and Posts and Telegraphs Services. It is also economical in present conditions, and necessary in many cases, to construct public buildings to meet the demands of recurrent services. In the ordinary way capital improvements such as those necessitated in Palestine during recent years would be met by a loan and not from the revenue receipts of three years; but it is obviously economical to use the abnormal receipts of the last three years to meet capital expenditure after the requirements of the Reserve Fund — which is designed to ensure the maintenance of recurrent services in periods of temporary depression — have been met.

The bulk of the expenditure set out in paragraph 22 in respect of which the surplus balance is earmarked will fall to be met after the 31st March, 1937; and as far as can be foreseen at present the revenues of subsequent years should provide a surplus of funds towards their cost. But, apart from the imprudence of incurring commitments in this anticipation, if the development of Palestine continues additional capital expenditure in these years will also be necessary.

30. Generally speaking present conditions indicate during the next few months a decline in the rate of immigration, an increase in the number of travellers visiting Palestine, and a considerable decrease in the number of tourists. The latest reports confirm a falling-off in capital importations in the form of goods and a very considerable check on speculation in property and commodities, which was the prevailing symptom some six months ago. There is, however, evidence that fresh capital continues to be available on which immigrants can draw, but that such fresh capital is not being used in local investments owing to fears as to the trend of the international situation. A large part of fresh



capital intended for Palestine is actually held abroad although it is available locally; but it is obvious that there is a limit to the extent to which credit can be made available in Palestine in respect of monies held abroad. It is interesting to observe that revenue receipts from excise duties on locally produced tobacco, wines and spirits, salt and matches are already beginning to show a substantial rise. I feel that generally speaking the recent slight restriction of credit and deflation of the "boom" conditions of six months ago are having a healthy effect on conditions generally; and if the international position improves I am not unduly apprehensive of the latest revenue forecast made for 1936-37. The opportunities for local investment are by no means exhausted; but investment is being checked by fears of the development of the international situation.

W. J. JOHNSON
TREASURER.

11th MARCH, 1936.



APPENDIX I.

COMPARISON BETWEEN THE FIRST AND SECOND REVISED ESTIMATES
OF REVENUE FOR 1935-36 AND THE ORIGINAL AND REVISED
ESTIMATES OF REVENUE FOR 1936-37

HEAD AND ITEM OF REVENUE	1935-36			1936-37		
	First Revision	Second Revision	Increase or Decrease	Original Estimates	Second Revision	Increase or Decrease
HEAD I — CUSTOMS	£P.	£P.	£P.	£P.	£P.	£P.
Item 1 Import Duty	3,075,000	2,750,000	— 325,000	3,000,000	2,600,000	— 400,000
HEAD III — LICENCES, ETC.						
Item						
6 Licences — Firearm	2,000	2,250	+ 250	—	—	—
9 " Game	5,000	4,000	— 1,000	5,000	4,000	— 1,000
11 " Mining	1,500	1,250	— 250	—	—	—
12 " Road Transport	—	—	—	35,000	30,000	— 5,000
13 " Tobacco	8,000	8,500	+ 500	—	—	—
14 " Trades and Industries	700	900	+ 200	—	—	—
16 Animal Tax	—	—	—	31,000	25,000	— 6,000
17 House and Land Tax	60,000	40,000	— 20,000	—	—	—
18 Tithes	30,000	25,000	— 5,000	—	—	—
19 Rural Property Tax	125,000	120,000	— 5,000	—	—	—
20 Urban Pro- perty Tax	260,000	250,000	— 10,000	300,000	275,000	— 25,000
21 Stamp Duties	115,000	120,000	+ 5,000	—	—	—
24 Tobacco-Excise	—	—	—	235,000	245,000	+ 10,000
26 Fines and Forfeitures	70,000	65,000	— 5,000	60,000	55,000	— 5,000
TOTAL REDUCTIONS UNDER HEAD III	—	—	— 40,300	—	—	— 32,000
HEAD IV — FEES OF COURT, ETC.						
Item						
2 Court Fees	130,000	135,000	+ 5,000	—	—	—
3 Crane Hire	2,000	3,000	+ 1,000	—	—	—
4 Customs Fees	4,500	5,000	+ 500	—	—	—
7 Kadoorie Agri- cultural School Fees	2,500	2,100	— 400	3,000	2,100	— 900
8 Laboratory and Analytical Fees	500	400	— 100	500	400	— 100
9 Law School Fees	2,000	2,900	+ 900	2,000	2,500	+ 500
10 Fees of Office	3,000	500	— 2,500	4,000	1,000	— 3,000
12 Passport Fees	20,000	17,500	— 2,500	—	—	—
Carried Forward			+ 1,900			— 3,500

HEAD AND ITEM OF REVENUE	1935-36			1936-37		
	First Revision	Second Revision	Increase or Decrease	Original Estimates	Revised Estimates	Increase or Decrease
	£P.	£P.	£P.	£P.	£P.	£P.
HEAD IV —						
FEES OF COURT, ETC. (Continued)						
Brought forward			+ 1,900			— 3,500
ITEM						
13 Plant Fumigation Fees	1,500	1,000	— 500	—	—	—
14 Porterage Charges, Haifa	35,200	27,500	— 7,700	—	—	—
15 Quarantine Fees	15,000	14,000	— 1,000	15,000	14,000	— 1,000
16 Fees for Registra- tion of Births, etc.	5,000	4,500	— 500	—	—	—
18 Fees for Registra- tion of Companies	30,000	27,500	— 2,500	30,000	25,000	— 5,000
20 Fees for Registra- tion of Banks	—	—	—	2,500	1,000	— 1,500
21 Fees for Registra- tion of Business Names	—	500	+ 500	—	—	—
22 Fees for Registra- tion of Immigrants	55,000	45,000	— 10,000	—	—	—
23 Fees for Registra- tion of Land	375,000	385,000	+ 10,000	250,000	200,000	— 50,000
24 Fees for Registra- tion of Patents, etc.	2,750	3,500	+ 750	—	—	—
27 Receipts from Civil Aviation	—	200	+ 200	—	—	—
28 Hospital Receipts	9,000	8,000	— 1,000	7,500	7,000	— 500
29 Kadoorie Agri- cultural Schools (Endowment Fund)	3,500	3,000	— 500	—	—	—
30 Kadoorie Agri- cultural Schools — Farm Receipts	1,500	1,750	+ 250	—	—	—
37 Reimbursements- Railways	11,750	7,500	— 4,250	—	—	—
39 Reimbursements- Trans-Jordan	11,800	12,000	+ 200	—	—	—
41 Reimbursements- Miscellaneous	15,000	10,000	— 5,000	—	—	—
42 Sale of Depart- mental Stores	5,000	6,000	+ 1,000	—	—	—
43 Sale of Forestry Produce	750	1,000	+ 250	700	1,000	+ 300
44 Sale of Publica- tions	3,000	2,500	— 500	—	—	—
45 Sale of Water, Haifa Harbour	2,000	2,250	+ 250	2,000	2,250	+ 250
TOTAL REDUCTIONS UNDER HEAD IV	—	—	— 18,150	—	—	— 60,950



HEAD AND ITEM OF REVENUE	1935-36			1936-37		
	First Revision	Second Revision	Increase or Decrease	Original Estimates	Revised Estimates	Increase or Decrease
	£P.	£P.	£P.	£P.	£P.	£P.
HEAD V —						
POSTS & TELEGRAPHS						
Item						
2 Postal Order Poundage	1,200	1,250	+ 50	—	—	—
3 Parcel Post	17,500	15,250	— 2,250	—	—	—
4 Rent of Letter Boxes	5,000	4,500	— 500	—	—	—
5 Sale of Stamps	216,000	205,000	— 11,000	—	—	—
6 Telegraphs	25,500	26,000	+ 500	—	—	—
7 Telephones	150,000	149,000	— 1,000	—	—	—
8 Maintenance, Air Force Line in Sinai	3,500	3,200	— 300	—	—	—
9 Broadcast Licence Fees	7,500	6,500	— 1,000	—	—	—
10 Miscellaneous	2,500	3,000	+ 500	—	—	—
TOTAL REDUCTIONS UNDER HEAD V	—	—	— 15,000	—	—	—
HEAD VI —						
REVENUE FROM GO- VERNMENT PROPERTY						
Item						
1 State Domains	20,000	17,500	— 2,500	30,000	29,500	— 500
2 Rent from Officials	7,000	7,500	+ 500	7,000	7,500	+ 500
3 Mining Rents and Royalties	2,000	1,300	— 700	—	—	—
4 Miscellaneous	1,000	1,300	+ 300	—	—	—
TOTAL REDUCTIONS UNDER HEAD VI	—	—	— 2,400	—	—	—
HEAD VII —						
INTEREST						
Item						
1 Bank Balances	500	350	— 150	—	—	—
2 Investments by the Crown Agents	—	—	—	180,000	160,000	— 20,000
3 Other Sources	4,500	4,000	— 500	—	—	—
TOTAL REDUCTIONS UNDER HEAD VII.	—	—	— 650	—	—	— 20,000

HEAD AND ITEM OF REVENUE	1935-36			1936-37		
	First Revision	Second Revision	Increase or Decrease	Original Estimates	Revised Estimates	Increase or Decrease
	£P.	£P.	£P.	£P.	£P.	£P.
HEAD VIII —						
MISCELLANEOUS						
Item						
2 Overpayments Recovered	5,000	3,500	-- 1,500	—	—	—
3 Sundries	7,500	2,000	— 5,500	—	—	—
4 Profits from Investments	4,500	2,000	— 2,500	—	—	—
5 Appreciation of Investments	3,000	8,000	+ 5,000	—	—	—
TOTAL REDUCTIONS UNDER HEAD VIII	—	—	— 4,500	—	—	—
HEAD IX —						
LAND SALES						
Item						
1 Sale of Beisan Lands	25,000	22,000	— 3,000	20,000	15,000	-- 5,000
2 Sale of State Domains	1,000	400	— 600	—	—	—
TOTAL REDUCTIONS UNDER HEAD IX	—	—	— 3,600	—	—	-- 5,000
HEAD X —						
GRANT-IN-AID						
Item						
1 Trans-Jordan Frontier Force	145,000	144,500	500	—	—	—
TOTAL REDUCTIONS	—	—	— 410,100	—	—	-- 517,950

ENCLOSURE III.

MEMORANDUM ON EXPENDITURE

The draft expenditure estimates for 1936-37 contain a new head for the Forestry service which was formerly included under Head XIII. The new Department appears as Head XIV. Provision for cost of living allowances has been removed from Head XXVI and inserted under Personal Emoluments in the appropriate departmental estimates.

2. The following is the comparison between the estimates of approved expenditure for 1935-36 and the draft estimates of expenditure for 1936-37:—

	1935-36 L.P.	1936-37 L.P.	Increase L.P.
Personal Emoluments	1,607,468	1,903,694	296,226
Other Charges	1,676,438	1,763,154	86,716
Special Expenditure	193,077	332,601	139,524
	3,476,983	3,999,449	522,466
Extraordinary Expenditure	1,166,702	1,825,161	658,459
Railways (deficit)	219,363	385,805	166,442
Colonial Development Fund	29	32	3
Total	4,863,077	6,210,447	1,347,370

A sum of £P.74,703 for cost of living allowances is included in the increase of £P.296,226 in Personal Emoluments.

Provision has been made for a number of promotions and for the grant of accelerated increments in certain cases. No special mention of them is made in this memorandum but they are referred to in the Remarks column of the Expenditure estimates and a comprehensive despatch regarding them is being sent to the Secretary of State.

Time did not permit of provision being made in the draft Estimates for the revision of the incremental scale of officers in Grade 'O' of the service, but the necessary changes will be made in the Approved Estimates in due course. The revision was approved by the Secretary of State in his despatch No. 12 of the 4th January, 1936.

HEAD I. PENSIONS.

<i>Estimates 1935-36</i>	£P.28,297
<i>Estimates 1936-37</i>	£P.42,097
<i>Increase</i>	£P.13,800

3. The whole of the increase under this Head occurs under Item 1, Pensions and Gratuities.

4. In 1935-36 the estimate of expenditure on this account was £P.20,000, but it has been found necessary to increase it in 1936-37 to £P. 34,000 to provide for the payment of pensions and gratuities to the increasing number of officers now reaching the age of retirement.

5. During the first six months of the current year the annual rate of expenditure in respect of pensions amounted to £P.11,145. In respect of pensions likely to accrue during the second half of the current year a sum of £P.2,500 has been added to the present known commitments, thus making the total approximate commitments at the 31st March, 1936, £P. 14,000. From this total, however, a sum of £P.1,000 has been deducted on account of the estimated savings in respect of deaths of officers in receipt of pensions. The net total for 1935-36 is therefore estimated at £P.13,000 and it may be necessary to apply for additional funds to cover increased expenditure on pensions during the current year.

6. It is anticipated that new pensions falling due in 1936-37 will require additional provision in the sum of £P.6,000. Of this total a sum of £P.1,500 is in respect of anticipated payments to members of the Police Force. As pointed out in paragraph 1 of the



memorandum on the draft Estimates for 1935-36 the qualifying period for the payment of pensions to members of the Police Force was attained on the 30th June, 1935. With effect from the 1st of July, 1935, members of the Police Force who have completed 15 years service are now eligible for pension on discharge and each future year should result in an increasing charge on this account. It is estimated that 295 members of the Force will complete 15 years service during 1936-37. A sum of £P.4,500 has also been added to cover the pensions of officers retiring from other Departments of the service. The estimated requirements in 1936-37 are therefore £P.19,000.

7. With regard to gratuities a sum of £P.9,270 was included in the Estimates for 1935-36. During the first seven months of the current year a sum of £P.7,512 was expended on this account. Owing to the increase in the number of officers retiring on reaching the age limit, expenditure may be expected to show progressive increase and a sum of £P.15,000 has therefore been provided to meet the liability in 1936-37.

8. Under Item 2—Pensions to Ex-Turkish Government Employees—the estimate of £P.8,200 for 1935-36 has been reduced by £P.200 to allow for decreases on account of deaths and marriage.

HEAD II. PUBLIC DEBT AND LOAN CHARGES.

<i>Estimates 1935-36</i>	£P.187,058
<i>Estimates 1936-37</i>	£P.157,058
<i>Decrease</i>	£P. 30,000

9. In paragraph 4 of the memorandum on the draft Estimates for 1935-36 it was anticipated that the proposed Palestine Loan of £P.2,000,000 would be floated during 1935-36. Provision was accordingly made for the payment of interest thereon at the rate of 3%, together with management charges on the basis of the charges now paid for the management of the existing loan. Decision as to the raising of the loan has not yet been reached but provision has been made in the draft Estimates for 1936-37 on the assumption that it will be raised after 1st April 1936, and that a half year's interest only will fall due for payment in 1936-37.

HEAD III. THE HIGH COMMISSIONER.

<i>Estimates 1935-36</i>	£P. 9,154
<i>Estimates 1936-37</i>	£P.10,137
<i>Increase</i>	£P. 983

10. The increase is mainly attributable to the inclusion for the first time of an allowance to the Officer Administering the Government during the High Commissioner's absence from Palestine, the appointment of a second Aide-de-Camp, the provision of £P.300, instead of £P.200, under item 15 for more replacements of Government House equipment which will be necessary in 1936-37, and the transfer of cost of living allowances from the Miscellaneous Head. There are a few increases and decreases of a minor character.

HEAD IV. SECRETARIAT.

<i>Estimates 1935-36</i>	£P.54,574
<i>Estimates 1936-37</i>	£P.68,185
<i>Increase</i>	£P.13,611

11. The draft Estimates have been rearranged in order to show more clearly the incidence of cost of the three sections comprising the Chief Secretary's office and to distinguish that office from the Printing Office and the section dealing with Civil Aviation.



12. The cost of the several sections of the Department as shown in the approved Estimates for 1935-36 and in the draft Estimates for 1936-37 is as under:—

	1935-36 L.P.	1936-37 L.P.	Increase or Decrease L.P.
Chief Secretary's Office, comprising Secretariat, Press Bureau and Translation Bureau	24,266	27,569	+ 3,303
Printing and Stationery	28,658	27,073	— 1,585
Civil Aviation	1,650	13,543	+ 11,893
Total	54,574	68,185	+ 13,611

13. No allocation has been effected in respect of Other Charges relating to the three sections of the Chief Secretary's Office as the housing of all sections in one building renders allocation difficult without corresponding advantage.

CHIEF SECRETARY'S OFFICE.

14.—*Secretariat*.— There is a decrease of £P.134 under Personal Emoluments although a sum of £P.1,320 has been transferred to this Head from Head XXVI. The net decrease is therefore £P.1,454. This is due to the transfer to the Translation Bureau of two Interpreters (£P.797) and three clerical officers (£P.919), partly off-set by changes in staff, as approved by the Secretary of State, and increments.

15.—*Press Bureau*.— The draft Estimates show an increase of £P.28 after providing for the payment of £P.126 in respect of cost of living allowances. In comparison, therefore, with 1935-36 there is a net decrease of £P.98. This decrease is due to change in staff as recorded against the relative items in the draft Estimates.

16.—*Translation Bureau*.— An increase of £P.3,359 occurs in this section owing to its reorganization, but of this increase a sum of £P.306 is due to the provision made for the payment of cost of living allowances. The question of the reorganization of the Bureau was referred to the Secretary of State in the High Commissioner's Confidential despatch (A) of the 26th December, 1935, and approved by the Secretary of State's Confidential despatch (4) dated the 20th January, 1936. The draft Estimates have been framed accordingly.

PRINTING AND STATIONERY.

17. This section shows a net decrease of £P.1,585 in comparison with the approved Estimates for 1935-36 but this is due to a reduction of £P.1,992 under Special Expenditure. Personal Emoluments have increased by £P.407 of which £P.258 is due to the payment of cost of living allowances. The remaining increase is due to changes in the clerical establishment and increments. Two ledger clerks who were separately provided for in 1935-36 are now included in the general clerical establishment.

18. It has not been found necessary to make any change in the Other Charges votes. The provision made in 1935-36 anticipated that the Press would be in full operation in April, 1935, but that expectation was not realized and in consequence the Printer is not yet in a position to furnish alternative estimates based on a year's operation. He considers, however, that the provision made in 1935-36 is still approximately correct.

19. The provision made in 1935-36 for the execution of work by contract is no longer required as the Government Printer will now execute the work in the new press from the sum provided under his recurrent votes.

CIVIL AVIATION.

20. The Expenditure on this service has increased from £P.1,650 as shown in the 1935-36 approved Estimates to £P.13,543 in the 1936-37 draft Estimates, i.e. by £P.11,893. Of this increase £P.4,502 is under Personal Emoluments, £P.4,310 under Other Charges and £P.3,081 under Special Expenditure. Under Personal Emoluments a sum of £P.251 is due to cost of living allowances.



21. In his despatch No. 829 of the 29th August, 1935, the Officer Administering the Government furnished the Secretary of State with a detailed programme of the measures which the High Commissioner proposed to take to provide suitable facilities for Civil Aviation. That despatch enclosed provisional estimates of recurrent and capital expenditure and it was explained that while, in general, the expenditure represented the maximum contemplated for the works and services concerned it was not expected that those works and services would be fully realised for some years to come. But the Director now states that in regard to staff requirements the proposals forwarded to the Secretary of State covered the minimum staff necessary for the efficient operation of the various services and that it will be necessary to add to that staff as Civil Aviation develops. The Director has now been asked to furnish revised estimates of maximum expenditure and these will be forwarded to the Secretary of State as soon as possible.

22. The following comparison is afforded between the provisional estimates of recurrent expenditure sent under cover of the aforementioned despatch and the recurrent expenditure included in the draft Estimates for 1936-37.

	Pro- visional Estimates L.P.	Draft Estimates 1936-37 L.P.	Increase or Decrease L.P.
<i>Recurrent Expenditure</i>			
<i>Personal Emoluments:—</i>			
Directorate *	1,400	1,304	— 96
(a) Air Port Staff	4,458	2,932	— 1,526
(b) Meteorological Service	1,244	1,666	+ 422
(c) Auxiliary Establishment	1,652	—	— 1,652
	8,754	5,902	— 2,852
Other Charges §	9,458	4,560	— 4,898
Total	18,212	10,462	— 7,750

23.—*Directorate.*—The decrease of £P.96 in the cost of the Directorate is due to savings in the clerical establishment, etc., in respect of which a lump sum of £P.500, which proved to be in excess of requirements, was provided in 1935-36. The clerical staff contemplated in 1936-37 is one clerk Grade 'N' and a stenographer in Grade 'O'. Provision has also been made for the employment of a messenger and for the payment of cost of living allowances to the clerical staff.

24.—*Air Port Staff—Lydda.*—In the provisional estimates forwarded with the despatch of the 29th August, 1935, the cost of the Air Port staff at Lydda was stated to be £P.3,664; the cost in 1936-37 as contained in the draft Estimates is £P.2,553. The principal cause of difference is that while the provisional estimates covered the cost in a full year the draft Estimates provide in certain cases for the engagement of staff at a late stage in the year, as explained in the remarks against the relative items in the Estimates. Two minor changes occur: under item 6 of the earlier Estimates provision had been made for the employment of six messengers while the number in the draft Estimates (Item 118) is reduced to three; and under Item 122 of the draft Estimates provision has now been made for the payment of cost of living allowances to entitled officers, a detail omitted from the earlier estimates.

25.—*Haifa.*—The Air Port staff at Haifa was originally estimated to cost £P.794 per annum, but owing mainly to anticipated delays in making appointments in 1936-37 the cost in that year is reduced to £P.379. The number of messengers is reduced from two to one and a sum of £P.18 has been included in respect of cost of living allowances.

26.—*Meteorological Service.*—In his despatch No. 21 of the 10th January, 1936, the High Commissioner informed the Secretary of State of the desirability of instituting the aviation meteorological service early in the financial year 1936-37. It was explained in that despatch that the service was originally intended as an observing station ancillary to the Royal Air Force meteorological station at Ramleh but that the High Commissioner had since been advised that the Lydda Airport should have a fully equipped meteorological

* Not included in provisional estimates but provided for in the approved Estimates for 1935-36.

§ Includes L.P. 250 from Directorate; see item 52 of 1935-36 approved Estimates.



station of its own, including a forecasting service. The votes of the Department of Agriculture have hitherto provided for payments to individuals and to institutions in respect of recorded meteorological observations transmitted to and tabulated by the Department. With the concentration of the meteorological service under the Director of Civil Aviation it is desirable that the central meteorological service should take over and maintain the meteorological records hitherto kept by the Department of Agriculture and that payments to observers should be met from votes of the Director of Civil Aviation. A sum of £P.422 has therefore been provided for the purpose, under Item 133, and a saving of £P.314 has been effected under Item 34 of Head XIII. The difference of £P.108 is accounted for by a new grant at the rate of £P.6 per mensem to the Beit Gemal Agricultural School, which has for many years furnished daily returns to the Department of Agriculture, and by provision for payment to an additional observer at a new meteorological station which is contemplated at Bir Zeit.

27. The draft Estimates for 1936-37 in respect of Other Charges follow generally the provisional estimates forwarded to the Secretary of States in August last but it has been found necessary to deviate from the earlier estimates in some particulars for the reasons given below. In each case the reference given is to the appropriate item in the draft Estimates for 1936-37.

28. ITEM 135.—Transport and Travelling shows an increase of £P.300 over the provisional estimate prepared in August last. Of this excess a sum of £P.250 is due to the inclusion of the provision for the travelling of the Director which is now covered by Item 52 of the 1935-36 Estimates. The balance is due to additional travelling while the aerodromes are being constructed.

29. ITEM 137.—Telegrams, Telephones and Postage. The sum shown in the provisional estimates was £P.200; the provision made in the draft Estimates is £P.1,000. The excess is due to the establishment of the meteorological service which will render necessary the prompt transmission of meteorological readings by observers. The estimate is largely tentative and it may be possible to reduce the provision after experience of the service has been gained.

30. ITEM 140.—Maintenance of Runways. The provisional estimate of £P.3,800 provided for the maintenance of all runways for a full year. The full provision will not, however, be required in 1936-37 as it is unlikely that the runways will be completed until the Autumn of 1936. Moreover, little maintenance work should be necessary during the first year of construction and the sum of £P.500 now inserted in the draft Estimates should be sufficient to cover any contingencies likely to arise during 1936-37.

31. ITEM 145.—Maintenance of Pumps, etc. The provisional estimates of £P.1,000 covered also the maintenance of roads but this work will be undertaken by the Public Works Department and provision therefor has been transferred to Head XXV. The remaining provision of £P.500 is tentative and may require adjustment after experience of the working of the aerodromes has been gained.

32. ITEM 146.—Meteorological Stores. Certain small stores (mainly for observation stations) are required by the Department but they were not included in the provisional estimates. The Director of Agriculture had included £P.100 for the purpose in his draft Estimates for 1936-37 and this provision has now been transferred to the Director of Civil Aviation. To this has been added a sum of £P.100 to cover any further stores that may be needed by the new and as yet untried central meteorological station.

33. ITEM 147.—Contingencies. No provision for contingencies had been made in the provisional estimates and the omission has now been rectified by the insertion of a sum of £P.40 to cover incidental expenditure.

34.—*Special Expenditure*.—ITEM 150. Lighting Equipment for Night Landing. The provisional estimates contained a sum of £P.5,000 for the purchase of the necessary equipment and an indent in the sum of £P.2,179 was sent to the Secretary of State under cover of the High Commissioner's despatch No.830 of the 29th August, 1935. The sum now provided in the draft Estimates is in respect of the balance of equipment required.

35.—*Auxiliary Establishments*. — Provision for such auxiliary staff as is necessary in 1936-37 is contained in the draft Estimates of the Departments rendering the services and is discussed in the memoranda thereon.



HEAD V. DISTRICT ADMINISTRATION.

<i>Estimates 1935-36</i>	£P.159,687
<i>Estimates 1936-37</i>	£P.175,119
<i>Increase</i>	£P. 15,432

36. The following table summarises the increases in District and general expenditure:—

Personal Emoluments:—

	1935-36 L.P.	1936-37 L.P.	Increase or Decrease L.P.
Jerusalem District	18,550	22,704	4,154
Northern District	33,850	38,960	5,110
Southern District	22,542	29,691	7,149
Officers seconded to Trans-Jordan	6,115	5,909	— 206
Extra Clerical Assistance	500	1,000	500
Total	81,557	98,264	16,707

Other Charges:—

Jerusalem District	13,777	14,720	943
Northern District	27,825	30,037	2,212
Southern District	15,647	21,491	5,844
Unallocated Items	6,600	7,100	500
Total	63,849	73,348	9,499

Special Expenditure:—

Jerusalem District	85	5	— 80
Northern District	196	262	66
Southern District	—	240	240
Unallocated Items	14,000	3,000	—11,000
Total	14,281	3,507	— 10,774
Total Expenditure	159,687	175,119	+15,432

Detailed allocations are shown in Appendix H.

JERUSALEM DISTRICT.

37. The increase in expenditure allocated to the Jerusalem District is £P.5,017 namely:—

	£P.
Personal Emoluments	4,154
Other Charges	943
Special Expenditure (decrease)	80

Personal Emoluments.

38. ITEM 8. An additional Palestinian Cadet Officer is provided for under this item. The Hebron Sub-District for which this officer is required was formerly administered by a Deputy Governor as well as a Palestinian Officer at a time when the work was considerably



less. In view of the development in the sub-district it is regarded as essential that the old post at Beit Jibrin should be re-opened and that the new Cadet Officer should be posted to it after a suitable period of training. There are now two Palestinian Cadet Officers on the staff of the Jerusalem District one of whom has been posted to the Jerusalem-Bethlehem-Jericho sub-district; the other has been placed in charge of the Sub-Accountant's office in Jerusalem. Both officers are fully employed and cannot be spared for duty in the Hebron sub-district.

39. ITEM 12. One additional officer in Grade N and seven additional officers in Grade O are provided for under this item.

One appointment has been already filled by the absorption of an officer formerly employed in an unclassified capacity to fill the vacancy in Grade O caused by the exchange of a Grade O officer for a Grade N officer from the Southern District.

Three clerks in Grade O, one for each sub-district, are required for the administration of the Rural Property Tax. The number of taxpayers under werko amounted to 42,300 in the rural part of the district but under the Rural Property Tax Ordinance the number of taxpayers has risen to 65,500. It has been found necessary to increase the number of rural tax collectors and this increase in itself entails an increase in the clerical staff controlling the accounts. It should also be mentioned that a considerable number of accounts of werko and tithes arrears will continue to be kept for some time to come.

Two clerks are required for the Revenue Section in Jerusalem town. The Jerusalem urban area consisted of 109 urban blocks or quarters until 1931-32. It was extended in the year 1932-1933 to 123 blocks and in 1935-1936 to about 200 blocks. These extensions have increased the number of taxpayers from some 8,000 in 1929 to 13,000 in the current year. The number of parcels in the whole area is estimated at 20,000 in respect of which tax demand notices are issued annually. The application of the Urban Property Tax (Amendment) Ordinance 1935, also requires the continuous inspection of new buildings in order to ascertain that notices of completion are submitted within the prescribed period. The present staff of the Revenue office consists of three clerks in Grade O and the District Commissioner is unable to allocate personnel from other sections of his office to strengthen the Revenue Section.

The volume of work in the Headquarters office of the Jerusalem-Bethlehem-Jericho sub-district has rapidly increased and it is necessary that the services of a typist translator should be provided in order to overcome delays which are at present unavoidable in dealing with correspondence.

Renewals of licences under the Road Transport Ordinance are to be made by the District Commissioner and it is therefore necessary to provide an additional clerk in Grade O for this purpose in the Jerusalem Licensing Office.

40. ITEM 14. Provision for the payment of stenography allowances has hitherto been included in the vote for clerical officers but in accordance with established practice provision is now under a separate item.

41. ITEM 15. The introduction of the Short Term Crop Loans (Security) Ordinance, 1935, will throw considerable additional work on the staff of the District Commissioner and it has therefore been deemed advisable to provide under this item for three additional temporary clerks, each at a salary of £P.60 per annum.

42. ITEM 16. In his confidential telegram of the 12th of August, 1935, the Secretary of State approved the proposals of the High Commissioner for the remuneration of Mukhtars and for the collection of Rural Property Tax by tax collectors. These proposals entailed an increase of twenty in the number of tax collectors in rural areas of the Jerusalem district, thereby increasing the total from thirty to fifty, and obviated the need for the provision made in 1935-36 for the employment of seizure officers.

43. ITEM 18. The estimates of 1935-36 provided a sum of £P.438 for messenger staff. During the course of the year it was found necessary to apply for additional funds in the sum of £P.24 to cover the cost of approved increments. Further provision for increments within the approved scale is also necessary in 1936-37.

The offices of the Jerusalem-Bethlehem-Jericho sub-district were previously located in the same building as the district offices and it was then possible for the district messengers to render assistance in the absence of the one sub-district messenger. Owing, however, to the approved increase in the district staff new premises had to be found for them and the one messenger formerly provided can no longer perform all the necessary duties.



Provision has therefore been made in the draft estimates for an additional messenger at £P.24 per annum. The total cost of messenger staff has, for these reasons, risen to £P.528 in 1936-37.

44. ITEM 19. The estimates for 1935-1936 provided a sum of £P.294 for caretakers and cleaners; the provision in 1936-1937 is £P.351. Of the total increase of £P.57 a sum of £P.25 is required to meet the salary of a caretaker for the Jerusalem-Bethlehem-Jericho sub-district office. The appointment of this caretaker was approved during the current year and is due to the occupation of new premises. The balance of the additional provision is required to meet the grant of increments within the approved scale to the caretakers already employed.

45. ITEM 21. A sum of £P.1,338 is included for the payment of cost of living allowances which have hitherto been met from Head XXVI.

Other Charges.

46. ITEM 28. The transport and travelling vote of the Jerusalem District shows an increase of £P.1,615 on the former provision of £P.1,610. The increase is partly due to the introduction of new transport regulations and to the appointment of the new Palestinian Cadet Officer but the main cause is the desirability of more extensive touring during the forthcoming year.

47. ITEM 30. An increase of £P.15 under the vote for lighting and heating is required for the new premises occupied by the staff of the Jerusalem-Bethlehem-Jericho sub-district office.

48. ITEM 31. An increase of £P.244 is included in the vote for clothing. Of this increase £P.12 is required for clothing the messenger staff, including the new appointment, and £P.232 for the additional tax collectors.

49. ITEM 34. In accordance with the revised proposals for the remuneration of Mukhtars the draft estimates show that a total sum of £P.32,624 will be required in the three districts to cover the approved rates of remuneration. The estimate of the Jerusalem District for 1936-37 is £P.6,504 compared with £P.7,678 under the procedure contemplated in the current year's estimates.

50. ITEM 41. A sum of £P.120 has been provided for the purchase of two typewriters in replacement of worn out machines; one duplicator for Hebron sub-district and one for the Jerusalem-Bethlehem-Jericho sub-district.

51. ITEM 43. The provision of £P.100 in the current year's estimates for the payment of medical and witnesses' fees in Coroners' inquests has proved insufficient and an additional sum of £P.100 has therefore been provided in 1936-1937.

NORTHERN DISTRICT.

52. The increase in expenditure allocated to the Northern District is £P.7,388, namely:—

	£P.
Personal Emoluments	5,110
Other Charges	2,212
Special Expenditure	66

Personal Emoluments.

53. ITEM 3. The current year's estimates provided for one Assistant District Commissioner in the scale £P.300-25-800; the draft estimates for 1936-1937 provided for two officers in this scale. On the other hand the current year's estimates contained provision for two British Cadet Officers in the Northern District while provision for one only is included in the draft estimates for 1936-37. The explanation lies in the fact that in 1935-36 it was anticipated that a Cadet Officer would replace an Assistant District Commissioner who was then on the point of retirement. The vacancy has been filled, however, by the appointment of another Assistant District Commissioner transferred from Nigeria.



54. ITEM 8. Provision has been made for one additional District Officer in Grade K, due to the secondment to the Haifa Municipality of an officer holding an appointment in this scale. The vacancy has been filled by the appointment of another officer but the salary of the seconded officer is retained in the Estimates in order to preserve his pension rights. This is offset by an addition to Revenue under Head IV Item 36.

55. ITEM 12. Provision has been made for the promotion of four sub-district cashiers from Grade O to Grade N. It is realized that cashiers occupy semi-specialized posts and that greater responsibility is held by cashiers in the sub-districts for the reason that there are no banks to which revenue collections can be directly paid and, in consequence, the sums held by sub-district cashiers are often considerable. Moreover, they are denied that supervision which is given by superior officers to cashiers at Headquarters. The proposal entails the promotion of the cashiers at Haifa, Acre, Safad and Tiberias.

It is also proposed to promote the Revenue officers at Nablus and Tiberias from Grade O to Grade N for the reason that these officers, in particular, carry heavy responsibilities which have considerably increased since the introduction of the Rural Property Tax.

One officer has been promoted from Grade O to Grade N in the current year to fill a vacancy in the general clerical cadre.

The number of clerical officers employed in the district in 1935-36 was eighty-nine and two additional appointments in Grade O have been inserted in 1936-37 to enable the District Commissioner to deal with the issue of licences under the Road Transport Ordinance.

56. ITEM 13.—Provides for the payment of expatriation allowance to two officers. The allowance has been included hitherto under Item 12.

57. ITEM 16.—An addition of 29 to the number of tax collectors on the staff of the Northern District is necessary on account of the introduction of the Rural Property Tax. Approval for the engagement of the additional staff was given during 1935-36 and is covered by the Secretary of State's Confidential telegram of the 12th of August, 1935. The provision made in the current year for the employment of seizure officers is no longer required.

58. ITEM 18.— Provides an additional sum of £P.38 for the grant of increments within the approved scale to the messenger staff.

59. ITEM 21.—A sum of £P.2,478 is included to cover Cost of Living Allowances which were formerly met from Head XXVI.

Other Charges.

60. ITEM 28 shows an increase of £P.3,000 in the provision for transport and travelling in 1935-36. This increase is partly due to the introduction of revised transport regulations and to the appointment of an additional Assistant District Commissioner but is mainly attributable to increased touring necessitated by the general increase in the population and the resultant need for closer contact with the public.

61. ITEM 30.—An additional sum of £P.15 is required under the vote for lighting and heating to cover the cost of current in certain district offices where electric lighting has only recently been installed.

62. ITEM 31.—An additional sum of £P.37 is required for the replacement of great-coats and mackintoshes for the messenger staff. The increase in the number of rural tax collectors entails additional provision in respect of winter and summer uniforms and it has been found necessary to increase the current year's estimate on this account by a sum of £P.290.

63. ITEM 34.—The revised procedure for the remuneration of Mukhtars necessitates provision in the draft estimates of the Northern District of a sum of £P.16,000.

Special Expenditure.

64. ITEM 52 provides a sum of £P.110 for the purchase of two new typewriters for Tiberias and Nablus and one new duplicator for the Safad sub-district.

65. ITEM 57 provides a sum of £P.75 to enable the District Commissioner to purchase small articles of equipment, hitherto lacking, for the headquarters and district offices.



SOUTHERN DISTRICT.

66. The increase in expenditure allocated to the Southern District is £P.13,233 namely:—

	£P.
Personal Emoluments	7,149
Other Charges	5,844
Special Expenditure	240

Personal Emoluments.

67. ITEMS 6 and 7. One British Cadet Officer for the Southern District was appointed in 1935 and the provision made in the draft Estimates for 1936-37 covers this appointment.

68. ITEM 12 provides for 23 additional clerical appointments, namely one in Grade N, nineteen in Grade O and three in Grade P. The officers in Grade P are stenographers who were omitted from the current year's estimates. Seven officers in Grade O are already employed and paid out of the vote for extra clerical assistance. It has been decided to transfer these officers to the graded establishment as their services are likely to be permanently required. The thirteen additional appointments are:—

1 Chief Clerk in Grade N for the District Office at Ramle.

The volume and nature of the work in this office require the services of a competent Chief Clerk. It is proposed that the appointment shall be filled by the promotion, through the Clerical Service Board, of an officer already in the service.

4 additional officers in Grade O are required on account of the introduction of the Rural Property tax which has proved to be more elaborate and systematic than the House and Land tax. The new tax is based upon registered ownership and involves a very considerable increase in the number of taxpayers and therefore of registers and other documents to be maintained.

1 additional clerk in Grade O is required on account of the increase of work under the Urban Property Tax (Amendment) Ordinance, No. 38 of 1935.

1 clerk in Grade O is required at Jaffa on account of the great development and expansion in that area. In 1929-30 the tax assessment in Jaffa and Tel-Aviv amounted to £P.46,930; it had increased to £P.172,462 in 1935-36. In addition the settlement of Ramat Gan has been declared to be an urban area and this has thrown additional work on the staff.

1 additional clerk is required to deal with documents submitted for embossed stamp duty. The number of documents for stamping in 1933 was 8272 and this had risen to 16,155 in 1935.

1 additional clerk is required at Gaza where the work of the Revenue office, due to the progress of land settlement, has increased to an extent exceeding the capacity of the present staff to deal with it.

1 clerk is required for the Assistant District Commissioner at Ramle where he will be required to deal with correspondence of a routine nature during the absence on tour of the Assistant District Commissioner. This should reduce delay and result in increased efficiency.

3 clerks in Grade O are required, one each at Jaffa and Tel Aviv and one at Gaza for the issue of licences under the Road Transport Ordinance.

69. ITEM 13. Expatriation Allowance for the British Chief Clerk is included in 1935-36 in the vote for officers of the General Clerical Service. It is now shown as a separate item in the draft Estimates in accordance with established practice.

70. ITEM 15. The introduction of the Short Term Crop Loans (Security) Ordinance, 1935, will throw additional work on the staff of the District Commissioner and it has therefore been deemed advisable to provide under this item for six additional temporary clerks, each at an annual salary of £P.60.

71. ITEM 16. The addition of fifteen tax collectors for the collection of rural property tax was approved during the current year. Six additional urban collectors are, however, required owing to the rapid development and expansion of Jaffa and Tel Aviv as the present



staff of tax collectors is insufficient to cope with the increase in assessments. The number of collectors has risen from 10 in 1930 to 13 only in 1935-36, in spite of the large increase in assessment from £P.46,930 to £P.172,462 in these years. Unless the proposed relief is afforded it will not be possible to avoid an accumulation of arrears of revenue.

72. ITEM 18. An increase of £P.303 is shown in the cost of the messenger service. Of this increase £P.216 is accounted for by the provision of six district messengers at Beersheba at a salary of £P.3 each per mensem. In this sub-district there is a nomadic population scattered over a wide area. There is no postal system and the methods of communication in force elsewhere in Palestine are impracticable. The Police have hitherto endeavoured to cope, in the course of their patrols, with the delivery of the ever increasing volume of correspondence from the District Officer but the Inspector General of Police has represented that he can no longer continue to assist in this manner as the Police are required for their proper duties. There has also been much inefficiency displayed in the collection of animal tax which has been performed by staff temporarily engaged and remunerated by gratuity under Item 36 of the estimates. It is therefore proposed to engage six permanent messengers each at a salary of £P.3 a month, and to provide them with clothing and a camel forage allowance. They will relieve the Police of the onus of official tribal postal service and during the period of animal enumeration they will, with the regular tax collectors, assume the duties hitherto performed by temporary employees. It is proposed that they shall be reimbursed for the latter service by a bonus of 2% of the tax collected. It is considered that this system will not only prove more efficient than the existing system but will result in economy on the service. The present cost of gratuities to animal enumerators is £P.600 per annum. The cost of the above proposals is £P.564 namely:—

	£P.
6 district messengers at £P.36 per annum	216
Camel forage allowance	118
Clothing	30
Bonus at 2% of collection	200
Total	564

One additional messenger is required for the office at Ramle at a cost of £P.36 and £P.51 is required for increments to the existing messenger staff throughout the district, in accordance with the approved scale.

73. ITEM 19 provides for the appointment of an additional cleaner at a salary of £P.36 per annum for the new office at Ramle.

74. ITEM 21 makes provision in the sum of £P.1,920 for cost of living allowances which were formerly met from Head XXVI.

Other Charges.

75. ITEM 28 shows an increase of £P.1,806. As in the case of the Jerusalem and Northern District, the main cause of the increase is more extensive touring by District Officers. Part of the increase, however, is due to the revision of transport regulations and to an increase in the number of officers on the travelling schedule.

76. ITEM 30. Provision for lighting and heating in the sum of £P.20 is required for the British Cadet Officer and for the District Officer at Ramle, for neither of whom was heating and lighting provided in the estimates for 1935-36.

77. ITEM 31. An increase of £P.215 is required in the vote for clothing, of which £P.56 is due to the employment of additional messengers and £P.159 to the additional tax collectors.

78. ITEM 32. Expenses of Tithe Estimation. A sum of £P.50 is included for expenses of tithes estimation in the Beersheba District. The Rural Property Tax introduced in substitution for the tithe and house and land tax in rural areas does not apply to the Beersheba area where the tithe continues to be collected.

79. ITEM 34. The revised procedure for the remuneration of Mukhtars involves expenditure in the Southern District to the extent of £P.10,120.



80. ITEM 35.—The revised arrangements for the remuneration of Mukhtars contemplated that Tax Collectors would be responsible for the collection of arrears of tithe but that tribal sheikhs continue to collect the commuted tithe in the Beersheba Sub-District where the Rural Property Tax is not applied. Remuneration to the tribal Sheikhs takes the form of a commission of 5% of the tax collected and a sum of £P.500 has been provided in the draft estimates to meet the cost of the service.

81. ITEM 36 shows a reduction of £P.400 for the reason explained under Item 18. The sum of £P.200 now provided covers the bonus payable to district messengers on the basis of their collection of Animal Tax.

82. ITEM 43 shows an increase of £P.125 in the sum provided for medical and witnesses fees in Coroners' Inquests for the reason that the provision hitherto made under this item has proved inadequate to meet the cost of the service.

83. ITEM 47. An addition of £P.1,000 has been made to the funds hitherto placed at the disposal of the District Commissioner for the execution of minor works. The Department of Public Works is fully occupied on the execution of major capital and maintenance works and available funds for minor works can be more usefully employed by District Commissioners. The sum hitherto provided under this Item has been beneficially employed but was not adequate to meet the legitimate needs of the district.

Special Expenditure.

84. ITEM 52 provides a sum of £P.110 for the purchase of duplicators for Ramle and Beersheba sub-districts, and an additional English typewriter for the Jaffa office.

85. ITEM 57 provides a sum of £P.100 for small articles of office equipment which are needed in the District Commissioner's offices at Jaffa.

Unallocated.

86. ITEM 20. The introduction of the Town Planning Ordinance, 1935, entailing the appointment of District Commissions for Regional Town Planning, involves considerable clerical work for which the present staff is inadequate. Concrete proposals for strengthening the staff have not yet been submitted but a provisional sum of £P.1,000 has been inserted in the draft estimates in anticipation of the requirements of District Commissioners in this connection.

87. ITEM 33 provides a sum of £P.7,100 for the cost of the quinquennial revaluation operations to be carried out in the Haifa and Acre urban areas and for the revision of assessments in the remaining urban areas.

88. ITEM 50. Provision has been made in the sum of £P.3,000 for the annual re-distribution of the Rural Property Tax in accordance with the provisions of Section 26 of the Rural Property Tax Ordinance, 1935. It is difficult to estimate the sum required for the first redistribution but it is at present anticipated that the provision now made should suffice.

HEAD VI. LEGAL DEPARTMENT.

<i>Estimates</i>	1935-36	£P.10,866
<i>Estimates</i>	1936-37	£P.16,389
<i>Increase</i>		£P. 5,523

89. Head VI has been extended to cover the office of the Town Planning Adviser and this accounts for £P.3,830 of the increase shown above.

90. The allocation of departmental expenditure is as under:—

	1935-36 I.P.	1936-37 I.P.	Increase I.P.
<i>Personal Emoluments:—</i>			
Legal	7,725	9,072	1,347
Official Receiver	732	852	120
<i>Town Planning</i>	—	3,035	3,035
Total	8,457	12,959	4,502
<i>Other Charges:—</i>			
Legal	2,285	2,460	175
Official Receiver	124	175	51
Town Planning Adviser	—	520	520
Town Planning Adviser Special Expenditure	—	275	275
Total	2,409	3,430	1,021
Total Departmental Expenditure	10,866	16,389	5,523

LEGAL.

91. The total increase is £P.1,522 comprising:—

	£P.
Personal Emoluments	1,347
Other Charges	175

Of the increase under Personal Emoluments a sum of £P.518 is due to the inclusion of cost of living allowances.

92. ITEM 8 provides for the grant of two special increments to the Junior Government Advocate who has recently assumed the duties of Official Receiver. The title of this officer has been amended accordingly: see the Secretary of State's despatch Confidential (2) of the 17th June, 1935. Hitherto he has acted as Secretary for the Law Classes but with the impending introduction of the Bankruptcy Ordinance it will no longer be possible for him to continue in that capacity. At the present time he is paid an allowance of £P.64 per annum in respect of these duties and it is therefore proposed to reimburse him for the loss of the allowance by granting him two special increments on his next incremental date. It is doubtful whether it will be found possible to find a suitable officer to act as Secretary for the sum of £P.64 per annum hitherto paid. The Secretary of State will, however, be addressed on this matter in due course.

93. ITEM 10 makes provision for the appointment of two cadet officers at fixed salaries of £P.250 per annum. It is recommended that these appointments shall be offered to Palestinians of exceptional educational attainments who have had no opportunity of obtaining practical experience. The Attorney General will supervise their training. A separate despatch on this matter will be sent to the Secretary of State.

OFFICIAL RECEIVER.

94. The total increase is £P.171 comprising:—

	£P.
Personal Emoluments	120
Other Charges	51

Of the increase under Personal Emoluments a sum of £P.96 is due to the inclusion of cost of living allowances.

95. ITEM 21 provides for two additional clerical appointments for the administration of the Bankruptcy Ordinance. It is considered essential that these officers shall be men with suitable training and it is therefore proposed to transfer them from other departments. It may thus prove necessary to appoint officers above Grade O.

96. ITEM 35 provides for an increase in the travelling of the department, some of which will be necessary on account of the administration of the Bankruptcy Ordinance.

TOWN PLANNING.

97. Total expenditure amounts to £P.3,830 comprising:—

	£P.
Personal Emoluments	3,035
Other Charges	520
Special Expenditure	275

Personal Emoluments.

98. ITEM 40. The appointment of the Town Planning Adviser was approved by the Secretary of State in his despatch No.926 of the 7th June, 1935. Hitherto the actual preparation of maps and plans was undertaken in the private drawing office and by the staff of the part-time adviser, and the clerical work of the Central Town Planning Commission was performed by the staff of the Director of Medical Services.

Provision has been made in the draft Estimates for 1936-37 for both the drawing office and clerical work to be executed in the office of the Town Planning Adviser, who, as member of the District Commissions, will require the necessary staff to prepare regional schemes for rural areas, and schemes for areas outside the control of municipalities.

99. ITEM 42. The Draughtsman will be in charge of the drawing office and must be able to carry out the technical instructions of the Adviser. He must be sufficiently experienced to be able to draw out and supervise the drawing out of detailed plans, maps and layouts from rough sketches prepared by the Adviser. The officer appointed should preferably have had survey experience and should possess a knowledge of building construction and/or engineering. Provision has been made, therefore, for the appointment of an officer at the mean of the scale of Grade N.

100. ITEM 43. It is anticipated that there will be ample work to warrant the appointment of a junior draughtsman who will assist the draughtsman in the preparation of plans, diagrams and outline schemes. The officer should possess survey and architectural or engineering experience and provision has therefore been made for an appointment at the mean of the scale of Grade O.

101. ITEM 44. A junior tracer will be required to make tracings of drawings prepared in the office and to prepare plans. He will also be in charge of the progress sheets, indicating the exact state of development of all areas outside Municipal control which are under the supervision of the Adviser.

102. ITEM 45. Provides for the appointment of a clerical officer in Grade N and a stenographer in Grade P. The officer in Grade N will be appointed at the minimum of the scale, but it is proposed to transfer to the office of the Town Planning Adviser a stenographer whose present salary is £P.100 per annum and who is in receipt of a stenography allowance at the rate of £P.36 per annum (see Item 46). The responsible clerk in Grade N will be required to take charge of the office in the absence of the Adviser. The duties of this clerk will include general office work and supervision, finance, preparation of vouchers, etc. The stenographer in Grade P will be employed on general clerical duties in addition to the normal duties of typist-stenographer and will be responsible under the senior clerk for the registration, filing and indexing of minute papers, regional schemes and schemes outside Municipal boundaries.

103. ITEM 47 provides for the appointment of a messenger at £P.30 per annum. Considerable interchange of documents and papers between offices will be necessary as the preparation of town planning schemes involves the co-ordination of such departments as Health, Public Works, Survey, etc.



104. ITEMS 48 to 51 provide for the cost of the administration of regional schemes. They are necessary in order that some measure of control may be effected in respect of buildings in areas which are outside the boundaries of Municipalities and in certain rural districts where rapid development is in progress. Expenditure on regional administration is in the nature of an advance and is recoverable in the form of fees for building permits etc., issued by the various commissions under the Town Planning Ordinance. It is necessary that provision shall be made in advance for initial expenditure on these schemes so that rural areas which are quickly becoming urban or sub-urban may develop on orderly lines under the direct supervision of building inspectors. In the past no funds have been forthcoming for this important undertaking and areas have been allowed to grow in an uncontrolled manner largely owing to lack of planning, co-ordination and supervision. The preparation of a plan is the first essential to orderly development but ultimate attainment depends on the provision of funds in advance for direct supervision. For these reasons the estimates provide for the employment of three foremen engineers (one for each district) in the scale £P.240-10-280 (following the scale approved for Sanitary Inspectors in the Department of Health) and for three inspectors in the scale of £P.144-6-180. A sum of £P.250 is also provided for extra clerical assistance. It may be necessary subsequently to increase this provision but it is considered unlikely that the Town Planning Adviser will be in a position to employ clerks under regional administration during the whole of 1936-37.

Other Charges.

105. ITEM 52 provides a sum of £P. 25 for lighting and heating the premises to be occupied by the staff of the Town Planning Adviser. Suitable accommodation has not yet been found and the officer is for the time being housed in the building occupied by the Department of Health.

106. ITEM 53 provides a sum of £P. 60 for the purchase of drawing boards and other materials.

107. ITEM 54 provides a sum of £P.20 in order that a nucleus may be formed of a small but necessary town planning library and to cover subscriptions to one or two town-planning journals.

108. ITEM 55 provides a sum of £P.150 for survey fees. This item should be read in conjunction with items 48 to 51. When schemes and detail parcellation plans have been drawn up in the Adviser's office for areas outside Municipal boundaries funds will be required to enable the survey of the new plots to be carried out before buildings are erected. No provision has been made for these services to be executed by the Town Planning Adviser as this would involve additional expenditure on further surveying staff. It is proposed therefore that the work shall be carried out by licensed surveyors and a fixed sum only will be necessary each year to cover the actual cost of the field work. It is difficult at this stage to estimate the exact sum required as the number of surveys will depend on the number of outline and detail schemes prepared in the Adviser's office for areas where building activity is greatest.

109. ITEM 56 provides a sum of £P.180 for transport and travelling. It will be necessary for the Adviser to inspect areas in which town planning is contemplated before any scheme is prepared. It is impossible to plan any area without first studying its local conditions, topography, the direction of contours and its general amenities.

110. ITEMS 57 to 59 provide a total sum of £P.65 for telegrams, etc., Railway Fares and Freight and clothing for the messenger. Save for the last item the estimates are tentative, pending experience of the administration of the new service.

111. ITEM 60 provides a sum of £P.20 for Contingencies. The amount is greater than that usually provided for a small service but is intentionally so in order that the Adviser may not be handicapped during his first year of office by the absence of unforeseen but essential office requisites.

Special Expenditure.

112. ITEMS 61 to 65 provides for initial and essential office equipment. Although provision has been inserted in the draft estimates the Adviser has since applied for permission to purchase the greater part of the equipment during the current financial year as in its absence he is handicapped in the organization of the office and in the execution of essential duties. The necessary funds are now being provided by Special Warrant and the matter is being separately reported to the Secretary of State.



HEAD VII. JUDICIAL DEPARTMENT.

<i>Estimates</i>	1935-36	£P.101,264
<i>Estimates</i>	1936-37	£P.119,688
<i>Increase</i>		£P. 18,424

113. Departmental expenditure covers the services of the Judiciary, the Probation Officer, the Municipal Bench at Tel Aviv, the contribution to the cost of the Supreme Moslem Council and the administration of the Sharia Courts.

114. Comparison between the estimated cost of the various services in 1935-36 and 1936-37 is as under:—

	1935-36 L.P.	1936-37 L.P.	Increase or Decrease L.P.
<i>Personal Emoluments:—</i>			
Judiciary	71,639	89,191	17,552
Probation Office	1,424	2,264	840
Municipal Bench, Tel Aviv	132	132	—
Supreme Moslem Council	1,953	1,953	—
Sharia Courts	14,448	15,631	1,183
Palestine Officers seconded to Trans-Jordan	1,250	1,250	—
Total	90,846	110,421	19,575
<i>Other Charges:—</i>			
Judiciary	7,420	7,913	493
Probation Office	625	289	— 336
Municipal Bench, Tel Aviv	90	90	—
Supreme Moslem Council	—	—	—
Sharia Courts	780	875	95
Total	8,915	9,167	252
<i>Special Expenditure.—</i>			
Judiciary	1,503	100	— 1,403
Total Expenditure	101,264	119,688	18,424

JUDICIAL DEPARTMENT.

115. The total increase in estimated expenditure is £P. 16,642, namely:—

	£P.	£P.
<i>Personal Emoluments:—</i>		
Judicial	17,552	
<i>Other Charges:—</i>	493	18,045
Special Expenditure (decrease)		1,403

116. The Judiciary consists of the Supreme Court in Jerusalem, four District Courts at Jerusalem, Jaffa, Haifa and Nablus, Chief Magistrates' Courts in these towns and in Tel Aviv, nineteen Magistrates' Courts in various districts and Execution Offices in Jerusalem, Jaffa, Haifa and Nablus.

Personal Emoluments.

117. Considerable additions to and changes in staff are reflected in the draft Estimates of the Judiciary.

The Chief Justice reports that the increase of litigation in the country, due in a large measure to the increase in the population and the consequential development of internal and external relations, now justifies reorganisation of the staff of the Judicial Department with a view to meeting public demands and expediting the hearing of cases. The increase of work naturally reflects on the administrative work in the central office in Jerusalem and the number of pending cases has increased to such an extent that it will be impossible to cope with them and to carry on current work unless adequate staff is provided. The number of pending cases in the Courts at the end of September, 1935, was 10,048. At that date it is estimated that the work in the Magistrates' Courts was from three to four months in arrear; in the District Courts six months and in the Supreme Court twelve to fifteen months. The increase in litigation must naturally continue as the population increases. Some relief will be afforded by the appointment of a British Puisne Judge which was approved by the Secretary of State in his Confidential telegram No. 370 of 4th December, 1935, and it is hoped that with the appointment of one additional Relieving President and three Palestinian Judges of District Courts pending land cases will be cleared. The Chief Justice proposes ultimately to introduce a more appropriate system of procedure in the Courts, following English lines, and a more adequate system of accounting in the registries. The principal object in the former case is, in general, the delegation to Registrars of the preliminary steps in proceedings in the Supreme Court and District Courts in order that Judges may be relieved of a considerable volume of work which is now performed by them to the detriment of their judicial work.

It is also proposed that Registrars shall be empowered to deal more extensively with execution proceedings in the District Courts and thus relieve the Presidents.

A new system of Court accounting is now under consideration which provides that Registrars shall control the accounting of the Courts with the assistance of Cashiers and Assessing Officers.

Provision for certain staff increases has been made in the draft Estimates for 1936-37 in order that the foregoing proposals may be implemented and with these appointments the first step in the reorganisation system will have been taken.

Much time which should have been devoted to translation work has been lost owing to the employment of translators on Court interpreting duties; but this difficulty should be overcome to some extent by providing an Interpreter for each British Judge, as now contemplated in the draft Estimates. The Estimates also provide for increases in the translation staff who will now be segregated from the general clerical establishment and employed on the task of speeding up and facilitating the hearing of cases in the Courts.

118. The following reasons are given for the proposed increases and changes in the senior staff contained in the draft Estimates.

119. ITEM 9 provides for the appointment of an additional Relieving President of District Courts. Pending Land Court cases now number 977 which is an increase of 217 over the number of pending cases at the end of September, 1934. It is estimated that this represents about two years' work. It is proposed that provision for the additional appointment shall remain in the Estimates until arrears have been cleared off and that the matter should then be reconsidered with a view to absorbing the officer in the Judiciary.

120. ITEM 13 provides for the appointment of an additional Chief Magistrate, making five in all. It should be explained that the new (fourth) Magistrate, who has been recently appointed, is required to start in Tel Aviv on some 2,000 outstanding cases and it is proposed to post the fifth Magistrate to Nablus. It is considered eminently desirable that there should always be four Chief Magistrates, namely, one at Haifa, one at Jaffa, one at Nablus, and one at Jerusalem. This is the rational geographical distribution but a fifth appointment will be necessary for some time owing to the abnormally large volume of work at Tel Aviv. It is desirable that each of the five officers should act as supervising officer over the Magistrates' Courts within his jurisdiction. He will be required to travel and to take the more serious cases in Magistrates' Courts as the need arises. The work at Nablus cannot be undertaken by the Chief Magistrate at Haifa, as he already has 1,500 outstanding cases and the normal work in the Haifa area is of such magnitude as to require his constant attention.

Palestinian Magistrates do not normally hear cases in connection with illegal immigration and Presidents of District Courts cannot fairly be expected to supervise the work of Magistrates' Courts owing to their pre-occupation with their own work.



121. ITEM 16 provides for the appointment of three additional Judges for District Courts. Reference has been made above to the large number of pending Land Court cases. It is not proposed at this stage to fill the additional posts but to permit three suitable Magistrates to act in them until arrears of Land Court cases have been disposed of. The question of creating three permanent posts will be reviewed when this objective has been reached.

122. With regard to the clerical staff the Chief Justice desires that all his clerical officers, translators and interpreters should be entitled "Clerical Interpreters". It has been the practice in the past for the clerical officers in the Judicial Department to seek promotion to Magisterial posts. The Chief Justice, however, desires, so far as the clerical establishment is concerned, to create contentment and continuity in service by improved terms of service in the first place and, where clerical interpreters become qualified in law, to encourage them to attain to higher posts within the Department. Some of the more highly qualified would still be eligible to seek promotion to magisterial posts. These proposals entail that the Judicial Department shall be a closed Department for clerical officers.

123. The following comparison is afforded between the staff in the clerical and similar grades in 1935-36 and the proposed staff of clerical Interpreters, etc., in 1936-37:—

1935-36				1936-37			
Item No.	No. of Posts	Title	Grade	Item No.	No. of Posts	Title	Grade
28	4	Chief Interpreters District Courts	M	28	7	Clerical Interpreters	M
29	1	Interpreter to Senior Puisne Judge	M	32	29	Clerical Interpreters	N
30	4	Chief Clerks District Courts	N	35	13	Chief Clerks District Courts	N
31	1	Asst. Chief Clerk Supreme Court	N	38	1	Statistical Clerk	N
32	2	Asst. Interpreters Supreme Court	N	45	124	Clerical Interpreters	O
33 a	8	Asst. Interpreters District Courts	N				
34	19	Chief Clerks Magistrates' Courts	O				
35	3	Chief Clerks, Chief Magistrates' Courts	O				
36	4	Interpreters Chief Magistrates' Courts	O				
37	1	Junior Interpreter Supreme Court	O				
38	4	Asst. Chief Clerks District Courts	O				
42	63	Officers of the General Clerical Service	6 N 57 O				
44	60	Extra Clerical Assistance	1 N 59 O				
Total 174				Total 174			
Summary: 5 — M				Summary: 7 — M			
22 — N				43 — N			
147 — O				124 — O			

124. There is thus an increase of two in the number of posts in Grade 'M', twenty-one in grade 'N' and a decrease of twenty-three in Grade 'O'. The ratio to the total of the number in each grade is as under:—

	No. in Grade	Percentage to total
Grade M	7	4.02
Grade N	43	24.71
Grade O	124	71.27
Total	174	100.00

The ratios proposed in paragraph 7 of the High Commissioner's despatch No. 115 of the 3rd December, 1935, as applied to the clerical staff as a whole, are as under:—

Grade M	7.77
Grade N	26.13
Grade O	66.10

125. ITEM 28.—Provision is made under this item for seven clerical interpreters in Grade 'M', five of whom have been transferred from Items 26 and 27. The preoccupation of the Chief Clerk of the Judicial Department with the business of the whole Department is responsible for the first of the two additional appointments and the creation of an additional British Puisne Judge accounts for the second.

126. ITEM 32 provides for twenty-nine clerical interpreters. Eleven of these have been transferred from Items 29 to 31, six from Item 44, one from Item 47 and provision has been made for an increase of eleven. These additional posts will be filled by the promotion of officers formerly employed under Items 47 or 46 or by promotion from other Departments. The reasons for the additional appointments are:—

- (a) In view of the appointment of the Chief Registrar it is necessary that a clerk in Grade 'N' be assigned to him.
- (b) One additional Assistant Interpreter is required in the Supreme Court to cope with arrears of translation work.
- (c) Seven additional Assistant Interpreters are required in District Courts to clear arrears and to deal with the increase in the volume of current work.
- (d) A confidential clerk is required for the Chief Justice.
- (e) A Chief Clerk Interpreter is required for the fifth Chief Magistrate's Court to which reference has been made above.

127. ITEM 35 provides for thirteen Chief Clerks in District and Magistrates' Courts. Four of these appointments were formerly included under Item 34 and nine additional appointments have been transferred from Item 39. The ten Chief Clerks remaining in Grade 'O' under the latter item have now been transferred to Item 45. These nine promotions are necessary as the work and responsibility in District and Magistrate Courts have increased to an extent which fully warrants upgrading of the Chief Clerks. No promotions will be made, however, until the officers have served for a year at least on the maximum of Grade 'O'.

128. ITEM 38 provides for the appointment of a statistical clerk in Grade 'N'. The necessity for this appointment is evidenced by the fact that the number of cases entered in the Courts in 1927 was 100,000 and these rose in 1934 to 140,000 and in 1935 to 150,000. The number of cases entered in each year has increased approximately by 50% since 1927 and 150% since the present Civil Administration came into being on the 1st July, 1920. There is no reason to suppose that the present annual rate of increase of some 12 to 15 per cent will diminish: on the contrary it is expected to increase.

129. ITEM 47.—In the current year's Estimates a sum of £P.3,420 was included to cover the cost of extra clerical assistance. At the moment sixty officers are employed under this vote whose rates of pay vary from £P.5 to £P.8 a month. In very few cases have any of these officers been given an increase on their initial rate of pay, with the result that it becomes increasingly difficult to retain their services. Some of these casual clerks have shown marked ability and with the increase in the volume of business in the Courts there

is no reason to anticipate that their services can be dispensed with in the near future. The estimates therefore provide for their absorption into classified clerical grades. In some cases it is proposed that temporary officers thus admitted into the cadre shall receive the salary which they would have drawn had they joined the service at the minimum of the grade and received normal increments thereafter, but in most cases they will be absorbed at their existing rates of pay. It is not proposed that every temporary officer shall be absorbed into the permanent establishment. Some of the promotions for which provision has been made in these draft Estimates will probably be filled by the appointment of officers serving in other Government Departments and in so far as this occurs the less efficient of the temporary officers will be dismissed.

130. ITEM 50 provides a sum of £P.6,612 for cost of living allowances which had hitherto been met from Head XXVI.

131. ITEMS 36 and 37 cover the appointment of Court Accounting staff. Proposals for the reorganisation of the Court Accounting system have been under consideration for some time and decision has now been reached on the details of the scheme but it is imperative that before the system is introduced the Court shall be provided with competent accounting staff. Provision has therefore been made in the draft Estimates for the appointment of one Accountant and Cashier in Grade 'N' for the Department and for six Cashiers and six Court Fee Assessing Officers. The proposals for the appointment of additional staff are subject to the reservation that the posts will not be filled until decision has been reached on the number necessary and on the qualifications of the officers recommended therefor.

Other Charges.

132. ITEM 65.—An increase of £P.500 is shown under the vote for transport and Travelling of which £P.20 is attributable to the Probation Office. The increase is necessary on account of the additions to staff shown in these Estimates, to the revision of the Transport and Travelling Regulations and the provision of horse allowances for process servers.

Probation Office.

133. Both the approved Judicial Estimates for 1935-36 and the draft Estimates for 1936-37 include in the general Other Charges votes those expenses incurred by the Probation Office. It has now been found possible, however, to extract from the Departmental Estimates those Other Charges with which the Probation Officer alone is concerned and an increase of £P.504 in the total cost of the office in 1936-37 as compared with the provision included in the approved Estimates for 1935-36, is thus revealed, viz:—

	£P.
Personal Emoluments	840
Other Charges	— 336
Total Increase	504

Personal Emoluments.

134. The appointment of a Probation Officer in Grade 'K' was approved by the Secretary of State in his despatch No. 315 of the 14th March, 1935. This officer has now taken up his duties. It is proposed, however, to retain the services of the former Probation Officer in an advisory capacity until his present contract expires in June next.

135. ITEM 57 provides for the employment of four full time male Probation Officers in Grade 'N'.

The Probation Officer represents that as probation work is of so intimate and personal a character it cannot be successfully accomplished save by probation officers of the same race as the offenders in their charge. This principle is at present observed in the appointment of honorary Probation Officers but the extent and nature of the work makes it impossible for honorary Probation Officers in certain districts to fulfil their functions adequately. The Probation Officer therefore suggests that the country be divided into three probation areas, as under, and that a salaried probation officer be appointed for each area:—

- (a) Jerusalem Area, extending to and including Ramallah, Bethlehem, Jericho and Abu Gosh.
- (b) Jaffa Area, extending to and including Tel Aviv, Herzlia, Rishon le Zion and Ramle.
- (c) Haifa Area, extending to and including Acre, Zichron Yacov and Nazareth.



In each of the Jerusalem and Jaffa areas there is urgent need for one Jewish and one Arab male Probation Officer and provision for their appointment has been made accordingly, while provision for the employment of a part-time Arab woman Probation Officer for Haifa has been made under Item 58.

136. Item 58.—It is proposed that the Haifa appointment shall carry a salary of LP.96 per annum and that each of the remaining three shall be remunerated at a salary of LP.72 per annum. The rest of the country outside the areas mentioned under Item 57 can continue to be served by honorary female Probation Officers but the appointment of part-time salaried Probation Officers is necessary in Nablus and Hebron. The fourth appointment represents the transfer of the present part-time probation officer from Item 56 whose services have been extremely valuable and whom it is proposed to retain.

Other Charges.

137. The allocation of Other Charges to the Probation Officer in each of the two years 1935-1936 and 1936-37 is as under:—

Item 1936-37	1935-36	1936-37	Increase
65 Transport and Travelling	100	120	20
67 Railway Fares and Freight	15	25	10
68 Lighting and Heating	2	2	—
73 Telegrams, Telephones and Postage	2	2	—
77 Relief to necessitous cases	500	132	—368
80 Contingencies	6	8	2
Total	625	289	—336

138. Items 65 and 67. — Increases of LP.20 and LP.10 under the votes for Transport and Travelling and Railway Fares and Freight respectively are due to increases in the number of Probation Officers and to revision of the Transport Regulations.

139. Item 77. — A sum of LP. 500 was provided in the current year's Estimates for disbursement by the Probation Officer in the form of relief to necessitous cases among juvenile offenders. The Probation Officer represents that it is not the duty of a Probation Officer to dispense relief either in money or kind except where temporary assistance is necessary in the direct interest of the probationer and that the former allocation of LP.132 in 1934-35 has proved adequate for this purpose. In lieu of expenditure under this sub-head the Probation Officer has put forward proposals for the additional staff dealt with in the preceding paragraphs.

Sharia Courts.

140. The total increase under this Head is LP. 1,278 comprising: —

	LP.
Personal Emoluments	1,183
Other Charges	95

Personal Emoluments.

141. The increase under Personal Emoluments is due to the inclusion of provision for the payment of cost of living allowance (LP.1,272) which had formerly been met from Head XXVI. Certain changes have occurred in the holders of posts and by the agreement with the Supreme Moslem Council four Qadis are now shown in the scale LP.300-12-480 under Item 9 instead of scales LP. 300-550.

Other Charges.

142. Item 16.—An increase of LP.75 occurs under the vote for transport and travelling owing to the necessity for providing horse allowances for process servers.



HEAD VIII. TREASURY.

<i>Estimates</i> 1935-36	LP.17,809
<i>Estimates</i> 1936-37	LP.22,154
<i>Increase</i>	LP. 4,345

143. The allocation of expenditure in the years 1935-36 and 1936-37 is shown below :—

	1935-36	1936-37	Increase or Decrease
Personal Emoluments	17,189	21,199	4,010
Other Charges	620	895	275
Special Expenditure	—	60	60
Total	17,809	22,154	4,345

144. The main increases in these estimates occur under the following items :—

	LP.	LP.
<i>Personal Emoluments :</i>		
Item 6 Expatriation Allowance	100	
11 Inspector of Banks	1,000	
12 Secretary to Standing Committee for Commerce and Industry	600	
13 Six Officers of the General Clerical Service	408	
16 Cost of Living Allowances	1,440	3,548
<i>Other Charges :—</i>		
Item 17 Transport and Travelling	100	
18 Railway Fares and Freight	50	
19 Telegrams, Telephones and Postage	100	
20 Lighting and Heating	10	260
<i>Special Expenditure :—</i>		
Item 24 Heating Stoves	15	
25 Typewriter with Calculator Attachment	45	60

Personal Emoluments:—

145. Item 6. — Expatriation Allowance—LP.100.—In the Estimates for 1935-36, provision was made for the appointment of an additional Senior Assistant Treasurer at a fixed salary of LP.1,000 per annum. The officer has now been appointed at a salary of LP.950, together with the appropriate allowances, in Grade F. Provision is made for his salary accordingly in 1936-37 and for the payment of Expatriation Allowance.

146. ITEM 11 — Inspector of Banks — LP.1,000. — In his despatch Confidential 'B' of the 26th September, 1935, the Officer Administering the Government recommended to the Secretary of State that steps should be taken to select a suitable candidate for the post of Inspector of Banks. The officer has now been appointed and has taken up his duties.

147. ITEM 12 — Secretary to Standing Committee for Commerce and Industry — LP. 600. — The Treasurer has had this appointment

under consideration for some time but deferred making recommendation in the matter until he felt sure of the necessity for the appointment. He now reports that the demands made on his time by treasury and financial matters preclude him from giving that individual attention to economic matters which their importance justifies. In addition, the volume and importance of matters of this nature which fall to be reviewed by the Standing Committee show progressive increase and it is, therefore, regarded as essential that a qualified officer be appointed to assist the Treasurer. The candidate should be a man of previous secretarial experience and should possess a theoretical and practical knowledge of commerce and industry. His duties will consist in co-ordinating and advising on matters of general economic importance affecting trade and industry and customs tariffs. A separate despatch in this connection will shortly be addressed to the Secretary of State.

148. ITEM 13 — Six officers of the General Clerical Service — LP.408.— Two clerks are required to assist the new Inspector of Banks and the Secretary to the Standing Committee for Commerce and Industry whose appointments are dealt with above. It may be necessary to offer a salary in excess of the minimum of Grade O in order to attract the right type of officer. It is hoped to recruit for these posts officers who have had previous banking or business experience in order that they may be able to render adequate service without the need for undue probationary period. The pressure of work in connection with these matters is already considerable and it is essential that the new officers should not be handicapped by unqualified staff at the outset of their duties.

Four of the six appointments are required owing to the general increase in Treasury routine work. Both revenue and expenditure show sustained increase and although the clerical establishment of the Treasury was increased by five clerks in Grade O and one typist in Grade P during the current year the Treasurer still finds it extremely difficult to keep pace with routine matters. This is especially true in the Accounts Examination Section where at present a staff of nine officers only is engaged on the examination of outstation accounts, the scrutiny and recording of indents and the classification of the Crown Agents' accounts. This staff is insufficient and allows no margin for absences caused by sickness and vacation leave. It is necessary, therefore, to augment the staff of this Section by at least two clerks. Two clerks are also required in the Accounts and Advances and Deposits Sections where the increase in the volume of transactions is reflected in additional entries in the accounts and in the number of accounts maintained.

Other Charges.

149. ITEM 17 — Transport and Travelling — LP.100 and ITEM 18 — Railway Fares and Freight—LP.50.—It may be necessary for the Inspector of Banks and for the Secretary to the Standing Committee for Commerce and Industry to travel fairly extensively and it is also desired to extend the action taken in 1934 for the inspection of departmental and sub-accountants' accounts by travelling Treasury officers.

150. ITEM 19 — Telegrams, Telephones and Postage — LP.100. — The increase under this item has been caused by the reassessment of the flat-rate charged by the Posts and Telegraphs Department in respect of trunk calls. The assessment for 1935-36 was LP.30 and it has been reassessed at LP.120 for 1936-37. It should be explained that the calls put through in four typical months during the past year formed the basis of the reassessment.

151. ITEM 20—Lighting and Heating—Increase LP.10 and ITEM 24—Heating Stoves—LP.15.—Until the Auditor found new accommodation outside the central Government offices it had been necessary for the Treasurer to give up one room to accommodate the Registrar of Companies, but with the Auditor's departure this room is again available for Treasury use. In addition further staff is contemplated in 1936-37. For that reason and in order that unserviceable stoves may be replaced it has been necessary to increase the provision under Items 20 and 24.

152. Item 25 — Typewriter with Calculator Attachment — LP.45. — This machine is required in order that subsequent clerical work in connection with typewritten statements and statistics may be avoided. The Crown Agents have been asked to inform the Treasurer of the most suitable typing machine for use and it may be necessary to amend the estimate when this information is to hand.



HEAD IX. AUDIT DEPARTMENT.

<i>Estimates 1935-36</i>	£P.14,892
<i>Estimates 1936-37</i>	£P.15,931
<i>Increase</i>	£P. 1,039

153. The allocation of expenditure in the years 1935-36 and 1936-37 is shown below:—

	<u>1935-36</u> L.P.	<u>1936-37</u> L.P.	<u>Increase or Decrease</u> L.P.
<i>Personal Emoluments:—</i>			
Government Audit	10,837	10,439	— 398
Officers seconded to Trans-Jordan	410	410	—
Municipal Audit	1,317	2,606	+ 1,289
Total	<u>12,564</u>	<u>13,455</u>	<u>+ 891</u>
<i>Other Charges:—</i>			
Government Audit	1,908	1,969	+ 61
Municipal Audit	395	435	+ 40
Total	<u>2,303</u>	<u>2,404</u>	<u>101</u>
<i>Special Expenditure:—</i>			
Government Audit	—	72	+ 72
Municipal Audit	25	—	— 25
Total	<u>25</u>	<u>72</u>	<u>47</u>
Total Expenditure	<u>14,892</u>	<u>15,931</u>	<u>1,039</u>

GOVERNMENT AUDIT.

Personal Emoluments.

154. ITEMS 3 AND 4. — Provision has been made for the appointment at the minimum of the scale of an officer to replace the senior Assistant Auditor who has recently been transferred elsewhere. The provision made may require modification when details are known regarding the emoluments of the officer appointed to fill the vacancy.

155. Items 7 and 8 show an increase of LP.212 due to the fact that provision in 1935-36 was made for 8½ months only.

156. Items 9 and 10 provide for the promotion from Grade K to Grade H of the Assistant Auditor in charge of the Railway Audit at Haifa. A separate despatch is being sent to the Secretary of State in this connection. A corresponding decrease is shown under Items 11 and 12.

157. Item 13 shows a reduction of LP.1,490 in the cost of the clerical establishment. This is due to a re-distribution of staff between the Government and Municipal Audits; to the retirement on pension of a Grade N officer and to the resignation of another officer in Grade O. Part of the decrease is off-set by an increase of LP.989 under Item 22.

158. ITEM 14 contains provision for the payment of Stenography Allowance to a typist in the department who qualified in 1935.



159. ITEMS 15 and 16.—During 1935-36 the Audit Department left the central Government building to take up occupation in other premises. The services of the central cleaning staff were no longer available and it became necessary to employ an additional messenger.

160. ITEM 17 provides a sum of LP.864 for the payment of cost of living allowances which were formerly met from Head XXVI.

Other Charges.

161. ITEM 26 provides an additional sum of LP.21 for Lighting and Heating, due to the occupation of new and larger premises by the Headquarters of the department.

162. ITEM 28 provides an additional sum of LP. 25 for telegrams, telephones and postage. No provision, however, has been made for this service under the cost of the Municipal Audit as it has been found impracticable to differentiate between expenditure incurred on this account in respect of Government and the Municipal Audit respectively. A sum of LP. 15 was provided in 1935-36 for the cost of this service under the Municipal estimates. The net increase of LP. 10 on the two services is accounted for by higher trunk telephone charges and the installation of an additional line to the new premises.

Special Expenditure.

163. ITEM 34 provides a sum of LP.60 for the purchase of a duplicator. The Audit finds it necessary to issue many letters and circulars to revenue collectors and to departments and the provision of the duplicator will involve considerable saving in time and labour. It will also be of value in the preparation of departmental guide books.

164. ITEM 35 provides for the purchase of a portable typewriter at a cost of LP.12. This is required for the Auditor's official use while on tour and for confidential work.

MUNICIPAL AUDIT.

Personal Emoluments.

165. ITEM 20 The payment of a duty allowance to the Municipal Auditor at the rate of LP.100 per annum was approved by the Secretary of State during the course of the year.

166. ITEM 22 As explained above part of the increase of LP.989 under this item is accounted for by the transfer of certain of the more highly paid members of the general clerical staff from Government to Municipal Audit during 1935-36. In addition the Auditor recommends an increase of three in the staff engaged on Municipal Audit, thus raising the number from six to nine. It is proposed to fill one of these new appointments by the transfer of an officer in Grade M (who is now employed under Item 13) to Tel Aviv, replacing him in the general cadre by a new officer in Grade O. The audit of the accounts of the Municipality of Tel Aviv requires three full time resident officers with a knowledge of Hebrew and it is essential that these officers should be men of some seniority. The two remaining appointments will be filled by the transfer of suitable clerical officers in Grade N from other departments. All three officers will be permanently stationed at Tel Aviv and will be employed on the examination of the accounts of the municipality. In this connection it should be explained that the estimate of the Municipal Audit staff in 1935-36 was based on the estimated revenue and expenditure of the Municipal Corporations for 1933-34, amounting to LP.926,338. Since then the Municipal budgets have increased considerably and in 1935-36 the estimated total revenue and expenditure amounted to LP.1,928,529. In view of this large increase the work involved in the audit of the accounts of the Municipal Corporations can no longer be performed by an audit staff of six examiners based on the budgets for 1933-34.

167. ITEM 23 provides a sum of LP.186 for the payment of cost of living allowances which were formerly met from Head XXVI.

Other Charges.

168. ITEM 30 shows an increase of £P.100 in the provision made for transport and travelling. The increase is necessary owing to additional staff, an enlarged itinerary and the revision of the transport regulations.



169. ITEM 31 shows a reduction of £P. 33 in the amount provided for railway fares and freight. The Municipal Audit staff makes less use of the railway than was originally anticipated.

HEAD X. CUSTOMS, EXCISE AND TRADE.

<i>Estimates</i> 1935-36	£P.243,699
<i>Estimates</i> 1936-37	£P.269,368
<i>Increase</i>	£P.25,669

170. No new services are provided for in 1936-37 but the continued expansion of trade and industry has necessitated the provision of additional staff and of funds under Other Charges and Special Expenditure to meet the increased requirements of the Department.

171. The additional expenditure is shown in the following comparison between the estimates of approved expenditure for 1935-36 and the draft estimates of expenditure for 1936-37:—

	1935-36	1936-37	Increase or Decrease
	L.P.	L.P.	L.P.
Personal Emoluments	147,614	166,553	18,939
Other Charges	77,930	89,185	11,255
Special Expenditure	18,155	13,630	— 4,525
Total	243,699	269,368	25,669

172. Of the increase under Personal Emoluments a sum of £P.5,646 is due to the inclusion of provision for cost of living allowances, which were formerly met from Head XXVI; while a sum of £P.3,000 under Special Expenditure represents a revote of the sum provided under item 97 of the current year's estimates for the purchase of a travelling crane, payment for which will not be effected until 1936-37. The net increase is therefore £P.17,023, viz:—

	L.P.
Personal Emoluments	13,293
Other Charges	11,255
Special Expenditure	— 7,525
Total	17,023

Personal Emoluments. — Increase £P.18,939.

173. ITEMS 6 and 7.—In his telegram No. 268 of the 14th of September, 1935, the Secretary of State approved the recommendation of the High Commissioner that the services of the officer seconded from the Home service in 1933 as a Relieving Collector should be extended for a further period of two years and that his title should be changed to that of Assistant Director. Items 6 and 7 of the draft estimates give effect to these proposals and a resultant saving is shown under item 15.

174. ITEM 10 provides for the appointment of an Accountant and Establishment Officer in Grade H. Government has recently had under consideration the advisability of creating new posts in certain of the major departments as it is already apparent that the volume and intricacy of the accounting work warrant the appointment of senior officers to relieve the Heads of those departments of much of their present responsibility for the



conduct of routine matters. Increases in personnel also warrant the appointment of suitable officers to exercise general supervision over the staff. It is proposed, therefore, that these duties shall be undertaken by officers specially selected for the purpose, and that one officer shall be appointed for each of the Departments concerned who, as Accountant and Establishment Officer, shall exercise responsibility, under the Departmental Directors, in all matters pertaining to accounts and establishment. The Departments in which it is proposed that Accounting and Establishment Officers shall be appointed are Customs, Health, Agriculture and Public Works.

175. With regard to the Customs Department it should be mentioned that the present post of Accounting and Statistical Officer was created in 1926-27 with the object of providing a competent officer to supervise the accounting of the Department, but it is no longer possible for him adequately to supervise both the accounts and the establishment. The new appointment proposed will overcome the present difficulty and will leave the Accounting and Statistical officer free to concentrate, under the Accountant and Establishment officer, on accounting, statistical and stores duties which now require the whole time of a senior officer.

176. The growth of the accounting work since 1927 is indicated to some extent by the following figures:—

	1927	1935 January-June
Receipt Vouchers	94,200	117,174
Claims passed	2,482	2,655

The organisation of accounts concerning intoxicating liquor manufacturers, bulk oil installation, salt factories and other controlled industries has been added from time to time. The establishment of the department was taken over from the Office Surveyor in 1928 and the latter post was abolished. At the time of the transfer the staff numbered approximately 350 but the total staff is now in the neighbourhood of 900 and the duties attaching to control are onerous. Considerable expansion has also taken place in departmental stores. In 1927 the stores contained a total of 650 items; at the present time the items number 3,200 and the staff employed is three full time officers and one part time officer. The increase is due in the main to the completion of the Haifa Harbour and the provision of mechanical equipment.

177. ITEM 25 shows a reduction of two in the number of Port Officers in Grade K. It had been proposed to abolish two of the three posts formerly provided under this item and to increase the number of pilots on fixed salaries under item 27. The single post now shown is retained for the port of Jaffa and as the holder of the post is not called upon to perform pilotage duties his title has been changed to Port Officer. It will be necessary, however, to restore provision for three posts in the approved Estimates in view of the Secretary of State's despatch No. 63 of the 15th January, 1936.

178. ITEM 27 reflects the transfer of two pilots from item 25.

179. ITEM 28 shows a decrease of £P.450 in the provision for pilotage fees. With the proposal for the abolition of two posts of Port Officer and Pilot (see item 25) the number of the officers eligible to draw pilotage fees was reduced to two, namely a Harbour Master and Port Officer at Haifa, and a Tug Master at Haifa whose services are used in emergency, but it will be necessary to restore the former provision in the approved Estimates in view of the Secretary of State's despatch of the 15th January, 1936.

180. ITEM 30 provides for the appointment of a Port Mechanical Superintendent at a fixed salary of £P.500 per annum. The Senior Chief Engineer (Tugs) is required, in addition to his duties on board the tug, to supervise the general mechanical equipment in Haifa Harbour. This equipment comprises at present three tugs, six motor launches, three steam cranes, one petrol trolley, thirty hand trolleys, electric pumps and chloronome for the water installation, one motor fire engine, one petrol-electric crane, two light buoys and the electric lighting installation of the Port. This equipment will be further increased in the near future, as shown under items 96 to 118 of the draft estimates. The capital value of these items is considerable and it is essential that due provision be made for their efficient maintenance. A corresponding saving is shown under items 47 and 48.



181. ITEM 31 shows a reduction of one in the number of Surveyors in Grade K. It has been decided that Surveyors should in future be appointed in Grade L with the exception of the officer at Headquarters who should remain in Grade K in view of the administrative nature of the duties attached to that post. One Surveyor was appointed in Grade L in 1935 to complete the establishment.

182. ITEM 32. — In addition to the appointment made in 1935 three additional Surveyors are required owing to the increase of work at the Customs Houses at Haifa and Jaffa where it has become necessary to provide the Collectors with an additional assistant. The staff of surveyors at Haifa should further be increased by one; there are at present four surveyors at Jaffa and three at Haifa engaged on valuation work, but in view of the volume of trade passing through the Port at Haifa it is essential that the staff there should be increased to four.

183. ITEM 34.—Officers of Customs and Excise, Grade N. In the Estimates for 1935-36 two appointments of Quay Inspectors were shown separately. As there are other officers in the Department who are also employed as Quay Inspectors it is considered appropriate to provide for all such officers in Grade N under one item, and for this reason an increase of two is shown in the number of officers under Item 34 and a decrease of two under Item 61.

184. ITEM 36 provides for an increase of seventeen in the number of officers of Customs and Excise in the scale £P.90-6-168. Two female officers in receipt of stenography allowances whose appointments were formerly included under this item have now been transferred to Item 38 and the true increase under Item 36 is therefore 19.

The increase of work at the Directorate is felt particularly by the Jerquing, Statistics and Accounts Sections. Provision has been inserted under this item for two additional officers for the Jerquing Section and one each for the Accounts and Statistics, making an addition of four to the staff approved in the 1935-36 Estimates.

Six additional officers are required at Haifa of whom one is required for the Accounts Section, two for the Examination Section, one for the Cashier, and two for the Stores. Five additional officers are required for Jaffa, namely three Examiners and two Valuers. One officer is required for examination duties at the Jerusalem Customs House and one for office work at the Port Office, Haifa.

Two officers were included under item 31 of the current year's estimates in the scale LP.60-6-168 but the Secretary of State, in reply to the High Commissioner's despatch No. 86 of the 25th January, 1935, authorised the appointment of these officers at a salary of LP.120 each which was in accordance with the original intention. Provision for their continued employment has therefore been included under this item.

185. In connection with staff increases it should be explained that in almost every case the increase has been necessitated by the greatly enhanced volume of customs work. Should revenue decline it will be possible to dispense with the services of many of these additional appointments. A decrease in trade would, however, affect the Ports of Haifa and Jaffa to a greater extent than the remaining stations and posts of the Department. In deciding on the establishment of most land frontier stations time is usually a more important factor than the volume of trade. Land frontier stations are open for 24 hours each day, thus requiring the attendance of two or three officers, and this number cannot be reduced to any great extent by a decrease in the volume of work. The staff employed in the Excise Services, distillery etc., is depended on the number of factories working and not on the volume of trade. The Customs guards employed at Jaffa and Haifa Ports are mainly engaged in guarding Port areas and their numbers are governed by the size of the port areas, the number of gates etc., rather than by the volume of trade. Some of the guards, however, are employed on traffic control and their number would be reduced with a fall in trade. It is estimated, however, that a substantial saving could be effected if revenue showed a serious decline.



186. ITEM 38 shows an increase of four in the number of officers of Customs and Excise in the scale LP.60-6-132. Three of these posts represent the transfer of two stenographers from Items 36 and 40. The allowances are shown under Item 39. A stenographer is required for the Port Manager at Haifa and this accounts for the appointment under this item.

187. ITEM 40 provides for an increase of twenty in the number of officers of Customs and Excise in the scale LP.60-6-84. One officer has been transferred to Item 38 so that provision has been made for twenty-one new appointments. The additional officers are required as follows :

Three for the Jerquing Section and one for the Statistics Section of the Directorate to cope with the increased work.

Ten additional officers are required at the Haifa Customs House for the following duties — two storekeepers; one officer for bonded warehouses; two quay officers; two talliers; two officers for Parcel Post Office and one for general clerical work. These additions are required owing to the provision of new sheds and the general increase in the volume of work.

Six additional officers are required at the Jaffa Customs House for the following duties: one tallier; one voyage clerk; three storekeepers and one gatekeeper. These officers are required for the new north and south transit sheds and for the new gate of the Customs area south of the south transit shed.

One additional officer is required for general clerical duties in the office of the Port Manager at Haifa.

188. ITEM 43 provides for an additional Preventive Officer at a salary of LP.15 a month. This officer is required for duty in the Gaza District. In 1934 the Preventive Post which had been maintained at Majdal (Gaza) was closed down and the officer and guards formerly employed there were transferred to the southern frontier in the neighbourhood of El Arish to prevent smuggling across the Egyptian boundary. The Gaza Customs District, which thus includes Majdal, and Beersheba, is a very large district and evidence is available that much smuggling is taking place. It is desired, therefore, to strengthen the preventive force at Gaza by the appointment of one officer and two guards in order that wider and more frequent patrols may be undertaken. It is not proposed to re-open the post at Majdal. The additional guards are provided for under Item 60.

189. ITEM 54 provides for the addition of six to the tug crew stationed at Haifa. Four of them will be appointed at LP.7 a month and two at LP.6 a month. The Estimates for 1935-36 contain provision for a total of 18 men for the large tug "Steady" and the smaller tug "Trusted". The crews of these tugs are as under :—

	Steady	Trusted
Boatswain @ LP.8 a month	1	1
Drivers @ " 6 a month	2	1
Greasers @ " 6 a month	2	1
Firemen @ " 6 a month	2	1
Deckhands @ " 6 a month	4	3
	<hr/> 11	<hr/> 7

With the purchase of the new tug "Roach", which is the same size as the "Steady", it becomes necessary to increase the crew by four men, namely, one driver, one greaser, one fireman and one deckhand. It is proposed to increase the pay of the drivers to LP.7 a month as these men are responsible, under the Engineers, for the engine rooms and for that reason their rate of pay should not be lower than that of the boatwains. Whilst the "Trusted" is laid up it will be necessary to keep on board a maintenance crew comprising one greaser and one deckhand and provision for these two posts has been inserted accordingly.



190. ITEM 55. Provision for the crew of water barge was included in 1935-36 under the vote for guards and boatmen (Item 60) but provision has now been transferred to a separate item. The amount provided for this staff in 1935-36 was LP.384 (vide paragraph 94 of the memorandum on expenditure for 1935-36) but this amount was insufficient as will be seen from the rates of pay now inserted in the draft estimates. A reduction of LP.384 has accordingly been made under Item 60.

191. ITEM 56 provides for additional cranemen and liftmen, two at LP.10 a month, one at LP.8 and two at LP.6 Drivers are required for the new petrol electric super-mobile crane purchased during 1935-36 and for the electric crane which it is anticipated will be installed by the end of 1935-36. Two additional cranes will also be ready for use at Jaffa early in the financial year. The rates of pay of these cranemen have been graded in relation to their respective duties.

192. ITEM 58 provides for the employment of a fitter's mate at a salary of LP.5 per mensem. With the conversion of the 15-ton shore derrick crane to electric drive (see item 94 of the estimates for 1935-36), the provision of one petrol electric mobile crane and the electrical driven portal crane on the west lighter wharf dump at Haifa, it is essential that assistance be provided for the electric fitter.

193. ITEM 60 provides a sum of LP.22,462 for guards and boatmen, representing an increase of LP.2,262 over the provision made in 1935-36. During the current year the original sum provided for the pay of guards and boatmen was increased on two occasions. The first increase was sanctioned by special warrant in April and was approved by the Secretary of State in his despatch No. 768 of the 28th June, 1935. The additional sum of LP.300 then provided covered the employment throughout the year of eight guards at Jaffa on lighter and traffic control; provision for their employment had been made in the estimates for a portion of the year only. These men are permanently required and are responsible for LP.300 of the additional cost shown in the draft estimates.

The second occasion on which this item was augmented occurred in July and was approved by the Secretary of State in his Confidential telegram No. 193 of the 19th June, 1935. The amount required on this occasion was LP.945 and covered the appointment for the last nine months of the year of twenty additional guards for duty at Haifa, Jaffa and Rosh Pinna to permit the guards at those stations to enjoy one day's rest in seven. A sum of LP.1,260 in respect of a full year's provision has therefore been added to the cost of the service in 1936-37.

Addition to the staff of Customs guards will be required at Jaffa when the new area and sheds are completed. These guards are required for the new gate (24 hours duty); two watchers for the sheds, four on traffic control, one night guard and one guard for relief duties. Provision for eleven additional guards has therefore been included in the draft estimates at a cost of LP.792.

In order that extended anti-contraband patrol may be made effective in the Gaza District two additional mounted guards are necessary and the estimates have been increased accordingly by a sum of LP.144.

In his telegram No. 313 of the 17th November, 1935, to the Secretary of State the High Commissioner recommended the appointment of six additional Customs guards for a period of six months for the new timber storage area at Haifa. As the period of six months extends to the end of May next it is necessary to make provision in the draft estimates for the payment of these men for a period of two months. A sum of LP.78 is therefore provided on this account.

By notice under section 8 (1) (b) of the Customs Ordinance dated 15th August 1935, Abu Zaboura is made a place of entry for the importation of manure. This place is also used for the export of melons and a mounted guard is necessary for the post. Provision has been made accordingly for the payment of the salary at the rate of LP.72 per annum to this officer.



The total provided in the estimates is thus LP.22,462 comprising the following:

	L.P.
Estimates for 1935-36	20,200
Less:— ...	
crew for water barge transferred to	384
Item 55	19,816
Add:—	
8 for Jaffa	300
21 for Haifa, Jaffa and Rosh Pina	1,260
11 for Jaffa	792
2 for Gaza	144
6 for timber area Haifa	78
1 for Abu Zaboura	72
Total	22,462

194. ITEM 63 provides for four additional foremen at LP.120 per annum for two months at a cost of LP.80. The additional men are required for the new timber storage area at Haifa.

195. ITEM 65. Labourers, shows an increase of LP.1,108, covering the employment of eight trolley drivers at 160 mils a day, three cleaners at LP.5 a month and ten cleaners at LP.4 a month.

In view of the efficient service given by the petrol trolley purchased in 1935-36 it is proposed to purchase seven additional trolleys (see Item 104) and provision has accordingly been made for the employment of seven additional drivers. The use of the trolleys fluctuates according to the goods to be handled at the Port and for that reason it is considered that the drivers should be employed on a daily instead of a monthly basis.

Until 1934 the cleaning of Customs house premises was performed by Customs guards and boatmen and at Haifa and Jaffa the sheds were kept clean by portage contractors. With the completion of the extended Port area at Haifa it became necessary for the Department to undertake some part of this service and provision was inserted accordingly under item 79 in 1935-36. When the Department took over the portage service at Haifa it was faced with the problem of cleaning and scavenging a very large area and much accumulation was found to have occurred on the open dump areas. A similar problem will, it is anticipated, arise at Jaffa, and it is essential therefore that a properly organised system of cleaning and scavenging the Port areas be introduced. The cleaners shown under this item are provided for this purpose and they will undertake the cleaning of sheds, dumps and roads in the port areas.

196. ITEM 66 shows an increase of LP.300 in the vote for temporary officers. The position of this vote is summarised below:—

	L.P.
Approved Estimates 1935-36	3,200
Additional provision approved in Secretary of State's telegram No.268 of 14th September, 1935	2,000
	5,200
Less:—	
Wages of 39 officers transferred to classified establishment in 1936-37 under Items 36, 38 and 40	2,340
	2,860
Additional women searchers	175
Additional officers for timber storage area at Haifa	25
Additional staff necessitated by the application of sanctions	360
Officers required for confectionery factories	120
Total	3,540
Say	3,500

Owing to the prevalence of attempted smuggling of arms it has been deemed advisable to increase the staff of women searchers at Haifa and Jaffa from one to two at each Port. These officers were previously employed casually but provision has now been made for their constant attendance.

Two additional officers are required for two months for duty at the new timber storage area at Haifa.

In connection with the application of sanctions under the Treaty of Peace Order 1935 additional duties have devolved on the Department in the matter of scrutinising ships manifests and documents and the institution of enquiries regarding the origin of goods exported. These measures have necessitated the employment of three additional officers at each of the Ports of Haifa and Jaffa.

Two additional officers are required for a sugar factory at Acre where sugar temporarily admitted without payment of import duty is used in the manufacture of confectionery for export.

It should be noted that the additional staff mentioned above is required for the discharge of duties not resulting in the collection of additional revenue.

197. ITEM 68 provides an additional sum of LP.2,000 for the payment of overtime fees. Expenditure under this item is covered by the collection of fees which are credited to revenue. The fees collected during the first half of 1935-36 amounted to LP.6,575 and it is anticipated that if the present volume of traffic is maintained the estimated expenditure for the current year will be exceeded. The amount provided in 1935-36 was LP.8,000 and this has been increased to LP.10,000 in 1936-37.

198. ITEM 69 covers the payment of cost of living allowances at a cost of LP.5,646. These allowances were met in 1935-36 from Head XXVI.

Other Charges. — Increase LP.11,255.

199. ITEM 71. An increase of LP.55 is provided for the payment of horse allowance to three additional mounted guards at Abu Zaboura and Gaza whose appointments are provided for under item 60.

200. ITEM 72 shows an increase of LP.200 in the vote for railway fares and freight. The increase is required to cover expenditure resulting from the general expansion of the department, the transport of Government officers on leave and on duty and the transport of Government stores.

201. ITEM 73 shows an increase of LP.1,500 in the cost of lighting and heating. The greater part of the expenditure under this item concerns the lighting by electricity of the port areas at Jaffa and Haifa, the former of which will be extended considerably with the completion of the Jaffa Port improvement works. A reduction in the rates charged for electric consumption in respect of the Customs areas at Jaffa and Haifa was made by the Palestine Electric Corporation with effect from the 1st July, 1935, but this saving is more than counterbalanced by the expansion of the areas to be lighted.

202. ITEM 74. Clothing, has been increased from LP.1,000 in 1935-36 to LP.2,000 in 1936-37. It has not been possible in the past, within the funds available, for the department to purchase the whole of the clothing prescribed in the service dress regulations. The main reason for this lies in the sustained annual increase in the numbers of uniformed officers. The provision made in 1936-37 is designed to remedy the deficiency but the present dress regulations are not entirely satisfactory and the Director of Customs has been asked to revise them in order that a proper scale of clothing and equipment may be established.

203. ITEM 78. Insurance of Tugs. An increase of LP.450 is shown under this item to provide for the payment of the insurance premium of the new tug "Roach". The increased estimate is based on the rate charged in respect of the tugs "Steady" and "Trusted" and is computed at 43 shillings per cent on a value of LP.20,000.

204. ITEM 80 provides for a new item of expenditure entitled "Maintenance of Floating Plant" in the sum of LP.9,700. Savings are shown under items 77 and 79 to the extent of LP.9,150 and the additional provision of LP. 550 is due to the need of maintenance of the water barge purchased in 1935-36 (LP.300) and the fire appliances installed on the tugs at Haifa (LP.250).



205. ITEM 82 provides a sum of LP.2,110 for the maintenance of shore plant. Part of this item was formerly included under item 81. The vote covers the maintenance of cranes and lifts (LP.1,200), trolleys and barge equipment (LP.760); fire engines for shore work (LP.150).

206. ITEM 85. Maintenance of Navigation Lights and Buoys. A total sum of LP. 400 was formerly provided for this purpose under items 83 and 84 but these items have now been merged. The increase of LP.180 covers charges for the maintenance of the lighthouse erected at the mouth of Auja River which was taken into use in January 1935. The additional provision was approved by the Secretary of State in his despatch No. 607 of the 22nd May, 1935.

207. ITEM 86. An increase of LP.400 is shown under the vote for water supply. The increase is necessitated by the introduction of the water barge service. Expenditure on the purchase of water in the first six months of 1935-36 amounted to LP.685. The increase in the vote will be off-set by additional receipts from the sale of water which are reflected under Revenue Head IV item 45.

208. ITEM 87. Conservancy, Sanitation and Scavenging. This vote has been increased by LP.100 to provide for the cost of removing rubbish from the port areas at Jaffa and Haifa either by lighters for disposal at sea or by the Municipal Corporation for destruction. The word scavenging has been added to the title to make it more comprehensive so as to include the disposal of debris.

209. ITEM 88. An increase of LP.500 is shown in the cost of banderolles. The banderolles are sold to manufacturers and the receipts credited to revenue under Head III item 24.

210. ITEM 90 shows an increase of LP. 180 under the vote for telegrams, telephones and postage. The Postmaster General has increased the flat rate charge for telephone trunk calls made by the department from LP.185 to LP.260 a year. In addition several new installations have been made during 1935-36 for which it is necessary to insert provision for rent. The largest item of rent is for the Jisr Damieh Post, the total rental of which, namely LP.110 a year, was previously borne by the Police but has now been divided equally between the departments using the line, namely Police, Customs and Agriculture.

211. ITEM 92. A new item has been inserted to cover refunds of Customs revenue collected in previous years. Hitherto provision for repayments of this nature have been met from Head XXVI but it has now been transferred to Customs Head in accordance with the requirements of Colonial Regulation No.214.

212. ITEM 94 provides a new item for the payment of collection charges on Customs revenue collected at the Egyptian Customs Station at El Arish. This expenditure was approved by the Secretary of State in his despatch No. 755 of the 25th January, 1935. The agreement with the Egyptian Customs Administration provides that collection charges at the rate of 3% shall be paid on revenue collected at this station on behalf of Palestine.

Special Expenditure. LP.13,630.

213. ITEM 96 provides for the purchase of weighing machines at a cost of LP.200. On completion of the new transit and cargo sheds at Jaffa and Haifa it will be necessary to provide additional platform weighing machines for the examination of goods. Additional counter scales are also required for the use of examining officers and tobacco factory officers.

214. ITEM 98 provides a sum of LP.150 for the purchase of arms and ammunition. Preventive officers and officers of charge of Customs stations are armed with revolvers. The weapons at present in use were supplied by the Palestine Police Force but are now in many cases unserviceable as well as being of different types. It is desired to replace them with new weapons of standard pattern.

215. ITEM 100 makes provision for a total expenditure of LP.550 on the purchase of tarpaulins. During the winter of 1933-34 many tarpaulins were damaged at Haifa by contact with wet cement. It is necessary to replace them and to provide additional coverings for goods placed on the open dumps at Jaffa and Haifa. The provision made covers the purchase of 50 tarpaulins.



216. ITEM 102 provides a sum of LP.650 for the purchase of a weigh-bridge. It is proposed to instal a third weigh-bridge at Jaffa on the reclaimed area, near the proposed dump area for imported iron. The provision of this weigh-bridge will enable iron to be weighed and delivered from the Customs area with the least possible interruption of traffic. If either of the present weigh-bridges were used it would be necessary for vehicles loaded with iron to pass through the port area, thereby causing congestion of traffic. The sum of LP.650 covers the cost of the weigh-bridge and its installation.

217. ITEM 104. Mechanical Trolleys. The petrol trolley purchased in 1935-36 for use in the Haifa Harbour has given most efficient service and Government has endorsed the recommendation of the Harbour Board that seven additional trolleys be obtained.

218. ITEM 106. The estimates for 1935-36 contained provision, under item 97 for the purchase of a travelling crane. It has been found, however, that the sum of LP.3,000 there provided is insufficient to meet the cost and a further sum of LP.680 is required. Moreover it will not be possible to obtain delivery in 1935-36. The matter is covered by the High Commissioner's despatch to the Secretary of State (No. 27) of the 11th January, 1936. Provision for the whole cost of the crane has therefore been inserted in the draft Estimates for 1936-37.

219. ITEM 112. A sum of LP.280 is provided for the purchase of fire extinguishers for the new transit sheds at Jaffa and Haifa. It is also proposed to replace the present obsolete extinguishers in the Customs House at Jerusalem.

220. ITEM 113 provides a sum of LP.550 for the purchase of a motor trailer fire pump. The purchase of a second motor fire pump for use at Jaffa was approved by Government in February 1935 but no provision was made in the Estimates for 1935-36. Purchase was not pressed during that year as the extended area at Jaffa was not ready for use but the new engine will be required in 1936-37.

221. ITEM 114 provides a sum of LP.125 for the construction of boxes for landing animals. The use of these boxes was referred to in the enclosure to the Secretary of State's despatch No. 987 of the 21st August, 1935, and one box has been constructed this year for experimental purposes. If this box proves successful in use it will be necessary to purchase five others and provision for them is inserted accordingly.

222. ITEM 115. Scavenging Equipment LP.100. Reference has already been made to the extension of the scavenging and cleaning service at the ports of Haifa and Jaffa. Provision is inserted under this item for the purchase of wheel-barrows and hand-carts for the collection of rubbish in those areas.

223. ITEM 116 provides a sum of LP.150 for the purchase of fire alarm syrens. Two serious outbreaks of fire occurred recently in the Haifa Harbour, indicating the necessity of strengthening the fire fighting equipment at that Port and the need for a distinctive fire alarm which can be heard above the normal noise of the port. Provision has therefore been inserted for the purchase of suitable alarms for installation at Jaffa and Haifa.

224. ITEM 117 provides a sum of LP.800 for the purchase of steel shelving. The departmental archives, which consist principally of import entries, are kept at the Directorate for five years.. Claims for re-assessment and refund of duty, together with the frequent requests from Government for statistical information, require constant reference to these documents. So extensive have these records become that at present six officers are engaged in the task of extracting and replacing them. It is therefore proposed that the archives for two out of the five years should be filed in steel drawers specially constructed for the purpose. This will greatly facilitate reference to the records and reduce the time taken in dealing with claims and the production of information.

225. ITEM 118 provides for the purchase of a portal crane at a cost of LP.5,000. This crane will be used to transport heavy packages on to dumps, and subsequently to lift such packages from the railway truck, or other vehicles, at the time of delivery. The crane will be erected and will operate on the South Eastern dump areas of the Reclaimed Area.



HEAD XI. DEPARTMENT OF HEALTH.

	L.P.
<i>Estimates</i> 1935-36	211,062
<i>Estimates</i> 1936-37	242,831
<i>Increase</i>	31,769

226. The increases are distributed as under:—

	L.P.
Personal Emoluments	22,090
Other Charges	6,946
Special Expenditure	2,733

227. Part of the increase under Personal Emoluments is accounted for by the inclusion of a sum of £P. 8,160 in respect of cost of living allowances while a further part, amounting to some £P. 2,200, is due to the provision of increments for the existing staff.

228. The Personal Emoluments of the Department are classified under six headings, namely, Headquarters and District Administration, Hospitals and Dispensaries, Sanitary and Epidemic, Quarantine, Laboratories, and Medical Officers seconded to Trans-Jordan. It has not been found possible, however, to classify the Other Charges votes in a similar manner and they are therefore discussed in the memorandum in the order in which they appear in the Estimates, except that where proposals have been made for the inauguration of new services or for the expansion of existing services the whole of the cost involved is shown in the memorandum.

229. In 1935 the activities of the Department covered the following services:—

Three general hospitals at Jerusalem, Haifa and Safad which, including isolation sections, provide for 116, 133 and 28 beds respectively and the Infectious Diseases section of 73 beds of the Municipal hospital at Jaffa.

Two Mental hospitals at Bethlehem with 52 and 84 beds respectively.

Two Casualty posts at Ramleh and Beersheba with 9 and 8 beds respectively.

Two Prison sick detention wards at Acre and Jerusalem with 60 and 12 beds respectively.

Fifteen Urban dispensaries conducted by hospital or district Medical Officers at Jerusalem, Ramallah, Hebron, Beersheba, Jaffa, Ramleh, Gaza, Majdal, Haifa, Acre, Nablus, Tulkarm, Jenin, Beisan and Safad.

Three Medical inspection rooms at Nazareth, Tiberias and Bethlehem.

Ten Ophthalmic clinics conducted by hospital or District Medical Officers at Hebron, Beersheba, Gaza, Jaffa, Ramleh, Acre, Nablus, Tulkarm, Safad, Majdal and one mobile unit.

Eighteen Village Tamurgis Ophthalmic aid posts conducted by medical orderlies.

Twenty Infant Welfare Centres at Jerusalem, Ramallah, Bethlehem, Hebron (4) Beersheba, Jaffa, Ramleh, Gaza, Majdal, Haifa (2) Acre, Nablus, Tulkarm, Safad, Jenin and Jifna conducted by graduate nurses.

7 Village Infant Welfare Centres conducted by trained midwives.

5 Village clinics held weekly.

4 General diseases clinics at Jaffa, Haifa, Jerusalem and Hebron, and one rural clinic.

Four Port Quarantine Stations at Haifa, Acre, Jaffa and Gaza and a lazaret at Haifa.

Two Air Quarantine control Stations at Ramleh and Gaza.



In addition four Municipal hospitals at Jaffa, Tel Aviv, Nablus and Gaza and a Municipal dispensary at Tel Aviv, were assisted by Government either by the provision of staff or by financial grants.

The Estimates for 1935-36 contained provision for the following:—

Expansion of the Mental hospital at Bethlehem to accommodate an additional thirty patients, pending construction of a new Mental hospital.

Expansion of the Ophthalmic scheme by the opening of six new village Tamurgi clinics.

Additional Quarantine staff at Haifa Port.

Extended anti-malaria control measures at Lake Tiberias and Wadi Hawareth and special drainage schemes in swampy areas.

Transfer to Government of the administration of Watan hospital, Nablus.

Improvement of village sanitation by the installation of latrines.

The employment of two women doctors for gynaecological work.

Additional grants to Jewish Health Services and the new University hospital.

The draft Estimates for 1935-36 also contained provision for a Tuberculosis Sanatorium and for Tuberculosis district and dispensary services at a total cost of LP.13,296, but the scheme was held in abeyance by the Secretary of State pending consideration of the report made by the tuberculosis and endemic diseases expert. The scheme is again included in the draft Estimates for 1936-37.

Provision was also made in 1935-36 for a grant of LP.3,000 to the Government of Trans-Jordan for the prevention of the spread of epidemic diseases to Palestine which has only recently been approved by the Secretary of State — vide his despatch Confidential of the 14th November, 1935. Provision for this measure has been included in the draft Estimates for 1936-37 but at a reduced cost of LP.2,465.

230. Provision is made in the draft Estimates for 1936-37 at the cost shown below, for certain new schemes and for major expansion of certain of the Department's present activities :—

	Provision in Estimates of	
	Health	Public Works Extra-ordinary
	£P.	£P.
<i>A. New Schemes :—</i>		
1. Appointment of an Inspector of Factories, Trades & Industries	960	—
2. Administration of Municipal hospital at Jaffa (includes LP. 30 under Public Works Recurrent)	2,345	—
3. Establishment of a Maternity block at Jaffa	—	10,500
4. Establishment of Infectious diseases block at Jaffa	—	1,010
5. Isolation Hospital, Jaffa	—	34,000
6. Isolation Hospital, Jerusalem	2,024	14,500
7. General Hospital, Ramle	757	10,000
Total	£P.6,086	70,010

		Provision in Estimates of	
		Health	Public Works Extra-ordinary
		£P.	£P.
<i>B. Expansion of existing activities</i>			
Extension of hospitals at :-			
1. Haifa		1,264	800
2. Safad		767	2,000
3. Nablus		—	8,500
Expansion of services :-			
4. Village school medical services		1,530	—
5. Village medical and ophthalmic services		1,989	—
6. Infant welfare		1,804	3,360
7. Laboratory service		1,963	—
Total		9,317	14,660
Total Expenditure 1936-37		15,403	84,670

A. New Schemes.

(1) Inspector of Factories, Trades and Industries.

231. An officer is required to deal with the development of labour legislation, to co-ordinate the administration of the legislation already enacted for factories, trades and industries and the employment of women and children, to regulate conditions of labour in trades and to act as Secretary to the Labour Legislation Committee. Provision has been made for the appointment of an officer at a commencing salary of LP. 650 per annum in Grade 'H' and for payment of Expatriation Allowance at LP.100 per annum as approved for officers in that Grade.

The administration of legislation relating to factories, trades and industries falls chiefly on the Department of Health. In the case of the Regulations of Trades and Industries Ordinance the scope has been widened to include a larger number of establishments of a highly technical nature, many of them unconnected with public health and beyond the powers of Medical Officers of Health to regulate.

It is essential, therefore, that a suitable qualified officer be appointed to undertake these duties.

The full cost of this appointment in 1936-37 is £P.960, namely:—

Item 11	Inspector of Factories, Trades and Industries, Grade 'H'	650
" 12	Expatriation Allowance	100
" 100	Cost of Living Allowance	60
" 101	Transport and Travelling	150

(2) Administration of Municipal Hospital, Jaffa.

232. The proposal that Government should assume responsibility for the administration of the Municipal hospital at Jaffa was reported to the Secretary of State in the High Commissioner's despatch No. 137 of the 15th February, 1936. The total increase in Departmental expenditure resulting from this proposal is LP.2,345, namely:—



Personal Emoluments :—

		£P.	£P.
Item 18 Clerk at £P. 10 p.m.		120	
„ 47 Probationer Nurses			
2 at £P. 36 p.a.	72		
3 at £P. 30 p.a.	<u>90</u>	162	
Male Attendants		120	
Hospital Servants		147	
Cook		54	
„ 56 Assistant Cook		42	
Serving Woman		30	
Ward Maids		72	
Washerwomen		<u>96</u>	843

Other Charges :—

Item 103 Lighting, Heating & Electrical Supply	100	
„ 105 Disinfectants	72	
„ 106 Hospital Diets	1,300	1,472

Public Works Recurrent (Head XXV)

Item 8 Water Supply and Conservancy	<u>30</u>	<u>30</u>
Total		2,345

As an off-set to these additional charges it is anticipated that a sum of £P.1,000 will accrue to revenue in the form of hospital fees and £P.800 will be saved in the contribution which has hitherto been made by Government to the Municipality in respect of the hospital.

(3) Establishment of a Maternity block at Municipal Hospital, Jaffa.

233. No recurrent expenditure in 1936-37 is involved in the proposal for the construction of a maternity block to the existing hospital but a sum of £P.10,500 has been provided in the Estimates of Public Works Extraordinary (Item 52) to cover the cost of the site (£P.3,500) and the completion of the building (£P.7,000). As at present estimated the recurrent expenditure necessary when the building is ready for occupation amounts to £P.936, namely:—

Personal Emoluments :

	£P.	£P.
2 Graduate nurses at £P.90	180	
Cost of Living Allowances	24	
2 Wardmaids at £P.24	48	
1 Washerwoman	<u>36</u>	288

Other Charges :

Hospital diets	450	
Lighting and heating	50	
Equipment and medical supplies	80	
Disinfectants	18	
Clothing	<u>50</u>	<u>648</u>
Total		936

Special expenditure to the extent of £P.500 will also be necessary for furniture and clothing.

The building is required to permit the training of pupil midwives in the Jaffa district. The proposal is to construct a maternity section of eleven beds with accommodation for staff and six pupil midwives in training. The development of maternity services in the country is greatly hindered by lack of facilities for the training of midwives. The Department has one training centre in Jerusalem where sixteen midwives can be trained each year and another centre is being developed at Nablus for the training of 12 pupils annually. The centre at Jaffa will suffice for the training of twelve pupils as the course is of six months' duration. All centres provide lying-in wards for difficult and abnormal cases and quarters for the pupil midwives and the trained staff.

(4) Establishment of an Infectious Diseases block at the Municipal hospital, Jaffa.

234. The draft Estimates of Public Works Extraordinary provide, under Item 53, for the construction of one isolation pavilion of sixteen beds at an estimated cost of £P.1,010. One pavilion was added in 1935 and the proposed pavilion is of the same type. The present accommodation of seventy-three beds is inadequate for the number of infectious cases in the Jaffa district and it is highly undesirable that the overflow from the present accommodation should require to be admitted to the general hospital. The number of beds was increased from seven to seventy three in September 1935 and while this has partially relieved the situation the rapidly increasing population of this district necessitates further expansion. During 1935 over 2000 cases of infectious diseases requiring hospital treatment were notified in Jaffa district and of this number it was only possible to admit 1064 to this hospital and 240 to the general hospital.

No additional recurrent expenditure is required in 1936-37 but provision will be necessary in subsequent years to cover the cost of additional staff and maintenance in the amount of £P.780, namely:—

Recurrent Expenditure :—

Personal Emoluments :

	£P.	£P.
1 Graduate Nurse	90	
Cost of Living Allowance	12	
2 Probationer Nurses at £P 24	48	
1 Wardmaid	24	
1 Male Attendant	<u>48</u>	222

Other Charges :—

Hospital diets	364	
Lighting and heating	50	
Equipment and medical supplies	80	
Disinfectants	16	
Clothing	<u>48</u>	<u>558</u>
Total		780

Special Expenditure :

Equipment and furniture	<u>480</u>
Total recurrent and special expenditure	<u>1,260</u>

(5) Isolation hospital, North Jaffa district.

235. Accommodation for infectious diseases is required to provide for the very great increase of population in Tel Aviv, Petah Tiqvah and the settlements in the northern area of the Jaffa district. The present hospitals in this district are general hospitals, with the exception of part of the Municipal hospital at Jaffa, and are not designed for the isolation and treatment of infectious diseases. The



infectious section of Jaffa hospital even when enlarged by the construction of a new pavilion for sixteen beds will provide eighty-nine beds only and will not be able to cope with the requirements of the whole district. Moreover the building is unsuitable in situation and design for further extension beyond the one pavilion already mentioned.

The first stage of construction of the proposed new hospital provides for eighty beds and the second stage for one hundred and eight beds. Further extension, if found to be necessary, will be determined by the development and increase in the population in the area.

The estimated capital cost of the scheme is as under :—

First stage

	£P.	£P.
Site	3,000	
Construction	31,000	
Equipment	<u>5,500</u>	39,500

Second stage

Construction	8,000	
Equipment	<u>1,200</u>	<u>9,200</u>
Total		<u>48,700</u>

A sum of £P. 34,000 has been inserted under Item 54 of Head XXVIII, Public Works Extraordinary, for the purchase of the site and the construction of the first stage of the building. No recurrent expenditure is involved in 1936-37 but provision for staff and maintenance will be required when the building is completed on the following basis :—

Recurrent Expenditure:

Personal Emoluments:—

	£P.	£P.
First stage	3,032	
Second stage	<u>942</u>	3,974

Other Charges :

First stage	3,088	
Second stage	<u>970</u>	<u>4,058</u>
Total		<u>8,032</u>

(6) Isolation hospital, Jerusalem.

236. ITEM 57 of the Estimates of Public Works Extraordinary for 1936-37 provides a sum of £P.14,500 for the construction of this hospital, the need of which was explained in paragraph 546 of the Memorandum on the Expenditure Estimates for 1935-36. The original estimate of cost was £P.11,000 and of this it is estimated that a sum of £P.1,000 will be expended in 1935-36. The estimate of total cost has been increased by £P.4,000 to provide for the construction of one additional pavilion of twenty-two beds, thus making the total accommodation forty-four beds and by £P.500 to cover the cost of construction of a road. It is hoped that the first pavilion of twenty-two beds will be ready for occupation during the course of the forthcoming year and provision has therefore been made for the necessary staff, etc., for nine months only as under :—



Recurrent Expenditure:

Personal Emoluments:

			Cost in 1936-37	Cost in a full year
			L.P.	L.P.
Item 35	British Nursing Sister		125	162
" 44	Two graduate Nurses		135	180
" 47	Four Probationer Nurses		72	96
" 56	One male Attendant		36	48
	Four Ward Maids		72	96
	One male Servant		36	48
	One Cook		45	60
	One Assistant Cook		27	36
Total Personal Emoluments £P.			548	726

Other Charges :

Item 103	Lighting and Heating	50	60
" 104	Equipment & Medical Supplies	110	150
" 105	Disinfectants	38	50
" 106	Hospital Diets	550	750
" 107	Clothing	92	92
Total Other Charges £P.		840	1,102
Total Recurrent Charges £P.		1,388	1,828

Special Expenditure :

Item 154	Equipment, Furniture & Clothing	636
Total Expenditure 1936-37 £P.		2,024

Provision for the staff and maintenance has been made on the assumption that the pavilion will be ready by the 1st July. The cost in a full year is as shown above and further recurrent expenditure will be necessary when the second pavilion is ready for occupation.

(7) General Hospital Ramle.

237. Paragraph 547 of the Memorandum on the Expenditure Estimates for 1935-36 explains the need for a hospital at Ramle. The original scheme contemplated the construction of the first portion of the hospital during 1935-36 to provide accommodation for infant welfare and ophthalmic clinics, a casualty post, a general hospital and an office, the hospital part of which provided for male patients only from Ramle and the surrounding districts. At that time it was anticipated that a site would be available within the Municipal area but the site proposed proved to be too expensive and it has been found necessary to select a site outside the Municipal boundary. The selection of this site makes it necessary to provide accommodation for the staff on the premises and to retain the out-patients department and the infant welfare centre in the town. Moreover, the pressure on the accommodation in the hospital at Jaffa has made it necessary to provide accommodation for female as well as male patients in the proposed hospital.

The revised scheme thus provides accommodation for ten male and ten female patients, together with staff quarters, and the estimate of cost has been revised from £P.6,600 for the first stage to £P.10,000 for the complete building. This estimate is still tentative but full details will be forwarded to the Secretary of State in due course and no expenditure will be incurred on the proposal until his approval has been obtained. It is anticipated that the hospital will be available for occupation by the 1st October, 1936, and provision has been made



accordingly for the necessary staff and maintenance expenses. The following shows the provision made in 1936-37 and the provision required in a full year :—

Recurrent Expenditure.

Personal Emoluments:

		Provision in 1936-37 £P.	Provision for a full year £P.
Item 44	One graduate Nurse	45	90
" 47	One Probationer Nurse	12	24
" 56	One male Attendant	24	48
	One male Servant	24	48
	One Washerwoman	18	36
Total Personal Emoluments		<u>123</u>	<u>246</u>

Other Charges :

Item 103	Lighting, heating and Electrical Supply	25	36
" 104	Equipment and Medical Supplies	30	60
" 105	Disinfectants	7	14
" 106	Hospital Diets	175	350
" 107	Clothing	<u>37</u>	<u>37</u>
Total Other Charges		<u>274</u>	<u>497</u>
Total Recurrent Charges		<u>397</u>	<u>743</u>

Special Expenditure :

Item 154	Equipment, Furniture etc.	<u>360</u>
Total expenditure 1936-37		<u>757</u>

B. Expansion of Existing Activities.

(1) Extension of Hospital, Haifa.

238. In his telegram No.258 of the 7th September, 1935, the Secretary of State approved of the extension of the hospital at Haifa in the form of a temporary pavilion to be built in the Hospital grounds, providing accommodation for twenty beds. The necessary recurrent expenditure for 1935-36 was provided by Special Warrant. The expenditure required in 1936-37 is shown below :—

Recurrent Expenditure.

Personal Emoluments:

		Provision in 1936-37 £P.
Item 44	Two graduate Nurses	180
" 47	Three Probationer Nurses	72
" 56	Two male Attendants	96
	One male servant	48
	Two Washerwomen	<u>72</u>
Total Personal Emoluments		<u>468</u>



Other Charges :

	Provision in 1936-37 £P.
Item 103 Lighting, Heating and Electrical Supplies	48
" 104 Equipment & Medical Supplies	100
" 105 Disinfectants	24
" 106 Hospital Diets	559
" 107 Clothing	<u>65</u>
Total Other Charges	<u>796</u>
Total Recurrent Charges	<u>1,264</u>

(2) Extension of Hospital, Safad.

239. The accommodation provided at Safad has proved inadequate for the needs of the Sub-District and of Tiberias. The cases accommodated there are mainly of a contagious nature, being either enteric fever or dysentery cases. It is proposed therefore that the quarters now occupied by the nursing staff shall be converted into wards to provide accommodation for an additional fifteen beds and that separate quarters shall be constructed for the nursing staff. Item 62 of the Estimates of Public Works Extraordinary provides a sum of £P. 2,000 for the construction of these quarters and for the purchase of a site. In anticipation of the completion of construction by the 1st October, 1936, provision for staff and maintenance for six months has been inserted in the draft Estimates for 1936-37, as shown below:—

Recurrent Expenditure.

Personal Emoluments :

	Provision in 1936-37 L.P.	Provision for a full year L.P.
Item 44 One graduate Nurse	45	90
" 47 Two Probationer Nurses	24	48
" 56 { One male Attendant	24	48
" { One male Servant	24	48
" { One Washerwoman	18	36
Total Personal Emoluments £P.	<u>135</u>	<u>270</u>

Other Charges :

Item 103 Lighting, Heating and Electrical Supplies	24	48
" 104 Equipment & Medical Supplies	40	80
" 105 Disinfectants	10	20
" 106 Hospital Diets	165	330
" 107 Clothing	<u>43</u>	<u>43</u>
Total Other Charges £P.	<u>282</u>	<u>521</u>
Total Recurrent Expenditure £P.	<u>417</u>	<u>791</u>

Special Expenditure :

Item 154 Furniture, Equipment, etc.	<u>350</u>
Total Expenditure 1936-37 £P.	<u>767</u>



(3) Extension of the Hospital at Nablus.

240. The Director of Medical Services submitted a case for the construction of a casualty post at Tulkarm and for a new hospital at Jenin. Both projects were considered by Government but it was thought that the situation could be met for the present by the extension of the existing hospital at Nablus. The ground floor of the maternity section of this hospital has been completed and the addition of first and second storeys will provide quarters for pupil midwives and nursing staff. The second storey will be designed so as to provide quarters for all nursing staff and thus will increase the ward accommodation of the general hospital by twelve to fourteen beds. A sum of £P.8,500 has accordingly been provided in the Estimates to cover the cost of the programme of construction (see Item 59 of Head XXVIII).

No recurrent costs are entailed in 1936-37 but when the building is completed additional funds, as estimated below, will be necessary on account of staff and maintenance expenses:—

Personal Emoluments :

	L.P.	
1 Graduate Nurse	90	
2 Probationer Nurses at £P. 24	48	
1 Wardmaid	24	
Cost of Living Allowance	<u>12</u>	174

Other Charges :

Hospital Diets	335	
Equipment and Medical Supplies	75	
Lighting and Heating	42	
Clothing	45	
Disinfectants	<u>15</u>	<u>512</u>
Total		<u>686</u>

Special Expenditure :

Equipment, furniture and clothing	<u>400</u>
Total recurrent and Extraordinary	<u>1086</u>

(4) Expansion of village school medical services.

Personal Emoluments :

241. Provision has been inserted in the Estimates for the appointment of three additional Medical Officers and three additional nurses. The full costs are:—

	L.P.	
Item 44 Three graduate nurses in the scale £P.90-6-220	270	
„ 64 Three Medical Officers at £P. 300-550 for Haifa, Jerusalem and Jaffa	<u>1,050</u>	
Total Personal Emoluments		<u>1,320</u>

Other Charges :

	L.P.	L.P.
Item 101 Transport and Travelling		
Three Medical Officers		
at £P. 60 p.a. each	180	
Three Nurses at £P. 6 p.a.		
each	<u>18</u>	198
" 107 Clothing for three Nurses		
at £P. 4 p.a. each		<u>12</u>
Total Other Charges		<u>210</u>
Total Expenditure 1936-37		<u>1,530</u>

The three Medical Officers are needed in view of the general increase in the school population; which has risen 43% since 1932. At present Medical Officers who carry out the school work in Jerusalem, Jaffa and Haifa are able to devote part only of their time to this important service as they are engaged on various other duties, such as inspections and medical work in prisons and lock-ups, Customs examination, inspection of immigrants, and inoculation, vaccination, etc. Village schools in sub-districts receive scant attention as in most cases one Medical Officer only is stationed within the sub-district and he is in charge of all public health services.

The appointment of three additional Medical Officers and three nurses is necessary in order that they may devote their whole time to school services. They will have the part time services of the existing Medical Officers and they will be able to organise and carry out a much more efficient school medical service in rural areas as well as in the towns in which their headquarters are situated. The early detection of physical defects and diseases and particularly tuberculosis is an important factor in combatting excessive morbidity and mortality.

(5) Expansion of village medical and opthalmic services.

242. The expansion proposed in this connection is shown below:—

Personal Emoluments :

	L.P.
Item 64 One Medical Officer	350
" 73 Six Ophthalmic Tamurgis	432
" Four Village Tamurgis	<u>288</u>
Total Personal Emoluments £P.	<u>1,070</u>

Other Charges :

Item 101 Transport & Travelling	306
" 103 Lighting & Heating	36
" 104 Equipment & Medical supplies	115
" 107 Clothing	<u>40</u>
Total Other Charges	<u>£P. 497</u>

Special Expenditure :

Item 131 Equipment and Medical Supplies	372
" 132 Matting and Frames for shelters	<u>50</u>
Total Special Expenditure	<u>£P. 422</u>
Total Expenditure 1936-37	<u>£P. 1,989</u>



The Medical Officer is required to extend the Ophthalmic service of the sub-district at Ramle. This is a relatively densely populated area with a high incidence of acute conjunctivitis in the villages. The officer will be posted at Ramle and will assist at the ophthalmic clinics and will tour the various villages, but it is not proposed to provide him with a mobile unit. At present one Medical Officer is responsible for the casualty post as well as the out-patient and ophthalmic clinics in Ramle where the annual attendances are nearly 100,000. The new officer will also, in the near future, assist in the duties of the new hospital at Ramle.

The six Ophthalmic Tamurgis have been included in conformity with the policy of extending the ophthalmic service in areas where the incidence of acute conjunctivitis is high. The inclusion of these posts will permit of the establishment of six additional village ophthalmic centres in villages. Four village Tamurgis have also been included to permit of the expansion of much needed medical assistance in outlying villages. These Tamurgis will be stationed in villages where Medical Officers hold regular clinics. They will assist at these clinics and also carry out ophthalmic duties. They will be able to carry out such minor medical and surgical treatment as may be necessary between the visits of the doctor.

(6) Expansion of Infant Welfare service.

243. The increase in the service is as under:—

Personal Emoluments :

	<u>L.P.</u>
Item 37 One Superintendent of Midwifery £P.288-12-360	288
" 38 Expatriation Allowance	50
" 44 One graduate nurse for Jaffa £P.90-6-120	90
" 54 Ten Midwife-Nurses at £P.60 p.a.	600
Total Personal Emoluments	<u>£P. 1,028</u>

Other Charges :

Item 101 Transport and Travelling for Superintendent of Midwifery	60
" 107 Clothing	100
Total Other Charges	<u>£P. 160</u>

Special Expenditure :

Item 135 Equipment and Furniture	616
Total	<u>£P. 1,804</u>

The development of Maternity and Infant Welfare work in the Gaza-Majdal area, where two additional village clinics are being established this year, and the increase of this work in the towns of Gaza and Majdal render it necessary to appoint an experienced British Superintendent of Midwifery for the area. The expansion of work in Jaffa now renders it impossible for the Superintendent at Jaffa to exercise adequate supervision in the Gaza-Majdal area.

The graduate nurse is required for an additional Infant Welfare Centre in the Manshieh quarter at Jaffa.

In connection with the expansion of the Department seven Infant Welfare Centres have already been established as an experiment in seven different villages and by the end of the present year it is hoped to establish a further eight, making a total of fifteen, in each of which a midwife nurse is required. Hitherto the nurses for established centres have been provided by the Department from the votes for probationer nurses and hospital attendants. In view, however, of the need for the permanent establishment of the centres separate provision has now been made for the establishment of ten midwife nurses.



(7) Laboratory service.

244. The increase in the establishment of the laboratory is rendered necessary by the very great increase in the volume of work. The number of specimens dealt with has risen from 20,617 in 1933 to 16,698 in the first six months of 1935. There has also been a very large increase in the number of medico-legal specimens dealt with. In 1928 the number of examinations was 56 while in 1934 it was 292. The number of doses of vaccines, excluding smallpox vaccine, manufactured and issued has risen from 104,434 to 269,480 in 1934.

The increases proposed in this section of the Department are summarised below :—

Personal Emoluments :

		L.P.
Item 18	One clerk — £P.60-6-168	60
" 91	One Assistant Bacteriologist	350
" 94	One Laboratory Assistant £P.180-8-276	180
" 95	One Laboratory Attendant — £P.144-6-180	144
" 97	Two Laboratory Attendants — £P.96-6-132	192
" 98	Two Cleaners at £P.36 each	<u>72</u>
	Total Personal Emoluments	<u>£P.998</u>

Special Expenditure :

Item 144	Special Laboratory Appliances and Fittings	<u>965</u>
	Total	<u>£P.1,963</u>

The appointments contained under Items 91 and 94 are necessary on account of the general increase of work explained above.

The appointment under Item 95 is required for the Chemical Section and the officer will be employed on the examination of olive oils for the manufacture of soap in connection with the trade agreement with Egypt. The examination of these oils is a highly technical process and requires the services of an experienced officer.

Of the two Laboratory Attendants under Item 97 one is required for the chemical section at Jerusalem in connection with the examination of foodstuffs necessitated by the enactment of the Public Health (Rules as to Food) Ordinance. During the current year the number of examinations had to be restricted as the existing staff was inadequate. The number of medico-legal specimens involving chemical analysis has also increased very largely as have bio-chemical and agricultural specimens. The second Attendant is required at Jaffa where the number of examinations has risen from 9,576 in 1932 to 14,641 in 1934.

The cleaners provided under Item 98 are necessary on account of the increase in the volume of work in the Laboratory at Jaffa and Haifa. This involves much washing up and cleaning which is beyond the capacity of the existing staff.

General Increases.

245. Expenditure involved in the establishment of new schemes and the major expansion of existing schemes has been explained in the foregoing notes but there is, in addition, considerable expenditure of a general nature dependent on the expansion of the Department's normal services. Major increases of this nature are explained hereunder in the order in which they appear in the Estimates.



246. ITEM 9. Paragraph 174 of this Memorandum explains in general terms the need of the appointment of Accountant and Establishment Officers in four of the major Departments. The Department of Health in particular is in need of an appointment of this nature as in the absence of a qualified officer capable of taking responsibility the increase in the volume of work of a minor routine nature has fallen on the Director or his Deputy to the detriment of more important administrative and technical duties. Departmental Estimates have risen from LP.115,000 in 1932-33 to LP.211,062 in 1935-36 and Departmental employees have increased from 500 to over 800 in the same period excluding labour employed on antimalarial and village latrine schemes without increase in the British administrative staff. It is essential therefore in the interest of efficiency and of the proper conduct of the Department that a competent officer be appointed to relieve the Administrative heads of direct responsibility for matters relating to accounts and establishment. Provision has, therefore, been made for the appointment of a British Officer in Grade 'H'. With the title of Accountant and Establishment Officer.

247. ITEM 18 provides for the appointment of eleven additional clerical officers — two in Grade 'N' six in Grade 'O' and three (typists) in Grade 'P'. The need for the employment of two clerks in Grade 'O' has been mentioned in connection with the proposal for the Government administration of the Municipal hospital at Jaffa and the expansion of the laboratory service. Nine other officers are required for the following reasons:—

One clerk in Grade 'N' is required at the District Health Office, Haifa, to take charge of reports and statistics and matters pertaining to finance. The volume of work in that office has so increased in consequence of the rapid development of Haifa Town and district that it has become necessary to employ a clerk solely on these duties. In view of the responsibilities attached to the office the appointment of an experienced clerk not below Grade 'N' is necessary.

One clerk in Grade 'N' is required for the office of the Sanitary Engineers' Section in the Headquarters of the Department. The clerk should be experienced in engineering terminology, capable of understanding technical correspondence and able to undertake drafting of reports from notes. The appointment will enable the Sanitary Engineer to devote more time to technical matters and to inspection duties. At present both Sanitary Engineers, on account of the technical nature of their correspondence, have to do most of their own clerical work.

One clerk in Grade 'O' is required on account of the large increase in the general clerical work of the Department, involving additional correspondence, records etc. In particular there has been a considerable increase in connection with trade and industries and Central Medical Boards. The number of cases dealt with by the Central Medical Boards involving the writing and preparation of records of a confidential character has risen from 76 in 1933 to 374 during the first nine months of 1935.

One clerk in Grade 'O' is required on account of the expansion of the service of the Department in connection with hospitals, clinics and infant welfare centres. The appointment is necessary to expedite correspondence and to provide an officer to deal with indents and other matters of a routine nature.

Two clerks in Grade 'O' are required for the District Health Offices in Jaffa and Jerusalem. They will be required to deal with quarantine formalities resulting from increased immigration, to assist in the matter of registration of births and deaths and the issue of certificates in connection therewith. Assistance is also required in general clerical work which is fast increasing with the expansion and development in these towns.

Two female typists in Grade 'P' are at present employed at the Department's Headquarters. One is now being paid from funds provided for the improvement of village water supplies and the other from the vote for extra clerical assistance. The volume of typing undertaken at Headquarters necessitates the permanent retention of these two typists and provision for their emoluments has therefore been transferred to the vote for the permanent establishment.

One female typist in Grade 'P' is required for the District Health Office in Jerusalem on account of the great increase in the volume of work transacted.



248. ITEM 13. In paragraph 130 of the Memorandum on the draft Estimates for 1935-36 it was explained that an Assistant Storekeeper was being transferred to the Department in view of the impending retirement of the Storekeeper. That retirement has not yet taken place and it has therefore been necessary again to make provision for the officer's salary in 1936-37. It is expected, however, that he will retire with effect from the first of January, 1937, and provision has been made for his emoluments until the 31st of December, 1936 and for the ensuing three months.

249. ITEM 14 provides for the salary of an Assistant Storekeeper in Grade 'M' for a period of nine months and for his replacement at the minimum of the Grade for three months.

250. ITEM 20 provides for two additional motor drivers. Under Item 152 a sum of LP.320 is provided for the purchase of a disinfecting lorry to replace an unserviceable vehicle, while under Item 153 provision in the sum of LP.500 is made for the purchase of two additional light disinfecting vans. The staff of motor drivers has therefore been increased by two for the two additional vehicles.

251. ITEM 22. An additional of LP.397 has been made to the vote for packers, cleaners and messengers, providing for the following:—

Two Ghaffirs as night and day watchmen are required at the Medical Stores. Two Ghaffirs were formerly provided by the Printing and Stationery Department but the removal of this Department to its own new premises has withdrawn that assistance.

One additional packer is required for the Medical Stores in view of the greatly increased issues and receipts of stores consequent on the extension of the Department's services.

One porter is required at Haifa Hospital to deal with the increased number of out-patients, to control the traffic during visiting hours and to carry out certain menial duties.

One porter is required at the District Health Office, Jerusalem, to act as doorkeeper. This post is necessary on account of the increase in public business in connection with vaccination, quarantine observations of passengers and the issue of licences, certificates, etc.

One indoor messenger is required at Headquarters as the two messengers on the present establishment are employed solely on outside duties.

Six cleaners are required for the District Health Offices and infant welfare centres which are frequented by an increasing number of visitors.

252. ITEM 31 provides for the appointment of an Inspector of Pharmacies in Grade 'H'. The officer is now in Grade 'K' and his salary has hitherto been paid from Item 30. His promotion is dealt with in the general despatch on the subject of promotions to which reference is made in paragraph 2 of this Memorandum.

253. ITEM 32 provides for the appointment of a Steward Superintendent at the Mental Hospital. The increased number of mental patients now accommodated justifies the further development of the industries section which is an important factor in the treatment of mental cases. The Storekeeper who has hitherto conducted the industries section on a limited scale will retire during 1936-37 and it is desired to replace him and at the same time to develop this important feature. For this purpose the appointment of a British officer is proposed. The officer selected should possess experience of this type of institutional activity and the handling, when necessary, of mental cases. On the completion of the new mental hospital the functions of the officer will be enlarged and he will also be charged with the duties of steward of the institution.

254. ITEM 34 provides for the promotion of three Matrons in accordance with their contractual conditions of service.

255. ITEM 44. An increase of fifteen is shown in the number of graduate nurses. The appointment of eleven has been explained in connection with new and enlarged schemes and the further increase of four is explained below.



Three are required for gynaecological work at Haifa, Jerusalem and Jaffa and they will be appointed on the arrival of the women Medical Officers for whom provision was made in the current year's Estimates.

One is required at the Government Hospital in Jerusalem on account of the increased work in the outpatients clinic.

256. ITEM 47 provides an increase of LP.402 in the vote for probationer nurses. The sum provided covers the emoluments of eighteen nurses two of whom will be required for six months only and six for nine months only. Their appointments have been dealt with in those sections of this Memorandum regarding provision made for new or enlarged schemes.

257. ITEM 52. The work in the X-Ray Department of the Jerusalem Hospital is heavy not only on account of medical work, which is steadily increasing, but on account also of the fact that many cases now report there for consultation from other Districts, and an additional technical assistant is therefore urgently necessary. The officer appointed will be required to have sufficient technical and electrical experience to be able to inspect and maintain the sets in operation in several Government Hospitals.

258. ITEM 64. An increase of five Medical Officers is shown in the Estimates of whom three are required for the school medical service and one for the village medical and ophthalmic service, as explained in paras. 241 and 242. The fifth Medical Officer is required for Tel Aviv where there is at present one Medical Officer only who is responsible for all public health work in the town and the Jewish settlements of the Jaffa Sub-District. The rapid development of this area has caused an increase in this officer's duties which are now beyond his capacity and it is urgently necessary that a second Medical Officer be appointed to assist him.

259. ITEM 67. An additional Sanitary Inspector is required for anti-malaria drainage schemes. The Sanitary Engineer (rural) who prepares and carries out anti-malaria drainage schemes throughout the country and is responsible for the subsequent maintenance has insufficient qualified field inspection staff and it is impossible for him to give that personal attention to the schemes which they require and at the same time to prepare new schemes and to maintain completed schemes. An additional qualified Inspector is therefore essential and provision for his engagement has been made accordingly.

260. ITEM 68 provides for six additional Assistant Sanitary Inspectors. One is required to supervise and control the extensive anti-malaria measures now necessary on the shore of the lake of Tiberias where the variation in levels resulting from the activities of the Palestine Electric Corporation has produced a malaria problem of considerable magnitude. Three-quarters of the cost of the appointment is recoverable from the Palestine Electric Corporation and will be credited to Revenue Head IV Item 41.

An Assistant Sanitary Inspector is required in Nablus for the control and supervision of the manufacture of pure olive oil soap in connection with the trade agreement regarding the export of soap to Egypt.

An additional Inspector is required in each of the four towns, namely, Jerusalem, Jaffa, Tel Aviv and Haifa for the inspection and control of Trades and Industries and in connection with the operation of the Public Health (Rules as to Food) Ordinance. There has been rapid industrial development in these towns in recent years and not only has the number of establishments increased but their nature has become more specialised, involving an increasing burden of inspections of a technical character. The new Public Health (Rules as to Food) Ordinance in itself demands frequent inspections of all establishments manufacturing or selling food stuffs.

261. ITEM 69. Two additional Sanitary Sub-Inspectors in the scale LP.96-6-132 are required for the following reasons:—

One to take charge of materials used in the installation of village latrines. Hitherto the responsibility for the custody and issue of materials has been vested in temporary officers. This has proved unsatisfactory and it is regarded as essential that a permanent officer be appointed to undertake this responsibility.



A second Inspector is required for the expansion of medical and anti-malaria work in the Beersheba district. One officer was appointed during 1935-36 but he is mainly occupied on the eastern side of the area and it is necessary to appoint a new officer to take charge of the western area. The officer will accompany police patrols and will form an independent camel unit.

262. ITEM 71 provides for an increase of three in the number of anti-malaria Sub-Inspectors in the scale LP.72-6-96. They are required in connection with the extended anti-larval and malaria control measures which are now being undertaken throughout the country.

263. ITEM 73 provides a sum of LP.4,671 for medical, epidemic and ophthalmic Tamurgis. The provision made covers thirty-eight Tamurgis transferred from Item 74, eight transferred from Item 56 and ten new appointments. The increase of ten in the number of appointments is explained in paragraph 242 of this memorandum on the subject of the extension of village medical and ophthalmic services.

264. ITEM 74. A decrease of LP.2,733 is shown under the vote for sanitary labour but this is due to the transfer of a sum of LP.3,276 to Item 73. The net increase in the cost of labour is therefore LP.543. The increase is due to the fact that labour costs are rising and it is necessary to provide a small additional sum for increased labour involved in general disinfection measures in connection with infectious diseases.

265. ITEM 81. A disinfecting barge has been purchased for Haifa Port in order that the latter may be equipped in accordance with the requirements of the International Sanitary Convention. A Mechanic is necessary to operate the plant.

266. ITEM 82. One additional Quarantine Sub-Inspector has been provided in the scale LP.96-6-132. The opening of the Air Port at Lydda makes it necessary to provide in the first instance for a more senior official to handle the quarantine matters there. This Sub-Inspector will replace the guard at present employed whose post will be abolished.

267. ITEM 101. Certain increases in the vote for transport and travelling have already been explained in connection with new or enlarged services. In addition, however, certain further increases of a general nature are necessary in 1936-37.

Part of the increase is due to the revised transport regulations; a further part is due to the substitution of horse allowance for the donkey allowance hitherto drawn by certain Sanitary Sub-Inspectors in outlying districts. A further part is due to the cost of transport to villages of materials used in the installation of latrines.

268. ITEM 103 shows an increase of LP.868 in the vote for lighting, heating and electrical supply. The major part of this increase is explained in those sections of this memorandum dealing with new or enlarged schemes but a sum of LP.300 is necessary on account of the general expansion of departmental activities. Under Item 156 provision is made for the purchase of wireless receiving sets for installation in Government Hospitals and a sum of LP.130 per annum is required to cover the cost of electric current for and maintenance of these sets.

269. ITEM 104. — Equipment and Medical Supplies. — A total increase of LP.795 is shown under this Item, of which LP.400 is due to the general expansion of departmental services. During 1935-36 a sum of LP.480 was provided on this account and a further sum of LP.200 was given for venereal diseases clinics, both sums being covered by Special Warrant. It is necessary to repeat part of the provision in 1936-37.

270. ITEM 105. An additional sum of LP.684 is provided under the vote for disinfectants and maintenance of disinfecting machines. Of this total a sum of LP. 150 is required for anti-malaria work on the shore of lake Tiberias where the alteration in levels produces an annual situation requiring increased expenditure on oil and Paris Green. A Special Warrant in the sum of LP.150 was provided for this purpose during 1935-36 and provision will again be necessary in the forthcoming year.

271. ITEM 106. Hospital Diets shows an increase of LP.3,986. Increases in connection with new or enlarged services have been explained in the foregoing notes but a sum of LP.1,000 is required for the following reasons: —



A sum of LP.950 was included in the current year's Estimates for the Watan Hospital at Nablus but this proved to be insufficient on account of a 26 per cent increase in the cost of the contract for the supply of food stuffs and an increase of 36 per cent in the daily average of patients treated in the hospital since Government took it over. These factors account for an increase of approximately LP.600. In addition the daily average of patients treated in other Government Hospitals rose from 333 to 361, entailing increased expenditure to the extent of LP.500. It is necessary, therefore, to increase the provision in next year's estimates by a sum of LP.1,000.

272. ITEM 109. A sum of LP.4,162 is provided for the maintenance of anti-malaria schemes. A sum of LP.2,160 was provided in the current year's estimates and a further sum of LP.1,052 was later approved by Special Warrant for control measures on the shore of lake Tiberias. This provision will again be necessary in 1936-37. In addition a sum of LP.750 is required for the maintenance of schemes already completed and a further sum of LP.200 is required to cover the emoluments of two part time Medical Officers to assist on anti-malaria work during the summer months. Three-quarters of the expenditure required for anti-malaria control measures on the shore of Lake Tiberias is recoverable from the Palestine Electric Corporation and will be credited to Revenue Head IV Item 41.

With regard to the maintenance of completed schemes it should be explained that during the current year the following large schemes will be completed with the exception of certain parts of Birket Ramadan which may have to be dealt with immediately after the rains:—

1. Birket Ramadan
2. Wadi Kabbani
3. Basset Sheikh Mohamed.

If these areas are not to be allowed to revert to their original state it is essential that adequate funds be provided for maintenance. Annual maintenance is essential in the case of all drainage schemes depending for their efficiency on open ditching. The ditches must be kept clear of vegetation and silt and for this purpose constant labour is required.

The cost of maintenance of the schemes is estimated as under :—

	LP.
1. Birket Ramadan	500
2. Wadi Kabbani	150
3. Basset Sheikh Mohamed	<u>100</u>
	£P. 750

No maintenance provision has been made for the Wadi Rubin as a complete overhaul is contemplated next year and this will obviate any maintenance until the following year.

273. ITEMS 112,136 and 160 contain provision for grants to Jewish Health Services, but the two last mentioned cover special grants and are therefore included and discussed under Special Expenditure.

Comparison between the recurrent grants in 1935-36 and the proposed grants in 1936-37 is given below :—

	<u>1935-36</u> £P.	<u>1936-37</u> £P.	<u>Increase</u> £P.
Tuberculosis Hospital			
Safad	1,700	1,700	—
School Hygiene	1,765	2,118	353
Infant Wefare Work	1,038	1,193	155
Tel Aviv Hospital	<u>5,841</u>	<u>6,841</u>	<u>1,000</u>
	£P. <u>10,344</u>	<u>11,852</u>	<u>1,508</u>

The increases are calculated on the following bases :—



(a) *School Hygiene.* In the estimates for 1935-36 a sum of £P.1,765 was provided as a contribution to this service for 37,000 pupils in Jewish schools. The number of pupils has now increased by 7,400, an increase of approximately 20% over the figure for 1935-36. The contribution has been increased accordingly by 20% from £P.1,765 to £P.2,118.

(b) *Infant Welfare Work.* In the estimates for 1935-36 a sum of £P.1,038 was provided for this work. The contribution was calculated on 25% of the cost to Government of Infant Welfare Work for other sections of the community namely, £P.2,995, plus the salary of a Medical Officer at the rate of £P.300 per annum, on the calculation that the Jewish population was 25% of the total population of the country. The Jewish population has now increased to approximately 26% and the cost of Infant Welfare Work to Government has been increased by £P.440. The increase is therefore based on 26% of £P.3,435 plus £P.300 for the Medical Officer's salary, or £P.1,193 in all.

(c) *Technical Services, Tel Aviv Hospital.* The contribution in 1935-36 amounted to £P.5,841, the basis of the grant being the same as that applied in the case of other Municipal hospitals, representing the cost of the technical services of the hospital on the scale of the services rendered by the department to the Municipal hospitals at Jaffa and Gaza.

An additional £P.1,000 has been provided in the draft Estimates for 1936-37 to meet the cost of the technical services required for an extension of fifty beds which the Tel Aviv Municipal Authorities propose to provide in 1936-37. Payment of this increased contribution or any portion thereof will, however, depend on :—

- (a) the number of beds not exceeding 50 actually provided, and
- (b) the date on which the beds are made available

274. ITEM 121. A sum of LP.1,172 is revoted under Item 161 on account of the capital cost of the scheme for the establishment of travelling dispensaries to afford medical attention to the Bedu Tribes in Trans-Jordan. Reference was made to this proposal in paragraph 126 of the memorandum on the expenditure estimates for 1935-36 and in the High Commissioner's Confidential Despatch to the Secretary of State of the 19th September, 1935. Owing, however, to delay in obtaining the Secretary of State's approval of the scheme the capital sum provided in the current year's estimates will not be expended, save for LP.48 in respect of the cost of clothing for the orderlies. The total capital cost contemplated under the scheme is LP.1,220. The annually recurrent cost amounts to LP.2,586 of which one-half is to be borne by the Government of Trans-Jordan and one-half by Palestine. Provision is made accordingly under this Item. The recurrent cost comprises :—

Personal Emoluments :

	<u>L.P.</u>
One Medical Officer (British) at LP.650	
plus LP.100 Expatriation Allowance	750
Field Allowance at LP.8 a month	96
Four Medical Orderlies at LP.96 a year	384
Field Allowance at LP.1.500 mils a month	72
One Driver	96
Field Allowance at LP.1.500 mils a month	18
	<u>LP.1,416</u>

Other Charges :

Transport for three Orderlies at LP.36 a year	108
Transport of Medical Officer	96
Drugs, Dressings and Hospital Equipment	750
Clothing	16
Maintenance and Repairs of Lorry	200
	<u>LP.1,170</u>



Special Expenditure:

275. ITEM 128. — Tentage — a total sum of LP.700 is provided for the replacement of unserviceable tents and for the purchase of additional tents required at the Lydda Air Port pending the construction of permanent accommodation. Some part of this provision also covers tents required for epidemic cases and for pilgrims and other quarantined persons temporarily accommodated in lazarets.

276. ITEM 136 provides a sum of LP.163 in the form of a grant to the Hebrew University for anti-malaria research, repeating the provision made in 1935-36. It is proposed to renew the grant in 1936-37 and to reconsider it in connection with the draft Estimates for 1937-38.

277. ITEM 138. A sum of LP.230 is provided for the acquisition of X-Ray equipment for the Nablus hospital. The present installation at Nablus is of a portable pattern and has not the necessary adjuncts for certain important screening work. The sum provided will cover the cost of a vertical screening stand for use with this set.

278. ITEM 142 provides a sum of LP.420 for the purchase of electric refrigerators for the following hospitals:

Mental Hospitals	2
Isolation Hospital	1
Ramleh Hospital	1
Safad Hospital	1

These will replace the present obsolete ice chests, provide more satisfactory storage for perishable foods and will, incidentally, reduce the expenditure on ice.

279. ITEM 144. A sum of LP.1,780 is provided for the purchase of special hospitals and laboratory appliances and fittings, namely:—

(a) *Special Laboratory Appliances* — Special equipment is required at a cost of LP.820 to modernise in part the present apparatus and equipment in the Bacteriological, Chemical, Bio-Chemical and Agricultural Laboratories; and LP.145 is required for the acquisition of equipment and furniture for the extended medico-legal laboratory which is being constructed this year.

(b) A sum of LP.285 is included to cover the cost of suitable cupboards and fixtures for seven of the Government pharmacies where the present equipment is obsolete or inadequate.

(c) A sum of LP.100 is required to provide suitable shelves and fixtures for the additional accommodation in the medical stores.

(d) A sum of LP.20 is to provide equipment for the Quarantine office at Lydda air port.

(e) A sum of LP. 410 is required for the purchase of special surgical and medical appliances for the Surgeon Specialists for use in the Government Hospitals at Jerusalem and Haifa.

280. ITEM 145. — Disinfecting Machines — a sum of LP.800 has been provided for the purchase of two Thresh Disinfecting Machines. One of these is required to replace an unserviceable machine in the disinfecting station at Jerusalem and the other is required for the new Isolation Hospital, Jerusalem.

281. ITEM 149. — Drainage of Birket Ramadan — the provision made in 1936-37 represents the unspent balance of the sum provided in the current year's Estimates. This sum is required for the completion of the scheme after the winter rains.

282. ITEM 150 provides a sum of LP.240 to cover the cost of medical treatment of the poor in outlying districts. In certain areas of the country no facilities exist for medical consultation and treatment. There are no resident medical practitioners and the prospect of remuneration from fees alone is not sufficient to attract practitioners to reside in these areas or to make periodic visits for the purpose of holding clinics. In order to encourage the extension of medical practice in these areas it is proposed that provision should be made for payment by



the department for the treatment of poor persons. It is proposed to select four village centres as an experimental measure where facilities for medical treatment are most required. The villagers will provide accommodation for the clinic which will be held twice weekly at regular hours. The private practitioners will be required to treat poor persons free of charge in consideration of a fixed monthly payment by the Department; other patients will be required to pay fees on a scale based on the fees payable at Government clinics. Certain diseases, for example Venereal Disease, Ophthalmic and Malaria will be treated free of charge in all cases. The four treatment centres are estimated to cost LP.60 each per annum.

283. ITEM 151 provides a sum of LP.11,350 for anti-malaria drainage schemes. The schemes concerned are

(a) *Wadi Rubin*. Since its completion six years ago this scheme has not been adequately maintained by the Supreme Moslem Council and now requires an extensive overhaul, involving the clearing and regrading of channels. It is necessary that this should be carried out by the department who have the requisite technical staff. A sum of LP.500 is required to carry out the work which is of considerable importance owing to the increasing Jewish population settling in the vicinity and to the large Moslem Festival held in the area, extending over five or six weeks. Recovery of the cost will be sought from the Supreme Moslem Council.

... (b) *Tel-esh-Shok and Nahr Jamma'in*. A scheme to reclaim the Tel-esh-Shok marsh was undertaken in 1934 by the Department of Public Works. This has not materially relieved the malaria situation. Furthermore, important work remains to be done on the Jamma'in river where clearing and revetment is necessary to deal with a fruitful source of mosquito breeding. The town of Beisan and the new settlement provided for the landless Arabs from Wadi Hawareth suffer severely from malaria due to the existence of this neighbouring mosquito breeding area. It is proposed therefore to undertake further drainage of the marsh and the regulation of the River Jamma'in at an estimated cost of LP.4,000.

(c) *Wadi Maddouh*. This Wadi is about four kilometres long and is fed by a perennial spring at its head and other springs along its course. It has for years been a source of malaria affecting Beisan and its surroundings. It is proposed to clear the Wadi and to construct a proper channel as well as to circumscribe the actual springs and dry the swamps surrounding them. The estimated cost is LP. 1,000.

(d) *Ain Farah*. The spring head requires to be cleared and confined and adequate provision made for the run off. At present it spreads uncontrolled and forms a marsh which is a source of malaria for the workers in the adjoining gardens. The estimated cost is LP.350. The scheme covers the spring head and the main channel leading to the gardens; the owners of the gardens will be required to put their own channels in proper condition.

(e) *Naamein River, Acre*. Funds are required for filling marshes and for canalisation at the northern sector of the Naamein River which, throughout its course from Kurdaneh about 30 km. is a source of prolific mosquito breeding. The scheme is one of peculiar difficulty as there is very little fall to the outfall and some of the springs en route are at or below sea level. It is proposed to deal in 1936-37 with the serious malaria situation near Acre, to carry out a detailed survey and to prepare a scheme for the Kurdaneh Sector which is seriously affecting the Jewish Settlements now rapidly spreading northward from Haifa. The cost of part of the scheme and survey is estimated at LP. 5,000 but further expenditure is inevitable if development of the Haifa Bay Area is to proceed.

(f) *Wadi Kana and Wadi Sukirieh*. A sum of LP.500 is required for permanent anti-malaria work in these wadis. Water lies in pools during the greater part of the year and is a source of malaria to the inhabitants in the vicinity. The proposals involve opening the pools and channelling the wadi bed so that the free flow of water is permitted and stagnation and consequent mosquito breeding is obviated.

284. ITEM 153 provides a sum of LP.500 for the purchase of two light disinfecting vans. The transport provided in Haifa and Jaffa for disinfecting purposes is now inadequate owing to the increased disinfection carried out and to the fact that the vans are required to assist in the transport of the lighter materials for village sanitation work. It is proposed to obtain two light vans for the collection of clothing, bedding, etc. from infected premises for disinfection at the central disinfecting station.



285. ITEM 155. A sum of LP.1,500 is provided for re-equipment grants for Voluntary Hospitals. The sum provided covers the cost of furniture, equipment and clothing for the following:—

(a) St. Luke's Hospital, Hebron	300
(b) C. M. S. Hospital, Nablus	300
(c) E. M. M. S. Hospital, Nazareth	300
(d) Schweitzer Hospital, Tiberias	300
(e) Ezrath Nashim Mental Hospital, Jerusalem	300

These hospitals assist considerably in providing accommodation in areas where there are no Government or Municipal Hospitals or where existing accommodation cannot meet the demand. They are not in a financial position to equip themselves in the manner desired.

286. ITEM 156. — Wireless Receiving Sets. — A sum of LP.620 is provided to cover the cost and installation of radio receiving sets in the hospitals at Jerusalem and Haifa. It is proposed to equip the sets with ear phones for a certain number of patients in each ward. The proposal follows established practice in the United Kingdom where it has been found beneficial in helping the patients to overcome the monotony of enforced idleness.

287. ITEM 157. A sum of LP.588 is provided for the installation of mechanical laundry equipment at Jaffa hospital and a rotary drying machine for the Isolation Hospital, Jerusalem. The washing of all hospital laundry at Jaffa Hospital is at present performed by hand, necessitating the employment of four washerwomen at a cost of approximately LP.150 per annum. With the installation of a mechanical laundry some of the present washerwomen will be discharged and approximately LP.100 per annum will be saved in wages. The rotary drying machine for the new Isolation Hospital in Jerusalem is required in view of the difficulty experienced in drying clothes speedily in winter.

288. ITEM 158 provides a sum of LP.1,200 for the renewal of unserviceable furniture in Government Hospitals and dispensaries. The furniture originally supplied has now been in constant use for ten or fifteen years and renewal is now a matter of some urgency. Some of the articles were old when taken over and many have already been condemned or are about to be condemned.

289. ITEM 160.— Grant to Tel-Aviv Hospital — a sum of LP.1,713 is provided in the form of a capital grant to the hospital. A sum of LP.1,401 is a contribution towards the cost of completion of an extension to the hospital which will provide accommodation for fifty beds and LP.312 is a contribution towards the cost of the equipment necessary for the extension. The first grant is based on 25% of the capital cost of construction, estimated at LP.5,605; the second grant is based on 25% of the capital cost of equipment and furniture, estimated at LP.1,250.

290. ITEM 161. The need of the revote of LP.1,172 in respect of the provision made in 1935-36 for a grant to the Trans-Jordan Government for the establishment of travelling dispensaries for Bedu tribes in that territory is explained under Item 121 in paragraph 274 of this memorandum. The amount provided in 1936-37 covers the following:—

	LP.
Tents for dispensaries and staff and for epidemic measures	300
Medical Officer's and dispensary equipment	222
Motor lorry	500
Medical Officer's medical and surgical equipment	150
Total	£P. 1,172

The original estimate of capital cost was LP.1,220 but this included a sum of LP.48 in respect of clothing for the orderlies which will be provided in 1935-36.



HEAD XII — DEPARTMENT OF EDUCATION.

	<u>L.P.</u>
<i>Estimates</i> 1935-36	233,521
<i>Estimates</i> 1936-37	290,702
<i>Increase</i>	57,181

291. The increases are divided as under :—

	<u>L.P.</u>
Personal Emoluments	33,902
Other Charges	12,308
Special Expenditure	10,971

This memorandum deals with expenditure in the following order :—

- Personal Emoluments
- Expansion and Development of
 - Urban Education ;
 - Rural Education ;
- Boarding Section at Lydda Boys' School ;
- Expenditure not classified under the foregoing heads ;
- Trade School, Haifa ;
- Rural Female Teachers' Training Centre ;
- School for the Blind.

Personal Emoluments :

292. Of the increase under Personal Emoluments a sum of LP.15,558 is due to the inclusion of provision for the payment of cost of living allowances which were formerly met from Head XXVI. A further part is due to the commitment involved by additional posts approved in 1935-36, for which provision in that year was made for six and a half to seven months only but for which twelve months provision is made in the draft estimates for 1936-37.

The whole of the technical establishment of the Department, that is, all officers in Grades S 1 to E 3 inclusive, together with all unclassified teachers, are now shown by grades under one head of Personal Emoluments with the exception of new and special enterprises, namely, the Trade School Haifa, the Ramallah Training Centre and the proposed Blind School. Hitherto a number of technical officers seconded to various duties have been shown under a separate head entitled "Administration", but the great majority have been included under "Colleges and Schools". The alteration in form is of practical convenience and obviates a distinction which had no real significance.

293. ITEM 14 shows an increase of one in the number of Inspectors on the Headquarters staff to cover the appointment of an Assistant Inspector of Girls' Schools. The entire work of inspection of girls' schools has hitherto fallen on the Principal of the Women's Training College. Female education is developing rapidly, both in town and country, and requires constant and increasing supervision, more especially as the supply of trained teachers is unequal to the demand. The Principal of the College is approaching the age of retirement, and as it is desirable that an Assistant Inspector of Girls' Schools should gain some years of experience in Palestine under the control of the Principal, the establishment of this new post is eminently desirable. It is proposed to appoint the Assistant Inspector in Grade K at a salary to be determined by her academic qualifications and her experience of teaching and/or inspecting work. The provision inserted in the draft estimates is at the rate of LP.460 per annum for seven months but the salary is liable to variation within limits when selection is made.



294. ITEM 38 provides for five education officers in Grade S1. One post is being transferred from item 19, two from item 21, one from item 37 and provision is made for the upgrading of one officer from item 41. The officer in question is at present seconded to the Government of Trans-Jordan and his promotion has been recommended by the Director on the grounds of length of service and efficiency.

295. ITEM 41 provides for eighteen education officers in Grade S2. Four posts have been transferred from item 22, twelve from item 40 and three upgraded from item 44 (Grade S3). One officer has been transferred by promotion to item 38 (see previous paragraph). Upgradings from item 44 provide for the normal promotion of officers to vacancies within the approved cadre of the higher grades after completion of the lower.

296. ITEM 47 shows an increase of one in the number of Education Officers in Grade E2. The additional post provides for the appointment of a scholar trained in manual work who is due to return from the United Kingdom in July 1936. The increased cost in 1936-37 is LP.98 and the cost in a full year is LP.180.

297. ITEM 49 provides for an increase of 128 Education Officers in Grade E3. Two of these represent transfers from item 26 and the remaining 126 are required for the following.

62 for urban expansion (see para. 303)

4 for urban development (see para. 304)

33 for new rural schools, namely:

25 boys' schools and
8 girls' schools. (see para. 308)

20 for development of existing rural schools
(see para. 309)

7 for development of technical education
(see para. 313).

298. ITEM 52 provides an additional sum of LP.2,190 for the remuneration of unclassified teachers. The increase in the number of unclassified teachers is dealt with under rural expansion (see para. 309) but it should be explained that the provision now made covers the appointment of forty teachers for existing schools in rural areas.

299. ITEM 57 provides for four additional clerical officers. An additional classified clerk is required permanently at Headquarters as the progressive increase in the clerical work cannot be dealt with efficiently by casual and fluctuating personnel provided under an open vote. There is also a progressive increase of clerical work in the District Offices at Nablus, Haifa and Jaffa and the District Inspectors and their assistants are more and more withdrawn, in consequence, from their proper duties. It is proposed, therefore, to provide a classified assistant clerk for each of the three offices in place of the three unclassified packers formerly provided from item 55. The additional expenditure involved is LP.20 in the first year, and increments thereafter, but the prospect of classified service will attract and retain a superior type of employee.

EXPANSION AND DEVELOPMENT OF URBAN EDUCATION.

300. The increased rate of admission to urban schools has failed to meet the growth either of the school age population or of the desire for education. The proposals for which provision is made in these estimates will increase the number of pupils admitted to the lower classes from 3,439 (the figure for September 1935) to 3,892, a number which still falls short of applications by over 2,000.

301. The increase of first admission to schools from 1,702 to 3,200 in the first year of expansion involved

- (a) an ultimate lower elementary establishment (six standards) of 19,200 places and consequently



- (b) a progressive increase of from thirty to fifty teaching posts in each of the subsequent five years according as places are provided in properly constructed schools or in hirings, a total increase of from 180 to 300 posts in the whole period.

Of these additional posts 105 have been provided in the three years 1933-34 to 1935-36.

302. The increased establishment of school places now proposed for the lower class is 3,892 less 1,702 = 2,190 above that of the year 1932, the last year before the institution of the expansion scheme. This total of 2,190 is divisible as under:—

- (a) 1,498 new places which were first provided in the year 1933-34 and which must be added progressively each year for six years;
- (b) 692 further new places of which some have been provided for the first time in the school years beginning September 1934 and 1935 and the remainder are to be provided for the first time in 1936.

If no further measure of expansion is provided later, the total establishment of lower elementary school places (six standards), which will be finally reached in 1941-42 will be i. e. $(1702 + 1,492 + 692) \times 6$.

303. With provision for one teacher for every thirty pupils in hired buildings, 73 new posts would be required in each successive year to admit 2,190 additional new pupils over the figures of 1932. But one school building at least will be completed under the Loan Scheme and certain well-designed class-rooms will be added to existing schools before September, 1936. The number of new posts provided in the year 1936-37 is therefore 62 only.

304. Four additional teaching posts are also required for classes above the lower elementary cycle, in order to admit a proper proportion of pupils to a more extensive elementary education.

305. The recurrent expenditure involved in the creation of these sixty-six additional posts is:—

Item	Cost in 1936-37 for 6½ months L.P.	Cost for twelve months mils
49 66 teaching posts	3,673	6,780
55 cleaners and servants	293	540
73 books and school materials	770	770
Total	LP.4,736	8,090

The non recurrent expenditure is:—

	L.P.
96 school furniture	2,820
94 grants to Local Authorities for school sites and buildings	850
Total	LP.3,670

The total expenditure in 1936-37 is LP.8,406.

306. ITEM 94 provides a total sum of LP.9,325 for grants to Local Authorities for school sites and buildings. Of this sum a total of LP.850 is provided for grants to urban authorities, namely:—

	L.P.
Gaza	550
Lydda	150
Majdal	150



GAZA — The Director of Education proposes the erection of a new school at Gaza to replace the Shuja'iya School and to afford accommodation for three additional classes and one hundred and fifty additional pupils. The Municipality is prepared to contribute a similar sum towards the cost of the proposed building and to raise an educational rate for the purpose.

LYDDA — The Director proposes the addition of two class-rooms to the Girl's School which will afford accommodation for one hundred additional pupils. The Municipality is prepared to contribute a similar sum towards the cost of the proposed additions.

MAJDAL — The Director proposes the addition of one class-room each to the Boys' and Girls' School to provide fifty additional places in each school, or 100 places in all. The Municipality is prepared to contribute a similar sum towards the cost of the proposed additions.

It may be found necessary to increase the vote for grants to provide for additional school accommodation at Hebron, Ramallah, Nablus and Tiberias. Negotiations with the Municipalities are now being conducted.

EXPANSION AND DEVELOPMENT OF RURAL EDUCATION.

307. The expansion indicated is the establishment of schools in villages where schools have not hitherto existed. The ultimate aim is to provide at least a single-teacher school in every village of such size that an attendance of 40 pupils can be expected.

308. In 1936-37 it is proposed to establish twenty five new Boys' Schools and eight new Girls' Schools for which thirty three classified posts are required.

In September 1935 out of 11,121 applicants to enter existing village schools, 4,645 or 42% were rejected owing to lack of accommodation or staff or both.

309. For the development of existing schools twenty classified posts and forty unclassified posts are necessary.

310. New school buildings and additional rooms in existing schools have been provided under item 94. The sum provided will cover about one-half of the cost of 113 class rooms. Of these, ninety three are additional class rooms and twenty are replacements of small and unhygienic rooms which have been condemned by the Department of Health.

311. The additional expenditure on rural education in 1936-37 is as under:—

Item	Cost in 1936-37 L.P.	Cost in full year L.P.
<i>Recurrent Expenditure:</i>		
49 53 classified posts in Grade E.3	2,853	4,890
52 40 unclassified posts	1,400	2,000
73 books and school materials	650	650
	<u>4,903</u>	<u>7,540</u>
<i>Non-recurrent expenditure:</i>		
94 Grants to Local Authorities for school sites and buildings	8,475	
Total	<u>LP.13,378</u>	

312. ITEM 94 — A total sum of LP.9,325 is provided for grants to Local Authorities for school sites and buildings of which LP.8,475 is required for school buildings in rural areas. A sum of LP.1,500 is required for the replacement of twenty existing rooms and LP.6,975 for ninety three new class rooms.



PRACTICAL INSTRUCTION.

313. A further expansion of agricultural and other manual instruction is proposed in order that more schools may operate a balanced academic and practical curriculum and so form a more extended field from which to recruit suitable entrants to the Haifa Trade School and the Kadoorie Agricultural School, Tulkarm.

314. The provision made for this expansion is as under:—

Item	Cost in 1936-37 L.P.	Cost in full year L.P.
<i>Recurrent Expenditure:</i>		
47 One classified post	98	180
49 Seven classified posts	377	696
78 Materials for technical instruction	300	300
79 Materials, seeds etc., for school gardens	200	200
	<u>975</u>	<u>1,376</u>
<i>Non-Recurrent Expenditure:</i>		
92 Tools and equipment for technical instruction	1,000	
93 Tools and equipment for school gardens	1,550	
96 Furniture (tool-cupboards)	70	
	<u>2,620</u>	
Total recurrent and non-recurrent	LP.3,595	

LYDDA BOARDING SECTION.

315. A boarding section for village boys has for some years been attached as a local enterprise to the Lydda Boys' School. The Director of Education is, however, of the opinion that the conduct of this school is not satisfactory. Neither the accommodation nor the general conditions of the boarding section are such as can be regarded as suitable. He recommends, therefore, that Government should take over the boarding section and place it under departmental control, following the procedure already adopted at Jenin and Tulkarm. About one-half of the recurrent expenditure involved will be recovered in the form of fees. The total cost of this enterprise is shown below:—

Item	Cost in 1936-37 for six months. L.P.	Cost in full year L.P.
<i>Recurrent Expenditure:</i>		
55 Servants	57	114
64 Lighting and Heating	10	15*
77 Rations	225	338*
88 Contingencies	15	22
	<u>307</u>	<u>489</u>
* Provision is for 9 months, holidays being excluded.		
<i>Non-Recurrent Expenditure:</i>		
89 New equipment	150	
Furniture	50	
Total	LP.200	
Total recurrent and non-recurrent in 1936-37	LP.507	



EXPENDITURE NOT CLASSIFIED UNDER THE FOREGOING HEADS.

Other Charges:

316. ITEM 68. —Grant-in-Aid to schools of the Vaad Leumi — Increase LP.7,500. The grant in 1935-36 was incorrectly shown in the estimates as LP.38,000; the authorised grant was LP.36,000. The draft estimates for 1936-37 provide for a grant of LP.45,500, representing an increase of LP.9,500 over the approved provision for 1935-36. Para. 196 of the memorandum on the Expenditure Estimates for 1935-36 explains the basis on which the grant for that year was calculated and the proposed grant of LP.45,500 on the same basis involves the following allocation:—

	LP.
(a) Recurrent grant	42,200
(b) Earmarked grant for interest on loans for Jewish school buildings	<u>3,300</u>
	LP.45,500

317. ITEM 77 shows an increase of LP.375 in the cost of rations for boarders. Of this increase a sum of LP.255 is required for the boarding section of the Boys' School at Lydda and the balance of LP.120 is due to an increase in the number of boarders in existing boarding schools.

318. ITEM 80 provides a total sum of LP.2,950 for Scholarships abroad. The provision under this item covers:—

	LP.
Nine scholars at LP.300 per annum (approved in estimates for 1935-36)	2,700
Passages for two scholars returning from the United Kingdom at LP.25 each	50
Passages for two replacements at LP.25 each	50
Passages for two to fill vacancies at LP.25 each	50
Outfit allowances for four outgoing scholars at LP.15 each	60
Supervision fees	27
Unforeseen expenditure	<u>13</u>
Total expenditure	LP.2,950

319. ITEM 81 shows an increase of LP.50 in the cost of Local Scholarships. The full provision required in 1936-37 is LP.970 comprising:—

	LP.
<i>American University of Beirut</i>	
Six scholars at LP.78 each	468
<i>Egypt</i>	
Six scholars at LP.50 each	300
<i>Palestine</i>	
Five scholars at LP.15 each	75
Three scholars at LP.38 each	114
Maintenance Allowance	<u>13</u>
	LP.970

320. ITEM 82 provides a sum of LP.150 to cover the cost of five scholarships at the Jerusalem Conservatoire of Music, at a cost of LP.30 per scholar. It should be explained that Government is not required at present to subsidize Jewish scholarships and the five scholars in this case will, therefore, be Arabs.

Special Expenditure :

321. ITEM 90 provides a sum of LP.150 for the purchase of cinema apparatus and educational films for villages. Provision in a similar sum was made in the estimates for 1935-36 and was explained in para. 175 of the memorandum on that year's expenditure. The system of visual representation in schools has proved of value and it is proposed further to develop it.

322. ITEM 99 provides a sum of LP.6,000 to cover the cost of production of Arab Text books. The sum provided covers the cost of producing history, geography and civics readers and an Arabic atlas for elementary classes. Hitherto no satisfactory books have been found on the market which can be put into the hands of the pupils. Lessons are given without books and it has therefore become necessary for the Department to provide its own readers. The provision of readers will improve not only the specific studies but also the facility of pupils in the Arabic language which lacks a modern literature suitable for children. It is estimated that about one-quarter of the sum provided will be recoverable by sales in the first year. The increased recurrent annual commitment involved by the issue of the proposed books to pupils on sale or loan will be about LP.1,500 for the present establishment of schools and about one-half of this sum will be recovered annually by sales.

TRADE SCHOOL AT HAIFA.

323. Estimates for part of the year only were approved in 1935-36 but little expenditure will be incurred as the building is not yet completed. It is expected that the school will be open in September, 1936, and provision has therefore been made for that part of the school year which falls within the financial year 1936-37. The Principal and some of the staff will assume duty before the opening of the school and their salaries are therefore shown for the whole or the greater part of the year. The school is designed to accommodate ninety pupils (seventy boarders and twenty day boys) but the provision made in 1936-37 anticipates that thirty pupils only will be admitted in that year. The total cost of the school in 1936-37 is estimated at LP.4,703 namely :—

	£P.
Personal Emoluments	3,358
Other Charges	<u>1,345</u>
	£P. <u>4,703</u>

324. The ultimate cost of the school when the full complement of pupils is admitted is estimated at LP.7,790 namely :—

	£P.
Personal Emoluments	4,220
Other Charges	<u>3,570</u>
	£P. <u>7,790</u>

RURAL FEMALE TEACHERS' TRAINING CENTRE, RAMALLAH.

325. The establishment of a college for the training of rural women teachers is dealt with in para. 161 of the memorandum on the expenditure estimates for 1935-36. The college was opened during the year but the full complement of pupils was not admitted and places were left vacant for other entries in 1936-37. As at present arranged the course is two years. An increase in staff is therefore necessary in 1936-37 together with increases in other recurrent heads of expenditure.

326. ITEM 122. The appointment of a Principal was originally approved by the Secretary of State at a salary of LP.240 per annum, plus LP.50 Expatriation Allowance but the draft estimates provide for the payment of salary amounting to LP.342 in Grade S2. A commencing salary of LP.336 per annum with effect from the 1st April, 1936, was approved by the Secretary of State in his despatch No. 93 of the 20th January, 1936. The provision will be adjusted in the approved estimates.

327. ITEM 126 provides for three assistant teachers in the scale LP.60-6-168. Two teachers have been transferred from items 124 and 125 and it is proposed to appoint an additional teacher at LP.14 a month for six months to complete the complement of the school staff.



328. ITEM 127 provides for an additional servant at a salary of LP.36 per annum necessitated by the increase in the number of teachers in training. At present fifteen teachers only are resident in the college but it is expected that thirty-four teachers will be in residence in 1936-37. Moreover the provision made in 1935-36 covered part of the year only. For the same reasons increases have been found necessary in Other Charges votes under Items 129 (Rations), 130 (Lighting and Heating) and 131 (Contingencies).

SCHOOL FOR THE BLIND.

329. Separate provision has been made for a new departmental activity in the establishment of a school for the blind. The incidence of blindness, partial or total, is wide-spread among the Arab community and compares very unfavourably with other countries, even with some countries of the Near East, where eye disease is so widely prevalent.

330. It is estimated that in the year 1931 there were in Palestine approximately 330 totally blind Arab children between the ages of five and fifteen. Of these 306 were Moslem and twenty-four Christian. There is no reason to assume that the total number of blind children has diminished since 1931; in fact it may be assumed that with the increase in infant mortality among Arab children the number of totally blind children has increased. A well organised School for blind Jewish children already exists in Jerusalem and is maintained by private endeavour; but the only institutions which cater for blind Arab children, and that only to a minor degree, are the Syrian Orphanage and the Moslem Orphanage, both also situated in Jerusalem. In the former, which is maintained under Christian Missionary auspices, some general education is provided in addition to instruction in basket making and other handicrafts but in the Moslem Orphanage handicrafts only are taught. It is not considered desirable that Government should subsidize the education of blind Moslems in the Syrian Orphanage, but on the other hand the system followed in the Moslem Orphanage does not conform with modern ideas of instruction of the blind and unless and until radical changes are effected a Government subsidy would be of little avail.

331. In these circumstances the only alternative appears to be the opening of a Government school for the blind. Until now this has not been possible owing to the absence of a trained Palestinian teacher but in the summer of 1936 a totally blind Palestinian Government scholar is due to return at the end of a three years' course of intensive study in various educational institutions for the blind in the United Kingdom, in France and in Switzerland. The reports received on this scholar's work and progress have been extremely favourable and he is regarded as exceptionally well qualified to undertake the organisation of a school for the blind.

332. The proposals in the draft Estimates for 1936-37 cover the establishment of a school for the education and maintenance of twenty boys. The number is small and the experiment will be watched with care before any proposals for enlarging the school are put forward. The location of the school has not yet been determined but it is at present suggested that it should be situated in a town in the Southern District where eye disease is especially prevalent. Apart from the fact that Jerusalem already houses many educational and other similar institutions the over-head costs would be lower in a small township. The object of the school will be to train the pupils under favourable conditions and in accordance with modern methods to read and write in braille (Arabic and English), to master the ordinary subjects in elementary schools and to learn such useful crafts as will enable them eventually to earn their own living. The cost of this enterprise in 1936-37 is LP.1,247 and the cost in a full year will be LP.2,427.



HEAD XIII — DEPARTMENT OF AGRICULTURE AND FISHERIES.

	<u>L.P.</u>
<i>Estimates</i> 1935-36	199,937
<i>Estimates</i> 1936-37	203,711
<i>Increase</i>	3,774

333. The title of the Department of Agriculture and Forests has been changed to Department of Agriculture and Fisheries consequent on the establishment of a separate Department of Forests and the expansion of the Fisheries service. (See High Commissioner's despatch of 7th June, 1935).

334. In the Estimates for 1935-36 a sum of LP.25,017 was included in respect of the Forestry service. The total increase in the draft Estimates of the Department of Agriculture and Fisheries in 1936-37, as compared with the approved Estimates for 1935-36, is therefore LP.28,791 i. e. LP.3,774, as shown above, plus LP.25,017 in respect of Forestry. Of this excess a sum of LP.3,783 is due to the inclusion in the departmental draft Estimates of provision for the payment of cost of living allowances which amounted to LP.3,168 in 1935-36 and were met in that year from Item 30 of Head XXV. The true comparison in respect of the two years is therefore:—

	<u>L.P.</u>
1935-36	178,088
1936-37	203,711
Increase	25,623

The increase of LP.25,623 is made up as under:—

	<u>L.P.</u>
Personal Emoluments	8,858
Other Charges	14,789
Special Expenditure	1,976
Total	<u>LP.25,623</u>

Much of the increase occurs in respect of services which are self balancing i. e. Citrus Advertising (Item 190 — Increase LP.13,000), the Fruit Inspection Service (Items 49-55 and 196 — Increase LP.3,024) and the Control of Anthrax (Item 283 — Increase LP.500).

335. The departmental Estimates are divided in respect of Personal Emoluments into eleven sections, corresponding to the various services undertaken. For the purpose of this memorandum Other Charges and Special Expenditure have also been dissected and it has thus been found possible to deal with each section of the Department as a separate entity. The following comparisons are thus afforded between the costs in 1935-36 and 1936-37 respectively:—

	<u>1935-36</u>	<u>1936-37</u>	<u>Increase</u>	<u>Decrease</u>
	<u>L.P.</u>	<u>L.P.</u>	<u>L.P.</u>	<u>L.P.</u>
<i>Personal Emoluments</i>				
Administration	10,397	11,227	830	—
Agriculture	7,590	8,404	814	—
Sericulture	462	—	—	462
Horticulture	6,283	6,550	267	—
Fruit Inspection	4,194	5,218	1,024	—
Plant Protection	3,933	4,505	572	—
Fumigation	1,876	1,000	—	876
Fisheries	1,420	1,780	360	—
Veterinary	20,805	26,168	5,363	—
Mt. Tabor Agricultural School	3,907	4,072	165	—
Tulkarm Agricultural School	3,574	3,760	186	—
Cost of Living Allowances	3,168	3,783	615	—
	<u>67,609</u>	<u>76,467</u>	<u>10,196</u>	<u>1,338</u>
Net Increase			<u>8,858</u>	

	<u>1935-36</u> L.P.	<u>1936-37</u> L.P.	<u>Increase</u> L.P.	<u>Decrease</u> L.P.
<i>Other Charges</i>				
Administration	1,709	1,757	48	—
Agriculture	11,394	11,929	535	—
Sericulture	370	50	—	320
Horticulture	9,721	11,186	1,465	—
Fruit Inspection	26,700	41,958	15,258	—
Plant Protection	3,696	3,858	162	—
Fumigation	10,000	5,000	—	5,000
Fisheries	713	768	55	—
Veterinary	16,601	18,632	2,031	—
Mt. Tabor Agricultural School	2,575	2,864	289	—
Tulkarm Agricultural School	<u>3,495</u>	<u>3,761</u>	<u>266</u>	<u>—</u>
	<u>86,974</u>	<u>101,763</u>	<u>20,109</u>	<u>5,320</u>
	Net Increase		<u>14,789</u>	
<i>Special Expenditure</i>				
Administration	7,910	7,630	—	280
Meteorology	100	—	—	100
Agriculture	8,205	8,084	—	121
Sericulture	107	—	—	107
Horticulture	870	278	—	592
Fruit Inspection	—	—	—	—
Plant Protection	210	599	389	—
Fumigation	—	—	—	—
Fisheries	850	878	28	—
Veterinary	5,228	7,357	2,129	—
Mt. Tabor Agricultural School	25	160	135	—
Tulkarm Agricultural School	<u>—</u>	<u>495</u>	<u>495</u>	<u>—</u>
	<u>23,505</u>	<u>25,481</u>	<u>3,176</u>	<u>1,200</u>
	Net Increase		1,976	
	Total Increase LP.25,623			

336. The main feature of the Estimates for 1936-37 is consolidation, in accordance with the general policy advocated by Mr. F. A. Stockdale, C.M.G., C. B. E., the Agricultural Adviser to the Secretary of State for the Colonies. Provision has accordingly been made for the strengthening and consolidation of the various services undertaken by the Department in order that those services may be more effective. The standard of farming and cultivation shows continual improvement and it is consequently desirable to strengthen the technical side of the Department by the introduction of new staff with modern training. For this reason the draft Estimates provide for the regrading of certain posts, additional qualified staff and the provision for training at Acre farm and abroad. The rapid transition from extensive to intensive agriculture also entails the provision of larger and improved supplies of seed, fruit trees, vegetables, livestock, poultry, etc.

337. On the other hand no provision has been made in the draft Estimates for the continuance of the Sericultural service except for a sum of LP.50 under Item 199 for Sericultural materials. Investigation into the possibilities of the scheme has led Government to the conclusion that further expenditure on this service is not economically justifiable and that the funds hitherto provided



could be more usefully employed on other projects for the benefit of the cultivator. Provision has been made, however, for the retention — for another year at least — of the services of the present Sericultural Officer to strengthen the Horticultural Service. This appointment will enable more attention to be paid to Viticulture and will ensure the carrying out of the provisions of the Regulations relating to the control of Plant Nurseries for which this officer's qualifications and training render him peculiarly suitable. A new post is therefore shown in the draft Estimates, under Item 43 — Viticultural Officer — and the post of Sericultural Officer has been abolished, as has the post of Sericultural Assistant. A separate despatch regarding Sericulture is shortly being sent to the Secretary of State.

338. Four new schemes are contemplated in 1936-37, namely (A) the establishment of a scheme on a small scale for advising on and assisting in the development of a dairy industry; (B) the carrying out of a test for determining the incidence of bovine tuberculosis; (C) the introduction of measures to encourage the development of horse breeding; and (D) the carrying out of preventive anthrax vaccination in the Jerusalem District.

339. The cost of these schemes is L.P.2,402, as shown below :—

A. Dairying —

	L.P.	L.P.
ITEM 281. Instruction in Dairying		
1 Assistant—Tulkarm School	144	
Transport and Travelling	50	
Equipment	<u>30</u>	224

B. Bovine Tuberculosis —

ITEM 282. Survey of Bovine Tuberculosis		
Veterinary Surgeon (6 months)	150	
Transport and Travelling	120	
Equipment	<u>130</u>	400

C. Horse Breeding —

ITEM 227.		
Food-stuffs	70	
Irrigation Labourer	48	
Premiums for selected sires	360	
Purchase of Stock	<u>800</u>	1,278

D. Protective Anthrax Vaccine —

ITEM 283.		
Vaccine	350	
Temporary Vaccinators	<u>150</u>	<u>500</u>
Total		£P.2,402

A. Drying.

340. In page 32 of his report the Agricultural Adviser to the Colonial Office stated that "there were good opportunities for the development of organised dairying in certain areas near important townships. For example the establishment of dairying in the Acre District clearly seems to be desirable and areas in the vicinity of Jaffa offer possibilities". As a first step it is proposed to employ a junior Dairy Inspector to teach villagers in a selected group of villages how to improve the quality of native butter and cheese so that they may obtain higher prices for their products. The officer, when appointed, will be trained by the Dairy Instructor of Kadoorie Agricultural School, Tulkarm.



B. *Control of Bovine Tuberculosis.*

341. The Director of Medical Services has reported that Palestine with its present low incidence of bovine tuberculosis occupies a unique position in that the problem of prevention and control is comparatively simple. Unless steps are taken now to control bovine tuberculosis the incidence of the disease is expected to increase to an extent that will render it impracticable to control or eradicate later. He reports that failure in the past to adopt preventive measures in England has resulted in a situation wherein between 40 to 50 per cent of all dairy cows are infected, with a consequential high incidence of human tuberculosis of bovine origin. Some years ago the Chief Veterinary Officer carried out a survey of the incidence of tuberculosis in cattle. Six thousand cows were subjected to the tuberculin test and the percentage of infection was found to be low. He is of the opinion, however, that the incidence of this disease has since increased. It is proposed to conduct another survey with the view of ascertaining the present position as a preliminary to the introduction of a scheme for the control and eradication of bovine tuberculosis. For the purpose of the survey provision has been made in the draft Estimates for the employment of a temporary Veterinary Surgeon and the purchase of the necessary equipment.

C. *Horse Breeding.*

342. The supply of suitable horses foaled in Palestine in the number required for the Police Force and for other purposes is becoming less satisfactory each year. The present establishment of Arab horses at Acre is two stallions, one 2-year old colt, one brood-mare and two yearling fillies. In order therefore to encourage the breeding of horses of a suitable type and to prevent inbreeding from the limited stock now available it is proposed that the establishment of horses at the Stud Farm should be increased by the purchase from Iraq of four Arab mares and three Arab stallions at a total cost of £P.800.

The annual recurrent costs cover the employment of one Irrigation labourer (£P. 48), the purchase of forage (£P. 70) and the payment of premiums in respect of travelling stallions (£P. 360). The quality of the travelling stallions now used for service is poor but any form of control designed to raise the standard is not possible without some form of assistance. It is proposed that this assistance shall take the form of premiums which will ensure the use of selected stallions throughout the country. In conjunction with this measure it is proposed to introduce the licensing of stallions so that animals affected with contagious or hereditary diseases or otherwise unsuitable will either be debarred from use or castrated.

D. *Protective Anthrax Vaccine.*

343. The value of preventive anthrax vaccination of sheep and goats was demonstrated on a large scale in Arab villages of the Jerusalem District early in 1935 with marked success. The sum of £P.500 provided under Item 283 is required to enable the Veterinary Service to meet the demands for such vaccination. It may be necessary to extend the programme later, in which case additional funds will be required. The estimate in respect of 1936-37 covers the purchase of Vaccine (LP.350) and the employment of temporary vaccinators (LP.150). The cost of the service is recoverable from stock owners and the revenue is shown under Head IV, Item 35. A charge of 10 mils will be made for every goat and sheep vaccinated; of this charge 7 mils covers the cost of the vaccine and 3 mils covers the salaries of the temporary vaccinators.

ADMINISTRATION.

344. The total increase in the Administration is LP.598 comprising:—

	I.P.
Personal Emoluments	830
Other Charges	48
	<hr/> LP.878
Special Expenditure (decrease)	280
	<hr/> LP.598

The figures given above do not include Cost of Living Allowances.

Personal Emoluments.

345. ITEM 3. The title of the Department has now been changed to Agriculture and Fisheries and the post of Deputy Director will be abolished on the retirement of the present holder. This officer will retire after taking his leave on the 5th October, 1936, and provision has been made accordingly for his salary until that date. The Deputy Director was mainly responsible for the Forestry Service, which has now been transferred to Head XIV, and over which a Conservator of Forests will in future exercise supervision.

346. ITEM 5. The officer formerly holding the post of Assistant Director of Agriculture was transferred during 1935 to the vacant post created by the death of the Registrar of Co-operative Societies. The post vacated in the Agriculture Department is being abolished and a new appointment is being created in 1936-37 entitled "Agricultural Research and Education Officer (see Item 6).

347. ITEM 6. Provision has been made for the appointment of the Agricultural Research and Education Officer as from the 1st June, 1936, at the maximum of the scale of Grade 'G'.

348. ITEM 8. In para. 174 of the memorandum on the Customs Department mention has been made of the need of the appointment of Accountant and Establishment Officers in certain of the major Departments, one of which is the Department of Agriculture.

The expansion of the various branches of the Agricultural Department has resulted in a considerable increase in detailed administrative work and it is most desirable that an officer be appointed to relieve the Director of the Department of as much of this work as possible so that he may devote more time to the supervision and execution of the policies of the several branches of the Department and to inspection in the field. Provision has accordingly been made for the appointment of an Accountant and Establishment Officer at the minimum of the scale of Grade 'H'.

349. ITEM 12. The increase of LP.25 under this item is explained in the comprehensive despatch to the Secretary of State on the subject of promotions, etc., to which reference is made in the second paragraph of this memorandum.

350. ITEM 13. Provision is made for an increase of seven clerical officers. Forty-five clerks are shown in the Estimates for 1935-36, but the creation of a separate Department of Forests has involved the transfer of five to Head XIV, thus reducing the number employed in the Department of Agriculture to forty. Of these one is transferred in 1936-37 to Item 16 thereby further reducing the number to thirty-nine. The draft Estimates for 1936-37 now show a total of forty-six and the seven additional officers are required for the following branches of the services shown under Head XIII:—

Horticultural Service.

One in Grade 'N' for Statistics with special reference to the Citrus Industry.

One in Grade 'O' for the re-organisation of the new office of the Chief Horticultural Officer.

The clerk in Grade 'N' will be selected by the Clerical Service Board but if no suitable serving officer is available it may be necessary to recruit an officer from outside sources. This appointment is necessitated by the increased volume of statistical information required by the citrus trade in the form of returns of exported oranges, grapefruit, lemons, etc.; weekly returns of shipments, and information regarding quotas, currency, etc. He would also be employed on duties connected with advertising.

Provision for each of these officers is made at the minimum of the grade.

Plant Protection Service.

One Head Clerk in Grade 'N'. In this case also it is proposed that the officer shall be selected by the Clerical Service Board. The senior clerical officer of this section is in Grade 'O' only.



Fishery Service.

One officer in Grade 'O', at a commencing salary of LP.96 per annum, is required for Fishery statistical work and office duties. In view of the rate of pay proposed endeavour will be made to obtain this officer from another Department if a suitable officer is not available from the staff of the Agricultural Department.

Veterinary Service.

Three clerks in Grade 'O': one each for the Veterinary Officers at Jaffa and Tiberias who have not yet had any clerical assistance and one for the Veterinary Laboratory at Jaffa to assist in the large increase in the volume of clerical work.

In support of the increases mentioned above it should be explained that in addition to the expenditure covered by the draft Estimates the Department administers other services involving considerable accounting and administrative work, for example; the administration of the Loan Scheme for hill districts, the Citrus Advertising Fund, the collection of Fruit Inspection fees, Fumigation fees, Animal Quarantine fees, the distribution and sale of large quantities of fruit trees, vines, poultry, eggs, etc.

351. ITEM 15 makes separate provision for the payment of stenography allowances which were formerly included under Item 13.

352. ITEM 16 provides for a Storekeeper in Grade 'N' whose salary was formerly met from Item 13.

353. ITEM 17 provides for an Assistant Storekeeper in Grade 'O' whose salary was formerly included under Item 93. Hitherto the stores have been separately controlled by the various sections of the Department but it is now proposed that one central store be established. The Stores Packer is therefore graded as an Assistant Storekeeper and his emoluments provided for under Administration section of the Department.

354. ITEM 18 provides a sum of LP.100 for Extra Clerical Assistance. No provision at present exists for the employment of relief staff during prolonged illnesses of members of the permanent establishment and the Director has been considerably handicapped in the past by the absence of this provision. The provision now made will not be utilized in cases of normal absences but will provide a reserve on which the Director can draw in the case of unforeseen and prolonged depletion of the authorized establishment.

355. ITEM 21 shows a decrease of LP.78 in the vote for Messengers and Cleaners but a sum of LP.102 has been transferred to the Forestry Department and three cleaners, at a cost of LP. 108, to the Department of Lands and Surveys. A net increase of LP.132 occurs therefore in the cost of the Messenger and Cleaner service. A sum of LP.45 is added to provide for increments to existing staff within the approved scale and three additional Messengers are required at District Offices at a cost of LP.87. The transfer to the Department of Lands is occasioned by the occupation of new premises which are shares between the Departments of Lands and Surveys, Development, Agriculture, etc. Provision for the whole of the emoluments of the Caretaker and cleaning staff has been made in the estimates of the Department of Lands and Surveys.

Other Charges.

356. The items mainly responsible for this increase are Item 151. Typewriters (LP.45) and Item 203. Contribution to Colonial Agricultural Service Fund (LP.47).

A decrease of LP.50 is occasioned by the discontinuance of the Sericultural service.

A sum of LP.45 has been provided for the replacement of a typewriter at Headquarters and a large carriage for an existing machine. The increase under Item 203 is dealt with in the Secretary of State's circular despatch of the 15th October, 1935.



Special Expenditure. — Total LP.7,630.

357. ITEM 263 shows an increase of LP.30 necessitated by the payment of a higher salary to the Research Assistant employed on spirochaetosis research at the Hebrew University.

358. ITEM 264 provides for a grant of LP.700 at the Beit Jamal Agricultural School. The grant covers expenditure on olive oil experiments amounting to LP.200 and a lump sum grant for general purposes of LP.500.

With regard to the first grant it is proposed that this should be made for 1936-37 and the two following years. The School proposes to extend its existing olive nurseries and to make available the major number of olive plants produced after the third year for distribution by Government. The School possesses an up-to-date olive press and experiments will be conducted to ascertain the best methods of expressing the virgin olive oil.

With regard to the grant of LP.500, it should be explained that the School applied for an annual grant of LP.100 for irrigation experiments and for an initial grant for one year of LP.500 to extend the dairy and stables. As, however, sufficient research is already being carried out in this connection by the Department or in co-operation with the Jewish Agency Research Station, an annual grant for irrigation experiments is not recommended, but the Beit Jamal School provides for the Agricultural education needs of a section of the population to which other institutions in the country are not open. It is proposed, therefore, that a single grant-in-aid to the School, amounting to LP.500 shall be given in 1936-37 only.

359. It should be noted that provision has been reinserted for the payment of the following grants: —

	LP.
ITEM 258 — Grant for Citrus Research by the Experimental Station of the Jewish Agency	3,000
ITEM 259 — Grant to Jewish Agency Experimental Fruit Station, Kiriya Anavim	300
ITEM 260 — Grant to the Jewish Agency for intensive farming experiments	300
ITEM 261 — Grant to the Jewish Agency for research	2,950
ITEM 262 — Grant to the Hebrew University for field mice investigations	200
ITEM 263 — Grant to the Hebrew University for spirochaetosis research LP.150, now increased to LP.180.	180

The first three grants are for five years during the period 1933-38 and they will have been paid for the fourth year in succession in 1936-37.

The fourth grant is made up as under: —

	LP.
I. Field and Garden experiments	500
II. Animal nutrition	500
III. Mycological services	350
IV. Givat plantations (non irrigated)	200
V. Givat plantations (irrigated)	300
VI. Field and Garden experiments	700
VII. Studies in Rural Economics	400
Total	LP.2,950

Grants were first made in 1934-35 in respect of Nos. I to V and it is proposed to continue them in 1936-37 on the same conditions as in the previous years. Grants Nos. VI and VII were first made in 1935-36 and it is proposed that they shall be renewed in 1936-37.



AGRICULTURE.

360. Provision is made for an increase of LP.1,228 in the expenditure on Agricultural services, namely:—

	L.P.	L.P.
Personal Emoluments	814	
Other Charges	<u>535</u>	1,349
Special Expenditure (decrease)		<u>121</u>
		£P 1,228

361. On the 1st April, 1935, the Department had the following Agricultural stations:—

Acre	1837 dunums for mixed farming
Beisan	240 dunums
Jericho	100 „
Farradiyeh	200 „
Majdal	600 „

During the year 1935-36 a new station has been established at Hebron on an area of 200 dunums and the Farradiya station is being extended by 200 dunums. No expansion of existing stations or establishment of new stations is contemplated in 1936-37.

During 1935-36 there were 2,022 Agricultural demonstration plots conducted by the Department in various parts of the country. In 1936-37 it is proposed to decrease the number of demonstration centres and to increase their areas.

Personal Emoluments.

362. The main changes under Personal Emoluments occur under the following items:—

363. ITEMS 27 and 28. It is proposed to appoint an additional Agricultural Inspector in Grade 'N' and one in Grade 'O'. These appointments are required to strengthen the service as recommended by Mr. Stockdale, and to enable one or two officers each year to be sent to Acre or abroad for special training. It is proposed to promote one officer from Grade 'O' to Grade 'N' and to make two new appointments in Grade 'O'.

364. ITEM 29 provides for four additional Agricultural Assistants at a salary of LP.6 each per mensem. The Director reports that a total of sixteen officers is really necessary. Prior to 1935-36 there were four only, but four more were appointed in that year and the appointment of four additional officers in 1936-37 will bring the number to twelve. The need for further additions will be considered in connection with the draft Estimates for 1937-38. The appointments are designed to increase efficiency of supervision and demonstration work in villages and in connection with seed farms. The duties of these officers include supervision of seed farms for the propagation of seed; supervision of cereal, vegetable, fertilizer and demonstration plots, fodder plots and silo pits; demonstrations with grain cleaning machinery; suppression of plant pests and diseases and the completion of statistics in village note books.

365. ITEM 32 provides for an additional Assistant Station Superintendent in Grade 'O'. This appointment is required for the expansion of experimental work at the Acre Agricultural Station, more especially in connection with the breeding and selection of grain and the supervision of fertilizer experiments.

366. ITEM 33 provides an additional sum of LP.180 under the vote for Farm Labour. The provision covers three labourers at a salary of LP.5 per month each. It is proposed to post one to Sarafand for experimental work in the raising and propagation of vegetable seeds and seedlings for distribution, one to Acre Agricultural Station in connection with the expansion from 10 to 40 dunums of the vegetable section; and one to Farradiya for general farm work where the farming area is being increased from 200 to 400 dunums.



367. ITEM 35 shows a reduction of one in the number of mechanics. The draft Estimates for 1935-36 provides for three Mechanics and one Electrician, all at LP.9 per month. One Mechanic was employed at Majdal and three, including the Electrician, at Acre. The Electrician at Acre has been replaced in the draft Estimates by a Farm Engineer at LP.15 per month (see Item 130) and this permits of the dismissal of one of the Mechanics.

Other Charges.

368. The main increases under Other Charges occur under the following items:—

369. ITEM 146.— Transport and Travelling. An increase of LP.108 is required to provide for the travelling of two additional Agricultural Inspectors and four Agricultural Assistants.

370. ITEM 157. — Upkeep of Agricultural Stations — LP.231. An increase of LP.50 is required for the Acre Station on account of the increase in the Vegetable Section from 10 to 40 dunums.

An addition of LP.181 is required for the Hebron Station, as the provision of LP.185 for the Station in the current year's Estimates was for six months only.

371. ITEM 159 shows an increase of LP.100 in the vote for Upkeep of Tractors and Stationary Engines. The increase is necessary to provide for extra fuel, lubricants and the repair of five tractors, nine stationary engines and one motor lorry. It is proposed to increase the plant in 1936-37 by three stationary engines at the Beisan, Hebron and Farradiya Agricultural Stations.

372. ITEM 160 shows an increase of LP. 105 in the vote for Visits to Agricultural Stations. Of this increase a sum of LP.85 represents the cost of lunches on Farmers' Day, and a sum of LP.20 has been added to provide for the transport and entertainment of a larger number of visitors to Agricultural Stations.

Special Expenditure.

373. ITEM 220 provides for the purchase of ten portable grain cleaning machines at a cost of LP.350. Their purchase will increase the total number of machines in use from eighteen to twenty-eight. The Director has been instructed to collaborate with the Registrar of Co-operative Societies in order that the use of the machines may be made familiar to villagers with the object of inducing them to acquire similar machines by co-operative effort.

374. ITEM 221 provides a total of LP.388 for the purchase of draught animals, carts and harness. Of this provision a sum of LP.253 is required for the Agricultural Section for the following purposes:—

	<u>LP.</u>
(a) replacement of three mules which are about to be cast at the Acre Agricultural Station	150
(b) replacement of two local wagons at the Acre Agricultural Station at £P.25 each	50
(c) purchase of one four-wheeled pneumatic tyred wagon for cartage work at the central Agricultural Station, Acre	53
Total	<u>£P. 253</u>

375. ITEM 222 provides a sum of LP.756 for the purchase of the following Agricultural machinery:—

	<u>LP.</u>
(a) one new threshing machine for Farradiya Agricultural Station	275
(b) three stationary 2½ horse-power Lister engines at LP. 42 each	126

These engines are required to operate the cleaning and threshing machinery at Beisan, Farradiya and Hebron Stations.

(c) one Massey Harris disc seed fertilizer and drill for Farradiya Agricultural Station	45
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(d) two disc harrows at LP.20 each for Farradiya and Hebron Agricultural Stations	<u>LP.</u>
	40
(e) two threshing machines at LP.35 each for Hebron and Acre Agricultural Stations	70
(f) seed germination test equipment and apparatus for seed threshing at Acre Station	100
(Apparatus to include drying oven, soil sampler, sowing machine and a small hand thresher for selection)	
(g) replacement of hand tools and parts of machinery and implements (for all stations)	100
Total	<u>£P. 756</u>

376. ITEM 224 — Sites for Agricultural and Horticultural Stations — LP.6,700. Provision has been made for the purchase of the following sites, already acquired in previous years, for which payment could not be effected owing to legal difficulties in connection with title:—

	<u>LP.</u>
Farradiya	700
Majdal	2,400
Ain Aroub (Hebron)	<u>3,600</u>
Total	<u>LP.6,700</u>

377. ITEM 225 provides a sum of LP.25 to cover the purchase of equipment for suppression of plant pests and diseases in order to replenish existing supplies.

HORTICULTURE.

378. The increase in the Horticultural Service is LP.1,140, comprising:—

	<u>LP.</u>	<u>LP.</u>
Personal Emoluments	267	
Other Charges	<u>1,465</u>	1,732
Special Expenditure (decrease)		<u>592</u>
		<u>LP.1,140</u>

379. On the 1st April, 1935, the Horticultural service had the following stations:—

Jerusalem	28	dunums
Beisan	25	"
Jericho	60	"
Farradyia	100	"
Majdal	40	"
Nablus	100	"
Acre	160	"
Citrus demonstration Station, Sarafand	150	"
Farwaneh	90	"

During 1935-36 the Acre station was extended by 30 dunums and a new station was established at Hebron on an area of 100 dunums. No extension of the area of existing stations is contemplated in 1936-37, nor is it proposed to establish new stations.



Sixteen demonstration centres were being conducted by the Horticultural section on the 1st April, 1935 and thirty-two additional centres were established during the year. No further increase is contemplated in 1936-37 but the existing centres will be further developed.

Personal Emoluments :

380. ITEM 43 provides for the appointment of a Viticultural Officer in Grade 'K'. The need of this appointment is referred to in paragraph 337 of this memorandum.

381. ITEM 44 provides for an additional Horticultural Instructor in Grade 'N'. The three officers at present employed are insufficient to afford proper inspection in fruit tree planting in villages and settlements. The staff of Instructors also requires strengthening in view of the additional work involved in the issue of loans in hill areas which entails instruction to villagers in the efficient utilization of the loans to be granted.

382. ITEM 45 provides for an additional Station Superintendent in Grade 'N' who is required for the Citrus Demonstration Station at Sarafand in order that the existing post can be utilized for a Station Superintendent in Grade 'O' to take charge of the Horticultural Station at Farwaneh.

383. ITEM 46 shows an increase of one in the number of Station Superintendents in Grade 'O'. This officer is required to take charge of the Horticultural Section of the Majdal Station.

Other Charges :

384. ITEM 146 — Transport and Travelling — has been increased by a sum of LP.415 owing to the allotment of motor cycle transport to four Horticultural Instructors.

385. ITEM 191 has been increased by LP.200 for the conduct of Horticultural demonstration experiments. The additional expenditure is required to cover the cost of spraying demonstrations in citrus groves designed to control the spread of scale, and for demonstration in pruning and manuring. This expenditure has previously been charged to the votes of the Fruit Inspection Service.

386. ITEM 193 shows a decrease of LP.600 in the vote for the Upkeep of Horticultural Stations. This is due to the transfer of that sum to Item 194. The remaining provision of LP.2,700 is required for the development and upkeep of existing Horticultural Stations.

387. ITEM 194 shows an increase of LP.1,100 in the vote for Fruit Tree Nurseries. Experience has shown that the cost of raising trees is 25 mils per tree and not 20 mils, as previously estimated. In consequence the cost of raising 100,000 trees is LP.2,500 and not LP.2,000 as formerly provided. In addition a sum of LP.600 has been transferred from Item 193 to cover the cost of raising 100,000 vines.

Special Expenditure :

388. ITEM 219 includes a sum of LP.25 for the purchase of a typewriter for the new office of the Chief Horticultural Officer in Jerusalem. Formerly the office of the Chief Horticultural Officer was at Jaffa and his work was conducted in the premises occupied by the Chief Fruit Inspector.

389. ITEM 221 — Draught Animals, Carts and Harness — includes a sum of LP.100 on account of the Horticultural Service. This provision covers the cost of a new mule for the Horticultural Station at Ain Aroub (LP.40), one horse for the Acre Station (LP.20), harness and provision for repairs (LP.40).

390. ITEM 278 provides a sum of LP.150 to cover the cost of experimental shipments of fruit and fruit drying experiments. This work was recommended by Mr. Stockdale. Details of the proposed experiments have not yet been formulated, but provision has been made in the draft Estimates on the assumption that it will be possible to make practical use of the provision during the forthcoming year.



FRUIT INSPECTION SERVICE.

391. The increase under this service is LP.16,282, namely :—

	LP.
Personal Emoluments	1,024
Other Charges	15,258

Personal Emoluments :

The main increase under Personal Emoluments are explained below :—

392. ITEM 52. Provision has been made for the appointment of two additional Assistant Fruit Inspectors at LP.144 per annum each, thus accounting for an increase of LP.288 under this item. The balance of the increase is due to the fact that in 1935-36 provision for eight officers was made for six months only; provision for the remaining six months of the year was made under the Fumigation Service (see para. 412). The appointment of two additional officers is necessary on account of the larger citrus crop, which is estimated at 11 million cases in 1936-37 as compared with 8 million cases in 1935-36.

It has been represented that these officers are exposed to considerable temptation and Government is now considering some improvement in their status with a view to affording greater security of employment and an increase in their emoluments with length of service. This matter will form the subject of a separate communication to the Secretary of State in due course.

Other Charges :

393. ITEM 146. An increase of LP.258 has been inserted under the vote for Transport and Travelling owing to the appointment of a Chief Fruit Inspector and to the increase in the staff of Inspectors.

394. ITEM 148. The vote for Telegrams, Telephones and Postage has been increased by LP.137 in respect of the Horticultural service owing to the installation of new telephones at several Fruit Inspection Stations.

395. ITEM 149 — Lighting and Heating — requires an addition of LP.90 to cover expenditure at a greater number of Fruit Inspection Stations.

396. ITEM 190 shows an increase of LP.13,000 in the cost of Citrus Advertising. This increase is due to anticipated increases in citrus exports and the consequent increase in the funds available from the fees levied for the advertising service. The increase is off-set by additional revenue under Head IV Item 5.

397. ITEM 196 shows an increase of LP.2,000 in the cost of the Fruit Inspection Service. In view of the anticipated increase in the citrus crop it will be necessary to employ additional Fruit Inspection staff, including packers, carpenters, guards, etc. It is also proposed to increase the stringency of inspection.

The cost of the service is recoverable and is shown under Revenue Head IV Item 6.

PLANT PROTECTION SERVICE.

398. A total increase of LP.1,123 occurs under this Section comprising :—

	LP.
Personal Emoluments	572
Other Charges	162
Special Expenditure	389

Personal Emoluments :

399. The main increases and changes under Personal Emoluments are recorded below :—



400. ITEM 57 reflects a change in the title of the officer in charge of this Section. The change is made to fit the title more closely to the actual duties performed by the officer but no increase is shown in his emoluments save in respect of one special increment.

401. ITEM 61 provides for the emoluments of a Mycological Officer whose salary was formerly provided under Item 26.

402. ITEM 63 provides for the appointment of a Laboratory Assistant in Grade 'N'. The officer will be in charge of the identification of insects received and also in charge of insect breeding. The insect collection is essential for the identification, classification and cataloguing of insects and is a fundamental basis for the activities of the Plant Protection Service. The insect collection is the only one of its kind in the country but it is not yet suitably arranged and at present no officer is available to give it the necessary care and attention and to keep it up to date.

Other Charges :

403. ITEM 146. An increase of LP.150 is required under the vote for Transport and Travelling to provide for the transport of the Mycological Officer who has been transferred to this vote from the Agricultural Service.

404. ITEM 187 shows an increase of LP.200 in the cost of Upkeep of Outstations and Headquarters and Field laboratories, but this is off-set by a corresponding decrease under Item 188.

Special Expenditure :

405. ITEM 219 includes provision for the purchase of two typewriters at a cost of LP.56 for the Field Assistants for the Northern and Southern Districts.

406. ITEM 223 includes a sum of LP.50 for the purchase of Camp Equipment. The Entomological Service has not been provided hitherto with camp-equipment or camp furniture but both are necessary for the field staff on duty in villages.

407. ITEM 251 provides a sum of LP.90 for the purchase of three microscopes for the Acre, Tiberias and Sarafand laboratories.

408. ITEM 252 covers, at a cost of LP.160, the purchase of new types of sprayers and dusting machines for testing out the best kinds of apparatus for recommendation to the farming community for general use.

409. ITEM 279 provides a sum of LP.123 for the cost of training departmental officers. The provision covers subsistence and passage allowances for one of the Field Assistants who is undergoing a course of training at East Malling.

410. ITEM 280 provides a sum of LP.120 for the purchase of cabinets to house the insect collection. It is proposed that the cabinets shall be imported from England.

FUMIGATION.

411. There is a decrease of LP.5,876 in the cost of the Fumigation Service of which LP.876 occurs under Personal Emoluments and LP.5,000 under Other Charges.

Personal Emoluments :

412. ITEM 65. Hitherto one-half of the emoluments of the Fumigation Inspectors has been borne by the votes of the Fumigation Service but the whole cost has now been transferred to the vote for Fruit Inspection (see Item 52). The change is due to the fact that the Inspectors are employed on grove sanitation work in the summer as this forms a part of fruit inspection and ensures that the quality of the fruit for export is improved not only by restrictive fruit inspection but by the instruction given to growers during the growing season in cultural practice and orchard hygiene.



413. ITEM 66 shows an increase of five in the number of Laboratory Checkers in receipt of a salary of LP.8 a month. The employment of these officers was approved by Special Warrant during 1935-36. A decrease of LP.360 has been shown under Item 67 as the extent of black scale has been fairly accurately determined during recent years.

Other Charges :

414. Item 185 shows a reduction of LP.5,000 in the cost of fumigation. The vote during the current year was based on the cost of fumigating 100,000 trees at an average cost of 65 mils per tree. It has been found possible, however, to reduce the cost per tree to approximately 35 mils and the Director is confident that the sum provided in 1936-37 will permit of fumigation being carried out to approximately the same extent as in previous years.

FISHERIES.

415. A total increase of LP.443 occurs in the cost of the Fisheries Service, comprising:—

	LP.
Personal Emoluments	360
Other Charges	55
Special Expenditure	28

Personal Emoluments:

416. ITEM 68 provides for a Chief Fishery Officer at a salary of LP.550 together with LP.100 per annum for Expatriation Allowance. This appointment formed the subject of the High Commissioner's despatch No. 1090 of the 23rd November, 1935.

417. ITEM 70 provides for the appointment of a Senior Fishery Officer in Grade 'M'. This appointment was recommended by the Fishery Adviser to the Secretary of State and is referred to in the Secretary of State's despatch of the 23rd September, 1935. It is not proposed to take any steps to fill the post until the Chief Fishery Officer has been given an opportunity of expressing his views on the matter.

Other Charges:

418. ITEM 150 — Uniforms — includes a sum of LP.100 on account of the Fishery Service, representing an increase of LP.50 over the provision made in 1935-36. The additional sum is required to provide the initial equipment for the Fisheries personnel. The Director of Agriculture has been instructed to submit recommendations to Government for the creation of a scale of uniforms for the Fisheries service and no steps will be taken to issue uniforms until those Regulations have been duly considered by Government.

419. ITEM 206 provides for a contribution in the sum of LP.68 to the International Commission for the Scientific Exploration of the Mediterranean Sea and is an increase of LP.5 over the sum provided in 1935-36. The higher figure represents the actual amount payable.

Special Expenditure:

420. ITEM 219 includes a sum of LP.28 for the purchase of a long carriage typewriter for the new service.

421. ITEM 266 contains provision for the purchase of a motor fishing boat at a cost of LP.550. Provision for this purchase was contained in the Estimates for 1935-36 but the order for the vessel has not yet been placed and it is regarded as unlikely that it will be possible to effect payment during the current financial year.

422. ITEM 267 provides a sum of LP.300 for the cost of re-stocking Lakes Tiberias and Huleh with fish. The need for this was explained in paragraph 242 of the Memorandum on the Estimates of Expenditure for 1935-36 but no expenditure will be incurred during the current year and the provision has therefore been re-voted in 1936-37.



VETERINARY.

423. The cost of the Veterinary Service has increased by a sum of LP.9,523, comprising:—

	L.P.
Personal Emoluments	5,363
Other Charges	2,031
Special Expenditure	2,129

Personal Emoluments:

424. The estimates of Personal Emoluments under this Head have been divided into five Sections, namely, Administration; Veterinary Field Staff; Quarantine Section; Veterinary Laboratory; Stock Farm and Poultry and Bee-keeping.

Administration.

425. ITEM 91 provides for the appointment of a Senior Veterinary Officer in Grade 'H'. This appointment was recommended by Mr. Stockdale with the object of enabling the Chief Veterinary Officer to exercise more supervision in the field and of avoiding the necessity for the Veterinary Pathologist to act as Chief Veterinary Officer in the latter's absence.

Veterinary Field Staff.

426. ITEM 95 provides for an additional appointment of Assistant Veterinary Officer in Grade 'N'. The new Assistant Veterinary Officer is required in the Tulkarm District where considerable development has taken place during the past few years. Over thirty new settlements have grown up in this District and it is necessary that a special officer be appointed in the area to cope with the increasing and legitimate demands for Veterinary assistance and advice.

Quarantine Section.

427. ITEM 99 provides for the appointment of a Quarantine Inspector in Grade 'N'. This Inspector is required in order that more efficient control may be exercised over fifteen Quarantine Stations throughout the country, fourteen of which are in charge of unclassified personnel. The appointment is also necessary owing to the large increase in the number of imported stock requiring special attention. It is estimated that over half a million animals will be imported in 1936-37. The new officer will also be required to control the issue of permits for the importation of dairy cattle and to deal with the various Regulations concerning the importation of animals from different countries.

428. ITEM 101 shows an increase of four in the number of Quarantine Superintendents and Guards. Three of these are provided at LP.10 a month, up-graded from LP.9; five up-graded from LP.5 to LP.6 a month and a decrease of one at LP.6 a month. The additional four Quarantine Guards are necessary on account of the increased importation of animals by sea at the Haifa Quarantine Station.

429. ITEM 102 shows an increase of LP.432 in the vote for cleaners at the Haifa Quarantine Station. These are necessary on account of the enlargement of the station and the large increase in the number of imported animals passing through it.

430. ITEM 103 — Overtime Fees — shows an increase of LP.300, necessitated by the increase of work at the Haifa Quarantine Station. The additional expenditure is off-set by a corresponding increase in revenue in respect of this service.

431. ITEM 104 provides for the engagement of three Superintendents and three guards, the former at LP.9 per mensem and the latter at LP.6. These appointments were approved in 1935-36 by the Secretary of State's telegram No. 314 of the 28th October, 1935, and are required for the administration of the Poultry Quarantine Rules. The duties of the guards consist in escorting consignments of poultry to approved premises and guarding the premises to ensure that no birds are taken out before the expiry of the detention period for quarantine purposes.



VETERINARY LABORATORY.

432. ITEMS 109, 110 and 113. Item 109 provides for the appointment of an additional laboratory Assistant in Grade 'N'; Item 110 provides for two additional Assistants in Grade 'O'; and Item 113 provides for the appointment of two additional cleaners at fixed monthly salaries of LP.5. The additional staff is required in connection with the increased number of dourine tests to be conducted. The minimum number of tests is 1,200 a month, but 400 tests only can be carried out at present. The appointments are also required in connection with the expansion of the control of contagious abortion which involves monthly tests of herds under supervision. It will also be possible with these new assistants to undertake the preparation of anthrax vaccine when the necessary buildings for the new laboratory are completed and this will obviate the necessity of purchasing vaccine from Australia.

STOCK FARM.

433. ITEM 117 provides for the payment for an entertainment allowance to the Manager of the Stock Farm. The entertainment of official and un-official visitors to the farm is an almost inseparable corollary to the appointment of the Farm Manager and he is put to considerable expense thereby. It is regarded therefore as equipment that some assistance should be given to him in meeting this unavoidable obligation.

434. ITEM 118 provides for the appointment of an Assistant Manager at a salary of LP.400 per annum. The new officer will be required to assist the Manager of the Stock Farm and Agricultural Station generally, to take charge of all animal breeding operations at the Station and to supervise throughout the country the execution of the different schemes for the up-grading of village stock. A progressive increase in the stock at the Acre Farm has been recorded during recent years and whereas the total number of animals in 1929 was 134 the number will exceed 1,200 in 1936. Much additional work is thus entailed and it is no longer possible for the Manager adequately to supervise the Station without competent assistance.

It is proposed that the new post of Assistant Manager shall carry with it the provision of free quarters but not free rations, light or fuel.

435. ITEM 123. An increase of LP.528 is shown in the vote for stablemen, cowmen and shepherds. The present establishment for employees under this item is five stablemen, one syce, four cowmen, three shepherds and two shepherd boys. The draft Estimates for 1936-37 provide for an increase of two stablemen, three syces, two cowmen, and two shepherds. The increase is required on account of the larger number of animals on the establishment obtained either by purchase or through natural increase.

436. ITEM 126 provides for an additional Ghaffir, at a salary of LP.5 a month, to guard the crops of the leased area of 800 dunums which is not fenced and is seven kilometres from the main farm.

437. ITEM 127 shows an increase of LP.50 in the vote for the employment of casual labour. The additional provision is due to the need of relief staff to replace poultry and beemen when on leave or absent on account of sickness.

438. ITEM 130. The Electrician formerly employed under Item 129 has been replaced by a Farm Engineer at a higher rate of salary. The appointment was approved during 1935-36 and is necessitated by the need of expert supervision for the machinery and plant at the farm.

439. ITEM 131 provides for the employment of a farrier blacksmith at a salary of LP.8 a month. He will be required to shoe once a month 74 animals on the establishment and to keep in good order and condition the numerous agricultural implements at the Station.



POULTRY AND BEE-KEEPING.

440. ITEM 134 provides for the appointment of an Assistant Poultry Station Superintendent at a commencing salary of LP.96 per annum in Grade 'O'. The appointment is necessary to enable the poultry Station Superintendent to devote more time to lecturing on poultry and bee-keeping at the courses of instruction at Acre.

441. ITEM 138 provides for the appointment of an apiarist in Grade 'O' to further the production of a larger number of bee swarms at Acre for sale to bee-keepers.

442. ITEM 143. Provision for the appointment of bee-keeping Inspectors and Poultry Instructors was formerly contained under Items 141 and 142. The titles have now been merged and the officers graded as Poultry and Bee Instructors. The increase of three in the number of officers employed will enable one officer to be posted to the Beersheba area to supervise the poultry scheme at that station, and for two Inspectors to be stationed at Tiberias and Haifa respectively so that ultimately there will be one Instructor attached to each Veterinary Officer. All three officers will be sent to Acre for special training before taking up their duties in the Districts.

Other Charges:

443. ITEM 146 — Transport and Travelling — includes an increase of LP.711 on account of the Veterinary service. Of this increase the sum of LP.628 represents provision for the new appointments referred to in the foregoing notes. The balance is required to cover increased travelling by the Headquarters and Inspector staff.

444. ITEM 161 — Drugs, Dressings and Instruments — shows an increase of LP.100 for the purchase of a greater quantity of drugs, dressings and instruments which are required to meet the needs of the Department of Police which utilizes the Veterinary service in cases where veterinary attention is required for animals on the strength of the Force.

445. ITEM 168 provides an increase of LP.380 in the vote for the Stock Breeding service. This increase is necessary for the purchase of supplementing feeding stuffs for a larger establishment of livestock.

446. ITEM 169 — Upkeep of Poultry Stations — has been increased by LP.100 for the purchase of drugs, insecticides and disinfectants for poultry stations and for distribution to poultry and bee-keepers throughout the country.

447. ITEM 216 formerly provided a sum of LP.250 for the payment of compensation for retention of bulls but this provision has now been transferred to Item 217.

448. ITEM 217. A sum of LP.640 is provided for the payment of premiums for selected sires. Provision formerly made under Item 216 has been combined with this item as both are necessary to achieve the same object, namely, the up-grading of local stock; and a sum of LP.270 has been transferred from Item 230 as the charge is now recurrent. The total provision has been increased by a sum of LP.120 in order that the service may be extended.

Special Expenditure :

449. ITEM 221 includes a sum of LP.35 for the purchase of a cart and harness for the Haifa Port Quarantine Station and for repairs to the existing cart and harness.



450. ITEM 226 provides a sum of LP.2,000 for the purchase of additional stock as under:—

	LP.	LP.
4 In calf Guernsey cows at 100 each		400
1 Large White Sow at 30 "		30
9 Lebanese cows at 30 " —£P.270		295
1 Lebanese bull at 25 " — 25		
6 Cyprian donkey mares in foal at 26 "		156
2 Catalonian donkey mares at 150 " —£P.300		600
2 Catalonian stallions at 150 " — 300		
8 Karakul ewes at 32 " —£P.256		304
1 Karakul ram at 48 " — 48		
1 Foal (local)		15
Poultry & Bees (replacement of breeding stock)		<u>200</u>
Total —		<u>£P.2,000</u>

These animals are required in furtherance of the policy of the up-grading of local stock by the introduction of new blood.

451. ITEM 232 provides a sum of LP.400 for the extension of District Poultry Stations. The sum inserted in the draft Estimates will cover the cost of the necessary poultry houses and equipment for local breeds at the existing district poultry stations.

452. ITEM 235 provides a total sum of LP.300 for the grading of village fowls — an increase of LP.210 over the special provision made in 1935-36.

The sum provided will cover the cost of distribution of 3,000 cocks in Arab villages, as compared with 500 in 1935-36, and the cost of feeding the birds until they are sufficiently mature for distribution.

453. ITEM 275 provides a sum of LP.25 for the purchase of text books to complete the laboratory library. They are essential for laboratory research work and technique.

454. ITEM 276 provides a sum of LP.500 for the purchase of swarm boxes. The funds provided cover the cost of 500 boxes for the preparation of swarms which are being prepared at the station. The boxes will enable some 500 additional bee colonies to be established annually.

455. ITEM 277. A sum of LP.100 has been provided for the construction of a cattle dipping bath. It is proposed to erect this bath at Saffurieh village in the Nazareth District in order to demonstrate the value of regular dipping to the fellah and to encourage villagers to construct their own baths.

KADOORIE AGRICULTURAL SCHOOL, MT. TABOR.

456. The draft Estimates show an increase of LP.589 in the vote for the Mt. Tabor School, comprising:—

	LP.
Personal Emoluments	165
Other Charges	289
Special Expenditure	<u>135</u>
	LP.589

Personal Emoluments:

457. ITEM 290 provides for the appointment of a Mechanic at a salary of LP.15 per mensem. Hitherto an Engineer has been responsible for the maintenance of the plant at the School and he has been assisted by a greaser for whose employment provision was made under Item 289. It became necessary,



however, to appoint a Mechanic in place of the Greaser during 1935-36 and funds for this purpose were made available by Special Warrant. It is now represented that the Mechanic can carry out the duties formerly undertaken by the Engineer and it is proposed therefore to terminate the services of the latter when his contract expires. It will be necessary, however, to appoint an Electrician to look after the various electrical installations at the School and this officer will be available to act as a relief for the Mechanic in case of need.

458. ITEM 296 shows an increase of LP.169 in the vote for Farm Wages. The increase is necessitated by the larger area under irrigation and the expansion of intensive cultivation. The whole area of the School is 2,175 dunums compared with 600 dunums at Tulkarm. In 1935-36, 550 dunums only were under cultivation but it is proposed to place 1,000 dunums under cultivation in 1936-37. The provision made covers the employment of the following:—

	LP.
Dairyman at LP.10.500 p. m.	126
Nursery-man at LP.12 p. m.	150
Watchman at LP.3.500 p. m.	42
One ploughman and stableman at 200 mils a day for 30 days a month	72
One ploughman at 200 mils a day for 25 days	60
One dairyman at 150 mils a day for 30 days	54
One Horticultural Assistant at 150 mils a day for 25 days	45
Four poultry Assistants at 150 mils for 30 days	54
Assistant Gardener at LP.5 per month	60
Upkeep during vacation	96
Hjre of horses	20
Casual labour	65
	<u>LP.844</u>

459. ITEM 298 is a new item incorporating School Wages which were formerly included under Item 297. The vote has been increased by LP.80 owing to an increase of ten in the number of students who will be in residence in 1936-37.

Other Charges:

460. ITEMS 302, 303 and 306 have been increased by LP.100, LP.100 and LP.70 respectively owing to an increase of ten in the number of students who will be in residence in 1936-37.

461. ITEM 310 — Transport and Travelling —has been increased by LP.50 as there will be a larger quantity of farm produce to be transported for sale.

Special Expenditure:

462. ITEM 317 provides a sum of LP.160 to cover the cost of training rural teachers. The object of this provision is the initiation of a scheme for training teachers from Jewish Rural Schools on lines similar to those employed at Tulkarm. The provision made covers the following:—

<i>Vegetable gardening.</i>	LP.
Preparation of school gardens, area of five dunums, water installation, tools, etc.	35
Small poultry shed	40
Chemical laboratory, additional glassware	15
Biological laboratory slides, patterns for seed testing, etc.	15
Models	15
Chemical test tubes, seeds, etc.	40
Total	<u>LP.160</u>

KADOORIE AGRICULTURAL SCHOOL, TULKARM.

463. An increase of LP.947 is shown in the cost of the Tulkarm Agricultural School. The increase comprises:—

	L.P.
Personal Emoluments	186
Other Charges	266
Special Expenditure	<u>495</u>
	<u>LP.947</u>

Personal Emoluments:

464. ITEM 326 provides a sum of LP.180 for wages of a Mechanic. The current year's Estimates contain provision in the sum of LP.144 only, but experience has shown that a suitable Mechanic cannot be obtained at this salary and it became necessary to increase the vote in 1935-36 by the issue of a Special Warrant to cover the wages of a more competent Mechanic, for whose continued employment provision is made in 1936-37.

465. ITEM 327 shows an increase of LP.138 in the vote for Farm Wages. A dairyman and a nurseryman have hitherto been employed at a wage of LP.5 a month each but expert men are required to instruct the students in practical work to supplement the theoretical instruction given in the classroom and the wages hitherto paid have precluded the employment of qualified instructors. It is now proposed that ex-students of the school shall be appointed to these posts and that the rate of pay shall be increased to LP.7 p.m. This accounts for LP.48 of the increase shown under this item. Provision has also been made for the employment of a Ghaffir at Ras Amr where a portion of the forest reserve is set aside for the planting of forest and fruit trees terracing. The wage proposed is LP.3 a month. The area under cultivation at the school was increased during the current year by 200 dunums, thereby necessitating the employment of two additional farm labourers at LP.3 p.m. each. Provision has also been made for a slight increase in the wages of farm labourers owing to the general increase in labour rates in the district during the past year.

As an off-set against these increases a reduction of LP.46 is possible in the cost of wages paid to casual labourers during the harvest season.

Other Charges:

466. ITEM 331 shows an increase of LP.200 in the vote for rations. The full number of students, namely, 70 has been in residence since September, 1935; until then the number was 58. There has also been an appreciable rise in the cost of rations during the past year.

467. ITEM 332 shows an increase of LP.50 in the cost of stores, fuel, etc., owing to the larger number of students in residence.

468. ITEM 334 — Replacement of Stock — has been increased by LP.30 to cover the cost of replacing one mule which has recently been destroyed.

469. ITEM 336 — Poultry Farm Supplies — has been increased by LP.20 as the cost of poultry foodstuffs has risen during the past few months.

470. ITEM 338 provides a sum of LP.250 for the purchase of seed, which is LP.25 in excess of the current year's provision. The increase is required for the additional area of 200 dunums and for an additional area of 15 dunums under irrigated vegetables.

471. ITEM 340 shows an increase of LP.25 in the cost of laboratory stores due to the increase in the number of students in residence.

Special Expenditure :

472. ITEM 347 provides a sum of LP.400 for the replacement of the present unserviceable tractor.



473. ITEM 348 provides a sum of LP.25 to enable the library to be properly and completely equipped with text books for reference by teachers and students.

474. ITEM 349. A sum of LP.70 is provided to cover the cost of:—

	L.P.
One mule to work the additional area of 200 dunums	40
Two Baladi cows at LP.8 each to bring the herd up to strength	16
One additional ram	4
One billy goat	4
Poultry and bees	6
Total	<u>LP.70</u>

HEAD XIV — DEPARTMENT OF FORESTS.

	LP.
<i>Estimates</i> 1935-36	25,017
<i>Estimates</i> 1936-37	33,565
<i>Increase</i>	8,548

476. The Forestry service has been separated from the Department of Agriculture on the advice of the Agricultural Adviser to the Secretary of State. The matter was reported to the Secretary of State in the High Commissioner's despatch of the 7th June, 1935. The new Department of Forestry will henceforth be administered independently and placed in charge of a Conservator of Forests.

477. The increase in the cost of the Forestry service as compared with the provision in the approved Estimates for 1935-36 is divided as under:—

	L.P.	L.P.
Personal Emoluments	1,495	
Other Charges	<u>7,375</u>	8,870
Special Expenditure (decrease)		<u>322</u>
Total		<u>£P.8,548</u>

Of the increase under Personal Emoluments a sum of LP.606 is due to the inclusion of provision for the payment of cost of living allowances which were formerly met from Head XXVI Miscellaneous.

Other increases, both under Personal Emoluments and Other Charges, are caused by the extended afforestation programme which was referred to the Secretary of State in the High Commissioner's despatch No.114 of the 31st January, 1935, and was approved by the Secretary of State in his telegram No. 234 of the 3rd August, 1935.

Personal Emoluments:

478. ITEM 1. An increase of LP.1,100 is caused by the creation of the post of Conservator of Forests but this is off-set to the extent of LP.650 by the suppression of the post of Assistant Conservator of Forests for which provision in the current year's Estimates was made under Items 3 and 4. The appointment of the Conservator of Forests is dealt with in the Secretary of State's Confidential telegram No.235 of the 5th August, 1935, and in the High Commissioner's Confidential telegram of the 10th August in reply thereto. Provision has been made for the salary of the new officer at the maximum of Grade 'F'.

479. ITEM 5. Provision has been made for the appointment of one additional Assistant Conservator of Forests in Grade 'K'. It is proposed that the appointment shall be offered to a Government scholar now under training at Oxford who will be available to take up his duties on the 1st October, 1936. The post is necessary in connection with the extended afforestation scheme.



480. ITEM 8 provides for the promotion of a Forest Ranger to Grade 'M'. The officer concerned has been on the maximum of Grade 'N' since March, 1932. The appointment of two Forest Rangers in the higher grade was contemplated in the Director of Agriculture's memorandum which formed the third enclosure to the High Commissioner's despatch of the 31st January, 1935. A reduction of one Ranger in Grade 'N' is shown under Item 9.

481. ITEM 17 provides for three additional clerical officers — one in Grade 'N' and two in Grade 'O'. The first appointment is necessary to provide a Head Clerk for the Department and it is proposed that the post shall be filled by an officer to be selected by the Clerical Service Board. The two officers in Grade 'O' are required for the new branch offices to be established at Jaffa and Haifa.

Other Charges:

482. ITEM 22. An increase of LP.735 is shown under the vote for Transport and Travelling. This is caused partly by the provision for additional staff but mainly by the extended afforestation programme.

483. Item 23. A larger number of plants will be available for distribution at the nursery at Ras-el-Ain and the vote for Railway Fares and Freight has been increased accordingly by a sum of LP.65 to cover the cost of their transport by rail.

484. ITEM 24 has been increased by LP.30 to cover the cost of installing new telephones in the branch offices at Jaffa and Haifa, and the vote for lighting and Heating (Item 25) has also been increased on account of this additional accommodation.

485. ITEM 26 provides an additional sum of LP.234 under the vote for Uniforms. The number of uniformed mounted guards is being increased and it is now proposed to clothe Forest Rangers who have not hitherto worn uniform. Forest Rangers are required to carry out protective duties involving contact with the public and it is essential that their authority should no longer be questioned, as it is at present, owing to the absence of a distinctive uniform.

486. ITEM 34. — Afforestation, Increase LP.6,300. The main cost of the afforestation scheme is contained under this item which provides for the implementation of the proposals contained in paragraphs 7 and 13 of the third enclosure to the High Commissioner's despatch of the 31st January, 1935. The amount provided in 1936-37 represents the increased expenditure contemplated in the first year of the five-year scheme for the gradual expansion of the areas set aside for afforestation.

Special Expenditure:

487. ITEM 46. A sum of LP.500 is provided for Research on Soil Erosion. This is a new service to provide for research and experiment to determine methods for preventing soil erosion in different areas. It is proposed to expend the funds on terracing various types of contour trenching, small masonry dams, ravine control, measuring instruments and labour for soil protection work. The expenditure will be recurrent for some three years or more.

HEAD XV — DEPARTMENT OF ANTIQUITIES.

	LP.
<i>Estimates 1935-36</i>	22,431
<i>Estimates 1936-37</i>	29,228
<i>Increase</i>	6,797

488. Of the above increase LP.1,009 is due to increase under personal emoluments, LP.1,644 to increases under recurrent other charges and LP.3,229 to increases under special expenditure.



489. The draft Estimates for 1936-37 relate to the first complete year's occupation of the new Palestine Archaeological Museum. The Department has had six months experience in the new building and is now in a better position to judge what is necessary for its most economical use and proper care and to estimate in approximately their final form the staff and equipment needed to establish the museum and its public services on a practical basis. Although the exhibits are not yet ready for public view and the date of opening still depends on a variety of factors, it is of importance, in order to reduce the period that must elapse before the necessary preparations are completed, that the museum staff and equipment should be brought as near as possible to full working strength and the Estimates have been prepared to that end. The measures of expansion and reorganisation proposed for the public and technical services of the museum are designed to bring those services a stage nearer the standard of administrative and scientific competence set by modern museums elsewhere.

Personal Emoluments:

490. ITEM 8 formerly provided for one Superintendent Engineer at a consolidated salary of LP.450 per annum. The need for this appointment was recorded in paragraph 334 of the memorandum on the draft Estimates for 1935-36. It has not, however, been found necessary to fill the post during the current year and the Director now considers that with the help, where necessary, of the Department of Public Works it will be possible to keep the building, with its furniture and equipment, in good order by the appointment of a responsible Chief Attendant working under the supervision of the Museum Attendant. Provision is therefore made under Item 28 for the appointment of a Chief Museum Attendant at a fixed salary of LP.180 per annum.

491. ITEM 15 provides for the regrading of an Architect Inspector for whom provision, was formerly made under Item 14. The post is at present held on contract and carries a salary of LP.450. It is now proposed that the officer shall be placed in Grade K of the pensionable cadre since the whole time service of a fully trained officer with archaeological experience is a permanent necessity to the Department. The duties include the preparation of plans, elevations and sections of monuments found in Departmental excavations and such measures of conservation as may be necessary to preserve them. The officer is also responsible for the preparation of illustrated reports on other archaeological monuments in need of conservation; of plans and drawings of registered historical monuments for record purposes and drawings and diagrams accompanying articles in the Quarterly of the Department or required for administrative or museum purposes. It is proposed that the present Architect Inspector should be confirmed in the new post and receive an initial salary of LP.408 which, with expatriation allowance at the rate of LP.50 per annum, will bring his total emoluments to LP.458—an increase of LP.8 on his present salary.

492. ITEM 24 provides for the appointment of an Assistant Keeper on a fixed salary of LP.300 per annum. Paragraph 338 of the Estimates memorandum for 1935-36 explained the provision made in those Estimates for the appointment of a Cataloguer. It is now represented by the Director that the officer will not be entirely engaged on the work of cataloguing but will also be required to render general assistance to the Keeper.

493. ITEM 26 provides for the appointment of a junior Assistant Keeper at a fixed salary of LP.250 per annum, whose duties will be to instal and maintain the exhibition series in the public galleries and students' galleries and to arrange the remainder of the museum's collections, which will be accessible but not publicly exhibited. These services will be permanent since they will continue even after the initial installation in the form of temporary exhibitions, periodical individual exhibits and a constant rotation in the objects put on view, with the attendant clerical work. Considerable technical knowledge and museum experience are needed for this work which is at present carried out by a temporary officer on a monthly rate of pay. It is now proposed to provide for a permanent appointment, but may prove necessary ultimately to offer a higher rate of pay in order to attract a suitable candidate. If this should be necessary a separate communication will be addressed to the Secretary of State.

494. ITEM 28 provides for the appointment of a Chief Museum Attendant in substitution for the Superintendent Engineer under Item 8. It may be necessary to increase the salary proposed in order to secure the services of a suitable man. If so a separate communication will be made to the Secretary of State.



495. ITEM 29 provides for extra clerical assistance in the sum of LP.75. This provision is necessary in order that large arrears of work may be disposed of, especially in connection with the card index catalogues for which upwards of 120,000 cards have now to be typed. As the proper working of the museum services will depend ultimately on the card index catalogue it is of importance that this should be brought and kept up to date.

496. Under Item 33 an increase of LP.156 occurs in the provision made for messengers and cleaners for the museum and library. With the opening of the new building it is necessary to engage the whole time service of a window cleaner and to engage additional cleaners for the library, galleries, show cases, etc.

497. ITEM 35 provides for the appointment of a Chemist at a salary of LP.600 per annum. The Secretary of State's despatch No.569 of the 17th May, 1935, refers.

498. ITEM 36 provides for the appointment of one Assistant Chemist in the scale LP.288-12-360. It is proposed to transfer to this post on his present rate of pay an officer now serving in the Department of Health. The officer designated is a Palestinian and he will be trained to succeed the present chemist. It is proposed to attach him to the Laboratory staff until the expiry of the chemist's contract in June, 1937.

499. ITEM 41. In paragraph 343 of the memorandum on the draft Estimates for 1935-36 the appointment of a carpenter at a fixed salary of LP.84 per annum was explained, but experience has shown that the carpenter appointed is not competent to carry out the class of work required in the museum and it is therefore necessary to replace him by a more highly skilled man on a higher rate of pay. Item 41 therefore provides for the appointment of a joiner at a monthly salary of LP.20. His services will be permanently required for such work as designing and making stands for the display of sculpture and inscriptions, frames for mosaics, photographs and diagrams, cabinet work, etc. It is essential that in point of quality this work should be fit to be shown in public galleries alongside the excellent joinery that is a feature of the new museum. The rate of pay has been fixed in consultation with the Director of Public Works.

500. ITEM 42 provides for the appointment of a Laboratory Attendant at a salary of LP.5 a month. The appointment is necessary to provide for the cleaning of apparatus and for the carrying out of various routine services in the Laboratory.

Other Charges :

501. ITEM 59 provides for expenditure amounting to LP.2,100 on the conservation of antiquities. Of this total LP.1,700 is required for completing certain excavations in the Citadel at Jerusalem, which is to be laid out as a public garden. It is estimated that six months' work will be required to complete the archaeological examination of the castle. A sum of LP.150 has also been provided to assist the Convent of Ecco Homo in Jerusalem to clear the Roman tunnels under the Arch. The earthquake in 1927 damaged the public drainage system above these tunnels with the result that there has been a continual leakage affecting the earth beneath. Part of the first tunnel was excavated by the Convent authorities in 1934, but the work could not be completed owing to lack of funds. It is necessary, however, in the interests of health that the work should proceed and the cost of clearance is estimated at LP.300. The work is of a definite archaeological and historical importance and for these reasons it is proposed that Government shall assist the Convent authorities by bearing one half of the cost of excavation. The balance of funds under this item is required for normal conservation work in connection with the discovery of fresh antiquities.

502. ITEM 61 shows an increase of LP.150 in the vote for research, equipment and supplies. The increase provides for publishing the catalogue of Egyptian scarabs, now in press, and a slight increase in expenditure on technical equipment and museum requisites.

503. ITEM 62 is increased by LP.70 for the purchase of books, publications and library requisites. The increase is necessary for the purchase of more periodicals.



Special Expenditure :

504. ITEM 67 provides LP.500 as a contribution to the cost of an archaeological survey of Palestine. In his Confidential despatch of the 13th June, 1935, the Secretary of State transmitted for the High Commissioner's consideration certain proposals which had been put forward in a memorandum drawn up by the Joint Advisory Council of the Palestine Exploration Fund and the British School of Archaeology in Jerusalem for the carrying out of an archaeological survey of Palestine at an estimated cost of LP.2,000 a year for seven years. It was considered that the survey would afford substantial advantage to specialists and to the general public of Palestine and abroad; it would serve as a permanent basis for future archaeological research and would be of the greatest service in directing and facilitating the progress thereof. Nevertheless, in the opinion of Government, provided sufficient funds can be made available, the conservation of existing monuments is a more urgent need than a survey, for the reason that dilapidation is progressive and the ultimate difficulty and cost of repair increases yearly: no detailed technical examination of all the historical monuments in Palestine has as yet been made from the point of view of their conservation, but there is no doubt that a number of them are in urgent need of treatment. Government is, however, reluctant to recommend any additional provision for archaeological purposes (other than for the preservation of individual monuments that are a source of danger and in urgent need of repair) in view of the prior claims of educational and sanitary services. While, therefore, Government is not prepared to commit itself to annual expenditure on the project proposed by the Joint Advisory Council, a sum of LP.500 has been inserted in the Estimates as a one-time contribution towards the cost of the scheme. The position will be reviewed when the draft estimates for 1937-38 are under consideration.

505. ITEM 69 provides for the purchase of nine steel card index cabinets to complete requirements for the museum card index catalogue up to the end of 1936; that is, to provide for some 40,000 objects catalogued under four different systems of classification.

506. ITEM 70 provides for the purchase of four steel cupboards for the safe storage of the museum inventory books, of antiquities under treatment in the workshops and laboratory, and of the keys of the show cases.

507. ITEM 71 provides for the purchase of scarab cabinets which are required for the safe custody of the museum's collection of scarabs and seals.

508. ITEM 73 provides LP.3,000 for the purchase of show cases. Paragraph 357 of the memorandum on the draft Estimates for 1935-36 explained the inclusion in those Estimates of LP.25 as a token vote to mark the necessity of buying show cases in the future. It is now necessary to furnish the north Students' Gallery for the immediate accommodation of part of the study series of antiquities and also to provide for the exhibition on the south gallery of certain prehistoric and other specimens in specially designed cases.

509. ITEM 74 provides for the purchase of lifting equipment. Many of the objects brought to the museum are heavy and cumbersome and cannot be unloaded or moved by hand.

HEAD XVI — DEPARTMENT OF LANDS AND SURVEYS.

	LP.
<i>Estimates 1935-36</i>	120,694
<i>Estimates 1936-37</i>	134,449
<i>Increase</i>	13,755

510. Of the above increase, cost of living allowances, which in 1935-36 were included in the Miscellaneous Head of Expenditure, account for LP.7,836.

511. The Commissioner of Lands and Surveys has furnished the following details of the past progress, and programme for 1936-37, of the Surveys and Land Settlement Sections of his Department.

SURVEYS.

512. (a) Settlement survey.

Completed to 31-12-1933	1,307,000 dunums
„ in 1934	628,000 „
„ in 1935	400,000 „
Total	<u>2,335,000 „</u>

The estimated progress in 1936 is a half a million dunums which is as much as the Land Settlement staff will be able to deal with: nothing is to be gained by pressing on more rapidly with the work as plans tend to become out of date and marks to disappear from the ground. No increase of survey staff in 1936-37 is contemplated because the arrears of land settlement work render it inadvisable to proceed too rapidly with the survey, and when land settlement is undertaken progressively in large areas survey is simplified because the marks used at the borders of one village are equally useful when dealing with adjacent villages.

513. (b) Urban survey.

Surveyed in 1934	49 blocks
„ in 1935	115 „
Quinquennial revision of ten towns	170 „

The development of towns has entailed a large increase in urban surveys and the survey staff in Land Registries has in some cases had to be strengthened considerably, at the expense of settlement survey, in order to cope with the work.

LAND SETTLEMENT.

514. Land settlement is proceeding in the sub-districts of Jaffa, Ramle, Gaza, Tulkarm, Jenin, Safad, Jericho and Jerusalem. Of 167 villages under settlement 102 are completely settled. Up to the end of 1934 1,062,082 dunums in all had been settled and 255,986 dunums were settled during the first months of 1935. At the end of 1934 1,139 settlement cases were outstanding and 1,051 were added between the 1st January and the 31st October, 1935. Only 636 cases were disposed of in 1935 owing to the incidence of leave among Area Settlement Officers and to the fact that a newly appointed Area Settlement Officer was under training until October.

515. Of the eighteen Assistant Settlement Officers three are engaged in settling amicably minor disputes in the Jaffa and Ramle settlement areas; three are employed in the central Settlement Office on the examination of undisputed claims; one has been lent to the Land Registration Section in connection with expropriating the Sarafand cantonments and Lydda aerodrome areas; and the rest are carrying out field investigational work.

516. The draft Estimates for 1936-37 provide only for an increase of one Settlement Officer and his staff for the purpose of hearing disputes. An increase in field work is not contemplated for no useful purpose can be served by accumulating the number of disputes to a figure which cannot be disposed of for years. The Department's policy is to settle as many disputes as possible during 1936 without increasing the field work: therefore it is anticipated that not more than 300,000 to 400,000 dunums will be finally settled during 1936-37.

The Land Settlement staff is inevitably often called upon to settle urgent and important cases with some consequential dislocation of the programme and reduction of output.

Personal Emoluments:

517. Personal Emoluments are divided into three sections, namely, Headquarters including Land Settlement, Land Registration and Surveys; but Other Charges and Special Expenditure, which in 1935-36 were likewise separated, have been combined for the sake of convenience and economy of space. This arrangement moreover is consistent with that applied to other Departments, for example Agriculture.



518. There is an increase of LP.6,816 in the Personal Emoluments of Section I, Headquarters and Land Settlement, of which LP.2,394 is due to the transfer of cost of living allowances from Miscellaneous, and LP.1,500 to providing for the Commissioner of Lands and Surveys in this section instead of under the Surveys section as before.

519. For the rest, an additional Area Settlement Officer (Item 11) in Grade 'G' was approved by the Secretary of State's despatch Confidential (5) dated the 16th October, 1935, and provision has been made for the promotion of the senior Settlement Officer from Grade 'G' to Grade 'F' which entails no increase in emoluments because his duty allowance will be reduced annually by the amount of increments in the new grade. This promotion is one of those referred to in the introductory remarks at the beginning of the Expenditure Section of the Memorandum, as also is that under Items 17—19 which provide for upgrading the Settlement Officer at present in Grade 'K' to Grade 'H'.

520. ITEM 26. Three more clerks in Grade 'N' are needed as Chief Court Clerks to the three senior Area Settlement Officers which are responsible posts requiring experience and knowledge of the law and court procedure. The appointments are of a specialised character and it is proposed to fill them by promoting eligible candidates in Grade 'O' who were formerly included under the next succeeding Item. Provision for filling the ensuing vacancies in Grade 'O' (Item 27), and for one additional appointment to work with the fifth Area Settlement Officer, has been made on the supposition that it may be necessary to pay initial salaries at the rate of LP.92 per annum each in the new incremental scale for Grade 'O' which was recently approved. It was explained in paragraph 383 of the Memorandum accompanying the 1935-36 draft Estimates that suitable Grade 'O' recruits for the specialised clerical work involved in Land Settlement cannot ordinarily be obtained for LP.60 a year and the Commissioner of Lands and Surveys has therefore been authorised to offer the higher minimum if he is satisfied that it is unavoidable.

521. ITEM 29. A fifth Process Server is required for the additional Settlement Officer.

522. ITEM 30. The head offices of the Commissioner of Lands and Surveys and the Land Settlement Section, and the Land Registration Section, have removed to the building at Jerusalem commonly known as the Palace Hotel, now styled the Government Offices, Mamillah Road, which also accommodates a number of other Departments. In the interests of economy and unity of control, arrangements have been made to place the cleaning, caretaking, etc., of the whole building under the Commissioner of Lands and Surveys and provision has been made accordingly. The result is an increase in the vote for Labour Service under Head XVI, but savings have been effected elsewhere.

523. ITEMS 33 and 34. Provision has been made for a Settlement Officer who is seconded to Trans-Jordan as Director of Lands, vide the correspondence ending with the Secretary of State's Confidential despatch dated the 22nd July, 1935.

524. In the Land Registration Section there is an increase of LP.4,444 of which LP.2,124 is absorbed by cost of living allowances.

525. ITEMS 37—39. The office of Assistant Director has been suppressed and replaced by a Chief Inspector on the same grade of salary. The change was approved by the Secretary of State's telegram No. 345 dated the 18th November, 1935.

526. ITEM 42, one Land Officer in Grade 'K'. For the first ten months of the year 1935 the number of transactions in the Land Registry was 40,356 compared with 29,337 in the corresponding period of 1934. This expansion of business, following an unprecedented pressure of work during 1934, has prevented periodical inspections of the district Land Registries from being carried out as often as they ought to be and the appointment of another Land Officer is the only remedy. In the decade 1924-1934 the number of transactions in the Land Registry increased by 462 per cent while the First Division staff of the section increased by 60 per cent only.



527. ITEMS 48 and 49, four Land Clerks in Grade 'N' and eight in Grade 'O'. The first named are required as examiners of title at Jerusalem, Gaza, Tiberias and Tulkarm. At the three latter offices, there are no examiners of title at present. The eight new appointments in Grade 'O' are wanted to deal with the increasing output of work from the Settlement Officers and to overtake arrears. Initial salaries of LP.84 per annum each will probably have to be paid for the right men and the estimate has been framed on that assumption.

528. ITEM 50, charge allowances to examiners of title, has been approved by the Secretary of State's despatch No. 88 dated the 20th January, 1936.

529. ITEM 53. The vote for extra clerical assistance has been raised from LP.600 to LP.900 in view of the pressure of work in the Section.

530. In the Surveys Section the increase under Personal Emoluments is LP.2,619, but in order to obtain a true comparison it is necessary to add LP.1,500 for the Commissioner of Lands and Surveys' salary, expatriation allowance and personal allowance which have been transferred to Items 1, 2 and 3 respectively of the Departmental Estimates. The result is LP.4,119 from which it is legitimate to subtract LP.3,318 for cost of living allowances: the net increase, therefore is LP.801. This is due for the most part to normal causes and no item calls for special comment save item 76 under which the Lithographic Printer is now called Reproduction Superintendent which more accurately depicts the duties of the appointment. The proposal to give the incumbent one special increment is dealt with in a separate communication.

531. As regards Items 92 and 93 concerning the secondment of an Assistant Superintendent of Surveys to Trans-Jordan, it must be explained that since the draft Estimates were printed the Palestine Government has decided that it cannot see its way to carry on the Palestine establishment the successor in Trans-Jordan to Mr. Moffatt, who is returning to Palestine service in 1936-37 (vide the High Commissioner's Confidential despatch dated the 10th September, 1935). It will fall, therefore, to the Trans-Jordan Administration in future to make their own appointment and employ the officer directly. The requisite adjustment will be effected in due course in the revised Estimates.

Other Charges:

532. The net increase in Other Charges is only LP.31. Items 107 (Office Equipment), 109 (Camp Equipment), and 117 (Special Expenditure: portable huts) have been removed from the Estimates and merged in one composite sub-head (Item 101) called Office and Camp Equipment and portable huts. The result is a net increase of LP.362. The provision is for repairs and replacements, mostly on account of tents and portable huts for field parties.

Special Expenditure :

533. Under Special Expenditure, Item 118 is to buy furniture, etc., for the new Area Settlement Officer.

534. ITEM 119. Steel presses are necessary for the safe custody of Survey records.

535. ITEM 120. Five new typewriters are required as follows:—

1 English typewriter	}	For the fifth Area Settlement Officer.
1 Arabic "		
1 Hebrew "		
1 Arabic "	}	For the Area Settlement Officer at Tulkarm.
1 Hebrew "		

536. ITEM 122. A calculating machine is required by the Jaffa Land Registration Office.

537. ITEM 123. The Cam Adapta hand punches are for Jerusalem, Gaza, Beisan and Acre.



538. ITEM 126. Special technical equipment includes a 3½ in. micrometer theodolite for rapid triangulation work in the Beersheba area (LP.80); an invar tape and bench for standardising levelling staves which are liable to develop errors in length after use in the Palestine climate and thus to cause inaccuracy in precise levelling (LP.50); a large printing frame for reproducing plans which at present have to be printed in sections and pieced together (LP.33); a bitumen lined bromide bath for photo litho work to supplement the bath obtained with the original outfit of the Department and to replace an inefficient makeshift which is wasteful of time and chemicals (LP.25); 25% for packing freight and insurance (LP.47): total LP.235.

539. ITEM 127. Ghor Mudawara Lands Revised Agreements. The revised form of agreement required the transfer to execute a mortgage and also provides that all expenditure in connection with the preparation and execution of the mortgage will be borne by Government. In some instances the original transferees have died and before the mortgage can be executed by the heirs particulars of succession (Ilam Sharia) have to be obtained from the Sharia Court. LP.40 is provided primarily to meet the cost of this service, namely court fees and stamps, and also to cover any other minor, unavoidable expenses in connection with the mortgages.

HEAD XVII — DEPARTMENT OF DEVELOPMENT AND REGISTRAR OF CO-OPERATIVE SOCIETIES.

	LP.
<i>Estimates 1935-36</i>	9,734
<i>Estimates 1936-37</i>	19,361
<i>Increase</i>	9,627

540. The increase is divided between the two Sections of the Department as under :—

	1935-36	1936-37	Increase or Decrease
	L.P.	L.P.	L.P.
<i>Development</i>			
Personal Emoluments	4,340	6,038	1,698
Other Charges	1,445	1,715	270
Special Expenditure	50	7,200	7,150
Total	5,835	14,953	9,118
<i>Registrar of Co-operative Societies</i>			
Personal Emoluments	2,968	3,478	510
Other Charges	915	930	15
Special Expenditure	16	—	— 16
Total	3,899	4,408	509

DEVELOPMENT.

Personal Emoluments :

541. ITEM 6 provides for the appointment of a Water Settlement Officer in Grade 'H' at a commencing salary of LP.550 per annum, together with Expatriation Allowance at LP.100 per annum and Duty Allowance at the rate of LP.200 per annum. The appointment of this officer received the approval of the Secretary of State in his Confidential despatch of the 18th October, 1935.

542. ITEM 9. The present Irrigation Inspector is on a fixed salary of LP.384 per annum, but the Development Officer has asked that he be allowed to enter Grade 'K' at his present salary. Provision has been made accordingly in the draft Estimates but the matter has yet to be discussed by Government



and a separate despatch to the Secretary of State will be forwarded in due course if the recommendation of the Development Officer is accepted by Government. The graded post will not be filled if the recommendation is rejected and it will be necessary, in that case, to restore the provision for payment of a fixed salary.

543. ITEM 10 provides for the appointment of an Office Superintendent in Grade 'L'. At the moment the Development Officer is responsible for the general administration of the office of the Registrar of Co-operative Societies, and the combination of these duties with those of his substantive office renders it difficult for him to deal adequately with the development side of his Department. With the introduction of the proposed new Irrigation and Well Ordinances his position will be rendered even more difficult and for these reasons the Secretary of State has agreed that provision may be made for the appointment of an Office Superintendent who can undertake some of the less important and routine duties at present falling to the lot of the Development Officer.

544. ITEM 12. A sum of LP.300 has been inserted for extra clerical assistance. The complete scheme for water development, which will be necessary on the introduction of the Irrigation Ordinance, has not yet been formulated but it will be necessary eventually for certain clerical duties to be performed in anticipation of the introduction of the new legislation. The provision now made will enable the Development Officer to acquire the initial staff to undertake such work without prejudice to the general scheme which will in due course be referred to the Secretary of State for approval.

Special Expenditure:

545. ITEM 25. It is proposed to carry out a survey of the area conceded to Jewish interests within the Huleh Basin, and for this purpose a firm of Consulting Engineers is now being employed. Government has decided to utilise their services in order to extend the survey, by arrangement with the Jewish Colonization Association, to cover the whole Basin and not merely the Concession area. The estimated cost of this extension is LP.7,150, and the expenditure was approved by the Secretary of State in his Confidential telegram No. 155 dated the 18th May, 1935.

REGISTRAR OF CO-OPERATIVE SOCIETIES.

Personal Emoluments:

546. ITEM 30. Provision has been made for an increase in staff of two Field Organisers. In paragraph 406 of the Memorandum on the Expenditure Estimates for 1935-36 the reason furnished for the appointment of five Field Organisers was that adequate supervision might be given to the new Societies which were then in process of formation. The growth of the movement, and the success of these appointments, has proved the desirability of adding to the number of Field Organisers and provision has accordingly been made for an increase of two in 1936-37 so that the co-operative movement may not suffer from the outset by lack of supervision.

547. ITEM 31 provides for two additional clerical appointments. The volume of correspondence — most of which is in Hebrew — renders necessary the employment of a competent Hebrew Translator and provision has been made accordingly for the appointment of an officer at a salary not exceeding LP.120 a year. In addition the normal work of the Department is now beyond the capacity of the existing staff and it is proposed, therefore, to appoint an additional officer in Grade 'O' to afford general assistance.



HEAD XVIII — POLICE AND PRISONS.

	LP.
<i>Estimates</i> 1935-36	563,036
<i>Estimates</i> 1936-37	641,276
<i>Increase</i>	78,240

POLICE FORCE.

	<u>Estimates 1935-36 LP.</u>	<u>Estimates 1936-37 LP.</u>	<u>Increase LP.</u>
Personal Emoluments	342,835	394,199	51,364
Other Charges	133,741	144,526	10,785
Special Expenditure	<u>15,648</u>	<u>29,225</u>	<u>13,577</u>
Total	<u>492,224</u>	<u>567,950</u>	<u>75,726</u>

PRISONS SERVICE.

Personal Emoluments	35,334	37,031	1,697
Other Charges	34,533	35,112	579
Special Expenditure	<u>945</u>	<u>1,183</u>	<u>238</u>
Total	<u>70,812</u>	<u>73,326</u>	<u>2,514</u>

548. It will be seen that of the aggregate net increase under the Head of LP.78,240, the Personal Emoluments and Other Charges of the Police account for LP.51,364 and LP.10,785 respectively, a total of LP.62,149. This is almost entirely attributable to the very substantial additions to the personnel of the Force which were recommended in the High Commissioner's despatch dated the 22nd November, 1935, and approved in principle by the Secretary of State's telegram No. 2 of the 2nd January, 1936. In the despatch full particulars of the proposals and the reasons for them were given and the extra cost involved was estimated to be about LP.59,000 in Personal Emoluments and Other Charges combined. If LP.4,740 in respect of cost of living allowances, which in 1935-36 were included in Head XXVI Miscellaneous, is deducted, the increase in Personal Emoluments and Other Charges combined becomes LP.57,409 which is somewhat less than the preliminary approximate estimate of LP.59,000 already reported to the Secretary of State.

549. It is not proposed in this Memorandum to recapitulate in detail the additions to the Police establishment which are covered by the above correspondence, but the Secretary of State's general approval of the proposals was qualified by the request that consideration should be given to the suggestion that two British officers to be newly appointed for criminal investigation and traffic duties might be graded as Deputy Superintendents rather than District Superintendents. The suggestion has been reconsidered accordingly and the Secretary of State has been invited to approve the appointment of a District Superintendent to the Criminal Investigation Department and a Deputy Superintendent to headquarters for traffic duties. The draft Estimates have been framed accordingly.

550. ITEM 11. During 1935-36 the Assistant Superintendent, who was the Paymaster of the Force, retired and was replaced by the promotion of an officer in Grade 'M' of the General Clerical Service who naturally is not a trained police officer and will not be interchangeable in emergency or for any special reason with an Assistant Superintendent. Consequently the Inspector-General represents that it is inadvisable by implication to regard the Paymaster as an executive officer of the Force which is the result of including him in the establishment of Assistant Superintendents; and separate provision for the appointment has therefore been made, the number of Assistant Superintendents being correspondingly reduced by one. The Paymaster will not be a uniformed officer and LP.12 will be saved on this account under the vote for uniform allowances.



551. ITEM 23. The number of officers of the General Clerical Service has been increased from seventy-five to seventy seven by the addition of two clerks in Grade 'O', of whom one is required in the Paymaster's office and one in the Southern District in view of the enlargement of the Force and a general increase in work. For the same reasons, Items 26 (Extra Clerical Assistance), 27 (Messengers and Cleaners) and 29 (Telephone Operators) have had to be increased by LP.145, LP.66 and LP.272 respectively.

552. Three Teleprinter Operators (Item 28) are needed to work the tele-printing apparatus for which provision was made in 1935-36. A twenty-four hours' watch will be kept and in view of the fact that the operators must be expert typists it is considered unlikely that suitable men can be obtained for initial salaries of less than LP.9 a month each.

553. The increases in proficiency pay for the Palestinian (Item 31) and British (Item 45) Police, good conduct pay (Item 32) and language allowances (Item 33) are the corollaries of the enlarged establishment and are normal to provide for paying allowances to personnel who become entitled to them under regulations.

554. ITEM 46, trade pay to British Police, has been increased by LP.252 in order to include the constable drivers of traffic control light cars and motor bicycles, who hitherto have been excluded, as well as mechanics and the drivers of other vehicles in the Force's fleet. The mobile traffic police have to keep their machines in running order, their duties are arduous and their hours of duty are normally longer than those of the personnel who now receive trade pay: there is no reason, therefore, why they should not enjoy the like privileges in this respect.

555. The largest increases in Other Charges, namely:—

	LP.
ITEM 54, transport and travelling	2,000
ITEM 58, uniforms, clothing and equipment	1,842
ITEM 71, rations	3,300
ITEM 78, passages	2,000

are for the most part explained by the enlarged establishment of the Force and require no special comment.

556. ITEM 56, LP.535 for transport expenses in connection with organised sports, is new, but no real increase is involved because LP.215 and LP.320 respectively have been transferred from the block votes for transport and travelling and railway fares and freight. Government has accepted the principle that inasmuch as organised sport is recognised as an integral part of police training it is reasonable to regard the necessary transportation expenses of officers and men who have been detailed to participate therein as a proper charge against public funds, and during the current year such charges have been debited to the votes mentioned. It is considered, however, that the provision on this behalf is more appropriately shewn under a separate sub-head.

557. ITEM 73, medico legal fees and fees for private practitioners, has been more comprehensively named and increased from LP.20 to LP.1,000. Medico legal fees, strictly so called, are awarded by the Courts to medical practitioners called in evidence in criminal proceedings under the authority of, and in conformity with, the scale prescribed by the Witnesses (Allowances) Rules of Court, 1927: the vote for this purpose is Item 71, Witnesses' Allowances LP.750, of the Judicial Estimates, Head VII. There is, however, a large number of instances in which the Police have to invoke the services of private medical practitioners to attend accidents and so forth which never result in proceedings in the courts at all; and, where as frequently happens, the injured party is a pauper, the practitioner can recover no fee privately and there are no Government funds wherewith to pay him. The position is unsatisfactory and is becoming more so since road accidents tend to increase in proportion to the volume of traffic and the Police experience great difficulty and delay in inducing medical men in private practice, who are fully aware that ultimate recovery of their fees is usually extremely problematical, to attend such cases especially when they occur at some distance from their residences in the middle of the night. The Inspector-General of Police and the Director of Medical Services in consultation have accordingly devised a moderate scale of charges ascending from 250 mils for attendance at the

doctor's own surgery to 500 mils an hour and transport expenses when he is called upon to proceed outside the municipal area of the town, or the boundary of the village, in which he lives, plus as much again between the hours of 8 p. m. and 8 a. m. The anticipated cost is high, but Government is satisfied that it is unavoidable and that the provision is essential in the interests of the most impecunious elements of the population and in order to regularise the present unsatisfactory state of affairs.

558. ITEM 90. LP.50 has been inserted in the Estimates on behalf of the funeral expenses of, and gravestones for deceased members of the British section of the Palestine Police in certain instances. It happens only rarely that the estate of a deceased British non-commissioned officer or constable is sufficient to defray such expenses or that the widow or legal personal representative, who not infrequently is left very badly off, is in a position to pay even a small sum on this account; and it is considered reasonable, therefore, by means of the small vote now inserted in the Estimates to vest in the Inspector-General, subject to the imposition of a maximum limit of LP.15, in any one case, discretion to meet the funeral expenses and the cost of putting up a modest headstone above the grave of a British policeman who dies in Palestine.

559. Much of the proposed Special Expenditure is the result of the enlargement of the Force and the progressive increase in its activities and responsibilities in a country of rapid economic development and growing population such as Palestine.

560. A light car (Item 93) is needed by the Jaffa traffic section which deals with the greatest volume of traffic in the country; four new tenders (Item 94) are required to improve the mobility of a larger Force and three are to replace existing unserviceable tenders; the traffic section is being strengthened by twelve motor cyclists (Item 95) and four new machines are wanted as replacements.

561. ITEM 100. One hundred and fifty unserviceable rifles need replacing and 275 rifles are required to arm the new establishment.

562. ITEM 103 provides LP.10,304 for wireless telegraphy sets. The Inspector-General's policy is eventually to introduce radio telegraphy throughout the whole of the mechanical transport of the Force and he asserts that in a modern and progressive country it is anachronistic now to use a police car at all unless it is in direct wireless communication with its headquarters. Receiving sets only are sufficient in urban areas where the telephone is usually readily and quickly accessible for communication with headquarters, but patrols in rural areas should be equipped with apparatus which can transmit as well as receive and is much more expensive. It will be especially essential in the event of disturbances during which interference with telephone wires is by no means improbable. The present provision will not serve to equip the whole of the Police fleet, but it will go a substantial way towards doing so. Main stations will also be established at Haifa and Jaffa for transmitting messages from these important centres throughout their respective districts.

563. ITEM 106. In addition to one English and one Arabic typewriter for headquarters, twelve machines are required for the main urban police stations, namely four at Jerusalem, four at Haifa, two at Jaffa and two at Tel Aviv, which at present have none at all with the most inconvenient result that any typewritten matter emanating from them has first to be drafted by the officer in charge and thence sent elsewhere for typing. The proposal involves no addition to the clerical staff as British assistant station officers will be the operators.

564. ITEM 197. An accounting machine is needed in the quartermaster's office to promote efficiency, speed and labour saving in the preparation of indents and so forth.

565. ITEM 108. Officers and men are qualifying for first aid certificates in increasing numbers and it is desired to equip the cars of "required" officers, traffic police and the personnel of stations and posts with the requisite outfits.

566. ITEM 110 provides for the purchase of certain instruments, including and epidiascope or "forgery detector", for assisting the Criminal Investigation Department in the detection of crime by scientific means.



567. ITEM 115. The police dogs have proved conspicuously successful. It is desired to buy another trained dog in South Africa and LP.50 will cover the cost of purchase, shipment, etc.

568. ITEM 117. The marking of the roofs of Government buildings for observation from the air is an integral factor in the general Palestine Defence Scheme and it is necessary to proceed with the work without delay.

569. ITEM 119. In the Inspector-General's judgment the time has come to inaugurate a system of police telephone boxes and pillars in the important centres of population and, in consultation with the Postmaster-General and the Chief Engineer of the Post Office, an estimate of LP.3,021 has been inserted to cover the Jerusalem urban division only. It is anticipated that for this sum 42 units, namely seven kiosks and thirty-five pillars with the necessary appurtenances, can be bought and installed, together with a switchboard for 55 units which will allow if subsequent expansion of the system is required. The system, which the Inspector-General has recently had the opportunity to examine in person, has proved its value in London and is being generally extended throughout Britain and elsewhere. It is a rapid and effective means of communication and co-operation between police and public in the detection of crime and the maintenance of order. Item 91 provides LP.420 for maintaining the apparatus when installed.

570. ITEM 120. Duplicators are needed by five districts and divisional headquarters which at present are furnished with typewriters only. As the number of copies of a document, which a typewriter can take off at a single operation, is limited to half a dozen or so, it frequently happens that the same work has to be covered more than once which is wasteful of time and imposes superfluous wear and tear on the machine.

571. ITEMS 121 and 122. A dictaphone-telecord and a dictaphone are required for the personal use of the Inspector-General in his office and private house respectively. The former is an instrument which is capable at will of permanently recording telephone conversations, a precaution which experience has suggested to be advisable in connection with the highly responsible duties of the Head of the Police Force in Palestine. As regards the dictaphone, much of the Inspector-General's work is performed at his house outside official hours and particularly in the evening and at night when no clerical assistance is available. He is constantly in communication by telephone with Government officers and members of the public and he also finds that on return to his home from evening rounds and visits of inspection records have to be written up and various orders given which are typed in the office on the following day. Much time and labour will therefore be saved by the use of a dictaphone.

PRISONS AND LOCK-UPS.

572. Exclusive of cost of living allowances (LP.546), which in 1935-36 were included under Head XXVI Miscellaneous, the increase in Personal Emoluments is LP. 1,151. Apart from normal increments, this is principally attributable to a change in the holder of one post of Assistant Superintendent (Item 125, increase LP.160); six more wardresses for the new women's section of Acre central prison for six months of the year (Item 139, increase LP.216); one matron (Item 141, increase LP.48); good conduct pay (Item 152, increase LP.223) which is governed by regulations; extra clerical assistance (Item 154, LP.420) which the volume of work justifies; the three more teachers (Item 157, increase LP.188) who are needed by the boy's reformatory school at Tulkarm in view of the increasing number of juvenile offenders.

573. The net increase in Other Charges is LP.579, the details of which are briefly explained by the marginal notes in the Estimates.

574. As regards Special Expenditure, a carding machine (Item 186) costing LP.33 is required by Acre central goal, similar to that already in use at Jerusalem, for the manufacture and repair of mattresses. All mattresses used by the Police Force and Prisons Service are manufactured and repaired by prison labour.

575. ITEM 187. A universal wood worker, LP.120, is a planing and shaping machine which is required to improve the quality of workmanship and finish in the furniture produced by the prisons workshops for the Force and for private orders.



576. ITEM 188. A new printing machine, LP.300, is needed to replace the press which was bought second hand four years ago is now old fashioned and wearing out. The printing section is expanding considerably and another machine is badly wanted to keep abreast of the work.

HEAD XIX — DEPARTMENT OF MIGRATION.

	LP.
<i>Estimates</i> 1935-36	34,339
<i>Estimates</i> 1936-37	42,215
<i>Increase</i>	7,876

577. The increase in Personal Emoluments is LP.6,361 which, apart from normal increments, is attributable to increases of twenty-five officers of the general clerical service, four temporary inspectors and ten immigration guards; also to more overtime fees and to the inclusion of cost of living allowances which in 1935-36 were shown under Head XXVI, Miscellaneous.

578. ITEM 13. The gross increase in the number of officers of the general clerical service is forty-five but of these twenty classified officers not on the permanent establishment have been transferred from Item 16 (temporary clerks) which disappears, and the net increase is therefor twenty-five. Of these, thirteen were found to be necessary during 1935-36 and were paid from funds provided by Special Warrant while twelve more will be needed in 1936-37. The distribution of this additional personnel is as follows:—

	<u>1935-36</u>	<u>1936-37</u>
Jaffa immigration office	6	—
Ras en Naqura frontier control	1	—
Haifa port control	2	—
Rosh Pinna frontier control	1	—
Allenby Bridge frontier control	1	2
Passport Office, Jerusalem	1	—
Jerusalem immigration office	1	—
Lydda airport control	—	3
Jisr Majamie frontier control	—	2
Aqaba frontier control	—	2
Mobile reserve.	—	3
	<u>13</u>	<u>12</u>

579. The above is the minimum increase of staff which is anticipated to be essential to deal with immigration if the present volume is maintained. If it is not, the services of temporary officials can be dispensed with as the work of the Department contracts and of course no officer who is not absolutely indispensable will be engaged in the first instance.

580. The port of Haifa is steadily becoming busier and the Department of Migration, with the present staff, is experiencing difficulty in clearing ships when two or more happen to arrive simultaneously.

581. Most of the inward and outward movement of the population occurs at the road post at Ras en Naqura where the traffic is constantly growing and the control has to be worked speedily if traffic blocks and queues of cars occupied by impatient passengers are to be avoided. The same is true, though in somewhat less degree, of Rosh Pinna, Road traffic is difficult to clear and provides a favourite channel for illicit immigration.



582. Allenby Bridge and Jisr Majamie are virtually uncontrolled places of entry for Hauranis, Syrians, Trans-Jordanians and illegal Jewish immigrants. The whole Jordan valley presents a problem in this respect, but it is obviously desirable to begin effectively to control admission to Palestine at the point of easiest access.

583. When the new airport at Lydda opens the traffic will increase considerably. At present immigration duties there are performed by a Customs Officer which is an arrangement that cannot continue indefinitely. In co-operation with the Health and Customs authorities the Commissioner for Migration hopes to begin during the year to develop a control which will protect the interests of Palestine without unduly disturbing the convenience of travellers. At the seaports the Health and Migration Departments already co-operate successfully and the land frontier immigration controls serve the public health interests when epidemics are introduced from outside; it is proposed to develop this co-operation at the airports also.

584. A mobile reserve is essential in times of exceptional pressure at Jaffa, Haifa, Ras en Naqura and Rosh Pinna.

585. ITEM 15 provides for four new appointments of temporary inspectors at consolidated salaries of LP.300 per annum each, of whom one was approved by the Secretary of State's telegram No.236 dated the 6th August, 1935, and was employed in 1935-36. The others are required for the port of Haifa, Lydda airport and the mobile reserve.

586. ITEM 19. In 1935-36 provision was made for an immigration guard force consisting of 1 British sergeant, 1 British corporal, 2 Palestinian corporals and 19 immigration guards: total 23. The distribution of the Palestine guards is :—

Jaffa	2 N.C.O's and 9 guards
Haifa	2 guards
Kantara	3 guards
Rosh Pinna	2 guards
Ras en Naqura	2 guards
Tiberias	1 guard

587. The posts of British sergeant and British corporal have been suppressed and a Palestine corporal at LP.96 a year has been promoted to Chief Immigration Guard at LP.120. Two posts of Assistant Chief Immigration Guard at LP.96 per annum (formerly the salary of a Palestine corporal) have been created and an additional ten guards at LP.84 each are required for Ras en Naqura (1), Rosh Pinna (1), Lydda airport (1), Allenby Bridge (3), Jisr Majamie (3) and the mobile reserve (1).

588. The only increase under Other Charges which calls for comment is Item 32 (repatriation expenses) which was under estimated in 1935-36, by about LP.1,400. LP.2,000 of the total provision of LP.2,500 in 1935-36 was spent during the first half of the year.

589. The small allocations under Special Expenditure are explained generally by the notes in the "remarks" column of the Estimates. A quartz lamp (Item 42), costing LP.40, is needed for detecting forgeries in the passports of would be immigrants arriving at Haifa. The number of these forgeries is now so large that a quartz lamp, similar to those used by the Police, is essential. Ships do not remain long enough at Haifa to enable suspected passports to be sent to the Police for examination which must be done quickly on the spot.

HEAD XX — OFFICE OF STATISTICS.

	LP.
<i>Estimates</i> 1935-36	6,857
<i>Estimates</i> 1936-37	7,419
<i>Increase</i>	562

590. ITEM 12. Although full provision for the Office of Statistics was made in 1935-36 with the Secretary of State's approval, the Government Statistician only arrived in Palestine during October, 1935, before which no expenditure was incurred. The office is not yet fully established as a going concern and with one or two minor alterations, the provision in 1935-36 has been re-duplicated in 1936-37.

591. There is an increase of LP.462 in Personal Emoluments of which LP.456 is absorbed by cost of living allowances which in 1935-36 were shewn under Head XXVI, Miscellaneous.

592. ITEM 29 (LP.200) under Special Expenditure is new and represents anticipated expenditure for part of the year only on training in the United Kingdom a Palestinian Arab for one of three appointments of Junior Statistician in Grade 'K'. Of these one should know Hebrew and two Arabic, while the requisite professional qualifications are a mathematical degree with some knowledge of economic theory or the converse, preferably the mathematician rather than the economist. It will be difficult to find suitable Arab candidates and therefore the post will have either to be left vacant or filled temporarily pending the discovery of men of the desired quality. For this reason it is desired to train a candidate at Edinburgh University, which provides a suitable curriculum, and the total estimated cost in a full year is LP.300.

HEAD XXI — TRANS-JORDAN FRONTIER FORCE.

	LP.
<i>Estimates</i> 1935-36	180,220
<i>Estimates</i> 1936-37	182,362
<i>Increase</i>	2,142

593. The draft Estimates of the Trans-Jordan Frontier Force were forwarded to the Secretary of State under cover of the High Commissioner's despatch dated the 9th January, 1936, in which the details were fully explained. Although the net increase is LP.2,142 as compared with the approved Estimates for 1935-36, there is a reduction of LP.1,983 in recurrent expenditure because Special Expenditure shews an increase of LP.4,125.

HEAD XXII — DEFENCE.

	LP.
<i>Estimates</i> 1936-37	162,000
<i>Increase</i>	4,500

594. The provision made in the Estimates is in accordance with the instructions of the Secretary of State in his telegram No. 326 dated the 4th November, 1935. It includes the full cost of No. 14 M. T. Company R. A. S. C. subject to a final decision regarding the incidence of this liability which has been referred to the Secretary of State in the High Commissioner's despatch dated the 18th November, 1935.



HEAD XXIII — POSTS AND TELEGRAPHS.

	LP.
<i>Estimates</i> 1935-36	304,623
<i>Estimates</i> 1936-37	378,254
<i>Increase</i>	73,631

595. Reference to Head V of the Revenue Estimates shows that in 1934-35 the actual receipts from Posts and Telegraphs were LP.355,817 and that the revised estimate of receipts in 1935-36 is LP.430,000 as compared with the original estimate of LP.349,100. The anticipated revenue from this source in 1936-37 is LP.486,200 representing increases of LP.137,100 and LP.56,200 in comparison with the original and revised estimates of receipts respectively in 1935-36. These figures speak for themselves in justification of the increased expenditure of the Department: services rendered, especially telephone facilities, are still considerably in arrear of the public demand.

596. It is recognized that the prevailing economic conditions in Palestine may be to some extent abnormal and the contingency has not been disregarded therefore of a comparatively sudden and serious contraction of the revenue earned by the large commercialised departments such as the Railway and the Posts and Telegraphs which will naturally follow any serious decline in trade and business activity. With this in mind the Postmaster-General, when the Estimates of his Department were under consideration, was invited to state what reduction of expenditure could in his opinion be effected, and in what period, if revenue should fall by, say, twenty five percent. The Postmaster-General replied that although it is not now possible with any precision to prophesy to what extent a shrinkage of receipts would permit a corresponding reduction in expenditure he was satisfied that with no great difficulty he could effect substantial economies in staff without incurring any liability for pensions.

597. BROADCASTING. Provision has been made for the broadcasting service for a full year. In 1935-36 the items constituting the service were grouped together as an independent section of the Posts and Telegraphs Estimates, a method that has the advantage of rendering the cost readily ascertainable at a glance.

It has been found, however, that that advantage is outweighed by considerations of departmental convenience and the easy interchangeability of personnel in the manipulative and clerical grades and that on balance it is preferable if provision for such expenditure is not made separately but included in the appropriate sub-heads of the departmental schedule as a whole. Accordingly the separate section relating to the personnel mentioned, as well as the Other Charges of the broadcasting service, have been eliminated and the requisite amounts embodied in the general Estimates under Head XXIII.

598. The cost of broadcasting during the first full year has been calculated to be about LP.21,000 which, however, takes no account of the part time services of those superior administrative and technical officers who will have to devote a proportion of their attention to broadcasting matters. It is not practicable, for the present at any rate, to assess even roughly the value of those services.

599. The Postmaster-General anticipates that during the first year's working the receipts, direct and indirect, from the broadcasting service are likely rather more than to cover the outgoings. His opinion is founded on the following facts and inferences. During the year 1935 the number of licensed listeners grew from 5,080 to 10,630 and the rate of increase at the end of the year was about 500 a month with an upward tendency. The opening of the Ramallah station should serve to introduce quite a new category of listener who may be regarded as having refrained hitherto from buying receiving apparatus owing to the comparatively high price of sets capable of receiving programmes from Europe: the number of licensed listeners is estimated to reach 20,000 during 1936-37 and 50,000 three years hence. On these figures it is reasonable to assume that in three years time the service will be more than self-supporting if nothing but the revenue directly derivable from wireless licenses, the sale of programmes and advertisements is taken into account. In addition, however, there will be a considerable indirect annual revenue, which the Postmaster-General estimates at about LP.11,000 in 1936-37, from Customs duty on imported apparatus and the yield from this source, though it may diminish in some degree, will not entirely cease even if the establishment of a transmitting station in the country encourages the local manufacture of receiving apparatus and components.



600. The details of the various items constituting the broadcasting service are discussed at a later stage in this memorandum. *See 632 & 643*

POSTS, TELEGRAPHS AND TELEPHONES.

601. POSTS. Postal matter handled during the year 1935 markedly increased in quantity. For the twelve monthly periods which ended in November, 1934 and November, 1935 the statistics were respectively:—

	1934	1935
Letters, post cards and printed matter	36,257,300	50,339,700
Inland parcels	44,000	45,916
Foreign parcels	146,619	156,702

602. It is anticipated that in 1936 the rate of increase, which is reflected in the departmental revenue returns already noted, will be maintained. The extension of urban areas and the building activity in partially developed areas entails a substantial increase in the personnel employed on sorting and delivery. In like manner the growing rural areas need more or better trained staff and in many settlements formerly served by a porter or messenger a postman is now essential. More branch post offices have to be opened and staffed at Jerusalem, Haifa and Tel Aviv where the needs of the expanding population must be satisfied and it is also expedient if possible to relieve congestion at the counters of existing post offices.

603. TELEGRAPHS. More use of the telegraph is being made and provision has been included in the draft Estimates, to handle the expected increase in the traffic which rose from 43,289 telegrams in April, 1934 to 53,922 messages in April, 1935 (the latest month for which returns at present are available).

604. TELEPHONES. The anticipated telephone development is as follows:—

Exchange Area.	Position at 1.9.35.		Anticipated position at 31.3.37.	
	Existing subscribers' lines	Applications for lines unsatisfied	Subscribers' lines	Applications for lines unsatisfied.
Jerusalem	1569	321	2280	—
Jaffa/Tel Aviv, including additional relief exchange at Tel Aviv.	1603	820	2896	613
Haifa	1298	284	1960	190
Other Stations	1053	—	1371	—
Total	5523	1425	8507	803

Increase in lines=2984.

605. On the 1st September, 1935, the total number of operating positions at the telephone exchanges in the four principal towns was 70; the corresponding figure at the 31st March, 1937 will be 106, an increase of approximately fifty per cent. Expressed in terms of personnel throughout the whole country seven Supervisors (Item 39) will be necessary in 1936-37 as compared with six in 1935-36; and 307 Monitors and Operators (Items 40 and 41) will be required in 1936-37 as against 205 in 1935-36. The resulting increase in Monitors and Operators is 102; that is about 49 per cent.

606. The delay in completing the new offices at Jerusalem and Tel Aviv, coupled with the number of applications for telephones, which has been and continues to be a feature of the recent unprecedented economic activity, has impelled arrangements to be made for the early installation of manual-type relief exchanges at Jerusalem and Tel Aviv to bridge the gap until the automatic exchanges are ready. In his telegram No. 276 dated the 2nd October, 1935, the Secretary of State approved this arrangement.



607. Palestine has become an increasingly important link in international telephonic communications since it is the intermediary between Egypt on the one hand and Syria, Trans-Jordan and Iraq on the other. There were 97,039 trunk calls in September, 1934 and 131,966 trunk calls in September, 1935.

Personal Emoluments. Increase LP.41,636.

608. The cost in a full year, at the minima of the various scales of pay, of the additional personnel, excluding those employed solely for broadcasting purposes, will be LP.35,450, but it will not be necessary to employ the whole of the additional staff at the outset and the estimated cost in 1936-37 will be LP.32,660 only. The following are the details:—

Item	Number increased	GRADE	Full year	1936-37
			£P.	£P.
		POSTAL & ENGINEERING		
25	1	Assistant Postmaster £P.360-10-480	360	360
32	1	Assistant Storekeeper £P.288-12-360	288	288
33	4	Postal Clerks, Telegraphists and Telephonists £P.180- 8-276	720	720
34	9	Ditto. £P.144- 6-180	1296	1296
36	49	Ditto. £P. 96- 6-132	4704	4254
37	73	Ditto. £P. 60- 6- 96	4380	4095
39	1	Telephone Supervisor £P.144- 6-180	144	144
40	9	Telephonists £P. 96- 6-132	864	792
41	93	Ditto. £P. 60- 6- 96	5580	4380
42	1	Head Postman £P. 96- 6-120	96	96
43	53	Postmen £P. 60- 6- 96	3180	2910
44	24	Messengers	936	828
48	8	Watchmen and Porters	504	504
54	—	Storemen	100	100
55	—	Temporary Officers	200	200
56	—	Allowances to postmen drivers	35	35
68	1	Inspector £P.360-10-480	360	360
70	2	Assistant Inspectors £P.288-12-360	576	576
71	1	Test Clerks £P.192- 6-240	192	192
—	2	Ditto. £P.144- 6-180	288	288
72	1	Ditto. £P. 96- 6-132	96	96
74	2	Ditto. £P. 60- 6- 96	120	120
78	4	Telegraph Artisans £P.192- 6-240	768	768
—	5	Ditto. £P.144- 6-180	720	720
80	2	Linemen £P.192- 6-240	384	384
—	4	Ditto. £P.144- 6-180	576	576
—	11	Ditto. £P.108- 6-132	1188	1188
—	10	Ditto. £P. 60- 6- 96	600	600
83	—	Labour	1476	1476
84	—	Engineering learners	170	170
86	—	Motor drivers	150	150
97	—	Cost of living allowances excluding Broadcasting	4399	3994
		Total	35450	32660

609. The difference between LP.32,660, plus LP 4,374 for Broadcasting under Items 88—96, and the aggregate net increase in the Personal Emoluments of LP.41,636 is attributable to normal increments plus LP.500 increase for overtime (Item 53) and LP.225 increase for technical scholarships.

In greater detail the following are the reasons for the proposed new appointments, etc:—



610. ITEM 25. The officer now shewn separately for the first time as Chief Clerk Grade 'L' under Item 29 was hitherto included among the three Assistant Postmasters Grade 'L' under Item 25. The ensuing vacancy in Item 25 will be filled by an officer whose general work will approximate closely to that of the other Assistant Postmasters in Grade 'L'. His specialised work will consist of inspecting post offices and conducting checks and inquiries at the larger offices in matters relating to the duties of the personnel. His reports and advice will facilitate the computation and scrutiny of future requirements in regard to staff.

611. ITEM 29. This officer is the Chief Clerk on the headquarters establishment of the Department and the title of Assistant Postmaster formerly held by him did not accurately represent the nature of his duties.

612. ITEM 32. A Grade 'M' officer is wanted to take charge of the branch stores at Haifa in which the responsibilities have become considerably more onerous within the last few years. The value of the stores normally in stock is about LP.15,000 and the officer in charge, whose duties include the receipt and distribution of stores from overseas worth about LP.50,000 a year, has several clerks working under him as well as labourers.

613. ITEM 33. In the returned letter offices at Jerusalem and Petah Tiqva, the parcels post office at Tel Aviv and the Staff and Personal Records section at Headquarters, the pressure of work and the responsibility thrown upon the officers in charge have increased in proportion to the general development of the Department and it is desired, therefore, to place them in the highest grade, LP.180-276, of Postal Clerks, Telegraphists and Telephonists.

614. ITEM 34. Seven more Postal Clerks, Telephonists and Telegraphists in the second grade, LP.144-180, are needed for the responsible work at the head offices in connection with money and postal order business, insured letter mails and minor supervisory duties. Two will be employed on the office work of the broadcasting service.

615. ITEMS 36 and 37. Forty-nine Postal Clerks, Telegraphists and Telephonists in the scale LP.96-132 and seventy three in the scale LP.60-96 are essential for strengthening the subordinate staff in proportion to the general growth of business and to man new branch offices and sub-offices which are expected to be opened. Not all of them will be required at the beginning of the financial year, a fact which has been taken into account in framing the estimate.

616. ITEM 38. Provision for a full year is made for the operators of the new marine wireless station at Ramallah.

617. ITEM 39. One additional Telephone Supervisor, LP.144-180, is needed to take charge of the relief switchboard at Tel Aviv.

618. ITEM 40. Nine senior telephonists, LP.96-132, are required to deal with the increase in the more responsible duties, such as those of monitors, trunk operators, etc., created by the expansion of the principal exchanges.

619. ITEM 41. Provision has been made for ninety-three additional telephonists in the lowest grade, LP.60-96, forty of whom will not be required for the first six months of the financial year. They are necessary in order to cover the large expansion in the number of manual switchboards which will occur towards the end of 1936: as indicated in the forecast of telephone development given earlier in this memorandum there will be an increase of thirty-six operating positions in the four principal urban exchanges alone.

620. ITEM 42. Another Head Postman at Haifa is necessary and fifty-three more postmen are required in enlarging urban areas to satisfy the demands of the growing population. They will be distributed as follows:—



Indoor work at Jerusalem	3
Haifa (2) and Tel Aviv (2) to take charge of the messengers employed in delivering telegrams and express packets	4
Jaffa (5), Haifa (9), Jerusalem (7) and Tel Aviv (10) as the result of recently testing the walks in these towns	31
At sub-offices, either as additional delivery officers or to replace porters and messengers	15
	<hr/> 53 <hr/>

Reliable persons are very hard to obtain at porters' and messengers' wages, particularly in the Jewish colonies.

621. ITEM 44. Twenty-four additional messengers are wanted in connection with the greatly increased telegraph traffic and express letter service. In some instances the latter has doubled during the past year and the delivery personnel is urgently in need of reinforcement.

622. ITEM 48 includes provision for watchmen and porters at anticipated new offices, for extra assistance at headquarters, and for the broadcasting station and studios.

623. ITEM 53. The approved Estimates for 1935-36 contained a 100% increase for overtime allowances (LP.750 to LP.1,500) which, taking into account the additional staff then provided, it was hoped would suffice. The business to be handled, however, upset all calculations and in his Confidential telegram No. 385 dated the 14th December, 1935, the Secretary of State sanctioned the issue of a Special Warrant for LP.2,000 on this behalf. The sum of LP.2,000 which has been inserted in the draft Estimates represents therefore a reduction of LP.1,500 in comparison with the appropriation in 1935-36, but of course it is proposed very largely to increase the staff.

624. ITEM 60. In the Engineering Branch, the matter of a personal allowance of LP.100 per annum to the Chief Engineer in respect of his services to the broadcasting station has been referred to the Secretary of State in the High Commissioner's Confidential despatch dated the 28th December, 1935.

625. ITEMS 68 and 70. An additional Inspector Grade 'L' will allow the engineering establishment to be brought up to the essential minimum of two per division and there is an effective increase of two Assistant Inspectors Grade 'M' who will be employed as senior maintenance officers in the large automatic areas.

626. ITEMS 71, 72 and 74. The installation of a central battery exchange and the forthcoming installation of an automatic exchange at Jerusalem render necessary the appointment of a senior test clerk (LP.192-240). Two test clerks at LP.144-180, one at LP.96-132, and two at LP.60-96 are essential to cope with the increased testing work following the growth in the size of exchanges.

627. ITEM 78. The draft Estimates provide for four more artisans at LP.192-240 and five at LP.144-180. The establishment in 1935-36 is not enough to ensure proper execution of the requisite duties, having regard to the increase in the work of exchanges, and workshops and of maintaining rural broadcasting receivers.

628. ITEM 80. The effective increase of twenty-seven linemen in the various grades is necessary if adequate upkeep of increased plant, internal and external is to be ensured.

629. ITEM 83. The vote for labour has been increased by a net amount of LP.1,476 which is required to cover the general increase in departmental activities and the services rendered to the public.

630. ITEM 84. Experience has demonstrated that it is more satisfactory to fill linemen's vacancies by youths departmentally trained than by recruiting adults. It is therefore proposed to extend the practice and the vote for engineering learners has been increased for the purpose from LP.830 to LP.1,000.



631. ITEM 85. The provision includes:—	
Scholarship in the United Kingdom already awarded	300
Second scholarship in the United Kingdom for half the year only	185
Three monthly courses in automatic telephony for ten scholars in Egypt	190
	<u>LP.675</u>

632. ITEMS 88-89, Broadcasting.

In his telegram No. 270 dated the 16th September, 1935, the Secretary of State approved the appointment of a Programme Director in Grade H. The other posts of Programme Sub-Directors, Secretary, Chief Announcer, Programme Assistants, Part-time Assistants and Translators are regarded as the minimum essential requirements to put the service into full operation. Later, as the experiment develops and experience under working conditions is required, it will be possible more accurately to gauge the ultimate necessities in this respect. With regard to Item 96 it must be explained that the Postmaster-General cannot count upon being able to utilise the central Government Translation Bureau for translation work in connection with broadcasting owing to the existing demands upon it and, apart from the news bulletin, which will continue as now to be translated in the Bureau, translations for broadcasting for the most part will have to be made by employing outside assistance as and when necessary, the cost being met from this vote.

Other Charges :

633. The aggregate net increase is LP.32,371, because LP.7,750 on account of broadcasting, which in 1935-36 was shewn separately (see Items 150-154), has now been amalgamated with the Other Charges of the Department generally.

634. ITEM 98, Transport and Travelling. The net increase here is LP.1,240 which is due to the larger staff and the extra travelling entailed by increased business.

635. ITEM 99, Railway Fares and Freight. The increase of LP.500 is for the larger quantity of stores which will have to be transported.

636. ITEM 100, Conveyance of Mails. The increase of LP.2,500 has been calculated on the supposition that payment for the international conveyance of mails, other than air mails, will be made on the basis of statistics compiled in October and November, 1933. The settlement in respect of the year 1935 is purely provisional on the basis of the settlement for the preceding three years. This provisional settlement will later be modified in conformity with the international statistics to be compiled in April and May, 1936, but the amount ultimately to be paid in respect of the year 1935 will not be known definitely until the spring of 1937. The payments are made on a gold basis and are subject to fluctuation.

For the inland carriage of mails by train LP.9,500 has been allowed. The estimated cost of carrying air mails during the year is LP.19,700, due regard being had to the more favourable rates afforded by the sterling settlement arrangement as compared with the previous gold franc basis. A slight increase has been allowed for inland mail services, the overland mail between Palestine and Iraq and the special Indian mail train through France.

637. ITEM 101. The 1935-36 allocation for the upkeep of mechanical transport was not enough. In 1936-37 there will be more vehicles and extended departmental services in respect of both mails and engineering. An increase of LP.550 has been allowed.

638. ITEM 102, Lighting, Heating and Power. The effective increase is LP.1,810 which is due to the cost of power for the broadcasting and marine stations for a full year, the lighting and heating of new post offices and more telephone exchanges, and for charging batteries in connection with rural automatic exchanges and the rural broadcasting service.

639. ITEM 103. The provision in 1935-36 for stationery and printing was insufficient with the result that stocks of books and forms for public business and for mail services have fallen below what should be the normal safety level. An increase of LP.5,180 has consequently been included to replenish supplies and to ensure the maintenance of adequate reserves. Provision has also been made for the printing requirements of the broadcasting service including weekly programmes for sale.

640. ITEMS 104—109 are sufficiently explained by the marginal notes in the remarks column of the Estimates.

641. ITEM 110. The appropriation for rent and repairs of buildings has been increased from LP.9,810 to LP.12,200 made up as follows :—

rentals estimated in 1935-36	LP.9,810
increased rentals in respect of leases renewed in 1935-36	LP. 430
additional premises leased in 1935-36 on account of the expansion of business	LP.1,750
anticipated increases in rentals in respect of leases falling due to be renewed in 1936-37	LP. 520
	<hr/> LP.12,510
less anticipated decrease due to surrender of premises	LP. 310
Total	<hr/> LP.12,200

642. ITEM 115. On revision of the basis of calculation the provision for renewals has been increased from LP.20,000 to LP.27,500. The figure is provisional and the Secretary of State will be consulted in the matter by separate despatch in due course. Previous correspondence on this subject terminated with the Secretary of State's Confidential despatch dated the 27th September, 1935.

643. ITEM 118. Broadcast programmes.

Of the total figure of LP.8,400 for programmes and artists' fees LP.7,800 is expected to produce five hours' broadcasting a day at a cost of about LP.21. Beyond five hours the lengthening of the daily period will depend upon the receipts earned by the service. The difference of LP.600 between LP.7,800 and LP.8,400 is the consequence of an offer to give Mr. Bronislaw Huberman not more than twelve engagements a year at LP.50 each to broadcast the symphony orchestra which he is organising in Palestine. This arrangement is subject to review after a year's experience.

644. ITEM 119. Copyright fees, etc., will be payable to the Performing Rights Society, the Gramophone Records Manufacturers' Consortium, Reuter's News Agency and any body or person in whom rests any rights in the matter to be broadcast. The prospective liability to the Gramophone Record Manufacturers' Consortium was not anticipated when the original estimate of the cost of the service was drawn up in 1933: it is the result of certain recent legal proceedings in Great Britain respecting the rights of reproduction for public entertainment being vested in the manufacturers of records.

645. ITEM 120. In 1935-36 LP.800 was included for the maintenance of the rural broadcasting service for part of the year only: see Item 154. The estimated cost in a full year is LP.1,368 and provision has been made accordingly.

646. ITEM 121. In order to comply with the wishes of the Auditor a new sub-head called Miscellaneous has been opened to include such expenditure as variable subscriptions to international bureaux which is estimated to be LP.150. It has been thought convenient to eliminate the sub-head "Contingencies" and to amalgamate the provision thereunder with "Miscellaneous".



Special Expenditure:

647. ITEM 123. More safes are required for new post offices and agencies and to meet the needs of increasing business at the head offices. In some instances during 1935-36 special precautions had to be taken to safeguard stocks which adequate safe accommodation would have rendered superfluous.

648. ITEM 124. Seven new motor vehicles are required: three to replace others worn out and four new ones for the growth of business.

649. ITEMS 125—128 are explained by the marginal comments in the Estimates.

650. ITEM 129. With the introduction of large automatic telephone exchanges at Jerusalem and Tel Aviv and rural automatic exchanges elsewhere all the call offices connected to them must be of the coin collecting type. Furthermore, a general extension of call office facilities is necessary.

651. ITEM 132. More public facilities by way of telephone kiosks and cabinets throughout the country are essential.

HEAD XXIV — PUBLIC WORKS DEPARTMENT.

	LP.
<i>Estimates</i> 1935-36	58,963
<i>Estimates</i> 1936-37	95,024
<i>Increase</i>	36,061

652. Of the above increase LP.31,856 is in Personal Emoluments, including LP.4,392 for cost of living allowances which in 1935-36 were shewn under the Head Miscellaneous.

Personal Emoluments:

653. In order so far as possible to split up the expenditure on staff in relation to the scheme for reorganizing the Department which was approved by the Secretary of State's Confidential telegram No. 251 dated the 29th August, 1935, Personal Emoluments have been divided into seven groups, namely Headquarters Administration, Districts, Architectural, Electrical, Mechanical, Housing and Geological. Other Charges and Special Expenditure have not been correspondingly sub-divided and the items relating to the Geological Branch, which in 1935-36 were tabulated separately, have been included in the general departmental votes.

654. The following are the changes and new appointments which were approved in the Secretary of State's telegram previously mentioned and are reflected in the draft Estimates:—

ITEMS 4, 5 and 81. The post of Deputy Director will be suppressed and the present holder will retire on abolition of office terms.

ITEMS 6 and 7. An additional Assistant Director in Grade 'F' will be appointed.

ITEMS 29 and 30. A new appointment of Assistant Engineer in Grade 'G' will be created.

ITEMS 15, 16, 33 and 34. An increase from five to eight in the number of Assistant Engineers in Grade 'K' has been sanctioned.

655. It is not proposed in this memorandum to elaborate the reasons for the above which were given in the High Commissioner's Confidential despatch dated the 5th August, 1935. The additional cost entailed, as stated in the sixth paragraph of that despatch, is about LP. 3,000



656. In submitting these Estimates the Director of Public Works expressed the hope that the approved new appointments as above would serve to make good, so far as the First Division is concerned, the acknowledged deficiency of staff in relation to the work to be done so long as the recurrent and extraordinary expenditure for which the Department is responsible does not exceed the 1935-36 total figure of roughly LP.1 million, excluding the Jerusalem Water Supply, Haifa main drainage and Jerusalem main drainage schemes which are executed by a special staff. Including a number of new appointments in the Second Division, which have been inserted in the draft Estimates and are referred to later in greater detail, the Personal Emoluments of the Public Works Department in 1936-37 will represent about eight per cent of LP.1 million which is a low ratio. On the basis of the draft Estimates now presented the expenditure in 1936-37 for which the Director of Public Works is responsible will be more nearly of the order of LP.1½ million which has led the Director to intimate that approximately another LP.30,000 worth of staff will be essential if the programme of works is to be carried through efficiently and expeditiously. These proposals are under consideration: effect has not been given to them in the draft Estimates.

657. ITEMS 9 and 10. As in the case of the Customs, Health and Agricultural Departments, it is considered that the time has come to strengthen the headquarters administration of the Department by appointing an Accountant and Establishment Officer who will be in a position to relieve the Director and his senior technical officers of the heavy burden of routine which they have now to support in connection with accounts and questions appertaining to staff. Provision has been made accordingly.

658. Under Items 17 and 37 the clerical establishment has been divided between headquarters and the districts and increased by six in all; the Geological Adviser's clerk, who hitherto was shewn separately (see Item 77) has been absorbed in Item 17. The increase in part is the normal corollary of the authorised enlargement of the First Division establishment and in part is due to the great and growing pressure of work.

659. ITEM 24 provides for two additional draughtsmen in Grade 'N' and Item 25, which is new, provides LP.600 for the remuneration of three temporary draughtsmen. In addition to the large drawing office staff which appears in the Architectural Branch there is at headquarters a smaller drawing office, under an Assistant Engineer Grade 'K', for civil engineering projects such as roads, water supplies, and the like. The departmental cement testing laboratory is under the same control and is operated by the same staff. Five men, one of whom is classified, have hitherto been employed in the civil engineering drawing office, but the work demands another draughtsman, making six in all of whom it is considered that three should be classified.

660. In the districts, the proposal under Item 33 to pay accelerated increments to two Assistant Engineers in Grade 'K' has been explained in a separate despatch covering all recommendations of the same kind throughout the Estimates as a whole.

661. Under Items 36 and 37 there are increases of five foremen of works in Grade 'M' and five in Grade 'N' respectively. These will enable one additional officer in each grade to be posted to each of the five P. W. D. districts and is justified by the amount of work. It will also provide a small margin, hitherto non-existent, for relief purposes.

662. ITEM 40. Fifteen Draughtsmen in Grade 'N', is new and is designed to allow three draughtsmen to be appointed in each P. W. D. district where one will be employed in connection with building projects, one will be concerned with roads and civil engineering works, and the third with general surveys.

663. In the Architectural Section (Item 46) the promotion of a Quantity Surveyor from LP.600 per annum consolidated to the minimum of Grade 'H' with expatriation allowance has been recommended in the comprehensive despatch already referred to in the paragraph dealing with Item 33.



664. The following increases of technical Second Division staff are required in connection with the approved Building Programme which was submitted to the Secretary of State in the High Commissioner's Confidential despatch dated the 4th July, 1935, and acknowledged in the Secretary of State's despatch Confidential (3) of the 2nd September. In that correspondence the temporary employment of additional senior architectural staff for the Building Programme was approved: it now appears that if the Programme is to be carried out in anything like the time set apart for it considerably more assistance in the lower ranks is essential. Provision has accordingly been made for the following increases:—

ITEM	L.P.
53. 3 Draughtsmen in Grade 'M'	864
55. 4 Quantity Surveyors' Assistants in Grade 'M'	1,152
56. 6 Quantity Surveyors' Assistants in Grade 'N'	1,080
57. 1 Clerk of Works Grade 'M'	288
58. Temporary Draughtsmen	4,000
59. Temporary Foremen of Works	1,400
60. Temporary Clerks of Works	5,000
63. Temporary Quantity Surveyors' Assistants	1,500
Total	LP.15,284

665. ITEMS 57, 59 and 60 have been brought to the notice of the Secretary of State in the High Commissioner's despatch No. 10 dated the 4th January, 1936.

The appointment of this staff will enable complete teams of draughtsmen and quantity surveyors' assistants, each headed by a classified officer in Grade 'M', to be created. Each team will be engaged on the specific work which is being undertaken by a senior officer, either Architect or Quantity Surveyor as the case may be.

666. As already pointed out, the ratio overhead charges, i. e. the cost of the departmental establishment on the basis of the Estimates as now framed, will bear to the anticipated expenditure on works, is low since 15% to 16% is commonly regarded as a not extravagant allowance.

667. In the Electrical and Mechanical Branches Item 69 provides for a new appointment of Electrical Foreman in Grade 'M'. It has been apparent for some time that more permanent assistance for the Electrical Engineer is necessary and in fact the duties of the appointment have hitherto been carried out by an unclassified employee who is paid from an open vote. This arrangement is irregular and unsatisfactory.

668. Under Item 70 it is proposed to pay two special increments to the Mechanical Engineer and a recommendation to this effect has been separately submitted to the Secretary of State.

669. ITEM 80. In his Confidential despatch dated the 4th September, 1935, the Secretary of State approved an increase in the pensionable establishment of the Public Works Department by one Foreman of Works Grade 'M' who in 1929 was appointed to be Engineer, Works Services, in the Trans-Jordan Frontier Force. He is now shewn accordingly as a seconded officer and there is a corresponding credit to revenue in respect of his salary.

670. ITEM 79 is increased from LP.2,000 to LP.2,700 for watchmen, caretakers, messengers and casual labour who are necessary owing to the general expansion in the staff and activities of the Department. More casual labour also is needed in connection with the handling of stores.

Other Charges:

671. There is a total net increase of LP.4,145 of which the two transportation votes, Items 85 and 86, together account for LP.3,450. The Other Charges of the Geological Branch in previous years were shewn separately, but there appears to be no value in maintaining this division and they have now been amalgamated with the Other Charges of the rest of the Department.



672. The increase under Item 85 follows the introduction during 1935 of revised transport and travelling regulations and the additional staff reflected in the draft Estimates. The vote for Railway Fares and Freight was under-estimated in 1935-36 and in view of the works anticipated in 1936-37 it is likely that the current year's expenditure will be somewhat exceeded.

673. ITEM 87. The office accommodation at headquarters will have to be enlarged for architectural staff employed on the Building Programme and more money must be spent on heating and lighting in consequence.

674. ITEMS 88 and 89. More drawing office materials and drawing and surveying instruments will be required for the additional staff.

675. ITEM 90. The expenditure on telegrams, telephones and postage was under-estimated in 1935-36 and more telephones will be needed for the new staff.

Special Expenditure:

676. ITEM 103. Three new typewriters are wanted at headquarters in connection with the general increase of staff and work.

677. ITEM 105. The new staff of the Quantity Surveyors' section will need two calculating machines which cost LP.30 apiece.

HEAD XXV — PUBLIC WORKS RECURRENT.

	LP.
<i>Estimates 1935-36</i>	274,925
<i>Estimates 1936-37</i>	323,950
<i>Increase</i>	49,025

678. It is inevitable that the progressive annual increase in the number and value of Government buildings and works, the mileage of roads and so forth should affect the Head which provides the funds for their maintenance.

679. ITEM 1. Maintenance of Water and Electric Light Plants. A further LP.1,000 will be needed for the operation of the water supplies which have been installed at Haifa trade school and in the reclaimed area, the pumping plant at Jaffa municipal hospital, which is being taken over by Government, and the Watan Hospital at Nablus. In the reclaimed area at Haifa water will be sold to consumers with a corresponding gain to revenue.

680. ITEM 2. Maintenance of Mechanical Transport. During 1935-36 seven $3\frac{1}{4}$ -ton lorries, six 2-ton trucks and one motor car were added to the mechanical transport fleet of the Public Works Department. The Mechanical Branch also looks after the large and growing number of motor vehicles owned by the Department of Health. The mileage travelled has increased in proportion to departmental development and activities and the cost of maintenance is correspondingly heavier.

681. ITEM 4. Maintenance of Buildings. The Director of Public Works represents that in the past this vote has tended to be kept down to a figure which has not really been sufficient to maintain Government owned and hired buildings in a proper state of repair and to overtake arrears, while the number of such buildings is of course increasing. Maintenance costs have also risen owing to the inflation of wages throughout the country generally. Provision for maintaining the Kadoorie Agricultural Schools at Mount Tabor and Tulkarm was formerly included in the estimates of the Department of Agriculture, but has now been transferred to this Head.

682. ITEM 5. The cost of maintaining Government House was under-estimated in 1935-36.

683. ITEM 6. This vote in the past has been too small to satisfy a reasonable proportion of departmental requirements and it is hoped that the 50 per cent increase inserted in the draft Estimates will enable some at least of the arrears to be cleared off.



684. ITEM 7. The additional funds provided for the maintenance of buildings, roads, bridges, etc., entail a corresponding increase in the vote for plant and tools.

685. ITEM 8. The funds allotted for water supply and conservancy in 1935-36 will probably be found before the end of the year to be insufficient owing to the general expansion of Government accommodation throughout Palestine. A new liability is the supply of water to the Palestine Archaeological Museum at a cost of about LP.200 a year.

686. ITEM 9. Rent of Offices and Quarters. LP.88,000 was the estimated expenditure in 1935-36 as shewn under Item 9 of Head XXIV of the published volume of approved Estimates, but it was really only LP.64,000 (see Appendix J on the last page of the same volume). As stated in paragraph 507 of the memorandum accompanying the draft Estimates for 1935-36 the explanation lies in the fact that the first days of two Hejira years happened to fall within one Government financial year and provision had to be made for paying the rent of a number of Government hirings twice in one financial year. As between 1935-36 and 1936-37 the true increase on this behalf is therefore LP.26,000. The provision in the current year, however, was under estimated by LP.13,765 and in the High Commissioner's despatch No. 1160 of the 19th December, 1935, the Secretary of State was invited to sanction the issue of a Special Warrant in that amount. Further commitments in 1936-37 are anticipated: for example LP.4,000 on account of the enlargement of the Police Force, LP.2,000 for the extension of urban education and inaugurating a school for the blind, LP.2,000 for higher rents which it is anticipated will be demanded on renewing the leases of existing hirings, and LP.1,000 for the accommodation of more officials. There will also be larger demands for hired premises corresponding with the expansion of departmental establishments and activities, notably in the Judicial and Public Works Departments.

687. ITEM 10. The provision of LP.2,500 in 1935-36 for the purchase and repair of furniture has not proved adequate to satisfy departmental requirements in view of the general expansion of offices throughout the country and the heavy increase in the cost of furniture as compared with two or three years ago. Apart from new commitments there are outstanding demands totalling about LP.3,500 and the estimate has been increased by that amount in the hope that it will at least enable the arrears to be overtaken.

688. ITEM 11. The 1935-36 provision of LP.4,000 was not enough and several necessary but not extremely urgent services have had to be postponed owing to lack of funds. It is desired that maintenance services may be adequately carried out during the forthcoming year.

689. ITEM 12. Maintenance of Roads and Bridges, has been increased by LP.22,500 from LP.127,500 to LP.150,000. All weather communications to be maintained by Government in 1936-37 will be about 150 kilometres more than at present as the result of building new roads and improving existing tracks in 1935-36. Furthermore the wear and tear of the roads is intensified by the ever increasing traffic and the use of heavier vehicles. The number of motor vehicles circulating in Palestine at the beginning of 1935 was between sixty and seventy per cent in excess of the corresponding figure twelve months earlier.

690. The latter consideration applies also to Item 13, Maintenance of Arterial Roads in Municipal Areas, which has been increased from LP.4,200 to LP.4,500. The arterial roads through Beersheba, which hitherto has not been a Government liability, is under reconstruction and in 1936-37 it will be maintained at the joint expense of Government and the Municipality.

691. ITEM 14 has been increased from LP.600 to LP.850 for the Maintenance of Drainage and Irrigation Works. Of this LP.150 is needed for the Abu Samara dam in the Beersheba sub-district which was completed in 1934-35 and LP.100 for special repairs to the irrigation systems at Jericho, Beisan and the mouth of the River Kishon.

692. ITEM 15. There is at present a number of outstanding applications for wiring Government buildings for electric light which it has not been possible to satisfy owing to lack of funds. The expansion of the Police Force necessitates the provision of LP.600 for installing electric lighting and fans in buildings in Police occupation.



693. ITEM 16. The provision in the Estimates for maintaining plant and machinery during the current year was LP.6,200 which had to be supplemented by a Special Warrant for LP.3,800. During 1935 eighteen road rollers were added to the establishment together with other additions to the building and road making equipment of the Department. This additional plant has been in use for only part of the current financial year but in 1936-37 it will have to be maintained throughout the twelve months and another LP.2,000 has been included on that account.

HEAD XXVI — MISCELLANEOUS.

	LP.
<i>Estimates</i> 1935-36	271,841
<i>Estimates</i> 1936-37	316,971
<i>Increase</i>	45,130

694. ITEM 1. Housing Allowances. In 1935-36 a sum of LP.12,800 was provided to pay temporary housing allowances to married officials in Grades 'N' and 'O' resident in Haifa and Tel-Aviv. The amount was based on the report of a Government committee: it was provisional and has proved to be in excess of requirements. At current rates of allowances, including those payable under existing regulations, it is anticipated that LP.11,000 will be enough in 1936-37.

695. ITEM 5. Passages. — The vote in 1935-36 was calculated on the assumption that the Secretary of State would approve an alteration of existing regulations in order to give officers and their families free passages instead of assisted passages when going on and returning from leave. The subject is still under consideration and the 1935-36 provision has, therefore, been repeated.

696. ITEM 9. Crown Agents' Expenses. — In 1934-35 a sum of LP.2,360 was extended on this account and the present rate of expenditure indicates that not less than LP.3,000 will be needed in 1935-36. The Public Works Department has in hand a large programme of works which will continue in 1936-37 and will involve the paying of commission to the Crown Agents for the Colonies in respect of stores and materials purchased on behalf of the Palestine Government. It is anticipated that not less than LP.3,000 will be needed next year.

697. ITEM 11. Commission to Stamp Vendors. — In his note on Item 21 of the Revenue under Head III the Treasurer states that the revenue from Stamp Duties during 1936-37 may be expected to shrink slightly. Nevertheless, in 1934-35 a sum of LP.1,430 had to be paid by way of commission to stamp vendors and it is considered prudent, therefore, to provide LP.1,500 for this purpose in 1936-37.

698. ITEM 12 Grants to Municipalities. — The total vote in 1936-37 will be LP.118,000 to be distributed as under:—

Jerusalem District.

	LP.	LP.
Jerusalem Municipality	25,000	
Hebron "	1,000	
Ramallah "	1,500	
Bethlehem "	1,000	
Beit Jala "	<u>1,000</u>	29,500

Southern District.

	L.P.	L.P.
Jaffa Municipality	12,500	
Tel Aviv "	20,000	
Ramle "	1,500	
Gaza "	600	
Beersheba "	350	
Majdal "	200	
Khan Yunis "	250	
	<u>35,400</u>	
Unallocated	2,100	37,500

Northern District.

Haifa Municipality	35,000	
Acre "	1,000	
Beisan "	500	
Jenin "	750	
Nablus "	4,750	
Nazareth "	750	
Shefa 'Amr "	250	
Safad "	3,000	
Tiberias "	500	
Tulkarm "	1,500	48,000

Revotes from 1935-36

Khan-Yunis	2,000	
Acre	1,000	3,000
	<u>Total</u>	<u>118,000</u>

With the exception of Nablus, which requires LP.1,270 to meet the estimated deficit on the ordinary budget, the above grants are given in respect of capital works, certain of which are the construction of arterial roads towards which Government contributes on agreed basis. These contributions appear under Head XXVIII Public Works Extraordinary and are :—

Jerusalem District.

	L.P.	L.P.
Construction and widening of Jaffa Road from the city boundary to Mahne Yehuda	6,000	
Construction and widening of the Street of the Prophets from Jaffa Road to Yeshia Street	<u>3,000</u>	9,000

Northern District.

Widening of Nazareth Road, Haifa	7,200	
Widening of Eastern Approach Road, Haifa	7,430	
By-pass to the Megiddo Road at Jenin	650	
By-pass at Tulkarm	1,500	16,780
	<u>TOTAL</u>	<u>LP.25,780</u>



With regard to the revotes of LP.2,000 and LP.1,000 for the installation of a Water Supply at Khan Yunis and the improvement of the Water Supply at Acre respectively it was impossible for technical reasons to carry out these works in the current year, and it is necessary, therefore, to provide for their completion in 1936-37.

699. ITEM 17. Central Town Planning Commission. This vote has hitherto provided the remuneration of a non-official town planning adviser. With the introduction of the projected Town Planning Ordinance, however, the duties hitherto performed by the Central Town Planning Commission will be undertaken by District Commissions and an official town planning adviser has been appointed to advise them. See Head VI.

700. ITEM 18. Contribution to Trans-Jordan Government on Account of Share in the Profits from Currency. It is anticipated that the profits from currency in 1936-37 will be LP.120,000 (see Revenue Head VIII, Item 1) and under the 1934 agreement between the Palestine and Trans-Jordan Governments the share payable to the latter is 8.21% of the profits, namely, LP.9,852. LP.10,000 has accordingly been inserted in the Estimates. The amount is variable according to the ratio between the estimated value during a given year of the currency in circulation in Palestine and in Trans-Jordan respectively upon which the distributable profits are computed.

701. ITEM 20. Grants to Private Institutions for the care of neglected Children. During the current year funds have been provided by Special Warrant to enable the Probation Officer to place in private institutions twelve of the boys in the Tulkarm Reformatory School and to maintain another twelve boys who are already housed in private institutions. The cost per head is LP.30 per annum. The need is recurrent and provision for continuance of the grants is necessary in 1936-37.

The draft of the proposed Juvenile Offenders Ordinance is now under consideration by Government and if it is enacted it will impose an obligation on Government to provide for the maintenance of juvenile offenders committed to private institutions. It is estimated that approximately one hundred cases will be thus dealt with (including the twenty-four cases referred to above). A sum of LP.3,000 has therefore been provided in the draft Estimates to cover payment of grants in respect of one hundred boys at LP.30 each.

702. ITEM 24. Payment in lieu of Tithes, formerly assigned to private Waqfs. — Government has recently had under consideration the question of compensation payable to the beneficiaries of private Waqfs for the loss of the tithe which they have sustained by the substitution of the rural property tax for the commuted tithe payable under the Commutation of Tithes Ordinance. Direct payment of the proceeds of rural property tax to the beneficiaries under these Waqfs is impracticable because the tax displaces the house and land tax in rural areas as well as the rural property tax. Moreover, the rural property tax is not expected to yield so much as the aggregate of the two taxes which it replaces and it is not possible so to apportion the proceeds between Government and the beneficiaries as to ensure that Government receives its proper share. It is proposed, therefore, to negotiate with the beneficiaries with the object of commuting their claims on the basis of average collections, less collection charges at 6%, for the seven years ended on the 31st March, 1935, and the estimated amount payable under this arrangement is LP.5,000 per annum. The matter has already been referred to the Secretary of State.

703. ITEM 26. Cost of Living Allowances. When the draft Estimates for 1935-36 were under consideration a proposal to double the cost of living allowances then payable to Government officers was being discussed, but no decision had been reached and in the meantime a lump sum was inserted in the Miscellaneous vote. The Secretary of State has since sanctioned the proposal to which effect has been given in the current year: in 1936-37, therefore, provision has been made for the payment of these allowances under departmental heads of expenditure.

704. ITEM 27. Tourist Development, Advertising, LP.500. This is a new appropriation. For two or three years Government has been considering the advisability of affording direct assistance in the matter of advertising the attractions of Palestine as a resort for tourists. The Tourist Development Association — formed by prominent tourist agencies and traders with a view to promoting interest in Palestine as a tourist resort — has now appealed to Government for assistance and it is thought that judicious advertising on a modest scale might attract tourists and residents in neighbouring territories. The extensive publicity which Palestine already receives on account of its biblical and historical



associations renders it superfluous for Government to embark on an advertising campaign of any magnitude. The provision made in the Estimates is to cover the production of appropriate pamphlets about Palestine for distribution in ships and by tourist agencies abroad, elsewhere than the Middle East, and for advertising Palestine in hotels and by tourist agencies in Egypt and Syria. Government, in consultation with the local Association, the Press Officer and the Commercial Manager of the Railways, as requisite, will control the expenditure.

705. ITEM 29. Preparation, Translation and Printing of Legislation. In paragraph 170 of his Report for 1934-35 the Treasurer mentioned that the provision for this service in 1935-36 was likely to prove insufficient. It now appears that delay in the work of Hebrew translation may cause certain expenditure to be incurred in 1936-37 although there should be some economy during the current year. A sum of LP.3,000 is provided in 1936-37 to cover the salaries of the translators for three months and the cost of printing and binding.

Special Expenditure:

706. ITEM 30. Levant Fair. — It will be recalled that in 1932 and 1934 Government contributed to the Levant Fair which is held biennially at Tel Aviv. In 1934 expenditure in the sum of LP.665 was authorised on this behalf but only LP.618 was spent which paid for departmental exhibits by the Health, Agriculture and Posts and Telegraphs Departments. It is proposed to increase the appropriation in 1936-37 to LP.1,000.

707. ITEM 32. Grants to Municipalities for open spaces — LP.100,000. In his Confidential despatch of the 21st September, 1935, the Secretary of State approved in principle the setting aside by Government of a sum not exceeding LP.100,000 to procure open spaces in the four principal towns. The despatch stipulated that Government in any case should not bear the full cost of acquiring the requisite land and stated that it did not appear to be essential that an equal measure of assistance should be given to each of the four corporations. Detailed proposals have not yet been made for the allocation of the grant. The matter will be further referred to the Secretary of State in due course.

HEAD XXVII — POSTS AND TELEGRAPHS EXTRAORDINARY.

Estimates 1936-37 LP.298,015

708. In the section of this memorandum relating to the 1936-37 draft Estimates of the Posts and Telegraphs Department reference is made to the expansion of business and the insistent public demand for increased facilities of all kinds. This applies to the telephone service with more force than to any other sphere of departmental activity : requests for telephones continue to multiply and it is essential that all reasonable effort should be made to overtake arrears and to comply with the wishes of new applicants.

709. The whole of the projected extraordinary expenditure is necessary either to continue works already sanctioned or to keep abreast of the extremely rapid development of the telephone service.

710. ITEM 1. Additional exchange switchboards are intended for:—

	LP.
Haifa Central Battery Exchange — 'Three additional subscribers' positions, two trunk positions and apparatus for timing trunk calls	4,000
Tiberias Central Battery Exchange with three trunk positions and two subscribers' positions	2,500
Jerusalem — private branch exchange for the Secretariat	500
Jaffa Central Battery Exchange — Two additional trunk positions and apparatus for timing trunk calls	1,800
Ramle Exchange — Equipment for forty additional subscribers	150
	<hr/> LP.8,950 <hr/>



The above will accommodate 3,100 subscribers in all. It is anticipated that on the 31st March, 1937, there will be about 800 applicants awaiting connection.

711. ITEM 2. LP.3,880 is for additional lines on subsidiary trunks only; provision for the main trunk routes is made under item 16. The details are:—

	L.P.
2 trunks Haifa—Nazareth	917
1 trunk Jaffa/Tel Aviv—Tiberias	500
1 trunk Hadera—Karkur	100
2 trunks Haifa—Acre	242
1 trunk Haifa—Afula	280
4 trunks Jerusalem—Ramallah	1,173
1 trunk Jaffa/Tel Aviv—Petah Tiqva	147
1 trunk Jaffa/Tel Aviv—Ra'anana	218
1 trunk Ra'anana—Nathania	303
	<hr/> LP.3,880 <hr/>

712. ITEM 3. The 1936-37 programme will practically complete the reconstruction of existing open wire routes to the standard required by modern conditions and in 1937-38 there will be considerably less expenditure on this account. It is proposed to spend LP.6,746, LP.6,081 and LP.2,432 in the Northern, Southern and Western Divisions respectively, the largest individual items being for reconstructing the following routes:—

	L.P.
Samakh—Shatta	998
Haifa—Acre	1,439
Rosh Pinna—Metulla	2,720
Hebron—Beersheba	2,118
Beersheba—Gaza	3,963
Rehovot—Gaza	2,046

713. ITEM 4. Additional subscribers' circuits, LP.32,815. The programme contemplates connecting:—

	L.P.
2,950 subscribers in exchange areas	23,600
26 long distance subscribers	6,500
Police circuits	2,715
	<hr/> LP.32,815 <hr/>

Urban subscribers are estimated to cost LP.8 per line and long distance subscribers LP.250 which is an average sum based on previous experience. The cost of police circuits is calculated on length plus an allowance for contingencies.

714. ITEM 5. The delay in erecting the new building for the General Post Office at Jerusalem coupled with the increasing demand for telephones entail the installation of additional sections capable of accommodating a much greater number of subscribers than was foreseen when the initial equipment for the exchange was ordered.

715. ITEM 6. Additional distribution cables are needed in connection with the expansion of the system.



716. ITEM 7. It is proposed to continue the programme of installing new automatic telephone exchanges in rural areas as follows:—

	L.P.
Extension of Ramat Gan "satellite" for 50 new subscribers, with auxilliary junction equipment	900
New rural automatic exchange at Hadera with facilities for tandem working and capacity for 25—100 subscribers	900
New rural automatic exchange at Safad with capacity for 100—200 subscribers	2,000
Completion of Ra'anana rural exchange group	700
	<u>LP.4,500</u>

717. ITEM 8. Conversion to automatic working of subscribers' apparatus at Jerusalem.

The provision is accountable to the factors described in connection with item 5; it will be necessary eventually to convert all the instruments to be connected temporarily with the relief exchange which was recently sanctioned.

718. ITEM 9. Certain trunk routes have become too large to be carried on open lines in urban areas and must be laid underground. The provision in 1936-37 will serve to complete a programme begun in 1935-36 and costing LP.9,500.

719. ITEM 10. The cost of the land and buildings for the Jerusalem broadcasting station was under-estimated by LP.225 and LP.1,905 respectively and the original estimate of cost has had to be revised from LP.32,000 to LP.34,000. The provision in 1936-37 includes a revote of LP.870

720. ITEM 11. The original estimate of the cost of the Tel Aviv automatic exchange has had to be revised from LP.34,000 to LP.38,000 for the same reason as that given under item 5 with respect to Jerusalem. Of the 1936-37 provision LP.14,000 is a revote from 1935-36 and LP.4,000 is new.

721. ITEM 12. The projected new trunk and automatic telephone exchange at Haifa has been sanctioned by the Secretary of State and appeared in the approved Estimates for 1935-36. It is not anticipated that the buildings will be sufficiently advanced to enable more than LP.1,000 to be spent on equipment in 1936-37.

722. ITEMS 13 and 14 are revotes. Item 15 will complete the programme of diverting underground cables and ducts to the site of the new telephone exchange at Tel Aviv.

723. ITEM 16 provides LP.120,000 for trunk cables between Jerusalem, Jaffa and Haifa. This proposal will be referred to the Secretary of State separately, but it may briefly be stated here that the existing overhead trunk routes are now carrying the greatest number of wires which the poles are capable of supporting and the traffic load is already much in excess of the capacity of the circuits. The result is great delay in operating the service which is the cause of serious public dissatisfaction and many complaints. There is no alternative than to build new main trunk routes and the only satisfactory method of doing so, with due regard to security, reliability and economy of maintenance, is to bury them underground. It is pertinent to mention that about 50 per cent of the whole telephone revenue of the Department is derived from trunk calls.

If the financial results for the year 1935-36 and the prospects for 1936-37 are less favourable, as they may well be, than at present anticipated, it will probably be found necessary to postpone this scheme and to avoid any expenditure on it during the forthcoming year.

724. ITEM 17. The development of underground cables and ducts in the four principal urban areas has now become necessary because there is a limit (about 500 pairs) to the weight of cables which can be carried by overhead routes and with the growth of urban net-works the limit has been reached in certain cases.



The only alternative is to place the heavier main cables underground on account of their size and this has also the advantages that underground circuits are more immune than overhead wires to interference from climatic changes, storms and sabotage.

725. ITEM 18. In order to satisfy traffic requirements it has become necessary to supplement the existing trunk facilities between Palestine and Egypt. The installation of "carrier" apparatus at the respective terminals will enable the desired result to be obtained at less cost than the alternative of constructing additional long physical circuits. The Egyptian Telephone Administration will bear the cost at the Egyptian end and the provision in the draft Estimates will cover the Palestine terminal only.

726. ITEM 19. The proposed expenditure on subscribers' cable development in rural areas will be allocated as follows :—

	LP.
Hadera	667
Nazareth	740
Acre	1,408
Bethlehem	408
Hebron	243
Petah Tiqva	618
Ramat Gan	610
Rehovot	224
Tulkarm	504
	<hr/>
	LP. 5,422

The cables will be aerial, not underground, and are needed because the number of subscribers' circuits in the above towns has become too large to continue as open wires.

727. ITEM 20 is self-explanatory : the circuits which at present terminate at the manual switchboard in Haifa Post Office must be connected by special cables with the new automatic exchange.

728. ITEM 21. The existing telegraph apparatus at Jerusalem was obtained second hand from the Army fifteen years ago and requires replacement when the new General Post Office is completed.

729. ITEM 22. The wireless transmitting apparatus at Ramallah depends for its power entirely upon the Jerusalem Electric and Public Service Corporation. For reasons of public security and in order to avoid the risk of the service being rendered inoperative by a breakdown it is essential to have available an independent generating plant on hand at the station itself.



HEAD XXVIII. PUBLIC WORKS EXTRAORDINARY.

Estimates 1936-37

LP.1,507,181

730. The following are analyses of the Public Works Extraordinary draft Estimates for 1936-37 :—

	Revotes	Further provision required for continuance of works	New projects	Total
	LP.	LP.	LP.	LP.
Works and buildings not included in authorised Building Programme	82,970	63,900	148,205	295,075
Building Programme *	84,091	142,806	132,147	359,044
Roads and Bridges	40,291	23,000	264,200	327,491
Miscellaneous and land for Government buildings	86,118	3,360	436,093	525,571
	293,470	233,066	980,645	1,507,181

* See the High Commissioner's Confidential despatch dated the 4th July, 1935.

731. The departmental requirements (exclusive of land for Government buildings provided for under item 141) under Works and Buildings are :—

Department	Buildings and works not in Building Programme	Buildings in Building Programme	Total
	LP.	LP.	LP.
The High Commissioner	1,467	—	1,467
Agriculture and Fisheries	29,983	—	29,983
Antiquities	1,667	—	1,667
Customs, Excise and Trade	2,770	3,500	6,270
Development	1,655	—	1,655
District Administration	250	—	250
Education	15,674	43,147	58,821
Health	106,369	103,793	210,162
Judicial	33	1,000	1,033
Lands	500	—	500
Migration	1,670	—	1,670
Police and Prisons	111,850	129,400	241,250
Posts and Telegraphs	15,417	70,204	85,621
Public Works	250	—	250
Secretariat	5,520	8,000	13,520
	295,075	359,044	654,119



The more important details are discussed below.

WORKS AND BUILDINGS NOT INCLUDED IN THE AUTHORISED BUILDING PROGRAMME.

AGRICULTURE.

732. ITEM 3. Additions and Improvements to Stock Farm and Agricultural Station, Acre, LP.5,000. This will suffice for a selection of the following works estimated to cost in the aggregate about LP.8,000. The choice will be made by the Directors of Agriculture and Public Works in consultation.

	LP.
(i) Ten sets of married quarters for officers at LP.300 each	3,000
(ii) Two huts for students	180
(iii) Pig house	400
(iv) Pump, motor and piping	300
(v) Paddocks and shelters for mares; concrete house for young cattle; hay and straw shelter; percolating pit for manure; and paddocks for bulls	1,390
(vi) Improvement to roads, fences, etc.	628
(vii) District portable stables to accommodate a stallion a bull, a jackass, and male goats; with forage and groom's rooms	700
(viii) Fattening sheds and coops for poultry, manure pit and incinerator	475
(ix) Bee shed	150
(x) Implement shed	100
(xi) Sundry minor improvements	690
	<hr/> LP.8,013 <hr/>

733. ITEM 5. Additions and Improvements to Animal Quarantine Station at Haifa, LP.14,650. This includes a revote from 1935-36 of LP.750: the new provision is LP. 11,900 for:—

	LP.
(i) Administrative office with living quarters above for the Superintendent	1,300
(ii) Two new cattle paddocks with shelter, troughs and drainage; also shelters in existing paddocks	4,200
(iii) Cow and sheep sheds	2,650
(iv) Water supply, including motor, pump, well, reservoir, etc.	1,000
(v) Sundry minor improvements and additions	2,750
	<hr/> LP.11,900 <hr/>

The number of animals imported continues to increase and receipts in respect of quarantine fees collected rose from LP.4,600 in 1933-34 to LP.10,300 in 1934-35 with expectations of a still larger sum in 1935-36. The accommodation at the quarantine station is inadequate and the congestion is sometimes so great that animals cannot be detained for the period prescribed by regulations. This defeats the whole object of quarantine and endangers the health of the livestock of the country.

734. ITEM 11. Additions to Frontier Animal Quarantine Stations LP.6,720 which includes a revote of LP.1,720 and new provision of LP.5,000. As in the case of Item 3, this is allotted for a selection of the following works estimated to cost about LP.8,000 in all, the choice being left to the Directors of Agriculture and Public Works.



	LP.
(i) Allenby Bridge:— Living quarters for staff (LP.600), paddocks (LP.180), shelter for sheep (LP.300), sundries (LP.85)	1,165
(ii) Jisr:— Living quarters (LP.500) and paddocks (LP.85)	585
(iii) Manawat:— Kitchen	75
(iv) Samakh:— Quarters for staff (LP.700), paddocks (LP.200), sundries (LP.50)	950
(v) Jisr Sheikh Hussein:— Quarters (LP.250), water supply (LP.320), sundries (LP.70)	640
(vi) Jisr el Majamie:— Water supply (LP.280), sundries (LP.56)	336
(vii) Jisr Banat Ya'qub:— Quarters (LP.340), water supply (LP.320), sundries (LP.20)	680
(viii) Buweiziya:— Quarters (LP.250), fencing (LP.80), sundries (LP.68)	398
(ix) Beersheba:— Paddocks (LP.180), shelters (LP.240), sundries (LP.80)	500
(x) Khan Yunis:— Quarters (LP.600), purchase of land (LP.120), shelter and paddocks (LP.420), water supply (LP.120), sundries (LP.48)	1,308
<p>Although Khan Yunis is a port of entry prescribed by law, there is no accommodation at present for personnel or stock and imported animals have to be detained for quarantine purposes in private Khans. From a sanitary point of view this is most undesirable and stock owners complain that they have to pay Khan fees as well as quarantine fees payable to Government.</p>	
(xi) Ras en Naqura:— Quarters (LP.600), purchase of land (LP.180), paddocks (LP.200), shelter (LP.200), water supply (LP.280), sundries (LP.80)	1,540
<p>Like Khan Yunis, Ras en Naqura is a prescribed port of entry possessing no accommodation for personnel or stock which has to be driven under escort to Manawat.</p>	
	<u>LP.8,177</u>

CUSTOMS.

735. ITEM 17. Erection of Lighthouse, Jaffa, LP.2,240, is dealt with in the High Commissioner's despatch No. 1195 dated the 28th December, 1935.

DEVELOPMENT.

736. ITEM 18. Canalisation of River Ain Josak near Beisan, LP.600. This is for stepping down a dry stone retaining wall to enable sheep to water in the river; to cover a high level irrigation channel in order to protect it from the in-rush of storm water; and to construct additional canals and bridges.

EDUCATION.

737. ITEM 23. Additional Accommodation, Boys' School, Beersheba, LP.1,100. In the existing building there are five class rooms each having a floor area of about 40 square metres and five class rooms with a floor area of 22½ square metres each. During 1936-37 there will be eleven class sections in the

school, of which at least eight must each accommodate 40 to 50 pupils, and three more class rooms with a floor area of 52.5 square metres each are wanted. There are at present 56 boarders in the school for whom no proper bathroom facilities exist and it is necessary to provide them.

738. ITEM 43. Additional Accommodation Elementary Boys' School, Safad, LP.1,410. Two of the class rooms in the State Domain building in the Swawin quarter, which formerly accommodated four classes, have been condemned as unsafe and are being demolished. A third room has started to show signs of instability. It will be more satisfactory to build anew with rooms of standard size than to attempt to rebuild the present school, the rooms of which in any case are too small to be economical. The provision in the Estimates will provide three class rooms, teachers' room and latrines.

739. ITEM 46. Minor alterations and improvements to school buildings and hirings, LP.2,000. This includes LP.200 which it is anticipated will have to be spent on reconditioning and renovating premises to be leased for the school for the blind including the construction of latrines and the provision of a water supply. The balance is for minor alterations, additions and improvements to school buildings and hirings throughout the country including the construction of latrines, provision of water supplies and other small necessary works to adapt hirings to school needs.

740. Other works, apart from those mentioned, on behalf of the Department of Education (Items 22—46 inclusive) are of a minor character to repair and improve existing premises and to provide more and better workshop and playground facilities at a number of schools. Several of the items are revotes.

HEALTH.

741. ITEM 47. Additions to Mental Hospitals, Bethlehem, LP.530. This is to provide an ironing and sewing room (LP.105), a linen drying shed (LP.150), a proper sewage disposal system, for the female section (LP.175) and sundries (LP.100).

742. ITEM 48. Acquisition of land for the Quarantine Lazaret at Haifa, LP.15,950. In the approved Estimates for 1935-36 LP.5,370 was provided for this purpose, of which only LP.1,222 will be spent by the 31st March, 1936: consequently a revote of LP.4,148, say LP.4,150, is necessary. In his despatch No. 1473 dated the 23rd December, 1935, the Secretary of State sanctioned the issue of a Special Warrant for LP.3,300 on behalf of the acquisition of another 8 dunums of land for the lazaret; but in the event it will not be possible to pay out the money before the end of the financial year and it has accordingly been carried into the ensuing Estimates. In paragraph 3 of the same despatch the Secretary of State intimated that he proposed to consider in connection with those Estimates the High Commissioner's proposal to provide in them the balance of LP.8,500 which is anticipated to be the cost of expropriating still another area of 22 dunums needed for the extension of the lazaret. The sum of these amounts is LP.15,950 which has accordingly been included in the draft Estimates: the reasons are elaborated in the High Commissioner's despatch No. 1060 dated the 15th November, 1935.

743. ITEM 49. Additions and improvements to Quarantine Lazaret, Haifa, LP.6,859 (including a revote of LP.2,359). It is desired to build one first class, one second class and one third class pavilion for eight, twelve and sixteen passengers respectively together with the requisite lavatory accommodation, etc. (LP.3,000); fencing and paths (LP.1,000); and increased accommodation for the storage of equipment. The need for more accommodation in proportion with the growing passenger traffic through the port of Haifa was mentioned in general terms in paragraph 2 of the High Commissioner's despatch referred to in connection with Item 48.

744. The following Items are covered fully in the section of this Memorandum relating to the Department of Health and are therefore not discussed again here:—



	LP.
ITEM 50. Construction of additional pavilion for infectious diseases at St. Luke's Hospital, Haifa	800
52. Construction of Maternity Block, Government Hospital, Jaffa	10,500
53. Construction of Infectious Diseases Block, Government Hospital, Jaffa	1,010
54. Construction of Isolation Hospital, Jaffa	34,000
57. Construction of Isolation Hospital, Jerusalem	14,500
59. Additions to Watan Hospital, Nablus	8,500
62. Construction of Nurses' Quarters and provision of accommodation for Infectious Diseases, Government Hospital, Safad	2,000
64. Construction of Village Clinics	3,360

745. ITEM 60. Provision of Tuberculosis Hospital, Nazareth, LP.6,500. In the approved Estimates for 1935-36 LP.3,000 was inserted to convert a building at Nazareth into a tuberculosis hospital, but the money was not spent and is revoted. Under the original scheme it was intended to convert an existing Government owned building as a temporary expedient pending the finding of larger premises at some distant date. It would have provided accommodation for 33 beds but no staff quarters for which it was proposed to hire premises in Nazareth at the expense of additional recurrent cost and considerable inconvenience to the staff. Moreover the scheme presented other unsatisfactory features in that it allowed for no proper segregation of patients of different sex, was severely cramped from an administrative point of view, and the wards as reconstructed would not have been really suitable for the treatment of tuberculosis. On further consideration, therefore, the plan has been revised so as to provide quarters for the staff on the premises and afford a more systematic arrangement of the administration block; but the ward accommodation sacrificed to these changes must be otherwise obtained by means of pavilions which in any event are indispensable for the treatment of tuberculosis cases because the unsatisfactory old premises have been found not to be adaptable to the purpose. The scheme as now designed comprises one pavilion with 22 beds costing LP.2,500 and six chalets for six patients needing special treatment costing LP.360. For LP.3,400 the existing buildings will be reconstructed so as to provide staff quarters, patients' dining rooms, kitchens, operating theatre, x-ray, electro-therapy and medical examination rooms; a laundry, mortuary, store and sanitary block for the menial staff will cost another LP.240: total LP.6,500. Even for this figure, however, the scheme will fall short of the ideal because it will not be possible in the hospital completely to segregate different types of cases of both sexes without adding a second 22 bedded pavilion at a cost of LP.2,500; but it is considered that not more than LP.6,500 can be afforded at present and the arrangement is such as to be readily capable of expansion as and when convenient.

MIGRATION.

746. ITEM 67. Additions and improvements to Immigration Officers' quarters at Kantara, LP.570. This is for extending the verandahs of all the quarters at Kantara.

747. ITEM 68. Construction of quarters for Frontier Control Offices, Rosh Pinna, LP.1,000. In the absence of any kind of accommodation at the frontier post frontier control officers have to live a mile away in the village which is a most unsatisfactory arrangement especially at night when a good deal of traffic passes the post.

POLICE AND PRISONS.

748. ITEM 70. Additions, alterations and improvements at Central Prison, Acre, LP.2,000. The details are :—



	LP.
(i) Completion of the hospital by the provision of an isolation ward	250
(ii) Sanitary improvement of and alteration to European prison and warders' accommodation. The European section, which is separated from the main prison, has no laid-on water or proper sanitary conveniences	600
(iii) Overhaul of the building formerly used as police offices, now prison stores, etc.; reconstruction of roof which is beyond further repair, improvement of sanitation, etc.	500
(iv) Completion of scheme for extending prison workshops which was partially carried out in 1933.	350
(v) Alteration and improvements to old prison workshops by converting them into suitable accommodation for 60—70 prisoners and thus to relieve overcrowding	300
	<hr/> LP.2,000 <hr/>

749. ITEM 71. Construction of Female Section at Central Prison, Acre, LP.5,000. There is a serious deficiency of prison accommodation for women in Palestine which is especially noticeable in the Northern District where there is none at all other than the lock-up in Haifa police station. This lock-up has more or less inadequate accommodation for ten women but it is not uncommon for twenty or more to be crowded into it under most unsatisfactory conditions. Consequently it is desired to build a women's prison within the precincts of Acre central prison, but entirely segregated, of course, from the male prison. The proposed building will accommodate about 50 women with the requisite quarters for wardresses, kitchens, mess room, office, workshop, laundry, sick bay, and the usual offices. A site on State Domain land is available.

750. ITEM 76. Additions to British Police Camp and purchase of land at Mount Scopus, Jerusalem, LP.14,313. The original estimate of the cost of this project was LP.15,570, the revised estimate was LP.11,300 and LP.8,465 was provided in the approved Estimates for 1935-36. Of this only LP.997 will be spent by the 31st March, 1936 and LP.7,468 is therefore being revoted in 1936-37 which includes LP.6,468 on account of the land and LP.1,000 on account of the buildings. Unfortunately, however, the cost of the land was seriously underestimated by LP.6,845 owing to the general inflation of land values in Palestine and new provision has had to be made in that amount.

751. ITEM 77. Additions to Police Station, Affula, LP.840. The station was built in 1927 with accommodation for four horses. The mounted establishment is now thirteen for which thirteen stalls and one spare stall are required. The estimated cost of the stalls is LP.700 with LP.140. for forage and saddle rooms.

752. ITEM 81. Addition to Boys Reformatory School, Tulkarm, LP.3,200.

This is for an additional storey, workshop, fencing and walling. Since the estimates were framed, however, the arrangements for dealing with reformatory boys generally have been reviewed by Government and certain new proposals are under consideration the result of which may affect this item. Pending the upshot of these discussions, the vote should be regarded as provisional: it is possible that some of it at least may not be required.

753. ITEM 82. Construction of standard rural Police Posts, LP.32,262, includes a revote of LP.20,362 from 1935-36 and new provision of LP.12,000 for six additional posts at Buteiha, Arroub, Rishon le Zion or Nes Tsiyona, Jamama, Rameh and Lydda.

754. ITEM 83. Construction of standard urban Police Stations, LP. 40,500 including the cost of the sites. This is for eight new stations, namely three at Jaffa in the Ajami, Manshieh and Abu Kebir quarters; two at Tel Aviv in the Neve Shaanan and Apak quarters; and three at Haifa in the Hadar Hacarmel, Carmel and Western areas. It is possible, however, that the cost of the sites will be such as to preclude all the eight stations from being built in which case a selection of the most urgently needed will be made within the limits of the funds available. The same applies to Item 82.

755. ITEM 84. Minor alterations and additions to Police buildings, LP.3,000.



The programme of essential works financed from this Item, which has been carried out annually for the last few years, has fallen somewhat into arrears owing to insufficiency of funds in the past. The provision in 1936-37 has therefore been considerably increased with the object of overtaking as many of these arrears as possible.

POSTS AND TELEGRAPHS.

756. ITEM 85. Construction of Post Office, Affula LP.1,500.

Affula is an important trunk telephone and testing centre where rail and road telephone routes converge. The rent of the building at present hired for a post office has recently been raised from LP.57 to LP.95 per annum and the building itself is not satisfactory.

757. ITEM 88. Construction of staff quarters at Broadcasting Station, Ramallah, LP.900. This is required for the staff who will be permanently attached to the broadcasting station in connection with the aircraft and marine wireless service: it comprises a dining room, two bedrooms, kitchen, bathroom, garage and appurtenances.

758. ITEM 89. Additions to Broadcasting Station, Ramallah, LP.1,200. Of this, LP.600 is required to build a house for the emergency generating plant for which funds are provided under Item 22 of the Posts and Telegraphs Extraordinary Estimates. The other LP.600 is to build accommodation for personnel who do not normally live at Ramallah but through exigencies of the service may not infrequently find themselves compelled to spend the night there.

759. ITEM 90. Acquisition of land and provision of Posts and Telegraphs store and garage accommodation; and construction of branch post office, Tel Aviv, LP.3,840.

A branch post office to serve a rapidly developing quarter of Tel Aviv is urgently needed; also garage accommodation for Posts and Telegraphs vehicles employed in the Tel Aviv area and a stores yard for the Western Engineering Division. Efforts have been made to hire premises in the vicinity, but rentals of LP.250-300 per annum are demanded for a floor area of only 60-75 sq. metres. The present engineering stores compound is located behind the building at Jaffa now used as Law Courts: it is too small and inaccessible to heavy transport. The lease will expire a year hence and the owner is unlikely to renew except on much more unfavourable terms. Covered accommodation is required for stores which cannot be exposed to the weather and the growth of departmental transport renders essential the provision of proper garages.

760. ITEM 91. Construction of Post Office, Tiberias, LP.3,600.

The lease of the hiring now used as a post office is due to expire in July 1937, and in the past difficulties have been experienced with the landlord whenever the lease has been renewable. The existing telephone switchboard is obsolete and worn out: it is due for replacement by an automatic exchange which should if possible be accommodated in a Government-owned building. A site on State Domain land is available.

761. ITEM 92. Construction of buildings for Rural Automatic Exchanges, LP.3,947 including a revote of LP. 2,447.

The four new buildings are intended for Kfar Saba, Tel Mond, Migdal and Safad. They will cost LP.275 each and LP.400 has been provided for the sites.

762. ITEM 95. Construction of residence for the Chief Secretary, LP.5,520. This appears as a revote of the unspent balance of LP.8,020 which was the original estimate of cost, and the anticipated total expenditure to the 31st March, 1936, is shewn as LP.2,500. This correctly represented the position at the time the estimate was framed, but it has since transpired that the cost of the proposed site will be considerably in excess of what was originally contemplated and tenders recently submitted indicate that the cost of construction too was underestimated. In these circumstances it has been decided for the present not to proceed with the project although it has been retained in the Estimates for the time being. It follows that nothing will be spent on this account during 1935-36.



ROADS AND BRIDGES.

763. ITEMS 96-137 inclusive have been dealt with in the High Commissioner's despatch to the Secretary of State No.70 dated the 30th January, 1936, in which the whole road programme was discussed and advance approval sought so that the works may be put in hand with the minimum of delay at the beginning of the financial year. It is not proposed, therefore, to go through the items again in this Memorandum: the estimated gross cost is LP.327,491 of which contributions in certain instances by municipalities, settlements and so on are expected to realize LP.46,000 for the credit of general revenue. Thus the net cost to the taxpayer will be LP.281,491.

MISCELLANEOUS.

764. ITEM 138. Development of Reclaimed Area, Haifa, LP.9,150 including a revote of LP.5,790.

The revote is to complete works now in hand and other works enumerated in the High Commissioner's despatch to the Secretary of State No.722 of the 30th July, 1935. The new provision of LP.3,360 will be required during 1936-37 in connection with the administration of the estate.

765. ITEM 139. Office Accommodation for Government Departments in Haifa Harbour Area, LP.20,000.

The full scheme has yet to be determined and the figure of LP.85,000 which appears in the column for the original estimate of cost should therefore be regarded as provisional. The requirements of the Department of Migration, however, are already urgent and LP.20,000 has been inserted on that account. This will not prejudice the major scheme in any way as the block of buildings ultimately to be constructed will consist of a number of units, forming one composite whole, each of which can be undertaken as and when necessary and convenient.

766. ITEM 140. Airports (Lydda and Haifa), LP.80,000, which is a revote from 1935-36. The original estimate of cost has been increased from LP.200,000 to LP.244,000. Details are to be found in the first schedule enclosed in the High Commissioner's despatch No. 829 dated the 29th August, 1935.

767. ITEM 141. Acquisition of land for Government purposes, LP.185,500, is made up as follows:—

	LP.
(i) Site for Administrative Offices and District and Magistrates' Courts at Jaffa (see Item 156)	98,000
(ii) Site at Jerusalem Railway Station for departmental workshops and stores	36,000
(iii) Sites for other buildings in the authorised Building Programme	51,500
	<hr/> LP.185,500 <hr/>

768. With respect to (i) Government offices and District and Magistrates' Courts at Jaffa are among the projects in the Building Programme. Both appeared in the Public Works Extraordinary approved Estimates for 1935-36, but no money has as yet been spent upon either and since the schemes were first introduced they have undergone considerable change. Owing to the inflation of land values in the Jaffa/Tel Aviv neighbourhood it has turned out to be very difficult, except at prohibitive cost, to discover suitable sites for these badly needed buildings which must of course be centrally situated; and after prolonged investigation the only possible choice seems to be an area known as the Murad property about half of which, namely 14 dunums valued at LP.7 a square metre or LP.98,000 in all, will be enough to accommodate them. The property is the subject of litigation and if Government acquires the area in question, the purchase price as assessed by the Court will have to be deposited in the Court *pendente lite*. It is not improbable, however, that Government may ultimately be adjudged to be the owner in which event, of course, no expenditure at all will be incurred. In this connection reference is invited to the correspondence ending with the Secretary of State's despatch No.802 of the 5th July, 1935.

There is nothing in the draft Estimates for the buildings themselves except a token vote of LP.1,000 under Item 156 for preliminary works on the Courts.

769. (ii) It has long been recognised that sooner or later the workshops and stores of the Public Works Department and the stores of the Health, Lands and Surveys, Posts and Telegraphs, Police and Prisons, Agriculture and Forests, and Education Departments must be removed from unsuitable and inconveniently situated accommodation remote from Jerusalem Railway Station and it is considered that steps should be taken before it is too late to acquire the only remaining available area there which is valued at approximately LP.72,000. About half of it will be required for Railway purposes as the station yard, etc., has become very constricted and the estimated cost has therefore been divided into two amounts of LP.36,000 each, one of which appears under Public Works Extraordinary and the other in Abstract F of the Railway Estimates.

770. (iii) It has been decided to include in this item a lump sum of LP.51,500 wherewith to buy land for projects which appear in the approved Building Programme but without provision for land in the estimated cost of the works. The intention is to purchase the land as soon as possible out of this block allocation and subsequently to transfer the cost to the appropriate building item. By this means the Director of Public Works will be able to arrange for siting boards to select sites and obtain Government's approval of acquisition in good time and thus to avoid the delays in the programme of construction which experience has shewn to be unavoidable in the present system.

771. ITEM 145. Improvements to Village Water Supplies, LP.50,000.

In 1935-36 LP.50,000 was provided for the improvement of village water supplies of which LP.30,000 appeared in the Loan Schedule and LP.20,000 in Public Works Extraordinary. The latter sum was not spent during the year and is reallocated in 1936-37 together with new provision of LP.30,000. The following statistics from the inception of the scheme to the end of September, 1935 which is the latest date for which complete returns are available, are of interests:—

	LP.
111 schemes have been completed at an actual cost of	21,545
28 schemes are in hand at an estimated cost of	11,005
37 schemes are proposed at an estimated cost of	10,842

The scheme has been successful and it is desired to continue it. The agreements made with the villagers provide in all but the most necessitous cases for repayment of a proportion of the cost of the works.

772. ITEM 146. Purchase and installation of weighbridges, LP.1,828, including a revote of LP.328. Two new weighbridges are required by the Inspector-General of Police for purposes of traffic control at Meirun and Arroub.

773. (a) ITEM 147, Jaffa Port Improvements, LP.98,055.

(b) ITEM 148. Jerusalem Water Supply, Excess Cost LP.11,888.

(c) ITEM 149. Haifa Oil Dock, Excess Cost, LP.5,350.

The above are explained at the end of this memorandum in the section relating to Loan Expenditure.

774. ITEM 150. Additional transit shed, Haifa, LP.25,600. This was approved by the Secretary of State's despatch No. 1414 dated the 4th December, 1935.

775. ITEM 151. Preliminary investigations into possibility of a deep water harbour at Jaffa, LP.10,000. This proposal has been referred to the Secretary of State in the High Commissioner's Confidential despatch dated the 17th January, 1936.

BUILDING PROGRAMME TO BE PAID FOR FROM SURPLUS BALANCES.

776. ITEM 152. Construction of Town Schools, LP. 43,147, is explained in the High Commissioner's Confidential despatch dated the 18th January, 1936.

777. ITEM 153. Construction of new Mental Hospital, Bethlehem, LP.50,793 including a revote of LP.793. The scheme as a whole, then estimated to cost LP.72,750, was mentioned in paragraph 108 of the memorandum on the 1935-36 Estimates and approved in connection with those Estimates. The revised estimate of cost is LP.83,000 made up as follows:—



	L.P.
(a) First estimate in 1933	72,750
(b) Add for revision in 1935 on account of increased building costs	882
(c) Add cost of land not included in original estimate	6,005
(d) Add road to site not included in original estimate	1,000
(e) Director of Medical Services' further requirements not foreseen when original estimate was framed:—	
Steward's quarters	LP.1,000
Paths	500
Garage	300
Fencing	400
	2,200
	<u>LP.82,837</u>

778. ITEM 154. Construction of Ramle Hospital, LP.10,000 including a revote of LP.6,600. The circumstances in which the original estimate of cost has increased on revision to LP.10,000 are explained in the section of this memorandum relates to the Department of Health.

779. ITEM 155. Construction of Government Hospital, Haifa, LP.43,000 including a revote of LP.5,000. This project was briefly mentioned in paragraph 545 of the memorandum on the 1935-36 Estimates and approved in connection with those Estimates, the anticipated total cost having been stated to be LP.75,000. No money has been spent to date and the whole scheme is now under reconsideration, but it may be said at once that the ultimate figure is likely to be considerably in excess of the original estimate, possibly about LP.100,000. The Secretary of State will be consulted in due course and no expenditure will be incurred without his consent.

780. ITEM 156. Construction of District and Magistrates' Court, Jaffa, LP.1,000. This project and the Central Government Offices at Jaffa, have been mentioned in connection with Item 141 which relates to the site. In the approved Public Works Extraordinary Estimates for 1935-36 both were shewn, the total cost being stated to be LP.30,000 in the one case and LP.20,000 in the other respectively. In the draft Estimates for 1936-37 the central Government offices have been taken out altogether because a completely new scheme will have to be prepared and submitted for approval and it is unlikely that these essential preliminaries will be completed in time for any work to be begun during the year. The plans and details of the future Law Courts are also under review and although the original estimate of total cost, namely LP.20,000 has been retained in the meantime, it is likely to prove considerably below the mark. Before embarking upon it, the scheme will be submitted to the Secretary of State for approval: for the moment LP.1,000 has been inserted as a token vote for preliminary works.

781. ITEM 157. Construction of Police Training School, Jerusalem, LP.34,400, including a revote of LP.10,994. The estimated total cost in 1935-36 was said to be LP.46,000 and is now given as LP.78,000. This is due to the fact that LP.46,000 was intended to build a training school for Palestinian Police only on another site, which now contains the Government Arab College. Subsequently it was decided to build the training school for Palestinian police at Mount Scopus, Jerusalem, where in fact it now stands nearly completed. The Inspector-General of Police has since represented the need for a British police training school which it is proposed to build at Mount Scopus too and thereby to effect economy of command and administration besides promoting efficiency. The cost of the combined scheme will be LP.78,000 and the matter is being referred separately to the Secretary of State in fuller detail.

782. ITEMS 158 and 159. Construction of urban and rural married quarters for Police. LP.80,000 and LP.15,000 respectively including revotes of LP.23,000 and LP.7,000. These items represent a continuation of the policy (referred to in paragraph 554 of the memorandum on the draft Estimates for 1935-36) annually, within the limits of the funds available, to build married quarters for other ranks of the Palestinian Police until fifty per cent of the Force is properly housed.



783. ITEMS 160 and 162. Construction of Telephone Building, Haifa, LP.12,000, which is a revote, and Construction of Post Office and Main Stores and provision of Stores Yard, Haifa, LP.15,000. In the Public Works Extraordinary approved estimates for 1935-36 (Item 80 of Head XXVII) the total estimated cost of Haifa new General Post Office was stated to be LP.50,000 of which LP.12,000 was provided to be spent during the year on the telephone exchange building only. The latter was approved in the Secretary of State's Confidential telegram No. 366 dated the 3rd December, 1935, but it is unlikely that any work will be done during 1935-36 and the money has accordingly been revoted. In 1936-37 the Post Office and telephone exchange buildings, which in reality are two distinct projects, have been separated : the estimated total cost of the first is LP.38,000 and LP.15,000 is provided in 1936-37, but the work has not yet received the Secretary of State's approval. The details are at present under reconsideration and will be referred to the Secretary of State by despatch in due course.

784. ITEM 163. Additional Buildings, etc., for Haifa Harbour, LP.3,500. This is a revote from item 137 of Head XXVII in the approved Estimates for 1936-37 which was misnamed "Additional Plant". The provision was for installing a dual gauge rail, LP.1,500 ; a restaurant, LP.1,000 ; permanent offices for letting to private firms, LP.2,000 ; semi-portable offices for the same purpose, LP.500. The reduction of the original estimate of cost from LP.5,000 to LP.3,854 is due to the fact that the cost of constructing the dual railway line was LP.354 only instead of LP.1,500.

785. ITEM 164. Construction of Government Offices, Jerusalem, LP.8,000. Details of the scheme are at present not further than in the early stages of consideration and the provision in the draft Estimates is in the nature of a token vote and for preliminary works on the site which is already Government property. When the complete scheme is formulated it will, of course, be referred for the Secretary of State's consideration.

HEAD XXIX — TRANS-JORDAN FRONTIER FORCE EXTRAORDINARY.

Estimates 1936-37

LP.19,965.

786. The estimated cost of extraordinary works in Palestine and Trans-Jordan is LP.9,890 and LP.10,075 respectively. The details were explained in the High Commissioner's despatch to the Secretary of State dated the 9th January, 1936.



HEAD XXX — RAILWAYS.

	LP.
<i>Deficit</i> 1935-36	219,363
<i>Deficit</i> 1936-37	385,805
<i>Increase</i>	166,442

787. The following is a comparison between the estimated revenue and expenditure of the Railways for the year 1935-36 and 1936-37:—

PALESTINE RAILWAY

	Revenue	E x p e n d i t u r e			Deficit
		Ordinary including Debt Charges and Renewals	Capital	Total Expenditure	
	LP.	LP.	LP.	LP.	LP.
1935-36	560,000	546,737	229,796	776,533	216,533
1936-37	668,000	625,852	419,789	1,045,641	377,641
Increases	108,000	79,115	189,993	269,108	+ 161,108

KANTARA—RAFA RAILWAY

					Surplus
1935-36	115,000	109,148	—	109,148	5,852
1936-37	127,000	118,917	—	118,917	8,083
Increases	12,000	9,769	—	9,769	+ 2,231

HIJAZ RAILWAY

					Deficit
1935-36	96,000	100,402	6,440	106,842	10,842
1936-37	110,000	117,202	11,705	128,907	18,907
Increases	14,000	16,800	4,265	22,065	+ 8,065

PETAH TIQVA RAILWAY

					Surplus
1935-36	3,000	840	—	840	2,160
1936-37	3,500	840	—	840	2,660
Increases	500	—	—	—	+ 500

REVENUE.

788. The estimated revenue for 1936-37 of the four railways combined is LP.134,500 in excess of the corresponding figure given in the approved Estimates for 1935-36, the actual figures being:—

	LP.
1936-37	908,500
1935-36	774,000
<i>Increase</i>	<u>LP.134,500</u>

789. The following analysis shews the revenue classified under each Railway and each Head:—



	R e c e i p t s			
	Coaching	Goods	Miscellaneous	Total
	LP.	LP.	LP.	LP.
Palestine Railway	230,000	388,000	50,000	668,000
Kantara-Rafa Railway	90,000	35,000	2,000	127,000
Hijaz Railway	42,000	62,000	6,000	110,000
Petah Tiqva Railway	—	3,500	—	3,500
Total	362,000	488,500	58,000	908,500

Palestine Railway.

790. The actual revenue in 1933-34 was LP.431,706; in 1934-35 it was LP.573,613. The original estimate of revenue for 1935-36 was LP.560,000, but the revised estimate is LP.638,000. The last figure has therefore been taken as the basis for 1936-37, plus 5% in anticipation of an increase in traffic. As between 1933-34 and 1934-35 the receipts increased by 33%, as between 1934-35 and 1935-36 (revised) they increased by 11%; the General Manager considers it justifiable to assume a further increase of 5% in 1936-37.

791. The increase of LP.10,000 in the coaching receipts appears to be supported by the present trend of passenger traffic, an anticipated improvement in the tourist trade and the holding of the Levant Fair during the year. The large increase of LP.90,000 for goods is due to the growth of traffic in citrus fruit, wood for orange boxes, building materials, coal and oils. The revised estimate of receipts from goods traffic in 1935-36 is LP.369,000 as compared with the original estimate of LP.298,000.

792. The increase of LP.8,000 in the miscellaneous receipts is in anticipation of larger figures in respect of the moiety of the surplus receipts of the Kantara-Rafa railway and demurrage, storage and other charges dependent upon the heavier traffic.

Kantara-Rafa and Hijaz Railways.

793. The revised estimates of receipts for 1935-36 point to an increase in the passenger traffic between Kantara and Rafa, in the vicinity of Haifa and on the Hijaz Railway in Trans-Jordan: the estimated revenue from this source has been increased by LP.12,000 and LP.14,000 respectively. Although the latter figure may seem optimistic, the General Manager is of the opinion that it is defensible by the general trend of the traffic and especially by the rapid growth of suburbs served by the Railway in the vicinity of Haifa. Passenger traffic on the Trans-Jordan section is improving too.

No change is anticipated in the earnings by goods and miscellaneous traffic over the Kantara-Rafa and Hijaz systems.

Petah Tiqva Railway.

794. LP.500 has been allowed for additional goods revenue for reasons similar to those given with respect to the Palestine Railway.

EXPENDITURE.

795. The ordinary expenditure of the Railways, including Debt Charges and Contribution to the Palestine Railway Renewals Fund, and the capital expenditure are estimated in 1936-37 to be:—

	E x p e n d i t u r e		
	Ordinary	Extra-Ordinary	Total
	LP.	LP.	LP.
Palestine Railway	625,852	419,789	1,045,641
Kantara-Rafa Railway	118,917	—	118,917
Hijaz Railway	117,202	11,705	128,907
Petah Tiqva Railway	840	—	840
Total	862,811	431,494	1,294,305



796. The approved estimated expenditure in 1935-36 was LP.993,363 so there is an anticipated increase in 1936-37 of LP.300,942 of which LP.195,258 is in capital works (LP.431,494 as against LP.236,236) and LP.14,000 in the contribution to the Renewals Fund (LP.74,000 as against LP.60,000). The following is a comparison between the estimated total cost of railway working, i.e. the sum of Abstracts A — D inclusive, in 1935-36 and 1936-37 :—

	LP.
Draft Estimates 1936-37	623,520
Approved Estimates 1935-36	534,066
Increase	LP. 89,454

797. In considering the heavy increase in working expenditure it is pertinent to notice that, apart from the liabilities entailed by the improved conditions of service which were granted to the staff during 1935, in 1934-35 (the latest period for which "actual" returns are available) as compared with 1931-32 :

Passenger journeys increased by	852,000 journeys
Goods carried*	497,000 tons
Train kilometrage	415,000 kilometres
Revenue*	LP.259,000
Working expenditure	LP. 47,000

(* excluding harbour works traffic).

798. The expenditure estimates now include contributions to the Renewals Fund under Abstract G as these have become annually recurrent charges following the establishment of the Renewals Fund in accordance with Messrs. Price, Waterhouse and Company's recommendations. The programme of renewals to be carried out during the year appears as an appendix to the Railway Estimates.

799. The recurrent estimates include considerable increase as the result of improving the conditions of service of the personnel and Mr. Jenkin Jones' recommendations. As in the case of the other major commercial department — the Posts and Telegraphs — to which reference has been made earlier in this memorandum, the General Manager was asked, when the Railway Estimates were under consideration, what recurrent expenditure could be saved if revenue were suddenly to contract by, say, 25 per cent. He explained that it is not easy to give a figure because a falling off in traffic would not enable a cut to be made at once in expenditure since the first result would not be fewer trains but smaller loads in existing trains. Savings in coal, oil and staff can only be realised by a reduction in the train service, but much of the expenditure is necessarily fixed irrespective to a large extent of train services. Nevertheless the General Manager is of the opinion that if the need for economy becomes pressing he can effect a reduction of about LP.55,000 by the end of a year. Savings in coal, oil, etc., could probably be achieved sooner.

Abstract A, Maintenance and Renewal of Ways and Works.

	1935-36 LP.	1936-37 LP.
Personal Emoluments	15,843	16,060
Other Charges	122,262	112,180
	<u>138,105</u>	<u>128,240</u>

800. Decrease LP.9,865 : since LP.22,500 has, however, been transferred from Item 46 to Abstract G, there is really a net increase under Abstract A of LP.12,635. With the exception of about LP.200 in Personal Emoluments, this increase occurs in Other Charges and is almost entirely attributable to increases in wages in conformity with the concessions given by Official Communiqué No. 18 of 1935 (*vide* the High Commissioner's Confidential despatch dated the 22nd July, 1935, and connected correspondence) and to a probable rise in the price of materials which the Crown Agents have intimated is likely to occur.



801. ITEM 3. In view of the large programme in contemplation it is desired to employ the senior District Engineer in Grade H exclusively on new capital works and renewals and to replace him for maintenance works financed from Abstract A by an additional Assistant Engineer in Grade K (Items 6 and 7). Under item 3 therefore provision has been made for the senior District Engineer at a consolidated rate of pay of LP.920 per annum inclusive of salary (LP.750), expatriation allowance (LP.100), compensatory allowance (LP.22) and a duty allowance of LP.48 in virtue of the special responsibilities of the appointment.

802. ITEM 8. Increased responsibilities will also devolve upon the existing Assistant District Engineer in Grade 'K' who will have to perform the duties of a District Engineer in the vacancy created by the arrangement described in the preceding paragraph. It is therefore considered justifiable to remunerate him by an acting allowance of LP.50 per annum.

803. ITEM 34 provides for the promotion of three Assistant Permanent Way Inspectors from Grade 'O' to Grade 'N'. It is anomalous that of eight men doing precisely the same work independently of each other and with the same responsibilities five should be in one grade and three in another. The three individuals concerned are experienced and efficient.

Abstract B, Maintenance and Renewal of Locomotives and Rolling Stock.

	1935-36 L.P.	1936-37 L.P.
Personal Emoluments	9,365	9,920
Other Charges	104,190	140,860
	<u>113,555</u>	<u>150,780</u>

804. Increase LP.37,225, of which LP.25,555 has been transferred from Abstract C: the true increase in Abstract B is therefore LP.11,670 of which only LP.555 is in Personal Emoluments. About LP.5,000 of the increase in Other Charges is attributable to the concessions given to the staff, under Official Communiqué No. 18 of 1935 which has already been mentioned in connection with Abstract A. The balance of the increase for the most part is due to the heavier cost of maintenance as the result of more traffic and arrears carried over from previous years.

805. ITEMS 33 and 34. The provision on account of running shed repairs has been transferred from Abstract C to Abstract B in conformity with the recommendations of Messrs. Price, Waterhouse and Company and Mr. Jenkin Jones.

Abstract C. Transportation Expenses.

	1935-36 L.P.	1936-37 L.P.
Personal Emoluments	35,095	41,700
Other Charges	158,611	198,810
	<u>193,706</u>	<u>240,510</u>

806. Increase LP.46,804 of which LP.6,605 is in Personal Emoluments which reflect a number of changes recommended by Mr. Jenkin Jones and some redistribution of the staff as the result of the additional personnel which has become necessary in order to deal with the increased traffic. LP.25,555 has, however been transferred to Abstract B, LP.1,795 to Abstract C (i) and LP.641 to Abstract D, total LP.27,991: so that the true increase under Abstract C is LP.74,795.

807. ITEM 17. An additional Grade 'N' clerk is needed in the District Traffic Superintendent's Office at Haifa.

808. ITEM 18 shews a decrease of one clerk in Grade 'O' but Item 38 shews an increase of 52 station clerks in that Grade. The explanation is that owing to the position at stations of recent years it has been found necessary to employ ten office clerks (item 18) as station clerks (item 38) — a practice to which in principle there is no objection as such personnel ought to be interchangeable — with the result that the clerical strength of the head office and the District Traffic Superintendents' offices became correspondingly depleted. It is now

essential to fill the ten vacancies in item 18 which it is proposed to do from unclassified personnel. As regards Item 38, forty-two additional Station Clerks were employed during 1935-36 and paid from supplementary funds authorised by the Secretary of State's Confidential (2) despatch of the 5th November, 1935; the other ten are those referred to in connection with item 18 from which vote they have hitherto been paid. The numerical weakness in the establishment of office and station clerks is unsatisfactory and has entailed the working of unduly long hours.

809. ITEMS 22 and 31. As intimated in para. 3 of the High Commissioner's Confidential despatch dated the 6th November, 1935, it is considered justifiable to place in Grade 'M' the Trains Controller and the Station and Yard Master, who hitherto have received LP.290 per annum each consolidated. In parenthesis it may be mentioned that there exists among a number of Railway officials, many of whom have been on the maximum salaries of their grades or on fixed salaries for many years with no prospect of advancement, a sense of serious dissatisfaction and grievance with what they regard as positions of hopeless stagnation or inadequate remuneration for the nature of their work and responsibilities. It is not necessary in this memorandum to discuss the matter in detail as no appointment in the draft Estimates is proposed as the result of such considerations; but with the intention of substantiating the complaints or otherwise, it is hoped shortly to arrange for a full investigation of the facts to be carried out by certain officials unconnected with the Railways and their report will enable Government to form an opinion as to whether any, and if so what, action is required.

810. ITEM 33. The appointment of a Wharf Foreman was recommended in para. 4 (k) of the High Commissioner's despatch No.927 dated the 2nd October, 1935, and approved by the Secretary of State's despatch No. 1384 of the 28th November.

811. ITEM 36. Of the increase of twelve Station Masters in Grade 'O' eleven were employed during 1935-36 and paid from supplementary funds authorised by the Secretary of State's Confidential (2) despatch of the 5th November, 1935. The twelfth appointment is for Na'aneh which, as indicated by item 29 of Abstract F, it is proposed to re-open for purposes of traffic operation.

812. ITEMS 44 and 48. One additional Locomotive Inspector in Grade 'M' and two Instruction Drivers in Grade 'N' were recommended by Mr. Jenkin Jones and approved by the Secretary of State : see para. 4 (j) of the High Commissioner's despatch No. 927 dated the 2nd October, 1935, and the Secretary of State's reply No. 1384 of the 28th November.

813. The additions to Other Charges are briefly explained in the marginal comments in the Estimates. The increase under item 50, Labour, is attributable for the most part to the extra staff authorised by the Secretary of State's Confidential (2) despatch of the 5th November, 1935, and partly to improved conditions of service. Further additional staff costing about LP.1,100 is needed for the higher kilometrage and more work which are anticipated in 1936-37 : they consist of 11 engine cleaners, 2 carriage and wagon cleaners, 1 carriage and wagon examiner, 2 chargemen, 2 washers out, 1 oiler and 5 labourers. Engine crews have had to be engaged at somewhat higher wages than anticipated and an extra LP.365 is required on this account.

814. ITEM 51. The large increase of LP.45,315 (from LP.62,435 to LP.107,750) for expenses of running locomotives and rail cars is due to the fact that in 1935-36 the consumption of coal was much under-estimated at 36,000 tons chiefly because it took no account of the frequent diversion of cargoes from Jaffa to Haifa, the additional passenger train daily in each direction between Haifa and Lydda, and the increase of service traffic owing to works such as new orange sheds and measures against damage by floods which were authorised after submission of the draft Estimates. A Special Warrant was issued in August, 1935 for LP.13,500 representing 9,000 tons more coal and a total for the year of 45,000 tons, but even this may turn out to be insufficient. Moreover the Crown Agents have advised an increase in the price of coal and the estimate has been framed accordingly, together with the assumption that still another 6,000 tons, a total of 51,000 tons, will be consumed in the current year. In 1936-37 the engine kilometrage is expected to be $3\frac{1}{2}$ million which at 17 kilogrammes to the kilometre will require 59,000 tons of coal at a cost of LP.1,600 mls a ton, or LP.95,200 in all; i.e. an increase of LP.42,700 above the figure in the approved Estimates for 1935-36. For similar reasons the consumption of water and oil was under estimated and allowance for an increase of LP.2,615 has been made.

815. ITEM 54. Improved conditions of service under Official Communiqué No. 18 of 1935 and the additional staff engaged during 1935 by authority of the Secretary of State's Confidential (2) despatch dated the 5th November, 1935, account for LP.9,684. The actual sum allowed on the latter behalf was LP.13,092, but on reconsideration this was found to have been an over-estimate by about LP.3,400. LP.734 is the estimated cost of additional staff for certain new stations and old stations to be re-opened, *vide* paragraphs 13 and 14 of Mr. Jenkin Jones' Report.

Abstract C (i), Commercial Expenses.

	1935-36 L.P.	1936-37 L.P.
Personal Emoluments	—	3,450
Other Charges	—	—
	<u>—</u>	<u>3,450</u>

816. Increase LP.3,450 of which LP.1,795 has been transferred from Abstract C and LP.900 from Abstract D : the true increase is therefore LP.755 only in respect of items 1 (LP.100), 2, 3, 6, 7 (LP.120) and 9.

817. This is a new Branch in conformity with Mr. Jenkin Jones, recommendation that the operating and commercial work of the Traffic Branch should be divided.

818. ITEMS 1 and 2. Paragraph 240 of Mr. Jenkin Jones' Report recommended the appointment of a Commercial Manager at a maximum annual cost of LP.1,148 which was endorsed in para. 4 (h) of the High Commissioner's despatch No.927 of the 2nd October, 1935. In his telegram No.404 dated the 19th December the Secretary of State sanctioned the retention of Mr. M.A. Oldham, the present Commercial Manager whose services have been lent temporarily to the Government of Palestine by the London and North Eastern Railway Company, Ltd., for a second year in order that he may be enabled to start the branch and get it going as a sound working concern. Provision has been made for Mr. Oldham's successor in Grade 'F' for two months as it is considered necessary that he and Mr. Oldham should overlap somewhat so that the former may have the advantage of Mr. Oldham's advice before taking over the Branch himself.

819. The remainder of the staff is that which the Commercial Manager as at present advised considers to be the minimum for working the present organisation. Experience during the ensuing year may indicate that alteration in certain respects is necessary.

Abstract D, General Charges.

	1935-36 L.P.	1936-67 L.P.
Personal Emoluments	27,306	29,390
Other Charges	61,394	71,150
	<u>88,700</u>	<u>100,540</u>

820. Increase LP.11,840 including LP.641 transferred from Abstract C and LP.900 transferred to Abstract C (1) : the net increase under Abstract D is therefore LP.12,099.

821. ITEMS 14 and 19. An additional clerk in Grade 'O' and another cleaner are required in the General Manager's offices.

822. ITEM 26. The appointment of a Stock Verifier in the Chief Accountant's section was advocated by Messrs. Price, Waterhouse and Company in appendix IV, para. 109, of their Report and has been inserted in the draft Estimates. It is considered that Grade 'L' is appropriate to the post and that a suitable candidate will be forthcoming at that figure.

823. ITEM 32 provides for an increase of nine Clerks Grade 'O' by transferring four officers hitherto employed under the vote for temporary clerical assistance (Item 35), one from Item 36, and four new appointments. The two items named are correspondingly reduced. The pressure of work in the accounts section, following the increased Railway services already described, justifies this



extra staff. The Chief Accountant has represented more than once how the understaffing of his office under present conditions creates delay in rendering financial and statistical statements which essentially should be presented promptly.

824. ITEM 36. Similarly three more bookbinders are required to deal with the volume of work which is illustrated by an increase of 61% in the printing and issues of tickets during the first half of the financial year 1935-36 as compared with the corresponding period of 1934-35.

825. ITEMS 42, 46 and 48. There has been a very heavy increase of work in the Stores Branch, especially in the transport section which has increased by more than 200 per cent in the last three years. Messrs. Price, Waterhouse and Company commented upon the position in para. 29 of their Report and recommended that the men engaged on clearance work at Haifa harbour should be reinforced as they are seriously overworked for seven days a week. Five more clerks in Grade 'O', one stockman in Grade 'O', and an increase in the vote for unclassified clerks, storemen, labourers, etc, will meet requirements.

826. The increases under Other Charges for the most part are explained in the marginal notes to the Estimates.

827. ITEM 71. Formerly the hire of special types of Stock from the Egyptian State Railways was paid from Railway revenue, but in compliance with the Auditor's request is now more properly shewn as an item of expenditure. The same item provides for the anticipated necessity to continue to hire certain stock from the Chemin de Fer du Hijaz and five oil tank wagons from the Shell Company.

828. ITEMS 72 and 73 are inserted on the advice of Mr. Jenkin Jones that the General Manager should have discretion temporarily to engage extra clerical assistance and labour in order to meet unforeseen emergency requirements of any particular branch.

Abstract E.

	1935-36 L.P.	1936-37 L.P.
Debt Charges	<u>157,209</u>	<u>157,209</u>

829. This Abstract remains unchanged.

Abstract F, Extraordinary Expenditure.

	1935-36 L.P.	1936-37 L.P.
Palestine Railways	229,796	419,789
Hijaz Railway	6,440	11,705
	<u>236,236</u>	<u>431,494</u>

830. ITEMS 1—5, 6—12 and 13—17 inclusive have been dealt with in the correspondence ending with the Secretary of State's despatches No. 1384 dated the 28th November, 1935, No. 41 dated the 10th January, 1936 and No.1287 dated the 6th November, 1935 respectively.

831. As regards Item 6, water supply at Lydda, it is probable that as the result of a committee of experts, who were appointed by Government to conduct certain investigations, the cost will be greatly in excess of the figure given in the Estimates, namely about LP.12,500 instead of LP.4,100. The matter, however is not yet finally settled. It is unlikely that all the expenditure estimated under Items 13—17 will be incurred in one year chiefly because the acquisition of land is a lengthy process, but it is not possible at present to foresee how much money will actually be needed and provision for the full amounts in each case has therefore been made.

832. ITEM 18. A new store for the mechanical workshops was recommended in paragraphs 22 and 23 of appendix IV to the Price, Waterhouse Report, but the estimate of cost then given, namely LP.13,000, was not based on up to date information and it has been revised to LP. 16,930 in the light of modern conditions and requirements. The new estimate includes the cost of appliances for moving heavy stores.



833. ITEM 19. Three New Travelling Post Offices, LP.12,000: see para. 4 (f) of the High Commissioner's despatch No. 927 dated the 2nd October, 1935. The vans at present in use are thirteen years old and they cannot be said ever to have been completely satisfactory. They are too small, and inconvenient and uncomfortable to a degree which injuriously affects the health of the staff employed in them whose duties in the Haifa-Kantara mail train would be onerous enough under ideal conditions. In paragraphs 105 and 106 of his Report Mr. Jenkin Jones recommended certain alterations in the existing vans which would cost about LP.1,800 and serve to increase the accommodation by some 30 per cent; but as the alterations would not improve the arrangements generally it is considered that they are not sufficient and that the only satisfactory solution is three new and up to date travelling post offices. The present vans can usefully be converted into third class passenger coaches which in part will off-set the proposed expenditure (see Item 27).

834. ITEM 20. Installation of Railway Water Supply at Haifa, LP.9,610, is covered by the correspondence ending with the Secretary of State's despatch No. 41 dated the 10th January, 1936.

835. ITEM 21. New Station at Hadera, LP.11,725. The volume of railway business has increased rapidly in recent years and it has become one of the most important stations of the system. The following statistics are interesting:—

Passenger bookings.

	No.	LP.
1933-34	76,628	6,895
1934-35	115,485	10,397

Goods traffic.

	Tons	LP.
1933-34	31,472	10,524
1934-35	39,263	13,256

Citrus fruit.

	Cases
1933-34	266,863
1934-35	339,134

The estimate includes a main platform, island platform, station buildings, platform shelter, signal cabin, staff accommodation, goods shed, extension of goods platform, track work, approach road, fencing, water supply, and the requisite equipment and appurtenances. The present station was built as a cheap experiment in 1922: it is quite unsuited to the importance of Hadera today and inadequate for the traffic. The staff quarters attached to it have been condemned on medical grounds. If passenger traffic is to be retained and increased, it is imperative that suitable stations, including covered waiting accommodation at the important places, should be provided.

836. ITEM 22. Extension of dual gauge to Kiryat Motzkin, LP.8,870.

Traffic on the Haifa-Acre and Haifa-Samakh lines has markedly increased of late owing to the intensive development around Haifa Bay and colonisation in the Emek. The daily average of passengers approaches 3,500 and 700 respectively and serious overcrowding occurs during "rush periods" which already tax the existing narrow gauge line and rolling stock beyond their maximum capacity. The best method of improving matters is to convert the narrow gauge to dual gauge from Haifa to Kiryat Motzkin on the Acre line and the proposal is unanimously supported by the Railway Board.

837. ITEM 23. Additional siding accommodation at Haifa Station, LP.8,700. In paragraph 117 of his Report Mr. Jenkin Jones referred to the coming need for re-arranging and extending yard facilities at Haifa based on a full development plan which has not yet been prepared. Some extension of the siding accommodation is, however, essential before the orange season of 1936-37 when it is expected that 2 million cases of oranges, representing 6,000 wagon loads and 200 trains, more than in 1935-36 will come to Haifa: as stated by Mr. Jenkin Jones (paragraph 117), the existing marshalling yard is scarcely adequate for handling the import and export traffic in the busy season. It is intended, of course, that the works of which LP.8,700 is included in the draft Estimates will form part of the full development scheme eventually to be designed.



838. ITEM 24. New orange sheds, platforms and rail and road approaches, LP.14,000. New sheds or extensions of existing sheds are wanted at the places named in the marginal note against this item in the draft Estimates. The needs have been settled in consultation between the General Manager and the Jaffa Citrus Exchange.

839. ITEM 25. Cattle wagon cleaning arrangements at Lydda, LP.740. This is a facility which would normally have been provided on construction of the line. The increased live stock traffic and the necessity to make the fullest use of the waggons, which must be speedily turned round, justifies the expenditure; and ground for the complaints which have been received about the condition of the wagons should be removed.

840. ITEM 26. Eleven water tanks, LP.1,300. This is to rectify the position into which the Railway Management was forced within the last year or two by the rapid increase of oil traffic. The tanks were due for renewal some time ago and replacements were in fact obtained, but they were used for oil and the old water tanks continued in service. It is now essential to replace them.

841. ITEM 27. Conversion of brake, post office and luggage vans into brake and third class composite coaches, LP.600. This is explained by the note on Item 19.

842. ITEMS 28—33 are comparatively inexpensive works and are briefly explained in the marginal comments on the Estimates.

843. ITEM 34. Small goods shed in Haifa Harbour Area, LP.700. The General Manager and the Port Manager agree that a small shed in the harbour area is needed in which to collect, and as far as possible to make up into wagon loads, small consignments of goods for despatch by rail. In their judgment there is an appreciable loss of traffic through this deficiency.

844. ITEM 35. Additional quarters for traffic staff at stations LP.2,700.

The existing accommodation at stations is usually only sufficient for one or two men and more is needed to house the increased staff who are required to deal with heavier traffic throughout the twenty-four hours. It is proposed during the year to provide quarters at Tireh, Benyamina, Beer Ya'aqov, Yebna, Deir Suneid, Zikhron Ya'aqov, Artuf Majdal and Deir el Balah, and it will probably be necessary to continue the programme in the future.

845. ITEM 36. Palestine Railway share of permanent station building at Kiryat Haim, LP.805. The total cost is estimated to be LP.1,610 divided equally between the Palestine and Hijaz Railways: see Item 52. At present there is only a temporary wooden hut which was transferred from elsewhere and it is desirable to replace it by a more permanent building since much use is made of the station which serves a developing neighbourhood.

846. ITEM 37. Improvement in passenger coach lighting, LP.3,000. This is most necessary expenditure. The lighting of the carriages is inadequate and has often been the source of unfavourable comment and strong representations by the Railway Board and travellers.

847. ITEM 38. Strengthening of bridges, LP.8,700. The existing bridges, are War Department spans designed for the old and lighter engines and it is essential that they should be strengthened to withstand more frequent and heavier traffic. Being neither ordinary maintenance nor renewals, provision has been made in Abstract F.

848. ITEM 39. Married quarters for platelayers, LP.5,000, is intended to implement the undertaking given in para. C (2) of Official Communiqué No.18 of 1935 that better housing would be furnished in substitution for the present shacks which, moreover, afford accommodation for the men only without their wives and families.

849. ITEM 40. Machinery for mechanical workshops, LP.8,565. The first four items have already been approved, *vide* para. 4 (d) of the High Commissioner's despatch No. 927 dated the 3rd October, 1935, and the Secretary of State's reply No. 1384 of the 28th November. Details (e)—(j) in the opinion of the Chief Mechanical Engineer are also indispensable and urgently needed.



850. The reason for Item 41, machinery and equipment for the Engineering Branch LP.2,050, is briefly indicated in the "remarks" column of the Estimates.

851. ITEM 42. Two new motors for Lydda, LP.200. The Railway at present produces its own electric power for the workshop, etc., at Lydda, but the generator is worn out and would cost about LP.300 to renew. It is considered preferable in future to utilise power supplied by the Palestine Electric Corporation for which two new motors are required.

852. ITEM 43. Office for the District Traffic Superintendent and Staff at Lydda, LP.750. The existing office, an old wooden structure dating from the war, is hot and unsuitable. It is badly in need of replacement, having regard especially to the contemplated increase in staff.

853. ITEM 45. Additional siding accommodation at Jerusalem, LP. 5,877. In the Estimates for 1935-36 LP.4,600 was provided on this behalf but not spent and is revoked. Owing to the appreciation of land values the figure proved to be an under-estimate by LP.1,277 of the cost of acquisition and the revised estimate has been included in 1936-37. The projected siding is very desirable partly to serve the new Government printing press and partly for additional traffic accommodation. There is frequently great congestion at Jerusalem station and traffic has at times to be held at Lydda pending available accommodation.

854. ITEM 46. Acquisition of land for Railway purposes, LP.36,000: see the paragraph in this memorandum respecting Item 141 of the Public Works Extraordinary draft Estimates. This is the Railway share — one half — of the estimated cost of expropriating a parcel of land at Jerusalem station which is required partly for the stores of several Government Departments and partly for railway purposes, namely the relief of congestion in the station yard, which is already chronic and will not be sufficiently alleviated by the project mentioned in the preceding paragraph. It is also desired so far as practicable to eliminate the risk of a destructive fire in the railway area by the isolation of the existing oil storage tanks. The land is so situated that its value for building purposes is almost certain to appreciate.

HIJAZ RAILWAY.

855. ITEM 1. Three new boilers for locomotives, LP.3,000 have already been sanctioned, *vide* para. 5 of the High Commissioner's despatch No. 927, and the Secretary of State's despatch No. 1384 dated the 2nd October and the 28th November, 1935, respectively.

856. The remaining items are explained in the marginal notes accompanying the draft Estimates as also are Items 1—5 in the Kantara—Rafa Railway Special Fund. With regard to Item 6 of the latter, replacement of platform at El Arish LP. 700, a platform of temporary war time construction was in existence until 1927 when it was demolished and it is now time to replace it. Passengers, especially women, experience difficulty in alighting from trains at night without a platform.

Abstract G, Contribution to Palestine Railway Renewals Fund, LP.74,000.

857. Details of the calculation of the contribution of LP.74,000 to the Renewals Fund are given in Abstract G. The proposed expenditure from the Fund in 1936-37 is shewn in the appendix to the Railway Estimates. The computation of the contribution conforms with the Price, Waterhouse Report as follows:—

- ITEM 1. Permanent way, LP.25,000 — para. 7 of Appendix VI on page 109.
- 2. Locomotive workshops building, LP.1,600 — para. 8 of Appendix VI on page 109.
- 3. Standard gauge rolling stock, LP.47,400 — exhibit 2 to Appendix VI on pages 117-119.

The contributions to the Fund, as recommended by Messrs. Price, Waterhouse and Company, Ltd., include no provision for the renewal of buildings other than mechanical workshops in respect of which LP.1,600 is provided under Item 2 above; and although it is proposed eventually to contribute to the Fund in respect of certain permanent buildings which have recently been erected, and



all permanent buildings erected in future, nothing has been inserted on this account in 1936-37 because some questions, such as the determination of the buildings concerned and the date as from which contributions to the Fund should be paid require prolonged and careful study. Moreover other considerations may be involved such as the renewal of bridges, water supply, installations and so forth: hence it is proposed to allow this matter to stand over for the 1937-38 Estimates.

858. In paragraph 16 of Appendix VI (page 110) of the Price, Waterhouse Report it is suggested that when the annual estimates of expenditure to be met out of the Renewal Fund are made, a programme of the probable expenditure for the ensuing five years should also be presented so as to enable the financial position of the Fund to be reviewed. This important recommendation has not been overlooked, but it has been found impracticable on this occasion to furnish a five years' programme of expenditure in connection with the draft Estimates. Apart from certain points of doubt as to the exact interpretation of some of which Messrs. Price, Waterhouse and Company's recommendations in this connection, which are still under consideration, the Chief Engineer and the Chief Mechanical Engineer have been and are at present too preoccupied with important and pressing works to devote the requisite time to formulating a programme.

LOAN EXPENDITURE.

859. Loan Expenditure falls into two categories, namely:—

- (a) expenditure from the funds provided under the Palestine Government 5% Guaranteed Loan 1942-67; and
- (b) expenditure to be defrayed from the proposed Guaranteed Loan of LP.2,000,000 for which funds are being provided from Surplus Balances pending the raising of the Loan.

APPENDIX 'F'

860. The funds provided under the 5% Guaranteed Loan are now exhausted, the estimated position at the 31st March, 1936, being as under:—

	Approved Allocations	Estimated Expenditure to 31.3.36	Amount required in 1936-37
	LP.	LP.	LP.
(a) Railways	1,640,000	1,639,152	—
(b) Purchase of Railway and other assets from His Majesty's Government	1,000,000	1,000,000	—
(c) Jaffa Port Improvements	204,000	379,408	98,055
(d) Harbour Construction, Haifa	1,284,000	1,216,957	7,877
(e) Telegraphs and Telephones	188,231	188,126	—
(f) Government Printing Press	39,342	38,842	500
(g) Site for Government Offices	21,300	21,300	—
(h) Cost of raising the Loan	120,303	120,303	—
(i) Unallocated	199	—	—
Estimated amount over-spent at 31st March, 1936	106,713	—	—
Total	LP. 4,604,088	4,604,088	106,432

Total over-expenditure:—

	LP.
1935-36	106,713
1936-37	106,432
	213,145



Expenditure charged or chargeable to surplus balances is as under:—

Jaffa Port Improvements:

	L.P.
1935-36	175,408
1936-37	98,055
	<u>LP.273,463</u>

Savings on Railway and Harbour Construction, Haifa, etc., amounting to LP.60,318 have not yet been reallocated.

Jaffa Port Improvements:

861. The original loan provision was LP.101,000 but this was subsequently increased to LP.204,000 (see paragraph 561 of the memorandum on the Expenditure Estimates for 1935-36). The estimated cost of improvements at the 1st April, 1935, was LP.413,163 of which LP.209,163 fell to be met from surplus balances. The total estimated cost is now LP.477,463 (or a further excess of LP.64,300) of which LP.273,463 is chargeable to surplus balances and it is estimated that a sum of LP.175,408 will be so expended in 1935-36. The balance of LP. 98,055 is therefore included under Head XXVIII, Item 147 of the draft Estimates for 1936-37.

862. Savings under other items of the loan schedule are anticipated to the extent of LP.60,318 but the precise figure cannot be determined until the accounts of the Harbour Works are closed. The final savings will then be re-allocated to the provision for improvements at the Jaffa Port.

863. The additional expenditure of LP. 64,300 is allocated as under:—

	L.P.
Breakwater and sea walls	18,591
Quay Walls	2,627
Dredging, Reclamation and moorings	1,300
Roads, paved areas and resurfacing roads	6,850
South Transit and Inspection Sheds	1,000
North Transit Shed	10,200
Minor Works	10,197
Crown Agents and Consulting Engineers' charges and fees	4,770
Surveys and preliminary observations	100
	<u>LP.55,635</u>
<i>Less savings on:</i>	L.P.
New derricks	1,248
Contingencies	<u>5,087</u>
	<u>6,335</u>
	Excess 49,300
<i>Add New Transit Shed for Dump Area</i>	<u>15,000</u>
	<u>Total LP.64,300</u>



864. The excess cost of these improvements was reported to the Secretary of State in the High Commissioner's despatch No. 228 of 7th March, 1936, in which it was explained that the excess on the works provision, amounting to LP.49,300 is due to the following causes:—

- (a) the bad state of the reef, revealed only during actual construction of the breakwater and sea wall foundations;
- (b) the accelerated programme necessary to complete certain works by fixed dates in two consecutive orange seasons;
- (c) increased wage rates consequent on the building boom in Palestine;
- (d) adverse weather conditions.

Harbour Construction Haifa:

865. The estimated expenditure at the 31st March, 1936, is LP.1,216,957 and a further sum of LP.7,877 is provided in the draft Estimates for 1936-37 for the following purposes:—

	L.P.
Staff leave and passages	210
Contingencies	2,700
Consulting Engineers' and Crown Agents charges	4,967
Total	<u>LP.7,877</u>

866. The final estimate of cost is thus LP.1,223,834 which leaves a saving of LP.60,166 on the revised estimate and of LP.26,168 on the original estimate of LP.1,250,000.

Government Printing Press:

867. The Government printing press commenced to function on the 1st December, 1935. Although it was not possible to commence operations at full capacity production is increasing as the staff becomes better acquainted with the machinery in use and the nature of the work to be executed. All classes of printing and bookbinding are now being undertaken including pamphlets, reports and the Official Gazette in English and Hebrew. The Arabic edition will be undertaken as soon as proficient Arabic linotype operators are available.

868. The estimated capital expenditure at the 31st March, 1936, is LP.38,842 and a sum of LP.500 is required in 1936-37 for the purchase of a wire stitching machine a virkotype machine, an imposing surface, randoms, composing frames and cases and moveable printing type and material.

APPENDIX 'G'

869. The full revised cost of the works included in the proposed Loan Schedule is LP.2,140,854, or LP.140,854 in excess of the approved allocations. The following statement shows the approved allocations and revised estimates, the estimated expenditure in 1936-37 and subsequent years:—



Scheme	Approved Allocations	Revised Estimates	Estimated Expendi- ture to 31.3.1936	Estimated Expendi- ture 1936-37	Estimated Expendi- ture in subsequent years
	L.P.	L.P.	L.P.	L.P.	L.P.
1. Re-settlement of displaced Arabs	250,000	250,000	84,141	848	165,011
2. Water Supply and Drainage Schemes:					
(i) Jerusalem Water Supply	370,000	382,831	370,943	11,888	—
(ii) Jerusalem Drainage Scheme	150,000	150,000	57,063	45,000	47,937
(iii) Haifa Drainage Scheme	130,000	130,000	3,269	84,488	42,243
(iv) Haifa Water Supply	200,000	200,000	504	—	199,496
(v) Hebron Water Supply	10,000	10,000	9,376	624	—
(vi) Water Resources Survey	6,000	6,000	4,520	1,480	—
(vii) Underground Water Investigations	22,000	22,000	12,963	6,600	2,437
(viii) Improvements of Village Water Supplies	45,000	45,000	35,000	10,000	—
3. Agricultural Credits:					
(i) Investment in Agricultural Mortgage Co.	150,000	150,000	150,000	—	—
(ii) Long-term Loans for Hill Areas	50,000	50,000	—	50,000	—
4. Construction of Oil Berth and Reclamation Area, Haifa	210,000	265,876	260,526	5,350	—
5. Public Buildings, etc.					
(i) Government Arab College	27,000	27,000	23,255	3,745	—
(ii) Government Schools in Towns	106,000	167,147	56,486	103,147	7,514
(iii) Government Technical and Trade School, Haifa	40,000	43,500	22,383	21,117	—
(iv) Capital Grants to Jewish Institutions	20,000	20,000	20,000	—	—
v) Jerusalem Post Office	156,000	163,500	98,505	60,845	4,150
6. Cost of Raising Loan	56,000	56,000	—	56,000	—
7. Unallocated	2,000	2,000	—	—	2,000
LP.	2,000,000	2,140,854	1,208,934	461,132	470,788



870. It will be seen from the foregoing that excesses have occurred or will occur on the following projects:—

	Excess	Charged to Surplus Balances	
		1935-36	1936-37
	LP.	LP.	LP.
2. (i) Jerusalem Water Supply	12,831	943	11,888
4. Haifa Oil Dock	55,876	50,526	5,350
5. (ii) Government Schools in Towns	61,147	18,000	43,147
(iii) Government Technical and Trade School, Haifa	3,500	—	3,500
(v) Jerusalem Post Office	7,500	—	7,500
Total LP.	140,854	69,469	71,385

Re-settlement of Displaced Arabs:

871. A statement of the position of this scheme as at the 31st March, 1935 is contained in paragraph 266 of the Treasurer's Annual Report for 1934-35. During 1935-36 it is estimated that a sum of LP.2,151 will be expended on the following projects:—

	LP.
Jenin Scheme No. 1	465
Basset-Sheikh Muhammad	497
Beisan 50-family scheme	1,189
Total	LP.2,151

872. The expenditure contemplated in 1936-37 concerns the Jenin and the Beisan fifty-family schemes only and amounts to LP.848. On the former scheme a total sum of LP.434 is required for capital expenditure (LP.254) and recoverable advances (LP.180); while on the latter scheme a total of LP.414 is required of which LP.324 is for capital expenditure and LP.90 is for recoverable advances.

873. The capital expenditure in each case covers the salary of a manager, the payment of horse allowance and the wages of a ghaffir and additionally, in the case of the Beisan scheme, the cost of repairs to dwellings. The recoverable advances cover the cost of providing horses, food and forage for new settlers until the first crop is reaped.

Jerusalem Water Supply:

874. The approved provision for this work was LP. 370,000 but the Loan Schedule shows that the cost will be exceeded by a sum of LP.12,831. Further excesses, have, however, since been reported by the Director of Public Works and these will form the subject of a separate despatch to the Secretary of State.

875. The work outside the Municipal area is now almost completed but certain further development is required at the source of supply which will augment the yield of the three wells by the collection of spring water. The collecting tank is now in course of construction and will be completed by the end of March, 1936. All mains have been laid and all four pumping stations, reservoirs and staff quarters have been completed with the exception of one staff quarter at No. 1 station. The erection of one engine and pumping set at each station is complete and the remaining two units at each station are in course of erection.



876. The full complement of auxiliaries and electrical apparatus has not yet been delivered but is expected to arrive shortly and the installation of all mechanical and electrical plant will, it is hoped, be completed by the end of March, 1936, with the exception of the permanent well pumps at the initial point of supply.

877. The use of spring water necessitates the installation of sedimentation and filtration tanks. Constructional work on these is now in hand and will be completed within two months of the delivery of the plant.

878. The scheme is already supplying 800,000 gallons a day of unfiltered but chlorinated water and it is anticipated that the quantity will increase in September next to one and a half million gallons a day of filtered, softened and chlorinated water with the installation of the sedimentation and filtration tanks.

879. The storage reservoir at Romema and the distribution main in Jerusalem will, it is hoped, be completed in May, 1936. The expenditure contemplated in 1936-37 covers:—

	LP.
(a) Works at spring head	5,200
(b) Mar Elias Reservoir	5,688
(c) Pipeline	1,000
	<hr/> LP.11,888 <hr/>

Jerusalem Drainage Scheme:

880. The estimated cost of this scheme is LP.150,000 of which it is anticipated that a sum of LP.45,000 will be expended in 1936-37 leaving LP.47,937 to be expended in 1937-38. The scheme is being executed by the Jerusalem Municipality. Considerable progress has been made and the work is now in its final stages.

881. The works outside the Municipal area have been commenced but progress has been hindered owing to numerous breakages of the pipes shipped from the United Kingdom which has retarded the completion of the work by approximately twelve months. It is hoped to complete the scheme in 1937-38.

Haifa Drainage Scheme:

882. This scheme is still under consideration and the estimates of expenditure in respect of 1936-37 and subsequent years must of necessity be tentative, pending final agreement on the details of the scheme. The latest position was reported to the Secretary of State in the High Commissioner's despatch (Confidential A) of the 20th December, 1936.

883. Up to the 31st March, 1936, it is estimated that a sum of LP.3,269 will have been expended on the salaries of the Engineer and his staff.

Haifa Water Supply:

884. Investigations are still proceeding with a view to the discovery of adequate water resources for securing a suitable water supply for Haifa. During 1934 the problem was examined on the spot by Mr. Humphreys, a Partner of the firm of Messrs. Howard Humphreys and Sons, and his report was forwarded to the High Commissioner under cover of the Secretary of State's Confidential despatch dated the 27th September, 1934. The Director of Public Works is conducting investigations in accordance with the recommendations contained in the report but a suitable supply of water has not yet been discovered and tests are continuing. No provision has therefore been included in these estimates for expenditure during 1936-37. Expenditure already incurred on these investigations has been met from a new sub-head created by special warrant under Head XXVIII but a transfer of expenditure properly chargeable to loan funds may ultimately be arranged if the investigations are successful.



Hebron Water Supply:

885. With the exception of minor details the scheme is now complete and work should terminate before the 31st March, 1936. Certain commitments are likely, however, to fall for payment in 1936-37.

Water Resources Survey:

886. The total sum provided under the Loan Schedule to cover the cost of the survey of the country's water resources is LP.6,000 and of this total the Director of Surveys estimates that a sum of LP.4,520 will have been expended by the 31st March, 1936, leaving a sum of LP.1,480 to be expended in 1936-37. The survey of the wells has been completed and levelling in the Jenin, Haifa and Tulkarm circuit is finished; levelling in the southern circuit is now in hand.

Underground Water Investigations:

887. A total sum of LP.22,000 was provided for this scheme of which LP.12,963 will have been expended by the 31st March, 1936. A sum of LP.6,600 is provided in 1936-37, leaving a balance of LP.2,437 to be carried forward to subsequent years.

888. Twelve bores have been sunk and it is estimated that with the four boring plants now available some eight further bores can be sunk next year — the average time required for each bore being six months.

Improvements to Village Water Supplies:

889. A total of 191 schemes had been approved by the Village Water Supplies Committee by the end of the 31st December, 1935, but the necessary formalities had been completed in respect of 159 schemes only and of these it is expected that 130 schemes will be completed by the 31st March, 1936, at a total cost of approximately LP.35,000. This will leave a sum of LP.10,000 available for 1936-37.

890. As pointed out in paragraph 617 of the memorandum on the expenditure estimates for 1935-36 a sum of LP.20,000 was made available in that year under Public Works Extraordinary for further improvements to village water supplies.

891. In view, however, of the fact that loan funds have not yet been fully utilised no expenditure was incurred during 1935-36 from the provision made under Head XXVIII, but it is anticipated that the loan funds will be fully expended during 1936-37 and provision in the sum of LP.50,000 has therefore been made under Item 145 of Head XXVIII. Public Works Extraordinary for continuance of this important undertaking.

Agricultural Credits:

- (i) Investment in Agricultural Mortgage Company.
- (ii) Long-term loans for hill areas.

892. (i) The Government advance for which provision is made in the agreement with the Agricultural Mortgage Company was paid in December 1935.

893. (ii) All arrangements are now complete for the utilisation of the fund of LP.50,000 for which provision is made in the Loan Schedule but applications already presented for loans far exceed the numbers that can be satisfied with the limited amount at Government's disposal and it has been found necessary to direct that no further application forms be issued. It is proposed to charge a rate of 8% to individual borrowers and 6% to Co-operative Societies, the lower rate offered to Co-operative Societies being accounted for by the better security offered in the form of joint and several guarantees of members in addition to the assignment of charges on future crops. No expenditure is anticipated in 1935-36 and provision for the issue of the whole of the loan is therefore made in 1936-37.



CONSTRUCTION OF OIL BERTH AND RECLAMATION SCHEME AT HAIFA.

Oil Berth.

894. The original estimates of cost were LP.150,000 for the construction of the oil berth and LP.60,000 for the reclamation scheme but these estimates were later increased to LP.160,000 and LP.66,000 respectively and the excess of LP.16,000 was voted from surplus balances in 1935-36 under Item 143 of Head XXVII.

895. These estimates have again been revised and a separate despatch regarding them is being sent to the Secretary of State. The revised estimate for the oil berth is now LP.209,730 and for the reclamation scheme it is LP.56,146. The total cost is therefore LP.265,876 as compared with the approved allocation of LP.210,000 in the Loan Schedule. It is estimated that an amount of LP.50,526 will be met from surplus balances by the 31st March, 1936, and provision for the balance of LP.5,350 has been made under Item 149 of Head XXVIII in the draft Estimates for 1936-37, making LP.55,876 in all.

896. The excess of LP.49,730 over the revised estimate of LP.160,000 in respect of the oil berth is attributable to four main causes, namely :—

	LP.
i. Additional works and expenditure incurred in strengthening the jetty for 20,000 ton tankers	22,900
ii. Subsequent development to suit requirements at the site	10,300
iii. Excess costs of construction of the jetty	25,320
iv. Various increases due to special causes	3,100
v. Less savings	11,890
	<u>LP.49,730</u>

897. The foregoing excesses are explained below :—

- i. *Excess* LP.22,900 — Full development of design of the jetties to accommodate 20,000 ton tankers instead of 10,000 ton tankers, as originally proposed, has necessitated the addition of further strengthening works, namely:
 - (a) underwater bracing of piles throughout the jetty;
 - (b) addition of specially constructed spring fender units at eight points along the jetty;
 - (c) addition of special strengthening to the piles at the spring fender positions.
- ii. *Excess* LP.10,300 — Local requirements have necessitated modification of the design and increased cost in the case of the entrance boom, the bus drain or oil drain from the jetty deck, the bracing of the east jetty, the approach railways and the 3-acre area boundary wall.
- iii. *Excess* LP.25,320 — The actual work of construction of the jetty and in particular the pile driving and underwater temporary bracing involving extensive use of drivers, has in practice been found to be more costly than was anticipated.
- iv. *Excess* LP.3,100 — On account of the abnormal strata found underlying the oil dock site it was necessary to take special precautions in the driving and test loading of piles (LP.1,000). Further unforeseen expenditure arose owing to the action of marine borers on the stones in the harbour which necessitated the use of a hard igneous aggregate for all reinforced concrete work below the water line (LP.2,100).

- v. *Savings* LP.13,070 — These are due to reduction in the cost of jetty fendering, dredging and roads and in the provision made for contingencies.

Reclamation Scheme :

898. The savings of LP.9,854 on the approved Loan allocation of LP.66,000 are due to the following causes:—

- (a) the principal item of saving is on the rubble dyke road where a reduction of width from twelve to nine metres was made after the original estimate had been prepared. This reduction, together with the modification of certain subsidiary road works, has resulted in a saving which is at present estimated at LP.5,477;
- (b) the sum of LP.2,700 provided for minor works has proved to be greatly over-estimated. Expenditure shown in the Loan schedule is now LP.27 only and a saving of LP.2,643 is thus secured;
- (c) the sum of LP.2,500 provided for contingencies has also proved to have been over-estimated and a sum of LP.500 only will be needed, thus providing a saving of LP.2,000;
- (d) the savings effected on the foregoing estimates have caused a consequential saving on the provision made for the payment of fees to the Consulting Engineers and the Crown Agents. The original estimate was LP.4,250 while the estimated total expenditure is now LP.2,850, or a saving of LP.1,400;
- (e) the cost of reclamation, including dredging, has also proved to be LP.1,540 in excess of requirements.

Increase over the original estimates are necessary for the construction of the rubble dyke (LP.216) drainage (LP.949) and boundary fencing (LP.2,041) occasioned by unforeseen local conditions.

Government Schools in Towns :

899. The present position regarding this project was explained to the Secretary of State in the High Commissioner's Confidential despatch of the 18th January, 1936. The original loan provision of LP.106,000 will, as at present estimated, be exceeded by a sum of LP.67,147 owing to the enhanced cost of the necessary sites. A sum of LP.18,000 was originally provided in the current year's estimates to cover the excess then foreseen and a further sum of LP.43,147 has now been provided under Head XXVIII of the draft Estimates for 1936-37 to cover the further excess to which the High Commissioner's despatch refers.

Government Technical and Trade School, Haifa :

900. The reason for the excess over the Loan provision is due to the fact that the estimate of LP.40,000 was prepared before final decision had been reached regarding the accommodation to be provided and with the settlement of these details it became necessary to increase the estimate of cost. Provision for the excess was made in the current year's estimate under Item 42 of Head XXVII but the Loan provision has not yet been fully expended and the excess to be met from surplus balances has again been provided in the draft Estimates for 1936-37 under Head XXVIII, Item 31.

Jerusalem Post Office :

901. The original estimate of cost of the site and building was LP.112,000 but owing to increase in labour costs the final stage of construction is likely to be exceeded by some LP.7,500 which will be met from surplus balances. The estimated cost of equipment remains unchanged at LP.44,000. No provision has been made in the draft estimates for that part of the cost of construction falling to be met from surplus balances but the omission will be rectified in the revised estimates. At the 31st March, 1936, it is estimated that a sum of LP.60,005 will have been expended on the site and the construction of the building and LP.38,500 on equipment, making LP.98,505 in all. The estimated expenditure in 1936-37 is LP.60,845, including LP.7,500 from surplus balances, leaving LP.4,150 to be expended in 1937-38. The latter amount represents monies retained under the terms of the contract with the manufacturers until the equipment has been in use for a period of six months after installation.