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PALESTINE.

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# DRAFT ESTIMATES 1942-1943

ENCLOSURE II.

Memorandum on Revenue.

ENCLOSURE III.

Memorandum on Expenditure.



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# MEMORANDUM ON THE REVENUE ESTIMATES FOR 1942/43.

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# MEMORANDUM ON THE EXPENDITURE ESTIMATES FOR 1942/43.

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# PALESTINE ESTIMATES 1942-43

## ENCLOSURE II.

### MEMORANDUM ON THE REVENUE ESTIMATES FOR 1942-43.

#### HEAD I — CUSTOMS.

<i>Approved Estimates, 1941-42</i>	£P. 2,000,000
<i>Revised Estimates, 1941-42</i>	£P. 2,860,000
<i>Draft Estimates, 1942-43</i>	£P. 1,900,000
<i>Decrease</i>	£P. 100,000

In 1942-43 Customs Import Duties are estimated to produce 33.7 per cent. of the total revenue from local sources.

2. Since 1931-32 Customs Import duties have accounted for some 40 per cent. of receipts excluding grants-in-aid as follows :—

Y E A R	Total revenue from local sources excluding grants-in-aid and Railways £P.	Customs Import Duties £P.	Customs import duties as percentage of total revenue from local sources %
1931-32	2,193,611	948,713	43.2
1932-33	2,888,130	1,286,896	44.7
1933-34	4,823,726	1,868,569	48.9
1934-35	5,296,352	2,600,366	49.1
1935-36	5,611,319	2,751,243	49.0
1936-37	4,494,764	2,019,479	44.9
1937-38	4,744,410	1,999,697	42.2
1938-39	4,235,138	1,854,602	43.8
1939-40	4,634,960	2,019,366	43.6
1940-41	5,101,647	2,044,746	40.1
Estimates 1941-42	4,776,000	2,000,000	41.8
Revised Estimates 1941-42	6,145,000	2,860,000	38.2
Draft Estimates 1942-43	5,644,000	1,900,000	33.7

3. Substantial provision has been required since the outbreak of war to meet claims for refunds of Customs duty arising from purchases by His Majesty's Forces and of their contractors from duty paid stocks. The commodities mainly concerned are benzine and kerosene and it is anticipated that with the construction of two new tin-filling installations, less duty paid benzine will be drawn from public pumps in 1942-43. The net figure arrived at by deducting expenditure on drawbacks and rebates from the customs import duty revenue since 1938-39 is shown in the following statement :—

Y E A R	Customs Import duty revenue £P.	Expenditure Drawbacks and rebates £P.	Net Revenue £P.
1938-39	1,854,602	74,572	1,780,030
1939-40	2,019,366	79,589	1,939,827
1940-41	2,044,746	129,975	1,910,771
Appr. Estimates 1941-42	2,000,000	325,000	1,675,000
Revised Estimates 1941-42	2,860,000	227,000	2,183,000
Draft Estimates 1942-43	1,900,000	175,000	1,725,000





The reduction in the estimate for 1942-43 is based on the assumption that increased restrictions due to the war will lead to a fall in net customs receipts in the neighbourhood of £P.325,000. In addition, account is taken of the decision reached in January, 1942, to reduce the duty on kerosene from 37 to 19 mils per 4-gallon tin and from 203 to 103 mils per 100 litres in bulk and the duty on motor spirits from 13 mils to 12.5 mils per litre. These reductions in duty are estimated to result in a loss of revenue of £P.81,000 per annum.

### HEAD II — PORT AND MARINE.

<i>Approved Estimates, 1941-42</i>	£P. 45,750
<i>Revised Estimates, 1941-42</i>	£P. 70,000
<i>Draft Estimates, 1942-43</i>	£P. 50,000
<i>Increase</i>	£P. 4,250

4. The revenue under the head is derived from the following sources :—

	Actual Revenue 1940-41	Approved Estimates 1941-42	Estimates 1942-43
	£P.	£P.	£P.
Item 4, Berthage dues	4,287	1,600	7,000
Item 6, Wharfage dues	20,296	10,000	22,000
Item 8, Oil dock dues	19,573	30,000	14,000
Item 9, Slipway dues	—	—	2,000
Other dues and Miscellaneous	11,087	4,150	5,000
£P.	55,183	45,750	50,000

5. When the estimates were framed for 1941-42 it was anticipated that the receipts under this head would stay at about the level reached after the entry of Italy into the war in June, 1940. In the event the receipts from berthage and wharfage dues improved. The reduction shown in the estimates for 1942-43 as compared with the revised estimates for the current year anticipates increased restrictions due to the war.

6. The registered tonnage of vessels entered at and cleared from the ports of Palestine, and cargo handled since January, 1940, are set out below :—

	Registered tonnage of vessels				Cargo handled in metric tons			
	Entered		Cleared		Cargo discharged		Cargo loaded	
	1940	1941	1940	1941	1940	1941	1940	1941
January	855,878	129,006	359,333	133,049	37,839	40,200	85,603	82,696
February	822,959	108,792	325,566	101,498	47,772	40,688	127,189	81,988
March	822,937	87,819	325,564	86,589	79,075	36,715	127,275	46,883
April	268,885	130,157	253,439	108,183	68,725	47,556	93,772	78,309
May	247,615	109,287	242,458	117,190	81,113	82,009	65,760	76,674
June	127,126	52,896	139,002	80,523	40,664	65,525	56,453	18,240
July	39,506	59,873	45,517	60,088	13,591	62,688	58,390	10,600
August	34,117	85,398	30,387	77,365	7,313	63,899	23,204	57,401
September	39,525	105,768	34,628	107,871	18,422	79,866	11,937	93,554
October	96,755	113,504	97,781	101,129	33,902	82,438	65,642	80,026
November	72,197	120,033	67,593	109,688	26,886	68,088	82,262	90,706
December	107,153	104,714	99,484	110,860	21,402	77,559	53,430	96,533
	2,034,153	1,207,247	2,020,722	1,193,977	476,704	747,231	845,867	808,505

7. With regard to the decrease in the estimate for 1942-43 under item 8, Oil Dock dues, the minimum annual dues payable by the Iraq Petroleum Company, fixed originally at £P.30,000 under clause 25 of the Oil Dock Agreement were revised as from the 11th June, 1940, to the following basis :—

(a) 15% of the guaranteed dues i.e. 15% of £P.30,000.

(b) actual dues chargeable at the consolidated rates (as provided under clause 16 of the agreement) on the oil shipped from Haifa port.

Under item 9 a sum of £P.2,000 has been inserted on account of slipway dues, imposed as from the 30th October, 1941, under the Port of Haifa (Slipway) (Amendment) Rules, 1941.





## HEAD III — LICENCES, TAXES, ETC.

Approved Estimates, 1941-42	£P. 1,122,400
Revised Estimates, 1941-42	£P. 1,770,000
Draft Estimates, 1942-43	£P. 1,780,000
Increase	£P. 607,600

8. The revenue under this head is derived from the following sources :—

	Actual Revenue 1940-41	Approved Estimates 1941-42	Draft Estimates 1942-43
	£P.	£P.	£P.
Items 1 to 16 Licensing Fees	89,389	82,400	106,000
Items 17 to 22 Taxes	620,660	493,000	944,000
Items 24 to 27 Excise Duties	470,414	442,000	560,000
Item 23 Stamp Duties	80,576	65,000	70,000
Item 28 Fines and Forfeitures	68,713	40,000	50,000
	1,329,752	1,122,400	1,780,000

9. The revised estimates for 1941-42 in respect of licence fees show increases under nearly all items, and the estimates for 1942-43 have been increased accordingly. The estimate under item 13 Road Transport Fees has been increased by £P.21,000 because £P.23,000 has been included in respect of the municipal share of these fees formerly brought to account as deposits but now shown on both sides of the estimates. (vide Head XV, item 2). A reduction of £P.2,000 in the share of the fees accruing to Government has been made in view of the increasing difficulty of obtaining new vehicles and of the probability that some vehicles licensed at present will have to be taken off the road during the course of the year owing to shortage and rising prices of tyres and spares.

10. The revenue from taxes is shown below :—

	Actual Revenue 1940-41	Approved Estimates 1941-42	Draft Estimates 1942-43
	£P.	£P.	£P.
Item 17 Animal Tax	33,628	24,000	25,000
Items 18 and 19 House and Land Tax and Tithes	10,821	9,000	9,000
Item 20 Rural Property Tax	165,986	110,000	110,000
Item 21 Urban Property Tax	410,225	300,000	350,000
Item 22 Income Tax	—	50,000	450,000
£P.	620,660	493,000	944,000

11. The gross assessment of rural property tax is £P.220,000 of which £P.114,000 is in respect of citrus land which cannot be charged in present circumstances; the gross assessment also includes some properties which are unlikely to produce tax owing to exemption under the law. Collection of arrears account for the high returns in 1940-41 and in the revised estimate for 1941-42 estimated at £P.150,000. The estimate for 1942-43 assumes that further arrears will be collected. The estimate for urban property tax has been placed at £P.350,000 having regard to the considerable arrears included in the actual collection in 1940-41 and the revised estimate for 1941-42 which is placed at £P.461,000. Income tax was introduced on the 1st September, 1941, and the tax levied during the first year was at seven twelfths of the full annual rate. The assessment for 1941-42 is approximately £P.190,000 and the estimate for 1942-43 is £P.450,000. Administration of this new revenue measure has been carried out with marked success. The exemption limit was reduced and rates on certain scales of income were increased as from the 1st April, 1942.

12. The revenue from excise duties is derived from the following sources :—

	Actual Revenue 1940-41	Approved Estimates 1941-42	Draft Estimates 1942-43
	£P.	£P.	£P.
Matches	23,873	30,000	25,000
Salt	18,253	12,000	15,000
Tobacco	325,943	310,000	400,000
Intoxicating Liquors	107,345	90,000	120,000
£P.	470,414	442,000	560,000





13. The production of matches for the first eleven months in 1941-42 was 295,851 gross boxes as compared with 236,906 gross boxes in the first eleven months in 1940. The revenue is materially affected by the Army demand for locally-produced matches. The production of salt for the first eleven months in 1941 was 11,089 tons as compared with 8,788 tons in the first eleven months in 1940.

14. The increase of £P.90,000 in the estimated revenue from Tobacco Excise is based on the present level of collections. Deliveries of tobacco, cigarettes, etc., from local factories during the first eleven months of 1940 and 1941 have been :—

	1940 (11 months)	1941 (11 months)
	Kilos	Kilos
Tobacco	13,868	12,673
Tombac	41,216	57,588
Snuff	7,503	8,430
Cigars	1,880	2,615
Cigarettes	677,410	817,002

15. Deliveries for home consumption of intoxicating liquors for the first eleven months in 1940 and 1941 have been :—

	1940 (11 months)	1941 (11 months)
	£P.	£P.
Beer (litres)	3,938,868	6,081,411
Wine (litres)	1,222,226	2,424,037
Arak (litres of alcohol)	188,706	234,305
Cognac (litres of alcohol)	97,410	124,783
Other spirits (litres of alcohol)	143,660	231,877

#### HEAD IV — FEES OF COURT OR OFFICE, ETC.

<i>Approved Estimates, 1941-42</i>	£P. 552,673
<i>Revised Estimates, 1941-42</i>	£P. 780,000
<i>Draft Estimates, 1942-43</i>	£P. 700,200
<i>Increase</i>	£P. 147,527

16. The revenue under this head is derived from the following sources :—

	Actual Revenue 1940-41	Approved Estimates 1941-42	Draft Estimates 1942-43
	£P.	£P.	£P.
Items 1 to 34 Fees	448,616	370,900	412,000
Items 35 to 50 Receipts	131,496	135,500	157,650
Items 51 to 64 Reimbursements	51,415	46,273	130,550
	631,527	552,673	700,200

17. *Fees*: The revenue from fees is classified as follows :—

	Actual Revenue 1940-41	Approved Estimates 1941-42	Draft Estimates 1942-43
	£P.	£P.	£P.
Item 3 Court Fees	135,505	135,000	120,000
Item 28 Registration of land	180,733	120,000	150,000
Items 1, 2, 4 to 27 and 29 to 34 Other Fees	192,378	115,900	142,000
	448,616	370,900	412,000





The estimate of £P.120,000 under court fees reflects the present downward trend of collections from this source. As regards land registration fees the tendency to invest in immovable property persists and the estimate been increased by £P.30,000.

18. The land transactions and fees collected since 1936-37 are shown in the following table:—

Year	Number of dunums	Value of property for registration purposes.	Collection of registration fees
	£P.	£P.	£P.
1936-37	66,654	4,234,919	196,289
1937-38	98,631	3,889,668	195,658
1938-39	55,848	3,824,806	131,735
1939-40	75,321	3,385,256	143,235
1940-41	89,312	4,421,499	180,733
1941-42 (8 months)	65,099	3,415,341	124,000

19. Of the increase of £P.26,100 shown for other fees, item 6, Custodian of Enemy Property, accounts for £P.11,000 and item 18 Portage Charges, Haifa Harbour for £P.11,000. Both of them are offset by corresponding increases in expenditure.

Token provision only has been made under item 26, registration of enemy debts.

20. *Receipts*: The items classified as Receipts under this Head comprise the following:—

	Actual Revenue 1940-41	Approved Estimates 1941-42	Draft Estimates 1942-43
	£P.	£P.	£P.
Items 35 and 36 Kadoorie Agricultural Schools (Endowment Fund and Farm Receipts)	5,257	5,100	6,000
Item 37 Palestine Archaeological Museum	9,644	9,300	9,500
Items 38, 41, 42 and 46, Poultry stations and stock farm, sale of forest produce, sale of nursery produce and veterinary	13,361	14,400	21,500
Item 40 Sale of departmental stores	11,298	9,000	12,000
Item 45, Sale of water to Jerusalem Municipality	66,240	70,000	75,000
Item 46, Sale of water in Haifa Harbour	3,962	2,500	7,000
Item 48, Warehouse Rent	17,069	10,000	18,000
Item 49, War Supply Board	—	10,000	4,000
Items 39, 43, 47 and 50, Other items	4,665	5,200	4,650
	131,496	135,500	157,650

21. The increase under item 36 is due to the reopening of the Kadoorie Agricultural School at Tulkarm, after occupation by the armed forces since the disturbances, with a consequent increase in the estimated receipts from sales of farm produce. The increase under item 38 Poultry stations and Stock Farm is consequent upon extension of the scheme for the sale of one-day chicks.

22. The estimated receipts from the sale of water to Jerusalem Municipality are based on the latest consumption figures. The expenditure estimates for the operation of the Jerusalem Water Supply from Ras el Ain to Romema Reservoir, whence the water is sold to the Municipality, are set out under Head XXV, Public Works Department. The expenditure of £P.60,414 excludes interest charges on capital expenditure — 3½% on £P.386,567 — amounting to £P.11,978. The estimated revenue thus shows an excess of £P.2,608 over the estimated expenditure for the year.

23. The fall in the estimate of receipts from the war supply board (£P.6,000) follows the decision that no commission is to be charged on orders placed by the Board on behalf of the armed forces.





24. *Reimbursements*: The items classified as Reimbursements under this head comprise the following:—

	Actual Revenue 1940-41	Approved Estimates 1941-42	Draft Estimates 1942-43
	£P.	£P.	£P.
Item 51, Church of the Holy Sepulchre	—	10,000	4,700
Item 52, Drainage of Birket Ramadan	1,800	2,000	450
Item 53, Food Production	—	—	100,000
Item 55, Hospital Nursing Staff	7,175	7,000	7,500
Item 56, Municipal Audit	2,360	3,000	3,800
Items 57-59, Salaries and pension contributions of seconded officers	10,619	10,773	1,200
Item 60, Railways	7,426	7,500	7,500
Items 54, 61 to 64, Other items	22,035	6,000	5,900
	51,415	46,273	130,550

25. With regard to item 51 the total advances made on this account amount to £P.5,415 out of the sum of £P.10,000 approved by Secretary of State's despatch of 12th August, 1938. Completion of the work has been delayed owing to war conditions and it is anticipated that, if dissensions between communities can be solved, a sum of £P.4,700 will be recovered in 1942-43. The estimate of £P.450 under item 52 represents the balance outstanding of the advances approved by Secretary of State's telegram No. 282 of the 13th July, 1938. The sum of £P.100,000 under item 53 is on account of receipts under the Scheme dealt with in the correspondence ending with Secretary of State's telegram No. 433 of the 23rd April, 1942. Provision for the expenditure estimated is made under expenditure Head XXII, item 33.

26. With regard to the entries under items 57-59 it is intended, as from 1942-43, to provide for the appointments and salaries of seconded officers under the appropriate items of the estimates of the departments in which they hold their substantive appointments and to deduct the provision from the total estimate of the department concerned. Where officers are seconded from one department to another within the Palestine Government, the appointment to which they are seconded is included in the estimates of the department to which they are seconded. Where officers are seconded to other Governments, including the Trans-Jordan Government, or to municipalities, provision is only made in the revenue estimates for 1942-43 for the pension contributions payable by those Governments and municipalities. The present schedule (Appendix A) of seconded officers is maintained. The appointments and salaries of officers released with Government approval for service with the Forces are provided under the appropriate items of the expenditure estimates, the amount involved being deducted from the total provision for the department.

#### HEAD V — POSTS AND TELEGRAPHS.

<i>Approved Estimates, 1941-42</i>	£P. 630,000
<i>Revised Estimates, 1941-42</i>	£P. 690,000
<i>Draft Estimates, 1942-43</i>	£P. 700,000
<i>Increase</i>	£P. 70,000

27. The revenue under this head is derived from the following sources:—

	Actual Revenue 1940-41	Approved Estimates 1941-42	Draft Estimates 1942-43
	£P.	£P.	£P.
Item 1, Broadcast Licence Fees	37,270	33,500	38,000
Item 6, Sale of stamps	164,739	225,000	170,000
Item 7, Telegraphs	87,321	50,000	90,000
Item 8, Telephones	318,015	300,000	380,000
Items 2 to 5 and 9 to 14, Other items	32,351	21,500	22,000
	639,696	630,000	700,000

28. The revenue under item 1 proved to be under-estimated in the current year and the estimate for 1942-43 is based on the revised estimate. The increase might have been larger



but for the reduced supplies of wireless receiver sets and the increased price of all wireless apparatus. The reduced estimate under item 6, sale of stamps, reflects the reduction of correspondence with Europe following occupation by enemy forces. It is anticipated that the reduction will be counteracted to a limited extent by sales of the recently issued higher denominations of stamps.

29. The increase under telegraphs is largely due to the interruption of normal mail routes and the increased use being made of telegraph facilities.

30. There has been remarkable development of telephone services both for the Forces and also for the civilian population. In view of recent arrivals of supplies of apparatus, cabling etc., it is anticipated that the coming year will witness further development of this service which does not even now meet the full public demands. The remaining items show comparatively slight increases or decreases based on present revenue returns. The actual revenue of £P.32,351 in 1940-41 included items of non-recurrent revenue derived from services performed for or apparatus supplied to the military authorities.

#### HEAD VI — REVENUE FROM GOVERNMENT PROPERTY.

<i>Approved Estimates, 1941-42</i>	£P.	62,600
<i>Revised Estimates, 1941-42</i>	£P.	80,000
<i>Draft Estimates, 1942-43</i>	£P.	70,000
<i>Increase</i>	£P.	7,400

31. The increase is mainly due to under-estimation in 1941-42 of rents from the Haifa Harbour Estate, the reduced rents of which, under the revised agreements made in certain cases of hardship, are being more satisfactorily collected.

#### HEAD VII — INTEREST.

<i>Approved Estimates, 1941-42</i>	£P.	111,500
<i>Revised Estimates, 1941-42</i>	£P.	160,000
<i>Draft Estimates, 1942-43</i>	£P.	160,000
<i>Increase</i>	£P.	48,500

Item 2. *Investments by Crown Agents: Increase* £P.35,000.

	£P.
Actual Revenue 1940-41	97,927
Estimates 1941-42	85,000
Draft Estimates 1942-43	120,000

32. The estimate for 1941-42 is likely to be exceeded by £P.30,000 owing to the increase in surplus balances.

The estimate for 1942-43 comprises :—

	£P.
Dividend at average rate of 3% on investments of £P.3 million for 12 months	90,000
Interest at average rate of 2% on balances of £P.1½ million holdings in Joint Colonial Fund for 12 months	30,000
	£P. 120,000

Item 3. *Other Sources — Increase* £P.13,000.

	£P.
Actual Revenue 1940-41	18,319
Estimates 1941-42	25,000
Draft Estimates 1942-43	38,000





33. The estimate for 1942-43 comprise the following items:—

(a) Interest at 6% of food production and diversification loans (£P.341,000 outstanding at 31.3.42)	20,000
(b) Interest at 3½% on Jerusalem Water Supply loan (£P.33,467) and at 3½% on Jerusalem Drainage loan (£P.121,295)	5,000
(c) Interest at 3½% on Municipal and Local Council relief loans (£P.294,000)	10,100
(d) Other interest (at varying rates)	2,900
	<u>£P. 38,000</u>

#### HEAD VIII — MISCELLANEOUS.

<i>Approved Estimates, 1941-42</i>	£P. 108,600
<i>Revised Estimates, 1941-42</i>	£P. 150,000
<i>Draft Estimates, 1942-43</i>	£P. 125,100
<i>Increase</i>	£P. 21,500

34. The increase under this head is mainly anticipated from the contribution from the Currency Board Receipts during 1941-42 have been £P.115,000 and an estimate of £P.120,000 has been inserted in the draft estimates for 1942-43 following an increase in the currency in circulation from an average of £P.10,230,000 in 1940 to an average of £P.12,560,000 in 1941.

#### HEAD IX — REPAYMENT OF LOANS FROM PUBLIC FUNDS.

<i>Approved Estimates, 1941-42</i>	£P. 145,299
<i>Revised Estimates, 1941-42</i>	£P. 80,000
<i>Draft Estimates, 1942-43</i>	£P. 206,000
<i>Increase</i>	£P. 60,701

Item 1. *Agricultural Loans, Increase* £P.65,000.

35. The total amount of agricultural loans outstanding at 31st March, 1941, was as under:—

	£P.
	£P.
(i) Agricultural and seed loans etc.	78,395
(ii) Food production issued in 1940-41	104,736
	<u>183,131</u>
Estimated issues of food production and diversification loans in 1941-42	281,403
	<u>464,534</u>
Estimated repayments in 1941-42	40,688
Estimated Balance outstanding at 31.3. 42	<u>423,846</u>
Estimated repayments in 1942-43	125,000

As regards the loans totalling £P.78,395 £P.125,000, for agricultural and seed loans issued from 1919 to 1937, proposals have been submitted for partial write-off in High Commissioner's despatch No. 164 of 13th September, 1941. The food production and diversification loans issued in 1940-1942 bear interest at 6% and are repayable over varying periods from 1 to 15 years.

Item 2. *Augusta Viktoria Stiftung loan. Increase* £P.2,000.

36. The balance of the loan of £P.40,000, approved by Secretary of State's despatch No. 723 of 31st August, 1939, outstanding on the 31st March, 1941 was £P.23,992. It is now estimated that repayments to the extent of £P.4,000 will be made in 1941-42 by the Official Receiver, who holds the local funds of the institution as liquidator of the Bank der Tempelgesellschaft. It is also estimated that £P.12,000 will be recovered in 1942-43. The loan bears interest at the rate of 3½% per annum.





Item 3. *Long term loans for Hill Areas—Increase £P.2,500.*

37. Under the scheme approved by the Secretary of State's secret despatch of the 20th August, 1935, loans totalling £P.33,098 for the development of Hill Areas were made for periods varying from 3 to 17 years, bearing interest at varying rates from 6% to 8%. The total loans outstanding at the 31st March, 1941 were £P.27,480. It is now estimated that £P.4,000 will be repaid in 1941-42 and recent improvements in collections justify an increase in the estimate for 1942-43 to £P.5,000.

Items 4, 5, 7, 8, 9 and 11. *Relief Loans to Municipalities and Local Councils.*

38. The position of these loans is set out below :—

	Item 4 Jaffa	Item 5 Jerusalem	Item 7 Haifa	Item 8 Tel-Aviv (works)	Item 9 Tel Aviv (debts)	Item 11 Other Municipalities & Local Councils	Total
	£P.	£P.	£P.	£P.	£P.	£P.	£P.
Total loans approved	35,000	50,000	50,000	122,000	128,000	39,460	424,460
Balance out standing at 31st March, 1941	—	26,849	3,000	203,828		8,598	242,275
Estimated issues 1941-42	—	15,151	20,000	17,900		25,862	78,913
Estimated Repayments 1941-42	—	42,000	23,000	221,728		34,460	321,188
	—	5,390	—	880	19,440	1,738	27,448
				20,320			
Estimated Balance out-standing at 31.3.42	—	36,610	23,000	201,408		32,722	293,740
Estimated Repayments 1942-43	—	10,000	10,000	5,120	30,364	3,000	58,484
				35,484			

These loans were, with the exceptions noted below, approved by Secretary of State's telegram No. 1031 of 28th December, 1939. They bear interest at  $3\frac{1}{2}\%$ . Approval was given by the Secretary of State for loans to Nazareth Municipality for Water Supply and Drainage (£P.10,000) in correspondence ending with Secretary of State's telegram No. 563 of 17th April, 1941 and Hebron Water Supply (£P.1,000) by Secretary of State's telegram No. 1547 of the 2nd January, 1942. The loans under items 4, 5 and 7 are for five years and the remainder are for periods varying from 5 to 15 years. Revision of the terms of repayment of the Tel Aviv loans was approved by Secretary of State's telegram No. 1625 of the 2nd October, 1941.

The proposed relief loan to Jaffa Municipality has not yet been taken up.

Items 6 and 10. *Other loans and Advances to Municipalities.*

39. These items represent repayments of outstanding balances of loans made to Jerusalem Municipality (£P.17,895) under authority of Secretary of State's despatch No. 554 of 10th July, 1929 for the construction of a slaughter house and incinerator (£P.5,368 outstanding at 31.3.41); and to Tiberias Municipality (£P.6,297) for construction of roads after the floods in 1935 and approved by Secretary of State's telegram No. 144 of the 10th May, 1935. Under a revised agreement with the latter municipality the period of repayment has been extended to 15 years from 1941. The loan bears interest at  $3\frac{1}{2}\%$  per annum.

Item 12. *Loans for village water supplies.*

40. Under the scheme approved by Secretary of State's telegram No. 165 of the 2nd August, 1933, loans amounting to £P.12,709 were made to villages for improvement to water supplies. The period of repayment was laid down as 5 years and the loan bears interest at 5%. The disturbances caused delays in repayments and a sum of £P.8,689 remained outstanding at the 31st March, 1941. On present estimates it is anticipated that £P.1,000 will be repaid in 1941-42 and £P.1,500 in 1942-43.





Item 13. *Citrus Crop Loans.*

41. This is a new item and represents purely token provision on account of recoveries which may be made in respect of advances under the scheme for the assistance given to the citrus growers in 1940-41 and 1941-42.

Item 14. *Other Loans.*

42. This item comprises a miscellany of loans and advances on account of which the balance outstanding on 31st March, 1941 amounted to £P.29,675; anticipated recoveries in 1941-42 amount to £P.555 and the estimated repayments in 1942-43 are £P.1,300. Recovery of certain of the items such as earthquake reconstruction loans (£P.4,558; flood damage loans (£P.2,094) and resettlement of displaced Arabs (£P.1,935) is doubtful and the question of write-off is dealt with in paragraph 11 of High Commissioners' despatch No. 164 of the 13th September, 1941.

## HEAD X — LAND SALES.

<i>Approved Estimates, 1941-42</i>	£P. 1,750
<i>Revised Estimates, 1941-42</i>	£P. 5,000
<i>Draft Estimates, 1942-43</i>	£P. 3,000
<i>Increase</i>	£P. 1,250

43. The revised estimate from sale of Beisan lands is £P.2,000 in 1941-42 and the estimate has been placed at £P.1,500 in 1942-43. The revised estimate of revenue from the sale of state domains in 1941-42 is £P.3,000; the figure of £P.1,500 is maintained in the estimates for 1942-43.

## HEAD XI — GRANTS-IN-AID.

(vide Appendix H).

<i>Approved Estimates, 1941-42</i>	£P. 2,844,092
<i>Revised Estimates, 1941-42</i>	£P. 2,313,000
<i>Draft Estimates, 1942-43</i>	£P. 2,801,261
<i>Decrease</i>	£P. 42,831

44. The grants for 1942-43 have been based on the formula approved in previous years since 1939-40. The security grant in 1942-43 excludes grants for minor items revoted for services other than expansion of the Police Force, including ancillary recurrent works services necessitated by increase of the force and the police building programme.

45. The estimated revenue from grants-in-aid as compared with actual grants in 1940-41 is set out below :—

	Actuals 1940-41	Approved Estimates 1941-42	Revised Estimates 1941-42	Draft Estimates 1942-43
	£P.	£P.	£P.	£P.
1. Publicity and augmented news service	13,000	18,824	20,000	26,120
2. Special grant for emergency expenditure on security	2,929,153	2,780,579	2,271,000	2,731,902
3. Second broadcasting transmitter — purchase installation and operation	—	37,681	15,000	35,417
4. Abyssinian refugees	2,000	2,000	2,000	2,350
5. Censorship — Transit Branch	2,455	5,008	5,000	5,472
Trans-Jordan Frontier Force	316,197	—	—	—
£P.	3,262,805	2,844,092	2,313,000	2,801,261

46. The grant under item 1 is based on the supposition that the additional expenditure over the approved grant of £P.18,824 in 1941-42 will be borne from grants-in-aid since this service is carried out on behalf of His Majesty's Government.



Item 2. *Special Grant for Emergency Expenditure on Security.*

47. The grant covers the following categories of expenditure :—

	Actuals 1940—41	Approved Estimates 1941—42	Revised Estimates 1941—42	Draft Estimates 1942—40
	£P.	£P.	£P.	£P.
(i) Excess of ordinary expenditure (including special expenditure) on Police services over cost in 1935-36	1,171,538	1,678,421	1,550,000	2,112,482
(ii) Defence (Safad Water Supply)	832	—	4,000	—
(iii) Emergency maintenance of works entailed by increases in Police Forces	63,680	52,200	40,000	47,200
(iv) Compensation for loss of life, injury, and loss of and damage to property	206,059	185,000	173,000	—
(v) Extraordinary Works (including Police Building programme)	1,478,325	863,263	500,000	572,220
(vi) Railway Emergency Expenditure and protection	8,585	6,695	4,000	—
(vii) Other	134	—	—	—
£P.	2,929,153	2,780,579	2,271,000	2,731,902

48. Particulars of the items of the grant for 1942-43 are set out in Appendix H of the draft estimates. The very large increase under (1) is due to increase of £P.160,000 for temporary additional police, vide H.C. telegram Secret No. 846 of 12th June, 1941; some £P.340,000 for increased prices of rations, forage and other commodities and some £P.90,000 on account of replenishment of stocks, increases in revotes, etc., as explained in para. 106 of the expenditure memorandum. The provision on account of the Police building programme also includes £P.250,000, for the completed rural programme of 51 buildings, on account of outstanding charges and caution money which will become payable in 1942-43; and £P.322,220 for extension and completion of the police building programme approved by the exchange of correspondence ending with Secretary of State's telegram No. 404 of the 20th March, 1941; this programme has been delayed by the non-arrival of material.

Item 3. *Second Broadcasting Transmitter—Grant for purchase, installation and operation.*

49. The grant is calculated on the basis approved in principle by Secretary of State's despatch Secret (3) of the 29th October, 1941. Attention is also invited to High Commissioner's Secret despatch of the 9th January, 1942.

Item 4. *Relief of Abyssinian Refugees.*

50. Owing to increase in prices of food it has been necessary to increase this item by £P.350.

Item 5. *Censorship — Transit Branch.*

51. The grant was approved by Secretary of State's telegram No. 305 of the 24th April, 1940.

## HEAD XII — COLONIAL DEVELOPMENT FUND.

Approved Estimates, 1941-42	£P. 2,150
Revised Estimates, 1941-42	£P. 2,000
Draft Estimates, 1942-43	£P. 1,025
Increase	£P. 1,125

52. Item 1, represents the grant (£P.855) receivable in 1942-43 on account of the Jerusalem Drainage scheme. Under this scheme the total grants of interest approved are £P.26,250, and the sum payable in accordance with the revised formula for claiming interest, is that amount which is in the same proportion to £P.26,250, the total grant, as the expenditure for the year bears to the total estimated expenditure (£P.150,000).

Item 3 is a new item inserted in accordance with the Secretary of State's circular despatch of the 31st July, 1941.





## HEAD XIII — RAILWAYS.

<i>Approved Estimates, 1941-42</i>	£P. 11,847
<i>Estimates, 1942-43</i>	£P. 12,022
<i>Increase</i>	£P. 175

53. The memorandum on the details of the revenue and expenditure estimates of the Railways is submitted at the end of the memorandum on expenditure, paras. 208 to 233.

54. The great increase in the use made of the railway system during the past two years has raised questions of importance and complexity. It was impossible to bring these questions to a final solution before draft estimates were prepared and an interim solution was essential if only to decide upon the extent to which estimated net railway revenue might appropriately be shown as Palestine Government revenue in 1942-43. The questions raised fall into two parts :

(a) The provision which should be made for renewals. Depreciation is now taking place at an accelerated pace owing to increased use, and costs of renewals are extremely high; and

(b) The treatment of surplus revenue earned on the Kantara-Rafa railway which is operated by the Palestine Railways nominally as agents for the Air Ministry.

55. The rate of contribution to the Palestine Railway renewals fund, for the last few years has remained at £P.72,000 per annum and divided as follows :—

	£P.
Rolling stock	42,490
Workshops	6,510
Permanent way	23,000
	<u>£P. 72,000</u>

Against the contribution of £P.42,490 made in respect of standard gauge rolling stock, the Palestine Railway receives a credit, taken to revenue, from the Kantara—Rafa Railway based on mileage run. The Kantara-Rafa Railway should also contribute towards the renewal of and the interest on capital involved in the workshop buildings, machinery and plant, and adjustment should be made from the 22nd May, 1933, the date of transfer to the new workshops at Qishon. No contribution is due from the Kantara—Rafa Railway in respect of the renewals fund for the permanent way as renewals of the permanent way on that railway are met from the special fund. The adjustments for the workshops mentioned above entail contributions from the Kantara—Rafa Railway as shown in the following table :—

Year	Percentage	Renewals of workshop & plant £P.	Interest on workshop capital £P.
1933-34	19.473	1,265	2,421
1934-35	16.863	1,098	2,097
1935-36	15.596	1,016	1,941
1936-37	19.556	1,280	2,459
1937-38	17.491	1,139	2,223
1938-39	20.894	1,828	2,597
1939-40	27.042	1,764	3,450
Total up to end of 1939-40		8,890	17,188
1940-41	37.555	2,446	4,793
1941-42 (rev. estimate)	46.65	2,842	5,622
1942-43 (estimate)	49.65	2,842	5,622

56. Beyond this are the questions of accelerated rate of depreciation and the much higher replacement costs of the assets. The Chief Accountant has suggested that it may be assumed for the purpose of an estimate that post-war prices of locomotives and rolling stock will be double those upon which Messrs. Price, Waterhouse and Co. based estimated renewal costs in 1935, and that the present annual rate of depreciation may be placed at 10 per cent. instead





of 3 per cent. as taken by Messrs. Price, Waterhouse and Co. The effect of this double change would be to increase the estimated cost of replacing locomotives and rolling stock from £P.1,400,000 to £P.2,800,000 and the annual renewals contribution from £P.42,490 to £P.280,000. Without going into the merits of the case, it is apparent first, that it is desirable to make additional contributions to the renewals fund to offset the two factors of increased costs and greater rate of depreciation, and secondly that the amount of such additional contributions cannot solely be related to assumptions about future prices and rates of accelerated depreciation. They must be related also to financial capacity. The General Manager recommended that in 1941-42 and 1942-43 the whole of the profits on the Palestine Railway should be placed in reserve for renewals purposes. This recommendation takes financial capacity into account and can, in consequence, be considered without contemplating financial embarrassment. But it has been considered preferable that for 1940-41, 1941-42 and 1942-43 the amount of the total contribution to the renewals fund should be doubled, subject to review of the 1942-43 contribution in a year's time in the light of experience during the year. This entails provision in the draft estimates for 1942-43 amounting to £P.144,000 instead of £P.72,000 and a supplementary payment of £P.144,000 in 1941-42 would cover the increased contribution for 1940-41 and 1941-42. It is further suggested that the increased contributions should be divided proportionately between the three categories—rolling stock, workshops and permanent way.

57. In the light of this suggestion it is now necessary to consider the position of the Kantara—Rafa Railway. The renewals contribution payable to the Palestine Railway in 1942-43 would be estimated at twice £P.17,845 plus twice £P.2,842 or £P.41,374 and a supplementary payment of £P.52,763 to be made this year would cover the increased contribution for 1940-41 and 1941-42 and make good the arrears of renewals fund contributions already mentioned in respect of workshop buildings, machinery and plant. This figure of £P.52,763 is arrived at as follows :—

*Rolling stock :*

	£P.
Increased contribution for 1940-41	15,452
Increased contribution for 1941-42 (40.3% of £P.15,734 plus 46.8% of £P.24,665)	17,845

*Workshops :*

Arrears up to the end of 1939-40	8,890
Double contribution for 1940-41	4,892
Double contribution for 1941-42	5,684

Total £P. 52,763

(In addition the Kantara—Rafa Railway would contribute £P.5,622 in respect of interest on workshop capital in 1942-43 and make a payment in 1941-42 of £P.27,603 on this account to include arrears from 1933-34).

58. These contributions are in respect of rolling stock and workshop only. There remains the question of the contribution to the Kantara—Rafa special fund which carries the burden of renewal of the permanent way. The arrangement has been that one-half of the profits on the Kantara-Rafa Railway should be paid into this fund subject to a maximum contribution to the fund at a cumulative rate of £E.15,000 (£P.15,385) per annum. During early years, the average payments into the fund fell considerably short of £P.15,385 per annum, but the payment of £P.110,266 in 1940-41 nearly made good the arrears and one of £P.26,831 in 1941-42 will fill the fund at that rate up to the 31st March, 1942. A payment into the fund of £P.15,385 per annum may be considered low in present circumstances in view of the increased cost of labour and material and of the very heavy wear and tear now being suffered by this line under the increased war-time traffic. The General Manager has suggested that the contribution should for the present be increased to a figure of £P.50,000. This would make the payment for 1941-42 £P.61,446.

59. The next questions for consideration are the disposal of the estimated surplus for 1941-42 and 1942-43 and adjustment of the rental from 1st April, 1936, onwards. Some reference to the history of this complicated matter is necessary. The financial arrangements approved in 1924 provide, in short, for one-half of annual profits, not exceeding £E.15,000, to be paid to a special fund for meeting renewals or extraordinary expenditure while the other half, after making good amounts by which previous payments to the special fund fell short of £E.15,000 per annum, was to be divided between His Majesty's Government and the Palestine Government in shares proportionate to capital valuation and expenditure. These ar-





rangements were found to be unduly complicated and in 1931 the O'Donnell Commission recommended that steps should be taken to simplify the division of accounts between the Palestine, Sinai and Hijaz Railways. So far as the Sinai Railway was concerned, it was proposed that 'His Majesty's Government should accept, in lieu of an elaborately calculated share of the profits, an annual rental fixed in advance for a period of years and reviewed periodically'.

60. This proposal was accepted in principle. The amount to be paid as rent was not easy to determine. The profits from the Kantara—Rafa Railway during recent years had been largely attributable to military traffic and future earning capacity was likely to be affected by a decrease in tourist traffic, the imposition by the Egyptian Government of increased duties on Palestine produce, and the establishment at Haifa by the principal oil companies of bulk oil installations which would lead to oil traffic previously transported over the railway from Kantara reaching Haifa by sea. In the light of these factors, and in anticipation that the railway would show a deficit for 1930-31, the General Manager considered that £P.2,000 a year would be the highest amount which could suitably be offered, but it was subsequently decided to suggest a rental of £P.4,000 a year, and this was approved with effect from the 1st April, 1933, on the undertaking that the arrangements would be reviewed in three years' time.

61. When review became due in 1936, the recommendations contained in the report by Messrs. Price, Waterhouse and Co., on the system of accounting and internal control of the Palestine Railways were under consideration. It was proposed that the rental of £P.4,000 per annum should be continued subject to adjustment if it were subsequently agreed to pay a higher fixed annual rental with effect from the 1st April, 1936. This was approved for 1936-37, 1937-38 and 1938-39, as it had proved impracticable to make progress with the recommendations in the Price, Waterhouse Report, while the abnormal conditions obtaining in Palestine at that time made it difficult to use railway revenue returns as a basis for computing the rental.

62. It is scarcely material to consider what rental could suitably have been suggested in the light of information available early in 1936 if the factors which prevented new proposals being made at that time had not been present, but as the average surplus over the preceding thirteen years had been about £P.16,000 per annum, a rental of £P.4,000 per annum might have been considered low as a figure intended to take the place of His Majesty's interest in the line and one of £P.8,000 per annum might have been thought more reasonable.

63. If a rental at the rate of £P.8,000 per annum had been approved in 1936 to 1939, review would have been necessary early in 1939. At that time the relevant factors would have been that there had been a loss during the preceding two years and that over sixteen years the average annual surplus had been approximately £P.17,000 per annum. These considerations might reasonably have led to the conclusion, on information available early in 1939, that the annual rental at the rate of £P.8,000 per annum should continue for the three years 1939-1942. If this had been done, it would have become apparent during 1940 that traffic on the Kantara—Rafa Railway was taking place as a result of war conditions which rendered any arrangement based on a fixed rental ill-adapted to the circumstances of the case. It is scarcely open to question that if a rental at the rate of £P.8,000 per annum or thereabouts had been approved for the period 1939-1942, revision would have been called for when the 1940-41 returns were known; the unprecedented use of the Kantara—Rafa Railway in 1940 and 1941 would have shown the difficulty of assessing in advance a rental to cover a three-year period in present conditions. For these reasons it seems clear that the original arrangements for the division of profits should be resumed with effect, at any rate, from the 1st April, 1940, and, as the material is available for allowing the same procedure to apply with effect from the 1st April, 1936, it is suggested that the fixed rental basis should be treated as having lapsed at the end of March 1936.

64. The financial arrangements approved in 1924 for the working of the Kantara—Rafa Railway provided that the balance of net profits remaining after payments had been made to the special fund should be devoted to paying interest to His Majesty's Government and to the Palestine Government in shares of the same relative proportion as the proportion between (a) the valuation of the railway as estimated in the Wickham Valuation, and (b) the total amount of any new capital expenditure undertaken by the Palestine Government.





65. The Wickham valuation was £P.739,174 and capital expenditure by the Palestine Government up to the end of March, 1942 is estimated at £P.56,000. But it is by no means clear that the Wickham Valuation figure of £P.739,174 is the correct figure to take in ascertaining the proportions provided for in the approved arrangements. The capital value of the track and buildings was placed at £P.419,272 in 1931 of which £P.409,375 was a revised valuation by Mr. Anthony and £P.9,897 new capital expenditure by the Palestine Government. These figures were quoted by the O'Donnell Commission in paragraph 226 of their report. In a memorandum dated the 27th April, 1931, the then Treasurer wrote :

"It is reasonable to assume that, since the payment of £1,000,000 for the Railway (sc. the Palestine Railway) and other assets of His Majesty's Government entailed a reduction of 48.40 per centum on the valuation by General Wickham, a suitable reduction in the assessed capital value of the assets of the Sinai Railway would likewise be accepted for the purpose of apportioning the profits between His Majesty's Government and Palestine. Mr. Anthony's valuation of £436,375 (less £27,000 for Telegraphs) has, therefore, been taken".

The accounts furnished in respect of the years 1923 to 1929 were compiled on this basis.

66. In dealing with these accounts, the Secretary of State and the Treasury held this basis to be wrong. The Secretary of State wrote :

"The financial agreement between the two Governments for the working of the Railway expressly provides that the balance of the net profits is to be divided in the same relative proportion as the proportion between the valuation of the Railway as estimated in the Wickham valuation and the total amount of any new capital expenditure undertaken by the Palestine Government. Their Lordships see no ground for disturbing the agreed ratio by the substitution of another. The Anthony valuation was undertaken for an entirely different purpose, and is irrelevant to the matter of the division of profits under the working agreement. The Agreement has governed the relations of the two Governments and has been acted upon for the past eight years, and no reason for departing from its explicit terms is supplied by the circumstances that, on the sale of the Palestine Railway, regard was had to the Anthony valuation. Moreover, the sum of £15,000 specified in the Agreement as the maximum amount to be placed each year to the Renewals Fund was fixed on the basis of 2% of the Wickham valuation".

67. No further representations on this matter have been made though doubts were expressed by the Auditor and by the Acting Treasurer about the amount which should be taken as representing the Wickham valuation of the Sinai Railway, certain items included in the valuation representing assets which had never been made available for operation by the Palestine Railway Administration. Among these assets was a discarded pontoon bridge at Kantara which was handed over to the Disposals Board in January 1923 and was sold by the Board before the 8th May, 1923.

68. Of more importance than items of this kind was the fact that the figure of £757,563, which was the total amount of the Wickham assessment (subsequently reduced by £18,389 in respect of the value of certain machinery and plant transferred to Palestine for the new railway workshops), included the value of a double line between Kantara and Rafa. A figure of £468,000 was shown under item 'A' in the valuation as the value of the permanent way, sidings, turnouts, etc., and it is suggested that on the removal of the second line this figure should have been reduced by approximately 50 per cent in applying the Wickham valuation, for though the agreement explicitly refers to the Wickham valuation as a factor in calculating the division of profits, it is to be assumed that that valuation is only relevant in respect of assets actually included in the Sinai Railway handed over for operation on behalf of the Air Ministry. Similarly, the value of the earthworks shown under item 'B' of the valuation as £P.192,185 might properly be reduced to accord with the facts and further allowance should be made for other assets discarded or transferred to other railways as a result of the introduction of single line working as from March, 1922.





69. It is apparent that the figure of £P.739,174 given above as the Wickham valuation includes the value of items which have not been a part of the Kantara—Rafa Railway at any time since 1923, and it is submitted that the capital valuation should be revised to accord with the facts, not by making any new valuation of specific assets but by a reasonable application of the Wickham valuation *pro rata* to the assets actually forming a part of the Railway. A valuation on this basis formed a part of a valuation of the present value of the railway carried out for another purpose in 1939 and the material available, which is under correspondence with the General Manager, gives reason to believe that the Anthony valuation of £409,375 quoted by the O'Donnell Commission as the capital valuation of the railway at the time of the agreement more closely accords with the facts. It is a matter for regret that no action has been taken during the past ten years to place these considerations before the Secretary of State with a view to the adoption of a capital valuation based on the Wickham assessments but excluding entries in respect of irrelevant assets. The explanation is probably to be found in the fact that the adoption of a fixed annual rental and the subsequent need for examining the whole matter afresh in the light of the Price, Waterhouse Report relegated consideration of the capital valuation to a position of secondary urgency.

70. More detailed representations on this matter will be submitted as soon as circumstances permit, but as an interim solution had to be found before draft estimates could be prepared this was found by applying the Anthony valuation without prejudice to any adjustments that might subsequently be approved. On this basis, the adjustment to be made now in respect of operations on the Kantara-Rafa Railway from 1st April, 1936, onwards is as follows :—

Year	Surplus	Defecit	Credited to special fund	Ratio of distribution of profit	Amount to be credited to —		Amount already paid to H. M. G.	Amount due to H. M. G.
					Palestine Government	H. M. G.		
	£P.	£P.	£P.		£P.	£P.	£P.	£P.
1936/37	72,687	—	86,844	20,958 : 409,375	1,770	84,573	4,000	80,573
1937/38	143	—	71	20,958 : 409,375	3	69	4,000	—3,931
1938/39	—	7,993	—	28,951 : 409,375	—	—	4,000	—4,000
1939/40	26,627	—	13,314	29,702 : 409,375	900	12,413	4,000	8,413
1940/41	220,532	—	110,266	50,613 : 409,375	12,133	98,133	4,000	94,133
1941/42 (revised estimate)	177,714	—	61,446	56,000 : 409,375	13,991	102,277	—	102,277
1942/43 (estimate)	253,929	—	50,000	56,000 : 409,375	24,543	179,386	—	179,386
Total	751,632	7,993	271,441		53,340	426,851	20,000	406,851

71. On the lines of these recommendations :—

(1) The Palestine Government will pay to His Majesty's Government in 1941/42 a sum of £P.125,188 in respect of Kantara—Rafa Railway returns from 1st April, 1936, to 31st March, 1941.

(2) Of the estimated surplus of £P.177,714 on the Kantara—Rafa Railway in 1941/42.

£P. 61,446 will be allocated to the special fund.

£P.102,277 will be allocated to His Majesty's Government.

£P. 13,991 will be allocated to the Palestine Government.

(3) Of the estimated surplus of £P.253,929 on the Kantara—Rafa Railway in 1942/43.

£P. 50,000 will be allocated to the Special Fund.

£P.179,386 (say £P.179,000) will be allocated to His Majesty's Government.

£P. 27,543 will be allocated to the Palestine Government.





72. These proposals may be assembled as follows :—

	Actual 1939/40	Actual 1940/41	Revised estimates 1941/42	Draft estimates 1942/43
	£P.	£P.	£P.	£P.
<i>Palestine Railway :</i> (including Petah Tiqva line)				
<i>Revenue :</i>				
Earned on the Railway	322,000	510,000	749,000	888,000
Rental of rolling stock by Kantara—Rafa Railway (interest and renewals)	27,000	37,000	120,000	69,000
	349,000	547,000	869,000	957,000
Working expenditure	297,000	318,000	554,000	683,000
Surplus of revenue over working expenditure	52,000	229,000	315,000	274,000
Debt charges	125,000	125,000	125,000	125,000
Renewals fund contributions	72,000	72,000	144,000	144,000
Renewals fund contribution supplementary payment in respect of 1940/41	—	—	72,000	—
Deficit	145,000	—	26,000	—
Surplus	—	32,000	—	5,000
Extraordinary expenditure	4,000	40,000	39,000	24,000
Deficit	149,000	8,000	65,000	19,000
Revenue derived from profits on Kantara— Rafa Railway	18,000	110,000	14,000	25,000
Payment by Palestine Government to His Majesty's Government .	—	—	125,000	—
<i>Kantara—Rafa Railway :</i>				
Revenue	133,000	362,000	537,000	670,000
Expenditure :				
Working expenditure	75,000	100,000	239,000	347,000
Rental of rolling stock (interest and renewals)	27,000	37,000	120,000	69,000
Rent payment to His Majesty's Government	4,000	4,000	—	—
	106,000	141,000	359,000	416,000
Surplus	27,000	221,000	178,000	254,000
Contribution to special fund	14,000	111,000	61,000	50,000
Surplus paid to Palestine Government	13,000	110,000	—	—
Interest payment to His Majesty's Govern- ment	—	—	103,000	179,000
Interest payment to Palestine Government	—	—	14,000	25,000
Total surplus as allocated	27,000	221,000	178,000	254,000

73. The Palestine Government pays £P.125,000 to His Majesty's Government in respect of profits during the years 1936-1941.

*Hejaz Railway :*

74. The estimated surpluses accrue to the Palestine Government :—

Deficit	£P.	17,000	17,000	10,000	—
Surplus	£P.	—	—	—	11,000





75. The effect on the Palestine estimates is as follows :—

*Revised estimates 1941/42.*

<i>Revenue :</i>	£P.
Interest payment from Kantara-Rafa Railway	14,000
<i>Expenditure.</i>	
Deficit on Palestine Railway	65,000
Deficit on Hejaz Railway	10,000
Payment to His Majesty's Government in respect of profits on the Kantara-Rafa Railway during the years 1936-1941	125,000
	<u>200,000</u>
Net expenditure item	<u>£P.186,000</u>

*Draft estimates 1942/43*

<i>Revenue.</i>	£P.
Interest payment from Kantara-Rafa Railway	25,000
Surplus on Hejaz Railway	11,000
	<u>36,000</u>
<i>Less :</i>	
Deficit on Palestine Railway	19,000
Emergency expenditure	5,000
	<u>24,000</u>
Net Revenue Item	<u>£P.12,000</u>





### ENCLOSURE III.

#### MEMORANDUM ON EXPENDITURE.

##### I — PUBLIC DEBT.

<i>Approved Estimates, 1941-42</i>	£P. 158,951
<i>Estimates, 1942-43</i>	£P. 158,951

There is no change in the estimated expenditure under this Head.

##### II — PENSIONS.

<i>Approved Estimates, 1941-42</i>	£P. 82,050
<i>Estimates, 1942-43</i>	£P. 73,700
<i>Decrease</i>	£P. 8,350

2. The actual expenditure for 1940-41, approved estimates for 1941-42, and the draft estimates for 1942-43 are set out below :—

	Actual Expenditure 1940-41	Approved Estimates 1941-42	Draft Estimates 1942-43
	£P.	£P.	£P.
1. Pensions	42,569	50,000	50,000
2. Gratuities	17,888	22,000	15,000
3. Pensions to ex-Turkish Government employees	7,060	7,300	7,200
4. Pension Contributions	3,334	2,750	1,500
Total £P.	78,051	82,050	73,700

The provision in the draft estimates under item 1 is based on an estimated increase of 10% over the revised estimate for 1941-42. The provision under item 2 is based on the revised estimates for 1941-42, and the remaining provision represents the actual amounts payable.

##### III — HIS EXCELLENCY THE HIGH COMMISSIONER.

<i>Approved Estimates, 1941-42</i>	£P. 12,044
<i>Estimates, 1942-43</i>	£P. 12,617
<i>Increase</i>	£P. 573

3. The draft estimates for 1942-43 show a net increase of £P.573 over the approved estimates for 1941-42 as under :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	8,869	9,027	480	822
Other Charges	3,175	3,590	515	100
Total £P.	12,044	12,617	995	422
Net increase	—	—	573	—





4. The increases and decreases may be further summarised as under :—

	Personal Emoluments	Other Charges	Total
	£P.	£P.	£P.
<i>Increases :</i>			
(a) Increments and cost of living allowances (items 1(8), (10), (12) and (15))	81	—	81
(b) Increases approved in 1941-42 (items 1 (4) and (7))	425	—	425
(c) Increase in pay of Kawass (item 1(9))	24	—	24
(d) Under estimation in 1941-42 (items 2 and 5)	—	120	120
(e) Increases due to increased price of materials etl. (items 7, 8, 9, and 10)	—	395	395
Total increases	480	515	995
<i>Decreases :</i>			
(f) Changes in holders (items 1(6) and (12))	322	—	322
(g) Over-estimated and economies (items 4, 6 and 13)	—	100	100
Total decreases	322	100	422
Net Increase £P.	158	415	573

The provision under item 1(4) was reported in High Commissioner's despatch No. 172 of the 29th September, 1941. The appointment of Assistant Private Secretary (item 1(7)) was approved by Secretary of State's telegram No. 1155 of the 25th June, 1941. The increase under (c) is for increase of the pay of the third Kawass at Government House to £P.5 per mensem. His rate of pay has remained at £P.3 per mensem since he was appointed in 1938. Part of the increase of £P.170 under item 10, upkeep of gardens, is required to maintain the recently increased areas under cultivation.

#### HEAD IV — ACCOUNTANT-GENERAL.

Approved Estimates, 1941-42	£P.	19,017
Estimates, 1942-43	£P.	17,081
Decrease	£P.	1,936

5. The net decrease of £P.1,936 in the draft estimates for 1942-43 as compared with the approved estimate for 1941-42 is made up as follows :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	17,947	16,364	1,378	2,961
Other Charges	820	717	65	168
Special Expenditure	250	—	—	250
Total £P.	19,017	17,081	1,443	3,379
Net decrease £P.	—	—	—	1,936





6. The increases and decreases may be analysed as follows :—

	Personal Emoluments	Other Charges	Special Expenditure	Total
	£P.	£P.	£P.	£P.
<b>Increases :</b>				
(a) Increments 1(1), (9), (14)	287	—	—	287
(b) Increases approved in 1941-42 and transfers between items (items 1(7), (16) and (17))	954	—	—	954
(c) Under estimated in 1941-42 (items 5 to 7)	—	65	—	65
(d) New appointments (item 1(10)) :	582	—	—	582
1 grade M clerk				
1 grade N clerk				
1 grade O clerk				
	1,828	65	—	1,888
Less : equivalent decreases under item 1(10)	445	—	—	445
<b>Total Increases</b>	<b>1,378</b>	<b>65</b>	<b>—</b>	<b>1,443</b>
<b>Decreases :</b>				
(e) Decreases due to changes in holders (items 1(3), (6) and (13))	295	—	—	295
(f) Decreases due to transfers under this head and secondment of an officer to O.E.T.A. (item 1(5))	2,666	—	—	2,666
(g) Over-estimated in 1941-42 (items 3 and 4) and special expenditure not required in 1942-43	—	168	250	418
<b>Total decreases</b>	<b>2,961</b>	<b>168</b>	<b>250</b>	<b>3,379</b>
<b>Net Decreases</b>	<b>1,583</b>	<b>103</b>	<b>250</b>	<b>1,936</b>

7. The increases under (b) comprise an increase of £P.100 (item 1(8)) in the salary of the Examiner of Banks reported in High Commissioner's despatch No. 26 dated 28th February, 1942; provision for the approved appointments and proposed redesignation of the offices of two accountants filling vacancies, on promotion, of former posts of assistant treasurers, grade K (item 1(7)); and the appointment of a telephone operator, item 1(12), necessitated by rearrangement of the telephone system at the Accountant-General's office.

The new appointments under (d) provide for a grade M clerk, supernumerary to the establishment required for fulltime work on currency matters, one grade N clerk required for centralization in the office of the Accountant-General of the control of issue of licence and receipt books, and a grade O clerk to take charge of the treasury archives to which repeated reference is necessary. The emoluments of the grade M clerk, if approved, will be reimbursed by the Palestine Currency Board.

#### HEAD V — AGRICULTURE AND FISHERIES.

Approved Estimates, 1941-42	£P. 145,660
Estimates, 1942-43	£P. 174,451
Increase	£P. 28,791

8. The increase of £P.28,791 in the draft estimates for 1942-43 over the approved estimates for 1941-42 is made up as follows :—

	Approved Estimates 1941-42	Actual Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	67,206	77,444	11,210	972
Other Charges	73,284	91,087	18,073	320
Special Expenditure	5,170	5,970	1,690	890
<b>£P.</b>	<b>145,660</b>	<b>174,451</b>	<b>30,973</b>	<b>2,182</b>
<b>Net Increase £P.</b>	<b>—</b>	<b>—</b>	<b>28,791</b>	<b>—</b>





9. The nature of the increases totalling £P.30,973 and decreases totalling £P.2,182 may be summarised as follows:—

	Personal Emoluments	Other Charges	Special Expenditure	Total
	£P.	£P.	£P.	£P.
<i>Increases :</i>				
(a) Increments and changes in holders	2 208	—	—	2,208
(b) Increases on account of increased prices and other committed increases	—	7,951	—	7,951
(c) Expansion of scheme for production of poultry (item 21)	—	4,000	—	4,000
(d) Transfers between items	—	392	—	392
(e) Restoration of services retrenched in 1939-40 and expansion of services :				
(i) Administration	406	100	—	506
(ii) Veterinary	3,820	1,942	—	5,762
(iii) Agricultural	2,068	1,278	900	4,246
(iv) Horticultural	872	1,340	290	2,502
(v) Fisheries	822	720	900	2,442
(vi) General (Cost of Living Allowances)	774	—	—	774
(vii) Agricultural Schools	240	350	230	820
<b>Total New Services</b>	<b>9,002</b>	<b>5,730</b>	<b>2,320</b>	<b>17,052</b>
<b>Total</b>	<b>11,210</b>	<b>18,073</b>	<b>2,320</b>	<b>31,603</b>
Less : Decreases set off under same items of special expenditure	—	—	630	630
<b>Total increases</b>	<b>11,210</b>	<b>18,073</b>	<b>1,690</b>	<b>30,973</b>
<i>Decreases :</i>				
(f) Changes in holders etc.	212	—	—	212
(g) Transfers between votes	72	320	—	392
(h) Seconded officers and provision in 1941-42 not required in 1942-43	688	—	1,520	2,208
<b>Total Decreases</b>	<b>972</b>	<b>320</b>	<b>1,520</b>	<b>2,812</b>
Less : equivalent increases under same items	—	—	630	630
<b>Total Decreases</b>	<b>972</b>	<b>320</b>	<b>890</b>	<b>2,182</b>
<b>Net Increase £P.</b>	<b>10,238</b>	<b>17,753</b>	<b>800</b>	<b>28,791</b>





10. The following table indicates the distribution of the estimated expenditure between the various services under this head :—

	Approved Estimates 1941-42				Draft Estimates 1942-43			
	Personal Emoluments	Other Charges	Special Expenditure	Total	Personal Emoluments	Other Charges	Special Expenditure	Total
	£P.	£P.	£P.	£P.	£P.	£P.	£P.	£P.
Administration	11,752	2,053	3,000	16,805	12,892	2,728	3,000	18,620
Veterinary	17,449	15,227	550	33,226	21,715	18,235	—	39,950
Agriculture	12,284	22,895	900	36,079	14,662	29,448	900	45,005
Horticulture	4,635	5,531	—	10,166	5,609	7,671	510	13,790
Fruit Inspection	4,751	11,158	—	15,909	4,871	11,258	—	16,129
Plant Protection	5,055	4,851	430	10,336	5,243	4,901	430	10,574
Fisheries	3,253	2,108	—	5,361	4,127	3,053	900	8,080
General — Cost of Living and Housing Allowance	3,461	—	—	3,461	4,273	—	—	4,273
Tulkarm Agricultural School	2,278	4,360	—	6,638	2,332	6,685	230	9,247
Mount Tabor Agricultural School	2,288	5,101	290	7,679	2,408	7,063	—	9,471
Total £P.	67,206	73,284	5,170	145,660	78,132	91,037	5,970	175,139
Less seconded officers					688	—	—	688
					77,444	91,037	5,970	174,451

11. In framing the estimates the main considerations have been the rehabilitation of the services which were retrenched in previous years during the disturbances for financial and other reasons; and the consolidation of the development commenced in 1941-42 with particular regard to the services directly concerned in food production, namely, veterinary, agriculture and fisheries. The whole of the proposals fall within the scope of the report of the committee on development and welfare services. The increases totalling £P.7,951 shown under (b) of paragraph 9 are all necessitated by increased prices due to the war for the maintenance of services approved in 1941-42. The increase of £P.4,000 under item 21 for the poultry production scheme is necessary for expansion of the scheme and is reflected in an equivalent increase under Revenue Head IV, item 38, Receipts, Poultry Stations and Stock Farm.

12. The provision for new appointments and new services on the lines set out in the preceding paragraph is set out below :—





	Personal Emoluments	Other Charges	Special Expendi- ture	Total
	£P.	£P.	£P.	£P.
(i) Administration :				
Item 1(10) 4 clerks, grade O	352	—	—	352
Item 1(15) 1 telephone operator	54	—	—	54
Item 4 Telephones	—	100	—	100
	406	100	—	506
(ii) Veterinary Service :				
<i>Administration :</i>				
Item 1(20) 1 Senior Veterinary Officer grade H	650	—	—	650
Item 1(21) 1 Assistant Senior Vete- rinary Officer at £P.650 p.a.	650	—	—	650
<i>Field Staff :</i>				
Item 1(22) 1 Veterinary Officer grade K	300	—	—	300
Item 1(23) 4 Assistant Veterinary of- ficers, grade N (at £P.240 p.a.)	960	—	—	960
Item 1(24) 5 Stock Inspectors at £P.84 p.a.	420	—	—	420
Item 1(25) 3 Poultry Field Laborato- ry Attendants at £P.96 p.a.	288	—	—	288
Item 1(27) 1 Camelman at £P.84 p.a.	84	—	—	84
<i>Quarantine Station :</i>				
Item 1(28) 2 Quarantine guards at £P.72 p.a.	144	—	—	144
<i>Veterinary Laboratory :</i>				
Item 1(34) 2 Laboratory Assistants and Attendants	264	—	—	264
1 grade N				
1 grade O				
<i>Stock Breeding Section :</i>				
Item 1(44) 1 Junior Dairy Instructor, grade O	60	—	—	60
Item 2. Transport and Travelling	—	1,942	—	1,942
	3,820	1,942	—	5,762
<i>Agriculture :</i>				
Items 1(50) and (51) Senior Agricul- tural Officer at £P.800 p.a.	800	—	—	800
Item 1(52) 1 Agricultural Officer, grade K	300	—	—	300
Item 1(58) 5 Agricultural Assistants at £P.5 p.m.	300	—	—	300
Item 1(59) 1 Station Superintendent, grade O	100	—	—	100
Item 1(60) 5 Farm Foremen at £P.6 p.m.	360	—	—	360
Item 1(61) 1 mechanic at £P.9 p.m.	108	—	—	108
Item 1(65) 1 Laboratory Assistant, grade O	100	—	—	100
Item 2. Transport and Travelling	—	408	—	408
Item 7. Uniforms	—	50	—	50
Item 9. Upkeep of Stations and La- boratories	—	700	—	700
Item 22. Labour	—	120	—	120
Item 26. Agricultural Machinery and Equipment	—	—	400	400
Item 32. Establishment of Model Fellah Farm	—	—	500	500
	2,068	1,278	900	4,246





	Personal Emoluments	Other Charges	Special Expendi- ture	Total
	£P.	£P.	£P.	£P.
<i>Horticulture :</i>				
Item 1(75) 2 Horticultural Instructors, Grade N	360	—	—	360
Item 1(76) 2 Station Superintendents at £P.100 p.a.	200	—	—	200
Item 1(77) 4 Gardeners at £P.5 to £P.7 p.m.	312	—	—	312
Item 2. Transport and Travelling	—	310	—	310
Item 9. Upkeep of Stations and La- boratories	—	470	—	470
Item 10. Demonstrations, experi- ments and investigations	—	560	—	560
Item 26. Agricultural machinery and equipment	—	—	150	150
Item 27. Draught animals, cart and harness	—	—	140	140
	872	1,340	290	2,502
<i>Fisheries :</i>				
Item 1(97) 1 Launch Mechanic at £P.12,500 p.m.	150	—	—	150
Item 1(101) 1 Carpenter at £P.8 p.m.	96	—	—	96
Item 1(99) 8 Fishery Guards at £P.4 to 6 p.m.	480	—	—	480
Item 1(103) 2 Junior Fishermen at £P.4 p.m.	96	—	—	96
Item 2. Transport and Travelling	—	500	—	500
Item 7. Uniforms	—	50	—	50
Item 18. Upkeep of fishing boats, gear and equipment	—	70	—	70
Item 24. Upkeep of Fisheries De- monstration Boat	—	100	—	100
Item 29. Arms and Ammunition	—	—	300	300
Item 30. Fishing Experiments, Ru- bin River	—	—	100	100
Item 31. Purchase of fishing boats and nets	—	—	500	500
	822	720	900	2,442
<i>General :</i>				
Item 1(104) Cost of Living Allowances	774	—	—	774
<i>Kadoorie Agricultural School, Tulkarm</i>				
Item 33(6) and (13) 1 Farm Super- intendent grade O	120	—	—	120
Item 43. Soil conservation	—	150	—	150
Item 44. Assistance to students	—	100	—	100
Item 45. Purchase of equipment	—	—	130	130
Item 46. Re-establishment of Poul- try Section	—	—	100	100
	120	250	230	600
<i>Kadoorie Agricultural School, Mt. Tabor :</i>				
Item 47(11) 1 Farm Superintendent, grade O	120	—	—	120
Item 57. Assistance to students	—	100	—	100
	120	100	—	220
<b>Total rehabilitation and development</b>	<b>9,002</b>	<b>5,780</b>	<b>2,320</b>	<b>17,052</b>





## ADMINISTRATION.

Item 1(10): Officers of the General Clerical Service — Increase £P.955.

13. Provision for four clerks in grade O (£P.352) is required for:—

- (i) Head clerk for the Veterinary Laboratory.
- (ii) District Veterinary Office, Tiberias.
- (iii) District Agricultural Office, Tel Aviv.
- (iv) District Agricultural Office, Haifa.

In the case of (i) the appointment is required in grade N owing to the size of this division. A vacancy in grade N is at present blocked by a grade O officer, and to release this vacancy provision is made, at the maximum (£P.172) to reabsorb this officer. The volume of work in the other offices shown makes the appointment of additional clerical staff essential.

The estimates also provide for a grade M appointment which was omitted in error from the estimates for 1941-42 when the appointment of accountant and establishment officer was provided.

Item 1(15): Telephone operator — £P.54. This appointment is essential for the outstation offices at Haifa in which the Chief Fisheries Officer, Agricultural Officer, Fruit Inspector and Plant Inspector and their staffs have recently been accommodated.

Item 4. Telephones — £P.100. This item is required in connection with the proposed new appointments and expansion of service.

## VETERINARY SERVICE.

Items 1(20) Senior Veterinary Officer — £P.650.

14. Provision is made under these items for the post referred to in High Commissioner's telegrams No. 1769 dated the 17th December, 1941, and No. 81 of the 19th January, 1942.

Item (21) Assistant Senior Veterinary Officer at £P.650 p.a. As a temporary arrangement, owing to the very large increases in animal quarantine services it became necessary in 1938 to transfer a Veterinary Officer to Headquarters to assist the Chief Veterinary Officer in dealing with matters relating to quarantine and slaughter-houses. This arrangement cannot continue indefinitely as it prejudices field work. A permanent officer is required to undertake this important branch of veterinary work and to maintain these services at the requisite standard. The officer selected to fill this post must not only be a qualified veterinary surgeon but should also have considerable knowledge and experience of animal quarantine and the control of slaughter-houses.

Item 1(22) Veterinary Officer, grade K. £P.300.

Item 1(23) 4 Assistant Veterinary Officers — grade N. £P.960.

It is necessary to create a new veterinary area comprising the Safad and Acre sub districts owing to the impracticability of operating this area from Tiberias and the Veterinary Officer and one assistant are required for this new area. Assistants are also required for Hebron, Beersheba, Jenin, Haifa and Acre in view of the development of the livestock industry and the increase in the scope and activities of the service. Two of these officers can be made available from existing establishments if the proposals made above in this paragraph are approved, but two additional appointments are essential for three of the sub districts in any case. A factor necessitating these additional appointments is the increase in police horses of the mobile striking forces. The fourth appointment is essential for the efficient performance of normal duties in connection with the prevention and control of poultry diseases.

Item 1(24) 5 Stock Inspectors at £P.7 p.m. — £P.420.

Stock inspectors are veterinary sanitary policemen and are essential in ensuring, *inter alia*, the carrying out of rules, orders and directions under the Animal Diseases Ordinance. The provision now made restores the approved establishment which was reduced in 1939-40, but which is the minimum necessary, namely one inspector for each sub district, for the performance of normal duties.





Item 1(25) 3 Poultry Field Laboratory Assistants at £P.96 p.a.

These appointments are necessary to assist Poultry Disease Officers in small field laboratories established to enable them to confirm their diagnoses without reference to the veterinary laboratory so as to avoid delay in application of control measures.

Item 1(27) 1 Camelman at £P.84 per annum.

This provision restores an essential post for the Beersheba area. The post was deleted from the estimates in 1939-40 on financial grounds.

Item 1(28) 2 Quarantine Guards at £P.72 p.a.

These appointments are necessary to bring the establishment of guards up to thirty, the minimum number required to ensure efficient performance of normal duties.

Item 1(34) 2 Laboratory Assistants — £P.264.

Only two officers — the senior laboratory assistant and one other laboratory assistant are now engaged in the skilled bacteriological and other laboratory work of investigation of outbreaks of disease in all classes of stock, associated with the rapid development of animal and poultry husbandry which has taken place. This work includes investigation of cases of disease and mortality, means of transmission, improved methods of diagnosis and especially methods of control, including preparation of sera and vaccines. The present staff is unable to keep pace with the routine work of the laboratory and consequently necessary investigations are prejudiced.

Item 1(44) Junior Dairy Instructor — £P.60.

This appointment is necessary for the instruction of fellahin in methods of preparing dairy products. Owing to lack of staff it has been impossible to carry out any form of practical demonstration in Arab villages and such demonstrations would prove very beneficial to villagers and would increase their incomes from sale of such products.

Item 2. Transport and Travelling — £P.1,942.

This provision is required in connection with the new appointments now proposed.

#### AGRICULTURE.

Items 1(50) and (51): Senior Agricultural Officer — £P.800.

15. For a considerable time past the establishment of this service has been inadequate to cope with the work which it was constituted to perform. It is no longer possible for a single Chief Agricultural Officer to control the whole of the agricultural work throughout Palestine with only locally recruited assistance. It is, therefore, proposed to divide Palestine into two circles, northern and southern, each under a British senior agricultural officer. It is considered that the officer appointed should have had at least five years colonial experience. Early appointment is necessary owing to the impending retirement in 1943 of the Chief Agricultural Officer.

Item 1(52): 1 Agricultural Officer, grade K. — £P.300.

Item 1(58): 5 Agricultural Assistants at £P.5 p.m. — £P.300.

These appointments are required to bring the number of these posts to the minimum essential for the efficient performance of the normal duties of the service. The proposed appointments conform to the recommendations of the committee on development and welfare services (vide Chapter II, page 4 of the Report).

Item 1(59): 1 Station Superintendent £P.100.

Provision is made for the restoration of one post, deleted in 1939-40, which is now necessary in connection with experimental work at Acre Agricultural Station.

Item 1(60): 5 Farm Foremen — £P.360.

The provision provides for restoration of four posts, deleted from the estimates in 1939-40, which are now required in view of the return to normal activities at the various experimental stations. One additional post is required in connection with the extension of the vegetable section at Acre.





Item 1(61): 1 Mechanic — £P.108.

This appointment is necessary, particularly in war time, for keeping the three tractors at Acre in proper order. The practice of using casual labourers for driving and maintaining these valuable machines has proved unsatisfactory.

Item 1(65): 1 Laboratory Assistant — £P.100 p.a.

This appointment is necessary to strengthen the seed-breeding section at Acre where the work has increased considerably and is likely now to expand further.

Item 2. Transport and Travelling	408
Item 7. Uniforms	50
Item 9. Upkeep of Stations and Laboratories	700
Item 22. Labour	120

The provision under items 2 and 7 is consequent upon the new appointments for this service. The increase of £P.700 under item 9 is required for the reopening of agricultural stations in connection with food production, and the increase of £P.120 for labour is necessary for employment of two additional ghaffirs at the Stock Farm and Agricultural Stations at Acre to prevent thefts of stock and to guard the grain lands which border the main road to Acre.

Item 26. Agricultural Machinery and Equipment — £P.400.

Item 32. Model Fellah Farms — £P.500.

The provision under item 26 is required for machinery and implements for the Central Agricultural station at Acre and the provision under item 32 is for the establishment of three farms on the lines explained in Chapter II, paragraph 45 of the Report of the Committee on Development and Welfare Services.

#### HORTICULTURE.

Item 1(75): 2 Horticultural Instructors, grade N. — £P.360.

16. In 1939-40 the posts of one horticultural instructor, a viticultural officer and two station superintendents carrying out general horticultural duties were retrenched and there are now only three horticultural instructors, stationed at Jerusalem, Tel Aviv and Tiberias. The areas are obviously too large for meeting requirements for advice and demonstration and two more officers are required for work in the northern area and the Emek for investigations and demonstrations on fruit products, particularly on olive oil. War conditions have emphasized rather than diminished the necessity for these posts.

Item 1(76): 2 Station Superintendents — £P.200.

This provision is for the restoration of two appointments retrenched in 1939-40 and now necessary owing to the return to normal activities including the doubling of the present vine and olive nursery production and the reopening of the Majdal and Farradiya horticultural stations which were closed during the disturbances.

Item 1(77): 4 Gardeners at £P.5 to £P.7 p.m. — £P.312.

This item is also for the restoration of posts retrenched in 1939-40 and now required in connection with the reopening of the Majdal and Farradiya stations.

Item 2. Transport and Travelling	£P.310
Item 9. Upkeep of stations and laboratories	£P.470
Item 10. Demonstrations, Investigations and Experiments	£P.560

The additional provision under item 2 is consequent upon the provision for additional staff. The provision under item 9 is necessary for the restoration of part of the reduction under this item in 1939-40. The amount is now required for the reopening of the Majdal and Farradiya stations and that under item 10 is for restoration in part of the provision before the reduction made in 1939-40 and now required for raising an extra 20,000 grafted (phylloxera resisting) vines and 10,000 olive trees (£P.410) and for increased demonstrations on by-products (£P.150).





Item 26. Agricultural Machinery and Equipment £P.150

Item 27. Draught animals, carts and harness £P.140

The provision under item 26 is partly required for the seed-breeding laboratory at Acre (£P.100) and the remainder under this item and the sum of £P.140 under item 27 is required for the purchase of implements (£P.50), two mules (£P.100) and two sets of harness (£P.40) in connection with the reopening of the Majdal and Farradiya Horticultural Stations.

#### FISHERIES.

Item 1(97) 1 Launch Mechanic £P.150

Item 24. Upkeep of Fisheries Demonstration Boat £P.100

17. This provision represents a transfer of charges previously borne on the vote of the Department of Customs, Excise and Trade and which is now more appropriately shown under the expenditure of the Fisheries Service.

Item 1(101) : 1 Carpenter — £P.96.

This appointment is necessary for the fisheries experiment station and for the repair of boats. The employment of casual labour for the purpose has been unsatisfactory and uneconomical. The carpenter will also assist and advise the local fisherman.

Item 1(99). 8 Fishery guards £P.480.

Item 1(103) 2 Junior Fishermen £P. 96

These appointments are essential for the minimum establishment necessary to ensure efficient performance of the duties of the service, the utility of which in wartime in relation to food supplies is emphasized.

Item 2. Transport and Travelling £P.500

Item 7. Uniforms £P. 50

Item 18. Upkeep of fishing boats, gear and equipment £P. 70

The additional provision is consequent upon the provision for new appointments and increased activities of the service.

Item 29. Arms and ammunition £P.300

Item 30. Fishing Experiments—Rubin River £P.100

Item 31. Purchase of fishing boats and nets £P.500

Item 29 is provided for the purchase of about 15 shot guns and ammunition required for arming fishery guards for enforcement of the Fisheries Ordinance. Item 30 is required for the erection of a wire barrier at the mouth of the Rubin river to prevent fresh water fish from migrating to the sea and to preserve a stock of mullets for fish cultivation. The provision under item 31 is inserted for the purchase of two native type sailing boats for demonstration work and for the purchase of trawls of larger mesh and other nets for experiments to find the most suitable mesh for the local trawl fishery.

#### KADOORIE AGRICULTURAL SCHOOLS.

Item 33(6) 1 Farm Superintendent £P.120

Item 47(11) 1 Farm Superintendent £P.120

18. These appointments are necessary for direct superintendence in the field of labourers and students. The holders of the posts would be ex-graduates who would be capable of explaining the practical details of farm operations to students.

Item 44. Assistance to Students £P.100

Item 57. Assistance to Students £P.100

This provision is required to assist promising pupils whose parents are unable to pay the school fees of £P.24 p.a. and the deposit of £P.5 required for books, clothes, breakages etc.; and who consequently would be deprived of agricultural education on account of poverty.





## Item 43. Soil conservation — £P.150.

This provision is required for soil conservation measures on the school farm at Tulkarm. The expenditure is supplementary to the work which the pupils can carry out. A further sum of £P.150 will be required in 1943-44 to complete the scheme.

Item 45. Purchase of equipment £P.130

Item 46. Re-establishment of Poultry Section £P.100

It is necessary to provide two microscopes at £P.35 each for the school laboratory at Tulkarm as well as fifteen sets of dissecting instruments (£P.30). A laundry machine to replace the equipment destroyed by saboteurs during the disturbances is also required (£P.30).

The provision under item 46 is for removal of and repair to the poultry buildings damaged during the disturbances.

## HEAD VI — ANTIQUITIES.

<i>Approved Estimates, 1941-42</i>	<b>£P. 24,169</b>
<i>Estimates, 1942-43</i>	<b>£P. 23,616</b>
<i>Decrease</i>	<b>£P. 553</b>

19. The decrease of £P.553 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as under :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	16,822	16,062	313	1,078
Other Charges	5,980	6,360	445	65
Special Expenditure	1,367	1,194	—	173
£P.	24,169	23,616	758	1,311
	Net Decrease		£P.	553

20. The increase of £P.758 and decrease of £P.1,311 are further summarised below :—

	Personal Emoluments	Other Charges	Special Expenditure	Total
	£P.	£P.	£P.	£P.
<i>Increases :</i>				
(a) Increments	212	—	—	212
(b) Increases in attendants and guards (items 1(14) and (23))	101	—	—	101
(c) Increases under other charges (items 2, 4, 7, and 12)	—	445	—	445
Total increases	313	445	—	758
<i>Decreases :</i>				
(d) Officers seconded to other departments and released for military service (items 1(3) and (42))	1,078	—	—	1,078
(e) Overestimated and economies (items 3 and 8) and special expenditure not re- quired in 1942-43 (item 16)	—	65	173	238
Total decreases	1,078	65	173	1,311
Net Increase £P.	—	380	—	—
Decrease £P.	760	—	173	553





The increases under (b) above are to provide for a guard at Acre and a sum of £P.12 for guarding chance discoveries. The opening of the museum seven days a week necessitates the appointment of an additional attendant (vide item 1(23)). The increases under (c) are provided for additional travelling due largely to the necessity to conserve antiquities discovered in the course of military works activities (£P.150); sundry minor increases due to increased prices; and additional provision of £P.250 under item 12 for additional accommodation in the museum for heavy stone sculptured subjects.

## HEAD VII — AUDIT.

<i>Approved Estimates, 1941-42</i>	£P. 17,572
<i>Draft Estimates, 1942-43</i>	£P. 18,245
<i>Decrease</i>	£P. 673

21. The increase of £P.673 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as under :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	15,405	15,163	174	416
Other Charges	2,167	3,082	915	—
£P.	17,572	18,245	1,089	416
	Net Decrease		£P.	673

22. The increase of £P.1,089 and the decrease of £P.416 are further summarised below :—

	Personal Emoluments	Other Charges	Total
	£P.	£P.	£P.
<i>Increases :</i>			
(a) Increments	403	—	403
(b) Under-estimation and committed increases 1(12), 4 and 6)	96	915	1,011
(c) New appointments (item 1(12) and 1(17))	144	—	144
£P.	648	915	1,558
Less Seconded officers (item 1(12))	469	—	469
£P.	174	915	1,089
<i>Decreases :</i>			
(a) Transfers to other items, changes in holders etc.	416	—	416
Net { Increase      £P.	—	915	673
Decrease    £P.	242	—	—

The increases under (b) comprise in addition to increases under other charges (£P.915) adjustments under item 1(12) in respect of approved changes in 1941-42 in the general clerical establishment and the transfer to that item of provision for seconded officers. The amount of £P.96 is arrived at after allowing for decreases on account of changes in holders. The increase of £P.915 under other charges comprises £P.580 under transport and travelling required for the audit of local councils accounts taken over under the local councils (Amendment) Ordinance, 1941; £P.23 increased charges by the Postmaster General for telephones; and £P.312 share of home expenditure as notified by the Director of Colonial Audit.

The estimates provide for the substitution of one grade O post for one grade P post and two new appointments of clerk grade O owing to the considerable increase in the work of the department which is reflected in the heavy increases of revenue and expenditure figures in recent years and the creation of various war emergency services.





## HEAD VIII — COOPERATIVE SOCIETIES.

<i>Approved Estimates, 1941-42</i>	£P. 7,858
<i>Estimates, 1942-43</i>	£P. 8,451
<i>Increase</i>	£P. 598

23. The increase of £P.598 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as under :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	5,793	6,391	1,076	478
Other Charges	2,060	2,060	—	—
£P.	7,853	8,451	1,076	478

24. The increase of £P.1,076 and decrease of £P.478 include increments (£P.50) and the creation of three posts of sub inspector of Cooperative Societies in grade M against decreases of one inspector in grade K and two field organisers in grade O.

The three sub inspectors are required for the following purposes :—

- (i) One to assist the Jewish Inspector of Cooperative Societies.
- (ii) One to assist the Arab Inspector.
- (iii) One to assist the Cooperative Auditor.

The Jewish Societies are supervised by the Jewish Inspector. This post was created in 1934 when the number of societies was some 300 as compared with some 950 at present. A sub inspector is now required to assist him in the manifold duties of supervision and guidance.

The Arab sub inspector is required to assist the Arab inspector in cooperative propaganda among the rural population, the audit of accounts of Arab Societies, the training of members prior to registration and the supervision of societies after registration.

25. The departmental auditor is responsible for supervision of the financial working of cooperative societies, especially of credit cooperative societies and their accounts; audit of accounts in special cases; advice on conversion of societies into joint stock companies; controlling liquidation of societies where outside liquidators are appointed (129 liquidations were outstanding at 31.12.1940); acting as liquidator in certain cases and assisting the Registrar in hearing appeals under section 48(5) of the Ordinance. It proved necessary to appoint a temporary assistant in 1941-42 owing to the magnitude of the work and a permanent appointment is essential.

## HEAD IX — CUSTODIAN OF ENEMY PROPERTY.

(vide items 5 and 26 of Revenue Head IV).

<i>Approved Estimates, 1941-42</i>	£P. 18,680
<i>Estimates, 1942-43</i>	£P. 28,055
<i>Increase</i>	£P. 9,375

26. The increase of £P.9,375 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as under :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	11,530	20,185	8,835	180
Other Charges	7,150	7,870	2,010	1,290
	18,680	28,055	10,845	1,470

An equivalent item of Revenue has been inserted under item 5 of Head IV.





27. The increases totalling £P.10,845 and the decreases totalling £P.1,470 are further summarised below :—

	Personal Emoluments	Other Charges	Total
	£P.	£P.	£P.
<i>Increases :</i>			
(a) Increases in rates of pay of Assistant Custodian (item 1(4))	162	—	162
(b) New appointment of Assistant Custodian (item 1(4))	480	—	480
(c) New appointments (and change in designation) of two supervisors (item 1(5))	840	—	840
(d) Increase in pay (and change in designation) of 1 supervisor (item 1 (5))	140	—	140
(e) 23 increases of pay and new appointments of clerks and typists at various rates (item 1(6))	4,191	—	4,191
(f) High Cost of Living Allowance (item 1(11))	1,000	—	1,000
(g) Other approved increases (item 1(9) and (10))	42	—	42
(h) Trading with the Enemy Branch and Registration of enemy debts (items 12 to 18)	1,980	990	2,970
(i) Sundry increases under other charges (items 2, 4, 6, 7 and 9)	—	1,020	1,020
Total increases	8,835	2,010	10,845
<i>Decreases :</i>			
(j) Stenography allowances and messengers	180	—	180
(k) Incidental expenses and block vote for registration of enemy debts	—	1,290	1,290
Total Decreases	180	1,290	1,470
Net Increases	8,655	720	9,375

Item 1(4) : 4 Assistant Custodians — Increase £P.642.

The increase of £P.162 under (a) above arises from decisions to increase the pay of two assistant custodians on renewal of their expired contracts. The posts are for an accountant and a draftsman and the holders of both posts are highly qualified. Retention of their services at lower rates of pay was impossible. Provision is made for an additional post of Assistant Custodian at £P.480 p.a. due to the vast increase in the work of this office.

Item 1(5) : 5 Supervisors — Increase £P.980.

Two new posts at £P.420 p.a. are provided for a registrar of estates and a deputy inspector of estates. These are necessary for supervision and control of very valuable estates vested in or controlled by the Custodian. The value of the estates runs into millions of pounds. Provision is also made for increase of the salary of the Inspector from £P.360 to £P.500, the latter salary being deemed compatible with the responsibilities of the post. The designation of these and the posts formerly described as Examination Officer and Registrar of Estates has been changed to Supervisors.

Item 1(6) : 55 Clerks and typists — Increase £P.4,191.

An increase of 28 posts is shown under the clerical establishment. Under this item the fluctuations in the work and requirements are such that control of numbers of personnel





and the salary rates must for all practical purposes be left largely to the discretion of the Custodian. Under present arrangements the proposed rates of pay which provide for the payment of increments to officers of one year's service or more, in 1942-43 at the rates appropriate to grades M, N and O, can be grouped as under :—

6 clerks at rates of pay between £P.300 and £P.312 p.a.

14 clerks at rates of pay between £P.180 and £P.256 p.a.

35 clerks at rates of pay between £P. 60 and £P.168 p.a.

Item 1(11) : High Cost of Living Allowance — £P.1,000.

As the estimates of the office of the Custodian of Enemy Property are self balancing it has been considered proper to provide for payment of the wartime high cost of living allowances under this head.

Items 12 to 18. Registrar of Enemy Debts (£P.600) and Trading with the Enemy Branches (£P.2,370).

Provision is made for the establishment of these offices on the basis approved in 1941-42 subsequent to approval of the estimates.

*Other Increase* — £P.2,010.

28. The increases under item 2. Audit Fee (£P.100); 6. Telephones, Telegrams and Postage (£P.100); 7. Transport and Travelling (£P.250) and Stationery etc. (£P.320) are consequent upon the increased activities of the office.

Provision of £P.250 is made under item 4 for Fidelity Guarantee Insurance owing to the considerable financial responsibilities of many of the subordinate officers and the temporary nature of their appointments in the majority of cases. The necessity for such guarantees was referred to in High Commissioner's despatch No. 11 of the 7th February, 1942.

#### HEAD X — CUSTOMS, EXCISE AND TRADE.

<i>Approved Estimates, 1941-42</i>	£P. 505,847
<i>Estimates, 1942-43</i>	£P. 380,785
<i>Decrease</i>	£P. 125,062

29. The decrease of £P.125,062 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as under :—

	Approved Estimates 1941—42	Draft Estimates 1942—43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	119,394	126,131	8,597	1,860
Other Charges	386,453	254,654	18,201	150,000
£P.	505,847	380,785	26,798	151,860
Net Decrease	—	—	—	125,062

30. The increases totalling £P.26,798 and the decreases totalling £P.151,860 may be further analysed as follows :—





	Personal Emoluments	Other Charges	Total
	£P.	£P.	£P.
<i>Increases :</i>			
<i>Customs and Excise :</i>			
(a) Changes in holders and increments	610	—	610
(b) Under-estimation in overtime fees (item 1(19))	1,000	—	1,000
(c) Increase in anti-smuggling work (items 2 and 7)	—	2,600	2,600
(d) Approved increase in horse allowance (item 4)	—	1,762	1,762
(e) Increase consequent on increased sales of water (item 5)	—	1,102	1,102
(f) Other increases due to increased prices and underestimation in 1941-42 (item 6, 9, 10 and 14)	—	1,735	1,735
<i>Port and Marine :</i>			
(g) Increments and transfer from other items (items 16(9), (10), (13), (14), (16) and (20))	1,393	—	1,393
(h) Increase of staff approved in 1941-42 (items 16(19) and (20))	1,476	—	1,476
(i) Increase in labour vote (item 17)	—	8,752	8,752
(j) Increase in Marine Survey Fee (item 18)	—	300	300
(k) Upkeep of 15-ton crane and maintenance of Haifa slipway (see items 20 and 22)	—	1,850	1,850
<i>Registration of Trade Marks, etc. :</i>			
(l) Increments	42	—	42
<i>War Emergency—Import Licences :</i>			
(m) Appointment approved in 1941-42 (item 24)	594	—	594
(n) New appointments (items 24 and 25)	3,482	100	3,582
<b>Total Increases</b>	<b>8,597</b>	<b>18,201</b>	<b>26,798</b>
<i>Decreases :</i>			
(o) Drawbacks and rebates (item 12)	—	150,000	150,000
(p) Transfers to other items and items not required in 1942-43 (16(7), (8), (11), (23) and (26))	1,860	—	1,860
<b>Total Decreases</b>	<b>1,860</b>	<b>150,000</b>	<b>151,860</b>
<b>Net Increase</b>	<b>3,831</b>	<b>—</b>	<b>—</b>
<b>Decrease</b>	<b>—</b>	<b>131,799</b>	<b>127,968</b>

31. Emergency expenditure arising out of wartime conditions is as under :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase
	£P.	£P.	£P.
<i>War Emergency :</i>			
<i>Import Licences :</i>			
Item 24, Personal Emoluments	924	5,000	4,076
Items 25 to 28, Other Charges	260	360	100
	<b>1,184</b>	<b>5,360</b>	<b>4,176</b>





32. Of the increases set out in paragraph 30 the increase under (b) is partially reflected under Revenue Head IV, item 15, overtime fees; the increases under items 2 and 7 for increases in anti-smuggling work are reflected under revenue Head III, item 28, Fines and forfeitures; that under item 5 is reflected under revenue Head IV, item 45, sale of water in Haifa Harbour; that under (i); item 17, labour is more than covered under Revenue Head IV, item 18, Portage Charges, Haifa Harbour and the increase of £P.300 for Marine Survey Fees represents payment to the Surveying officer of one half the fees charged. Of the remaining increases the increases under items 16(19) and (20) were reported to the Secretary of State under High Commissioner's despatches Nos. 113 of 19.6.41 and 145 of 19.7.41, the increase in the rate of horse allowances (item 4) was approved by Secretary of State's telegram No. 160 of the 12th February, 1942; the increases totalling £P.1,735 on account of increased prices and under-estimation represent unavoidable increases owing to the rise of prices and charges by the Postmaster General and the Egyptian Customs authorities; those under items 20 and 22 represent unavoidable maintenance charges for the 15-ton crane and Haifa slipway the purchase and construction of which respectively were approved in previous years. Of the increase of £P.4,076 under the Import Licences Section (item 24 that) £P.594 is in respect of the emoluments of an officer transferred to this section from the Chief Secretary's office in 1941-42 and a sum of £P.3,482 is provided for extra temporary staff. The Director reports that for some time past the staff has been entirely inadequate for the vast increase in the volume of work of the section. It is longer possible to transfer staff from general customs work.

33. The decrease of £P.150,000 under drawbacks and rebates is due to the anticipated decrease in duty paid benzine drawn by the army from public pumps.

#### XI — DEFENCE.

<i>Approved Estimates, 1941-42</i>	4,000
<i>Estimates, 1942-43</i>	4,000

34. There is no change in the estimated expenditure under this Head. Provision is again made for expenditure which may be necessary for remuneration of members of the Volunteer Force and for equipping the Force under the provisions of Volunteer Force Bill, 1940.

#### HEAD XII — DISTRICT ADMINISTRATION.

<i>Approved Estimates, 1941-42</i>	272,066
<i>Estimates, 1942-43</i>	271,147
<i>Decrease</i>	919

35. The decrease of £P.919 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as follows:—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	120,424	123,807	21,358	17,975
Other Charges	70,777	76,440	5,663	—
Special Expenditure	80,865	70,900	8,670	18,635
	272,066	271,147	35,691	36,610
Net Decrease				919

The allocation of this expenditure as set out in appendix D of the estimates and the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is summarised below by Districts:—





	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
<i>Personal Emoluments :</i>				
Jerusalem District	25,567	27,586	2,019	—
Haifa District	15,476	16,844	1,368	—
Samaria District	15,052	16,123	1,071	—
Galilee District	22,096	22,546	450	—
	25,701	27,507	1,806	—
Gaza District	9,967	11,201	1,234	—
Officers seconded to Trans-Jordan and de- partments of Palestine Government	5,065	9,275	4,210	—
Unallocated	1,500	2,000	500	—
Total £P.	120,424	133,082	12,658	—
Less : Seconded Officers	—	9,275	—	9,275
Total Personal Emoluments	120,424	123,807	12,658	9,275
<i>Other Charges :</i>				
Jerusalem District	15,880	17,390	1,510	—
Haifa District	7,810	8,540	730	—
Samaria District	12,122	13,280	1,158	—
Galilee District	14,340	15,955	1,615	—
Lydda District	11,604	11,940	336	—
Gaza District	9,021	9,335	314	—
Total Other Charges	70,777	76,440	5,663	—
<i>Special Expenditure :</i>				
Jerusalem District	28,000	15,000	—	13,000
Haifa District	25,212	20,655	—	4,557
Samaria District	1,381	770	—	611
Galilee District	4,140	100	—	4,040
Lydda District	1,372	3,575	2,203	—
Gaza District	760	800	40	—
Unallocated	20,000	30,000	10,000	—
Total Special Expenditure	80,865	70,900	12,248	22,208
<i>Total All Categories :</i>				
Jerusalem District	69,447	59,976	—	9,471
Haifa District	48,498	46,089	—	2,459
Samaria District	28,555	30,173	1,618	—
Galilee District	40,576	38,601	—	1,975
Lydda District	38,677	43,022	4,345	—
Gaza District	19,748	21,336	1,588	—
Unallocated etc.	26,565	32,000	5,435	—
Total District Administration	272,066	271,147	12,986	13,905
Total Decreases	—	—	—	919





The increases totalling £P.35,691 and the decreases totalling £P.36,610 shown in the draft estimates may be analysed as follows :—

	Personal Emoluments	Other Charges	Special Expenditure	Total
	£P.	£P.	£P.	£P.
<i>Increases :</i>				
(a) Increments and approved gradings under items 1(6) (7) (8) (10) (13) (14) (15) (18) (19) (20) and (23)	3,981	—	—	3,981
(b) Provision for officers seconded to other territories and departments (items 1(1) and (3), (6), (7) (9) (13) (15) and (23)	9,275	—	—	9,275
(c) Provision transferred between items (items 1(3) (4) (13) and (19))	3,590	—	—	3,590
(d) Under-estimated and increase in prices etc., (items 2, 4 to 8, 10, 11, 13, 14 and 16 to 19)	—	5,518	—	5,518
(e) New appointments etc.	4,512	150	—	4,662
(f) Increases in provision for village works and special expenditure (items 21, 22 and 24)	—	—	8,670	8,670
<b>Total Increase £P.</b>	<b>21,858</b>	<b>5,668</b>	<b>8,670</b>	<b>35,691</b>
<i>Decreases :</i>				
(g) Changes in holders	169	—	—	169
(h) Transfers to other items (vide c above)	3,466	—	—	3,466
(i) Provision for officers seconded to Trans-Jordan transferred to other items	5,065	—	—	5,065
(j) Deduction of provision for seconded officers (vide (b) above)	9,275	—	—	9,275
(k) Special expenditure; mainly A.R.P. (£P.18,575) not required in 1942-43	—	—	18,635	18,635
	17,975	—	18,635	36,610
<b>Net Increase</b>	<b>3,883</b>	<b>5,668</b>	<b>—</b>	<b>—</b>
<b>Net Decrease</b>	<b>—</b>	<b>—</b>	<b>9,965</b>	<b>919</b>

38. (a) The increases totalling £P.3,981 for increments, approved regrading of appointments, etc., comprise the following amounts :—

	£P.
Item 1(6) Assistant District Commissioners	342
Item (7) Expatriation allowances	600
Item (8) Personal allowances	27
Item (10) District Officers	226
Item (13) Officers of the General Clerical Service	1,675
Item (14) Expatriation allowances	50
Item (15) Stenography allowances	144
Item (18) Drivers allowances	96
Item (19) Telephone operators	54
Item (20) Messengers	255
Item (23) Cost of living allowances	512
<b>£P.</b>	<b>3,981</b>

The increases under items 1(6) (7) (8) and part of the increase under item 1(23) are consequent upon approved regrading of appointments of Administrative Officers seconded to Palestine from other territories, formerly paid at consolidated rates of pay and now classified in grade G, and approved increments. The increase of £P.226 under item 1(10) is on account of increments. The increase of £P.1,675 under item 1(13) and part of the increase under item 1(23) is consequent on inclusion, under these items, of provision for 1 grade M, 2 grade N and 8 grade O appointments provided in the approved estimates for 1941-42 under the unallocated provision for extra clerical assistance (£P.1,500); and increments. The provision under item 1(14) is consequent on interdepartmental postings. The additional provision under item 1(15) is required for payment of stenography allowance to qualified short-hand writers at District Headquarters in Samaria, Lydda and Gaza District. The additional drivers allow-





ance (£P.96) under item 1(18) is required for the driver of the Utility Van for Gaza District, for which provision was approved in 1941-42 and is revoked in 1942-43. The additional provision of £P.54 for telephone operators includes provision (£P.48) for a telephone operator for the Gaza District Headquarters exchange. The additional provision of £P.255 for messengers (item 1(20)) comprises increments and provision for messengers for new sub-district offices opened or approved in 1941-42 for opening in 1942-43 in Lydda and Haifa Districts.

39. (b) The provision of £P.9,275 for officers seconded to Trans-Jordan, and other departments of the Palestine Administration is set out in Appendix A(1) of the Estimates.

40. (c) Transfer of provision from other items totalling £P.3,590 is made up as follows:—

Item 1(2) District Commissioners 1 at	1,050
£P.1,050 p.a.	
Item 1(3) Expatriation Allowance at £P.200 p.a.	200
Item 1(13) Officers of the General Clerical	
Service	2,280
5 grade M	
3 grade O	
Item 1(20) Messengers	60
	<u>£P. 3,590</u>

The provision under item 1(2) and 1(3) is in respect of the post of the District Commissioner, Samaria District, for which provision was made in the approved estimates for 1941-42 under the provision for Deputy District Commissioners, the Acting District Commissioner's substantive appointment. The provision under item 1(13) is for five British grade M clerical officers replacing the temporary clerical officers originally appointed from the Colonial Office and the Crown Agents for the Colonies, for cypher and confidential clerical duties. The new provision under item 1(20) was formerly described as a ghaffir vide item 1(21).

41. (d) The additional provision totalling £P.5,498 on account of under estimation; rise in prices, etc., is made up as under:—

Item	Jerusalem District	Haifa District	Samaria District	Galilee District	Lydda District	Gaza District	Total
	£P.	£P.	£P.	£P.	£P.	£P.	£P.
2 Transport and Traveling	—	—	300	—	—	—	300
4 Telegrams, Telephones and Postage	100	150	100	—	—	31	381
5 Uniforms	400	110	100	120	101	85	916
7 Office Furniture and Equipment	50	—	66	—	—	—	116
8 Incidental expenses	20	—	—	—	5	15	30
10 Remuneration of mukhtars	140	300	480	1,490	240	180	2,730
11 Upkeep of Rest Houses	—	—	—	—	—	8	8
13 Relief	800	—	140	—	—	—	940
14 Medical and Witnesses fees in coroners' inquests	—	—	5	—	—	30	25
16 Fees — Badl Misl Assessment Commissions	—	—	30	—	—	—	30
17 Tax Collectors Warrants	—	20	15	5	—	—	40
18 Refunds of revenue collected in previous years	—	—	—	—	—	15	15
19 Settlement of displaced Arabs	—	—	99	—	—	—	99
Total Increases	1,510	580	1,143	1,615	386	314	5,498





The increase of £P.300 in transport and travelling for Samaria District is based on estimated travelling requirements particularly of the District Commissioner, Assistant District Commissioners and District Officers by motor car (£P.978) and horse allowance to tax collectors (£P.1,200) for proper control of the district. The increases under items 5 and 8 are for rise in prices of clothing and commodities. The provision under item 10 for remuneration to mukhtars is based on the arrangements approved by the correspondence ending with the Secretary of State's confidential despatch of the 18th August, 1941. The increase of £P.800 under relief in Jerusalem District is required for the relief of destitute enemy subjects and mentally afflicted ex-soldiers, for which purposes supplementary provision was made in the current year by special warrants. Conditions in Samaria District also necessitate increase in the provision for relief in 1942-43. The remaining increases represent slight adjustments in the requirements notified by District Commissioners.

42. (e) The gross provision for new appointments is £P.5,642 as set out below :—

	Jerusalem District		Haifa District		Samaria District		Galilee District		Lydda District		Gaza District		Total	
	No.	£P.	No.	£P.	No.	£P.	No.	£P.	No.	£P.	No.	£P.	No.	£P.
<i>Personal Emoluments :</i>														
Item 1(13) Officers of the General Clerical Service—														
Grade M	2	576	—	—	—	—	—	—	—	—	—	—	2	576
Grade N	—	—	—	—	—	—	2	360	2	360	—	—	4	720
Grade O	4	240	4	240	6	360	3	180	5	300	2	120	24	1,440
Grade P	—	—	—	—	—	—	—	—	1	60	—	—	1	60
	6	816	4	240	6	360	5	540	8	720	2	120	31	2,796
Item 1(16) Extra Clerical Assistance	—	—	—	—	—	—	—	—	—	—	—	—	—	2,000
Item 1(17) Tax Collectors at £P.9 p.m.	—	—	1	108	—	—	—	—	—	—	—	—	1	108
Item 1(19) Telephone Operators	—	—	—	—	1	48	—	—	—	—	—	—	1	48
Item 1(20) Messengers	—	—	1	48	—	—	—	—	—	—	—	—	1	48
Item 1(22) Caretakers and Cleaners	—	—	—	—	—	—	—	—	2	72	—	—	2	72
Item 1(23) Cost of Living Allowances	—	96	—	48	—	72	—	72	—	108	—	24	—	420
	—	912	—	444	—	480	—	612	—	900	—	144	—	5,492
<i>Other Charges :</i>														
Item 2 Transport and Travelling	—	—	—	100	—	—	—	—	—	—	—	—	—	100
Item 7 Office furniture and equipment	—	—	—	50	—	—	—	—	—	—	—	—	—	50
	—	—	—	150	—	—	—	—	—	—	—	—	—	150
	—	912	—	594	—	480	—	612	—	900	—	144	—	5,642

The new appointments under item 1(13) have been provided on the recommendation of the Accountant-General who undertook in 1940-41 a complete survey of the revenue section of the District Administration. When the estimates for 1941-42 were prepared a sum of £P.1,500 was provided under the vote for extra clerical assistance as the Accountant-General's survey was not complete. Later in the year eleven junior clerical posts were filled on a temporary basis and these posts are now incorporated in the basic estimates. The present proposals implement in full the Accountant-General's proposals.

Apart from this provision, one grade M post is provided in the Jerusalem District for a confidential British clerk for the District Commissioner as for each of the other districts; two grade N and two grade O posts are provided for the Lydda office recently opened and a grade P post of typist is provided for the Tel Aviv and Jewish Settlements office. One grade O post is provided for the new sub-district office to be opened at Hadera and one additional post is required for the Sub-Accountant's office at Haifa. A sum of £P.2,000 is also provided under item 1(16) for extra clerical assistance in connection with the strengthening of the administrative staff.





The appointment of an additional taxcollector in the Haifa District is required for the collection of land settlement and survey fees; the additional telephone operator is required for the Wilson-Brown building at Jenin where a central exchange is installed for all departments accommodated in the defensive perimeter; the messenger is required for the new Hadera office and two cleaners are required for the Tel Aviv and Jewish Settlements office and for the newly opened Lydda office.

The increased provision for transport and travelling and equipment and furniture is consequent upon the opening of new offices at Hadera; and for the increased establishment.

42. The provision of £P.70,900 under special expenditure is mainly required for revotes of A.R.P. expenditure (£P.40,000) including essential maintenance services and for village works (£P.30,000). The latter provision will be placed under requisition.

### HEAD XIII — EDUCATION.

Approved Estimates, 1941-42	£P. 387,372
Estimates, 1942-43	£P. 457,846
Increase	£P. 70,474

44. The increase of £P.70,474 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as under :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	229,108	251,014	21,838	2,932
Other Charges	125,414	150,572	25,343	185
Special Expenditure	32,850	56,260	37,910	14,500
£P.	387,372	457,846	88,091	17,617
Net Increase	—	—	70,474	—

This provision includes the following expenditure for probation and welfare services and reformatory schools :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	7,361	11,521	4,210	50
Other Charges	12,749	18,959	6,395	185
£P.	20,110	30,480	10,605	235
Net Increase	—	—	10,370	—

45. The increases totalling £P.88,091 and decreases totalling £P.17,617 may be further analysed as follows :—

	Personal Emoluments	Other Charges	Special Expenditure	*Total
	£P.	£P.	£P.	£P.
<i>Increases :</i>				
<i>Education :</i>				
(a) Increments etc.	6,583	—	—	6,583
(b) Transfers between items (item 1(3) and 1(19))	1,859	—	—	1,859
(c) Provision for full years for services provided for 6½ months in 1941-42 (Item 1(14) and 1(17))	2,800	—	—	2,800
Carried forward	11,242	—	—	11,242



	Personal Emoluments	Other Charges	Special Expenditure	Total
	£P.	£P.	£P.	£P.
Brought forward	11,242	—	—	11,242
(d) Provision for seconded officers (items 1(12), (13) (14) and (22)	819	—	—	819
(e) Under-estimated in 1941-42 (£P.140) and provision for rise in prices: items 2, 5, 8, 12, 15 and 17	—	10,533	—	10,533
(f) Grant to Jewish Education (excluding new services): items 18 and 23	—	4,910	9,700	14,610
(g) Building grants transferred from Public Work Extraordinary (increase)	—	—	3,510	3,510
(h) New appointments and new services:				
Arabs:	10,676	1,005	21,060	32,741
Jews (items 18 and 23)	—	2,500	5,800	8,300
£P.	22,737	18,948	40,070	81,755
Less increases set off by decreases under the same item (items 1(10) (£P.60), 1(14) (£P.2,064), item 1(14) (£P.2,160))	2,109	—	2,160	4,269
£P.	20,628	18,948	37,910	77,486
<i>Probation and Reformatory Schools:</i>				
(i) Increments	209	—	—	209
(j) Commitments approved in 1941-42 (items 26(2) and 26(10))	301	—	—	301
(k) Transfers between items (items 42 and 44)	—	185	—	185
(l) Under-estimation and increases on account of rise in prices, 27, 29, 32, 41, 43, 46 to 52	—	5,510	—	5,510
(m) Development of probation and welfare services (items 38 and 39)	3,700	700	—	4,400
£P.	4,210	6,395	—	10,605
Total Increase	24,838	25,343	37,910	88,091
<i>Decreases:</i>				
(a) Changes in holders	300	—	—	300
(b) Transfers to other items	1,687	185	—	1,872
(c) Reductions against new services	126	—	—	126
(d) Deductions of salaries of officers seconded to other administrations and departments (See Appendix A(1))	819	—	—	819
(e) Special expenditure not repeated in 1942-43	—	—	14,500	14,500
£P.	2,932	185	14,500	17,617
Net Increase	21,906	25,158	23,410	70,474





46. Of the gross increases totalling £P.88,091 a sum of £P.6,592 is on account of increments and increases of pay on approved scales; £P.2,345 is on account of transfers of provision between items on account of approved appointments; £P.2,800 is on account of provision for a full year for posts approved in 1941-42 for part of the year only; £P.16,043 is required on account of increased prices for school materials, rations and sundry other minor increases due to under-estimation in 1941-42; an increase of £P.4,910 is required for the recurrent grant to Jewish Education on approved services under the present formula; increased provision of £P.9,700 is required for payment to the Jewish Education authorities under the approved formula for special expenditure; and increased provision of £P.3,510 is required for payment of grants to local authorities for school sites and school buildings, due to the transfer of revotes for school buildings from Public Works Extraordinary to this head.

47. New appointments and proposals for new services account for a net increase of £P.39,201 under provision for administration and schools and £P.4,400 for the development of probation and welfare services as follows :—

	Personal Emoluments	Other Charges	Special Expenditure	Total
	£P.	£P.	£P.	£P.
(i) Regrading of Education Officers' posts	228	—	—	228
(ii) Increase in pay of steward	8	—	—	8
(iii) Development of Urban Education	2,090	420	2,960	5,470
(iv) Development and Expansion of Rural Education	2,300	576	3,900	6,776
(v) Pay to unclassified teachers for full year	3,500	—	—	3,500
(vi) Additions to administrative staff	510	9	—	519
(vii) <i>Per capita</i> grants to community schools	—	—	10,000	10,000
(viii) Additional building grants to local authorities	—	—	4,200	4,200
(ix) Grants to Jewish Education Authorities (under approved formula)	—	2,500	5,800	8,300
	8,636	3,505	26,860	39,201
(x) Development of Probation and Welfare Services	3,700	700	—	4,400
£P.	12,336	4,205	26,860	43,601

(i) *Regrading of Education Officers' Posts* — Net Increase £P.228.

48. Paragraph 124 of the printed memorandum on the expenditure estimates for 1941-42 shows (i) certain complements of secondary grades as envisaged for the future, and (ii) the first stage of development approved for 1941-42.

Those figures are here repeated together with those now proposed to include the second stage of development.

	Envisaged	Approved 1941-42	Proposed 1942-43
Grade S. 1	16	11	11
Grade S. 2	26	31	32
Grade S. 3	33	26	27
	75	68	70





There is thus an increase of two posts in the secondary establishment over 1941-42 and five posts remain to be provided in 1943-44 and subsequent years. Grade S.1 will continue below complement and Grade S.2 above complement, but the total of the two grades will be that envisaged last year with the addition of one post separately approved in 1941-42 for a Jewish assistant inspector.

The proposals for the upgrading of posts in the elementary establishment are intended to provide for the normal advancement of teachers within the complements of the higher grades as approved by the Secretary of State in 1930.

The effect of these proposals is as follows :—

Item		Increase	Decrease
		£P.	£P.
1(9)	2 Education Officer, grade S.2 to be upgraded from	288	—
1(10)	Education Officers, grade S.3	—	276
1(10)	2 Education Officers, grade S.3 to be upgraded from	360	—
1(14)	Education Officers, grade E.3	—	344
1(11)	1 Education Officer, grade E.1 to be upgraded from	288	—
1(12)	Education Officers, grade E.2	—	276
1(12)	10 Education Officers, grade E.2	1,800	—
1(14)	Education Officers, grade E.3	—	1,720
1(22)	Cost of living allowances	288	180
		<hr/> 3,024	<hr/> 2,796
Net Increase		228	—

(ii) *Increase in pay of Steward* — £P.8.

49. Provision is made for an increase of pay of £P.8 to the Steward of the Government Arab College.

(iii) *Development of Urban Education* — Increase £P.5,470.

50. It is proposed that provision for 35 posts and relevant expenditure be made. Of these posts 30 are required to maintain a steady annual rate of admission to the lowest class and of progress thereafter up the school and 5 are required to relieve the teachers of schools which are already understaffed.

In eight schools it is necessary that the higher elementary cycle be completed or combined classes be separated on account of normal increase in numbers. In twenty-two other cases, if no new posts are added, either sections of classes higher than the lowest will have to be suppressed or sections of the lowest class will have to be reduced. The first alternative involves the dismissal of pupils already in school before they have completed a minimum period of attendance, and the second alternative means reduction in the rate of admission to the lowest class. In either case the service provided by Government schools will be decreased.

It will be recalled that the additional posts approved in 1941-42 were not used for starting any new scheme of expansion involving further successive increases of establishment in the following years; that is, no sections were added to classes for the admission of new pupils. In three schools indeed new sections were added to the lowest class at the request of local education authorities in order to adjust the ratio between the class-section at different grades, but the additional teachers have been paid by those authorities, and it is not proposed now that Government should take these teachers over.

Five schools are so understaffed that the number of class sections is the same as that of the teachers including the headteacher. Thus the headteacher has no free periods for the supervision of class teaching, and if a teacher is absent on account of illness, one class will be left entirely unprovided for. The addition of five posts to remedy this situation is necessary.

The sum of £P.800 under grants to local education authorities is intended to cover half the cost of the construction of four additional classrooms in various towns for the accommodation of part of the pupils to be retained or admitted under this scheme. The other half of the cost is to be contributed by the local authorities.





The average number of boys and girls whose admission to Government town schools has been deferred or rejected during the last five years on account of lack of teachers and accommodation, has been 5,200 a year or 50% of the average number of applicants. This number cannot be decreased unless new class sections are added for new admissions. Such action would involve commitments for four or five years. In view of the present financial situation no proposals are now made to meet even a part of this public demand.

No further instalment of educational expansion is proposed or effected by the increased expenditure analysed above. All increases are necessary for the maintenance of existing services in minimum efficiency.

The provision inserted in the estimates for these proposals is as follows:—

		£P.
<i>Recurrent Expenditure :</i>		
Item 1(14)	35 Education Officers, grade E.3 at £P.92 per annum for 6½ months	1,745
Item 1(22)	Cost of living allowance for 35 at £P.12 per annum for 6½ months	228
Item 1(26)	6 Subordinate employees at £P.3 per mensem for 6½ months	117
Item 12	Books, Materials and equipment	420
Total £P.		2,510
<i>Non Recurrent :</i>		
Item 22	School furniture	2,160
Item 25	Grants to local authorities for school sites and buildings	800
Total £P.		2,960
Total recurrent and non recurrent £P.		5,470

(iv) *Development of Rural Education* — £P.6,776.

The scheme submitted was in two parts, (a) the development of existing village schools, and (b) the opening of new schools in villages which have no Government educational facilities.

(a) The present public demand for the development of existing Government village schools would require the addition of about 160 teachers and 100 rooms. To meet part of this demand proposals are now made to provide for 56 additional teachers (20 classified and 36 unclassified), 26 new rooms, and other relevant expenditure. The provision will be used for the following purposes:—

	Additional Teachers		New rooms
	Classified	Unclassified	
(i) for the teaching of English in central schools	2	—	—
(ii) for the completion of the higher elementary cycle in selected schools	12	—	10
(iii) for schools which have received or are likely to receive grants from the Relief Fund for the addition of a classroom	—	20	—
(iv) for taking over teachers paid by the villagers	2	8	—
(v) for other schools requiring expansion	4	8	—
(vi) unsatisfactory class-rooms requiring replacement	—	—	16
	20	36	26

(b) To satisfy the present public demand for the opening of new schools in villages which have no Government educational facilities would require the opening of 90 schools, the appointment of 90 classified teachers and the construction of 70 rooms.

The proposals now made are confined to present immediate necessities for the development of existing schools and make no provision in category (b).





The sum of £P.3,900 under grants to local education authorities is intended to cover not more than half the cost of the construction of 26 classrooms as required under the various parts of this scheme. The other half or more is to be contributed by the local authorities.

The provision inserted in the estimates for these proposals is as follows:—

Item 1(14)	20	Education Officers, grade E.3 at £P. 92 p.a. for 6½ months	£P. 1,000
Item 1(22)		Cost of living allowances	180
Item 1(17)	36	Unclassified teachers at £P.5 p.m. for 6½ months	1,170
Item 12		Books, Materials and Equipment	576
Total Recurrent			2,876
<i>Non Recurrent :</i>			
Item 25		Grants to local education authorities for school sites and school buildings	8,900
Total recurrent and non recurrent expenditure ...			£P. 6,776

(v) *Pay to unclassified teachers for a full year of 12 months* — £P.3,500.

51. Apart from 1,129 classified teachers on incremental scales the department employs some 280 unclassified teachers on fixed salaries ranging from approximately £P.39 to £P.55 per annum. These unclassified teachers receive pay only for about 9½ months in the year since they are not held eligible for pay during the long summer holidays.

The history of this unsatisfactory arrangement is briefly as follows. In the early years of this administration the Department employed a small number of part-time teachers who were paid small fixed salaries for the periods during which they actually worked. These teachers were often sheikhs employed in village schools to teach Moslem religion. Under the pressure of an increasingly insistent demand for more school places, which could never be more than partly satisfied for lack of budgetary provision, the department was constrained to fall back on the necessity to increase the working periods of these part-time teachers (but with an incommensurate increase in their pay) and to enlist more teachers on similar terms of service. Before long these 'part-time' teachers were all working full time under the name of 'unclassified' teachers but their rates of pay remained inordinately low and they continued without pay for the summer vacation.

Many of these unclassified teachers are now young men of higher education than older and classified teachers drawing salaries as high as £P.15 per mensem.

Various attempts have been made to secure better conditions for the unclassified teachers but financial stringency has always been given as the reason for postponing action and the failure to keep pace with the growing demand for education has made it impossible to reduce the number of these teachers and improve the lot of the remainder.

Between them the unclassified teachers are responsible for the schooling of some 11,000 pupils, that is 18 per cent of the total number of pupils in Government schools but they receive less than 7 per cent of the total emoluments of Government teachers. It is impossible for teachers, many of whom are married, to save enough from their monthly substantive pay of £P.4—£P.5 per mensem to keep themselves and their families for a period of about 2½ months without pay. It cannot be in the public interest for the schooling of some 11,000 pupils to be entrusted to a body of public servants who are themselves living hardly above the bare subsistence level. In such circumstances their good conduct and loyalty are subjected to an intolerable strain. These teachers are expected to set a cultural standard in remote village communities and to be an example and an influence for good among more than the school pupils. Indeed, as a body, the unclassified teachers have not belied expectation but the indefinite continuance of their loyalty without some measure of recognition cannot be expected. Provision is now inserted therefore in the estimates for the payment of salaries to these teachers for twelve months.





(vi) *Additions to administrative staff* — £P.519.

52. Provision has been made in the estimates for the following additions to the store-keeping and clerical personnel and messengers :—

Item 1(18)	Officers of the General Clerical Service :	£P.
	1 Clerk, grade N	180
	2 Clerks grade O	120
	2 Clerks, grade P	120
		£P. 420
Item 1(22)	Cost of living allowances	66
		£P. 486
Item 1(27)	1 Messenger	24
		£P. 510
Item 6	Uniforms	9
		£P. 519

The grade N post is required for a headquarters storekeeper to ensure the safeguarding and proper control of valuable stores of school equipment and stationery housed in a separate building away from the headquarters offices of the department. The grade O clerks are required for strengthening the inadequate staff of District Education offices and the two posts in grade P are required for one Arabic and one English typist for the headquarters offices where the present staff is unable to cope with the increased work. An additional messenger is required for the departmental headquarters where 35 officers are accommodated.

(vii) *Per Capita grants to community schools* — £P.10,000.

53. Provision of £P.10,000 is made *inter alia* under item 23 grants-in-aid to non-Government schools for payment of per capita grants at £P.1 per pupil to non-Government schools conducted by Greek Orthodox, Latin Orthodox, Greek Catholic and the Moslem communities. The measure which will be of great political use will ensure responsible control in the case of many community schools where it is now lacking. The grants will be made through Local Education Authorities or other suitable bodies as may be appropriate and will ensure continuation of the educational activities of these schools which are now jeopardised by lack of funds and which form a useful complement to the Government school system.

(viii) *Additional Building Grants to Local Education Authorities* — £P.4,200.

54. During 1941-42 owing to lack of cement, steel and other building materials which are controlled under Defence Regulations it was decided to explore the possibility of constructing school accommodation from local stone, lime, etc., (to avoid the use of controlled articles) and as a result of the enquiries made it was decided to transfer the provision approved for the construction of school buildings under Public Works Extraordinary to the appropriate vote under the control of the Director of Education who secured the acquiescence of a number of municipal and local education authorities to the proposal that such accommodation should be constructed by them under his control on the basis of a type 'vaulted room' plan prepared by the Director of Public Works. These negotiations only reached completion towards the end of 1941-42 and consequently the approved provision of £P.8,690 for the construction of school accommodation under items 18 to 26 of Head XXXII in the 1941-42 estimates has been revoked in the estimates under review under item 25 of Head XIII, and further provision of £P.4,200 is made under this item for the continuation of the construction programme :—

	£P.
(i) Boys' Schools, Bireh : Construction of room to replace small and unsatisfactory room	500
(ii) Boys' School, Jenin : Construction of room as present accommodation is inadequate	500
(iii) Boys' School, Salahya : Construction of two rooms on site presented by Nablus Municipality	1,200
(iv) Boys' School, Beisan : Two rooms required as addition to nucleus	1,000
(v) Girls' School, Jenin : Two rooms required as addition to nucleus	1,000
	£P. 4,200





(ix) *Grants to non-Government Schools—Jewish Share* — £P.9,800.

55. The foregoing proposals for new services entail additional grants—under the approved formula—to Jewish Education, of £P.2,500 for recurrent grants and £P.5,800 for capital grants.

*Special Expenditure :*

56. For the sake of clarity the composition of items 22 to 25, special expenditure—totalling £P.56,260 is set out below :—

	£P.	£P.	£P.	
Item 22 School Furniture	—	—	2,160	v. para. 50.
Item 23 Grants to Non-Government Schools :				
(i) Italian and French Schools (approved in 1941-42)	—	4,000		v. para. 117 of 1941-1942 memorandum.
(ii) Community Schools	—	10,000		v. para. 53.
(iii) Jewish share : (27.41%)				
(a) High cost of living allowances and share of (i) above	12,200			
(b) Revotes of works transferred from P.W.E.	2,500			
(c) New Services :				
i. Special Expenditure	2,000			v. para. 50.
ii. New Building grants	1,000			v. para. 54.
iii. Community School grants	2,800	20,500	34,500	v. para. 50 and 52.
Item 24 Grant-in-aid to Jewish Institutions			2,000	revote.
Item 25 Grants to Local Education Authorities for school sites and school buildings				
i. Revote of provision transferred from P.W.E.	—	8,700		v. para. 51.
ii. Development of Urban Education	—	800		v. para. 50.
iii. Development of Rural Education		3,900		v. para. 50.
iv. New construction grants		4,200	17,600	v. para. 54.
	£P.		56,260	

*Probation :*

(x) *Development of Probation and Welfare Services* — £P.4,400.

57. In order to give effect to the development of the social welfare services referred to in Chapter XIII, C. Social Welfare of the Report of the Committee on Development and Welfare Services, 1940 and having regard to the additional problems arising out of the war including adult probation the Principal Probation Officer submitted to Government comprehensive proposals for additional male probation and female welfare staff. It was considered that this urgent and complicated problem should be further weighed in consultation with District Commissioners, before deciding on the allocation of the additional funds. The estimates have therefore been framed as regards amount on the basis of the requirements notified by the Principal Probation Officer and a further despatch as to the allocation of this provision will be submitted after the proposed consultation with District Commissioners is completed.





## HEAD XIV — FORESTS.

Approved Estimates, 1941-42	£P. 30,151
Estimates, 1942-43	£P. 40,010
Increase	£P. 9,859

58. The increase of £P.9,859 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as follows :—

	Approved Estimates 1941-42	Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	14,464	15,628	1,268	104
Other Charges	15,687	24,382	8,695	—
£P.	30,151	40,010	9,963	104
Net Increase	£P. —	—	9,859	—

The increases totalling £P.9,963 and the decrease of £P.104 are further analysed below :—

	Personal Emolu- ments	Other Charges	Total
	£P.	£P.	£P.
(a) Increments and provision for extra clerical assistance (£P.25)	532	—	532
(b) Under-estimate in telephones vote	—	85	85
(c) New appointments and development :			
i. 2 Assistant Conservators grade K (items 1(3); (4) and (15)	736	—	736
ii. Development programme (items 2, 6, 8, 11, 13 (part) (£P.1,500) 15 and 16	—	4,610	4,610
iii. Construction of afforestation and soil erosion schemes com- menced from relief funds in 1941-42 (part of item 13)	—	4,000	4,000
Total Increases £P.	1,268	8,695	9,963
Decreases :			
(d) Changes in holders	104	—	104
Net Increase	£P. 1,164	8,695	9,859

59. Provision is made in the estimates for two additional assistant conservators urgently required for the department to undertake consolidation of the programme referred to in Chapter V of the report of the committee on development and social welfare services, the inception of which was approved in the 1941-42 estimates. One of these officers is required to represent Government at land settlement operations, and the other is required to supplement the present inadequate qualified supervisory district staff. It is quite impossible to obtain qualified staff locally and it is intended that, if arrangements can be made, two additional officers of the Colonial Unified Forestry Service shall be recruited. Further representations are being made separately to the Secretary of State on the question of these appointments.

The increase of £P.5,500 in the provision for formation and management of Forests is inserted to ensure that there shall be no diminution in the activities of this essential service as compared with the past two years when the expenditure for the purpose was supplemented by allocations from relief votes bringing the expenditure in 1940-41 up to £P.12,300 and in 1941-42 to £P.12,800. The provision of £P.14,000 takes into account higher costs of plant, material and labour owing to war conditions. The additional provision for transport and travelling, demarcation and surveys and minor other increases are necessary for the extended programme.





The provision of £P.1,300 under item 16, propaganda and education in soil erosion is inserted on a recommendation of the Soil Erosion Board who attach the highest importance to the compilation and publication of a handbook at a cost of £P.1,000 for the education of the public on the importance of soil erosion in Palestine and on economical methods of combating it; and for the cost (£P.300) of publication of two pamphlets relating to forest and grass fires and to over grazing.

#### HEAD XV — GRANTS TO LOCAL AUTHORITIES.

<i>Approved Estimates, 1941-42</i>	£P. 79,000
<i>Estimates, 1942-43</i>	£P. 127,500
<i>Increase</i>	£P. 48,500

60. The increase of £P.48,500 under this head includes under items 2, Road Transport, £P.23,000, and 3, Arterial Roads, £P.3,500, two items of accounting adjustments; additional provision of £P.25,000 (item 1) for increased grants in cases of proved necessity; and a new item (item 4) of £P.1,000 for the cost of Municipal Tribunals for the trial of offences against Food Control measures under Defence Regulations.

The increased provision of £P.25,000 under item 1 is made in conformity with proposals contained in a report submitted by the Deputy Financial Secretary in 1941 dealing with the standardization of the basis of municipal grants and other matters affecting their grants.

The provision of £P.23,000 under item 2 likewise arises from the report embodying the above proposals and is reflected in the increase under the revenue from road transport fees. The municipal share of certain of the vehicle licence fees have until now been credited directly to a Deposit Account from which payment to the Councils was made. It is now proposed to bring the total fees collected to Revenue and to bring payments of the municipal share of these fees to account as expenditure under this item.

The provision of £P.3,500, under item 3 was previously accounted for under Head XXVI Public Works Recurrent—Maintenance of Arterial Roads in municipal areas. The Report referred to above recommended that contributions on this account and for the construction and widening of such roads might more properly be shown under the Head of Grants.

#### HEAD XVI — HEALTH.

<i>Approved Estimates, 1941-42</i>	£P. 296,847
<i>Estimates, 1942-43</i>	£P. 347,708
<i>Increase</i>	£P. 51,861

61. The increase of £P.51,361 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as follows :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	164,860	170,758	12,908	7,010
Other Charges	121,604	164,800	45,072	1,876
Special Expenditure	9,888	12,150	8,620	6,353
	296,347	347,708	66,600	15,239
Net Increase	—	—	51,361	—

The foregoing figures include the following provision for services, the necessity for which arises from wartime conditions :—





	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Air Raid Precautions	17,766	14,378	720	4,108
Control of Food etc.	7,189	—	—	7,189
Equipment and Furniture, Internee Camps	1,000	1,000	—	—
Controller of Supplies (Drugs)	—	2,432	2,432	—
£P.	25,905	17,810	3,152	11,247
Net Decrease	—	—	—	8,095

62. The increases under this head totalling £P.66,600 and the decreases totalling £P.15,239 may be analysed as follows :—

	Personal Emoluments	Other Charges	Special Expenditure	Total
	£P.	£P.	£P.	£P.
<i>Increases :</i>				
(a) Increments, and changes in holders etc.	3,180	—	—	3,180
(b) Transfer from Railway Estimates (1(75) and (100))	513	—	—	513
(c) Commitments from approved proposals for anti-plague, endemic diseases and vaccine production measures	972	17,882	2,500	21,364
(d) Increases on account of rise in prices and under-estimation (£P.556)	—	19,761	370	20,131
(e) Drug Control	1,874	558	—	2,432
(f) New Services and appointments	6,693	6,871	5,750	19,314
Increase £P.	13,242	45,072	8,620	66,934
Less decreases setting off increases (items 1(29) and 1(100))	334	—	—	334
Total Increases	12,908	45,072	8,620	66,600
<i>Decreases :</i>				
(g) Changes in holders and officers seconded to other Governments (£P.423)	527	—	—	527
(h) Decreases in overtime fees and other items not repeated or reduced in 1942-43	720	500	6,535	7,573
(i) Food control transferred to Head XXII, Miscellaneous	5,763	1,876	—	7,139
Total decreases	7,010	1,876	6,353	15,239
Net Increases £P.	5,898	43,196	2,267	51,361

(a) *Increments, changes in holders etc.* — Increase £P.3,180.

63. The amount of £P.3,180 includes besides normal increments, adjustments on account of the appointment in 1941-42 of the accountant and establishment officer (£P.80); additional provision of £P.720 (item 32(11)) for additional orderlies for 'stand-to'-parties for A.R.P. first-aid posts and parties; and £P.120 under items 42(1) and 42(8) for full instead of part-time services of a medical officer at the immigrants clearance camp.

(b) *Transfer from Railway Estimates* — £P.513.

64. This increase is required for payment of the present railway medical officer at Kantara, whose services are in fact required for normal medical services apart from his railway work. There is a set-off of £P.170 on account of the contribution formerly paid to the railways on this account.





(c) *Commitments from approved proposals for anti-plague, endemic diseases etc.—£P.21,364.*

65. The increases summarised under this heading are set out below :—

	Anti Plague Measures	Anti-enteric fever	Vaccine Production	Other	Total
	£P.	£P.	£P.	£P.	£P.
<i>Personal Emoluments :</i>					
Item 1(44) Graduate nurses, (£P.92-8-124)	—	300	—	—	300
Item 1(46) Probation Nurses	—	270	—	—	270
Item 1(57) Hospital Attendants and servants	—	216	—	—	216
Item 1(92) 1 Laboratory Assist- ant	—	—	196	—	196
	—	786	196	—	982
<i>Other Charges :</i>					
10. Medical Supplies, equipment and furniture	—	340	400	—	740
11. Disinfecting services	—	102	—	—	102
12. Hospital diets	—	1,150	—	—	1,150
13. Clothing	—	140	—	—	140
14. Anti-malarial measures	—	—	—	1,000	1,000
15. Epidemic outbreaks	11,900	—	—	—	11,900
16. Medical attendance	—	2,500	—	—	2,500
19. Grant to Leper Hospital	—	—	—	350	350
Total	11,900	4,232	400	1,350	17,882
<i>Special Expenditure :</i>					
30. Equipment and furniture for hospital	—	2,500	—	—	2,500
Total	11,900	7,518	596	1,350	21,364

The provision of £P.12,000 under item 15 is inserted in accordance with the terms of High Commissioner's telegram No. 128 of the 29th January, 1942 regarding anti-plague measures. The expenditure on enteric fever is in accordance with the proposals approved by Secretary of State's telegram No. 1676 of the 14th October, 1941. The non-recurrent expenditure on increased vaccine production arises from the proposals set out in the schedule to the High Commissioner's despatch No. 13 of the 10th February, 1942. The increase of £P.1,000 for anti-malarial measures was reported to the Secretary of State in the schedule attached to High Commissioner's despatch No. 145 of 29th July, 1941; and the grant under item 19 was approved by Secretary of State's despatch No. 451 of the 30th December, 1941.

(d) *Increase on account of rise in prices and under-estimation — £P.20,131.*

66. This increase, with the exception of a sum of £P.556, mainly for increased telephone charges (£P.484) raised by the Postmaster General, is required to meet the increased cost of approved services. Of the total increase of £P.19,575 on this account a sum of £P.1,067 is required for fuel for lighting and heating (item 7), £P.7,400 under item 10 for medical supplies, equipment and furniture, £P.1,400 for additional cost of disinfectants (item 11) and £P.7,000 for increased contract prices for hospital diets (item 12).

(e) *Drug Control — £P.2,432.*

67. Provision has been made under items 45 to 54 for the control of Drugs under Defence Regulations.





(f) *New Services etc. — Increase £P.19,314.*

68. The provision of £P.19,314 for New Services is made up as under :—

	Personal Emoluments	Other Charges	Special Expenditure	Total
	£P.	£P.	£P.	£P.
(i) Extension of Safad Hospital by 14 beds	564	805	700	2,069
(ii) Female Criminal Lunatics accommodation (20 beds)	778	1,070	1,600	3,448
(iii) Extension of Haifa Hospital by 41 beds	990	3,019	2,000	6,009
(iv) Nutrition Scheme	1,316	400	—	1,716
(v) Other expansion of hospitals and administration	2,092	362	550	3,004
(vi) Regrading of Medical Officers	161	—	—	161
(vii) Infant Welfare	360	450	600	1,410
(viii) Ophthalmic Centre	432	265	300	997
(ix) Subsidized rural medical service	—	500	—	500
£P.	6,698	6,871	5,750	19,314

69. The provision made in the estimates for items (i) to (v) is set out below :—

	Safad Hospital Extension	Haifa Hospital Extension	Female Criminal Lunatics Scheme	Nutrition Scheme	General Expansion	Total
	£P.	£P.	£P.	£P.	£P.	£P.
<i>Personal Emoluments :</i>						
Item 1(16) Officers of the General Clerical Service :	—	—	—	120	480	600
9 grade O						
1 grade P						
Item 1(18) Stenography allowances	—	—	—	—	36	36
Item 1(22) Subordinate staff	—	—	—	24	—	24
Item 1(29) 2 Medical Officers, grade K	—	—	—	700	—	700
Item 1(41) Clinical Assistants at £P.180 per annum	—	180	180	—	360	720
Item 1(43) 1 graduate nurse, £P.124-8-156	—	—	—	—	124	124
Item 1(44) 12 graduate nurses, £P.92-8-124	276	276	184	184	184	1,104
Item 1(45) Duty allowances at £P.12 p.a.	—	—	24	—	—	24
Item 1(46) 32 Probation Nurses	144	240	180	—	120	684
Item 1(48) 2 Male Nurses at £P.72 p.a.	—	—	—	144	—	144
Item 1(57) 17 Hospital Attendants and servants	108	240	108	—	250	706
Item 1(58) 1 Gardener	—	—	48	—	—	48
Item 1(66) Medical Officers, grade K	—	—	—	—	146	146
Item 1(95) 1 Laboratory Assistant £P.92-8-132	—	—	—	—	92	92
Item 1(96) 1 Attendant etc.	—	—	—	—	72	72
Item 1(100) Cost of Living allowances	36	54	54	144	228	516
£P.	564	990	778	1,316	2,092	5,740
<i>Other Charges :</i>						
2. Transport and Travelling	—	—	—	300	—	300
7. Lighting, Heating, water and conservancy	60	246	100	—	—	406
10. Medical Supplies, Equipment and Furniture	140	490	200	50	—	880
11. Disinfecting Services	45	123	40	—	—	208
12. Hospital diets	500	2,000	650	—	300	3,450
13. Clothing	60	160	80	—	62	362
25. Incidental Expenses	—	—	—	50	—	50
£P.	805	3,019	1,070	400	362	5,656





	Safad Hospital Extension	Haifa Hospital Extension	Female Criminal Lunatics Scheme	Nutrition Scheme	General Expansion	Total
<i>Special Expenditure</i>	£P.	£P.	£P.	£P.	£P.	£P.
30. Furniture and Equipment for Hospitals	700	2,000	1,600	—	—	4,300
31. Refrigerators	—	—	—	—	550	550
£P.	700	2,000	1,600	—	550	4,850
Total	2,069	6,009	3,448	1,716	3,004	16,246

70. With regard to the extension of accommodation at Safad by 14 beds it is proposed to lease two buildings adjacent to the present hospital, thus avoiding construction. The scheme is complementary to the extension of 41 beds at the Government Hospital at Haifa. The Director of Medical Services has represented, the necessity for providing additional hospital accommodation for Arabs and points out that the closure of the Italian and German hospitals has operated adversely in Haifa where these institutions formerly maintained 100 beds. The Government hospital at Haifa is thus the only institution in Haifa now left open to Arab patients and the single Jewish hospital has only a bed strength of 52 beds. As a result an acute situation has arisen in which even surgical emergencies can barely be accommodated. It is proposed to utilize dining rooms etc. at Haifa Government hospital to increase the bed strength by 41 beds. No construction is involved and the equipment is available in Palestine. With ambulance transport it is easy to remove patients from one area to another and thus the increase at Safad will also provide relief for Haifa.

The provision for accommodation for female criminal lunatics is an extension of the scheme referred to in the correspondence ending with Secretary of State's despatch No. 437 of the 15th December, 1941 and provides for the accommodation of 20 cases. A sum of £P.10,000 is provided under Head XXXII Public Works Extraordinary for the construction works involved in the scheme; including revote of £P.2,000 approved in 1941-42.

The provision for the nutrition scheme is as reported in High Commissioner's telegram No. 356 of 19th March, 1942.

The provision for general expansion is complementary to the measures for improving the hospitalisation facilities for the Arab population. It has been strictly limited, with regard to other unavoidable increases, to the bare essentials for efficient working of hospitals and laboratories; and for minor essential increases in clerical establishment etc.

*Regrading of appointments — £P.161.*

71. The additional provision under this heading is as follows :—

	Increase £P.
Item 1(29) 3 Medical officers grade H, regraded from K	75
Item 1(30) 2 Lady Medical Officers, grade H, regraded from consolidated rate of pay at £P.650 p.a.	50
Item 1(100) Cost of living allowances to officers under 1(29) : i.e. 3 at £P.60 instead of £P.48	36
£P.	161

It is proposed to regrade the posts of the medical officers in charge of the Government Hospitals at Jerusalem, Haifa and Jaffa respectively. The regrading of Assistant Senior Medical Officers of the Sanitary and Laboratory Services gave the officers in charge of these hospitals the not unjustifiable impression that the responsibility of their offices as compared with those of other health officers had not been recognised by Government and the present proposal is designed to rectify the anomaly. As regards the regrading of the lady medical officers it is considered that there is no reason for maintaining these appointments on a consolidated rate of pay, and that with length of service the emoluments should increase as in the case of assistant senior medical officers whose duties are similar in nature to those of these officers.





Items (vii) to (ix). *Other Development Services* : — £P.2,907.

72. The provision made for certain services, recommended in the Report of the Committee on Development and Welfare Services, which do not require major construction works and which are of obvious and immediate necessity is set out below :—

	Ophthalmic Centre	Infant Welfare	Subsidized Rural Medical service	Total
	£P.	£P.	£P.	£P.
<i>Personal Emoluments :</i>				
Item 1(55) 6 Midwife-nurses at £P.60 p.a.	—	360	—	360
Item 1(73) Ophthalmic Tamurgis at £P.72 p.a.	432	—	—	432
	432	360	—	792
<i>Other Charges :</i>				
2 Transport and Travelling	100	—	—	100
7 Lighting, heating, water and conservancy	20	—	—	20
10 Medical Supplies, Equipment and furniture	100	210	—	310
11 Disinfecting Services	15	—	—	15
13 Clothing	30	30	—	60
17 Grant—Jewish Health Services	—	210	—	210
26 Subsidized rural medical services	—	—	500	500
	265	450	500	1,215
<i>Special Expenditure :</i>				
30 Medical Supplies, equipment and furniture for hospitals etc.	300	600	—	900
Total	997	1,410	500	2,907

The ophthalmic centre for which provision is made is to be based on Ramle, vide Chapter VII, para. 29 (page 69) of the Report of the Committee; the expansion of the infant welfare services is a development on the lines of the scheme explained in Chapter VII, para. 26 of the Report and the scheme for subsidized rural medical services is described in paras. 36 to 39 of Chapter VII of the Report.

#### HEAD XVII — JUDICIAL.

<i>Approved Estimates, 1941-42</i>	£P. 130,906
<i>Estimates, 1942-43</i>	£P. 135,172
<i>Increase</i>	£P. 4,266

73. The increase of £P.4,266 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as follows :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	117,048	119,073	3,385	1,360
Other Charges	13,418	15,659	2,491	250
Special Expenditure	440	440	—	—
£P.	130,906	135,172	5,876	1,610
Net Increase			4,266	





74. The increase totalling £P.5,876 and decreases totalling £P.1,610 may be summarised as follows :—

	Personel Emoluments	Other Charges	Total
	£P.	£P.	£P.
<i>Increases :</i>			
(a) Increments			
(i) Judicial	1,066		
(ii) Moslem Awqaf	8	—	1,272
Finance Commission	198		
(iii) Sharia Courts			
(b) Increases due to under estimation and increased prices (item 1(28); 2, 4, 7, 8, 11 and 19 and 25(14))	277	2,491	2,768
(c) New appointments etc. (items 1(23); (24) (26), (28) and (33))			
(i) Judicial	1,656		
(ii) Sharia Courts (items 25(12), (13) and (14))	180	—	1,836
Total Increase	3,385	2,491	5,876
<i>Decreases :</i>			
(d) Changes in holders; over-estimation and economies	428	250	678
(e) Decrease in vote for extra clerical assistance contingent on grading of clerks (vide c(i) above)	982	—	982
Total Decrease	1,360	250	1,610
Net Increase	2,025	2,241	4,266

The increase under (b) above totalling £P.283 under personal emoluments and £P.2,491 under other charges comprise £P.194 under item 1(28) cost of living allowances consequent upon inclusion in grade O of twenty-three clerks provided in the approved estimates at a consolidated rate of pay of £P.60 per annum; £P.81 under item 1(33) for certain additional staff for the caretaking and cleaning of courts and offices, the necessity for which became apparent in 1941-42; and £P.8 under item 25 (14) cost of living allowances, Sharia Courts payable to the present approved establishment. The increase of £P.500 under item 2 for transport and travelling reflects in part the supplementary provision of £P.750 required in 1941-42 due to under-estimation; the increase of £P.343 under item 4 for telephones is based upon the charges against this department notified by the Postmaster General. The increase of £P.1,018 under item 7, uniforms is based on the approved regulation issue of clothing to 151 process servers, the Kawass and nine caretakers and cleaners and includes £P.687 on account of 50% anticipated increase in cost in 1942-43 over current prices for these articles. Increases of £P.80 and £P.50 respectively have been provided on account of increased prices of fuel and other commodities under item 8, lighting, heating etc., and item 19 incidental expenses. In 1941-42 it was necessary to supplement the provision under item 11, witnesses allowances by £P.1,250 owing to under-estimation and an increase of £P.500 has been provided under this item in the draft estimates. The allowances are payable under Rules of Court.

75. The gross increases for new appointments, regradings and additional allowances provided in the draft estimates are set out below :—

	£P.
Item 1(23) Chief Interpreter, Supreme Court, Gr. M	288
Item 1(24) 16 clerks, grade O	
1 clerk, grade P	1,020
Item 1(26) 4 stenography allowances at £P.36 p.a.	144
Item 1(28) Cost of living allowances	204
<i>Sharia Courts :</i>	
Item 25(12) 2 Clerks, grade O	120
(13) Messenger	86
(14) Cost of living allowances	24
	£P. 1,836





The duties of the Chief Interpreter, Supreme Court are responsible and specialised. When the estimates for 1941-42 were prepared the investigation into regrading was incomplete and the provision was consequently not included in these estimates. It is now, however, obvious that the legal qualifications required and responsibility involved justify placing this post in grade M and provision has been made under item 1(23) accordingly.

With regard to the additional clerical appointments under item 1(24), the provision comprises the salaries of two clerks for the cash section of the Haifa Courts which will be required when the courts move into new buildings now under construction and the classification of fifteen clerks, of two years' service or more at present paid from the provision for extra clerical assistance.

Provision is made under item 1(26) for the payment of stenography allowances to four stenographers, who will be required to qualify under existing regulations as short-hand writers for the Supreme Court and certain District Courts.

The two clerks for whom provision is inserted under item 25(12) are required for the Moslem Orphans Fund Administration at Haifa and the office of the Inspector of Sharia Courts. The additional provision under item 25(13) is for a process server for the Sharia Court at Acre.

### HEAD XVIII — LAND REGISTRATION.

Approved Estimates, 1941-42	£P. 29,685
Estimates, 1942-43	£P. 33,064
Increase	£P. 3,379

76. The increase of £P.3,379 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as follows :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	26,025	27,061	1,980	894
Other Charges	3,660	6,003	2,393	50
	29,685	33,064	4,323	944
Increase £P.	—	—	3,379	—

77. The increases totalling £P.4,323 and decreases totalling £P.944 may be further summarised as follows :—

	Personal Emoluments	Other Charges	Total
	£P.	£P.	£P.
<b>Increases :</b>			
(a) Increments and charge allowances	994	—	994
(b) Increases due to under-estimation and increased prices etc. (Items 2, 4, 6 to 9 and 13)	—	2,383	2,383
(c) New appointments etc. (Items 1(13), (18) and (19))	936	10	946
<b>Total Increases</b>	<b>1,930</b>	<b>2,393</b>	<b>4,323</b>
<b>Decreases :</b>			
(d) Decreases due to changes in holders etc. and economy	411	50	461
(e) Deduction of salary of seconded officer	483	—	483
<b>Total Decrease</b>	<b>894</b>	<b>50</b>	<b>944</b>
<b>Net Increase</b>	<b>1,036</b>	<b>2,343</b>	<b>3,379</b>





The increase of £P.55 under charge allowances is required for the payment of these allowances to nine examiners of titles under the conditions approved in Secretary of State's despatch No. 88 of 20th January, 1936. The increases under other charges totalling £P.2,383 are based on the cost of essential requirements mainly for the maintenance and safeguarding of valuable land registers with some allowance for anticipated increases in prices, (approximately £P.1,000) under items 2, 6, 8 and 9.

78. The following provision has been made in the estimates for new appointments etc. :—

	£P.
Item 1(11). 2 Land Clerks, grade M	576
4 Land Clerks, grade O	240
Item 1(18) 1 Messenger £P.24-3-60	24
Item 1(19) Cost of Living allowances	96
	<u>936</u>
Item 6 Uniforms	10
	<u>£P.946</u>

The grade M appointments are required for the officer in charge of the expropriation section and the post of the accounting clerk of the department. The first of these posts requires in the holder detailed knowledge of Land Registry procedure and the technicalities of expropriation and the work is semi-specialized in character. These requirements and the responsibilities of the post justify placing the appointment in grade M. The departmental accounting clerk likewise requires a knowledge of Land Registry procedure and technicalities in excess of the requirements for normal accounts clerks. The nature of this post is supervisory and carries heavy responsibilities. The four grade O clerks are required in connection with the acceleration of Land Settlement which causes a corresponding increase in the work of the Land Registries in registering titles.

Provision is made under items 1(18) and 6 for an additional messenger — and uniforms — required for the Headquarters office.

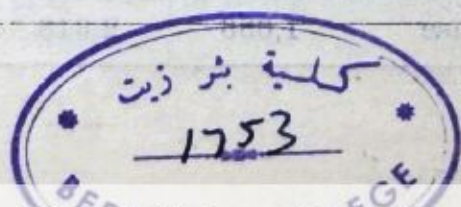
The increase under item 1(19) is consequent upon the new appointments under item 1(11).

#### HEAD XIX — LAND SETTLEMENT (Including Irrigation).

<i>Approved Estimates, 1941-42</i>	£P. 65,713
<i>Estimates, 1942-43</i>	£P. 73,664
<i>Increase</i>	£P. 7,951

79. The increase of £P.7,951 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as follows :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	48,423	52,594	8,226	4,055
Other Charges	14,885	18,270	4,255	820
Special Expenditure	2,455	2,800	2,800	2,455
£P.	65,713	73,664	15,281	7,330
Net Increase	—	—	7,951	—





80. The increases totalling £P.15,281 and the decreases totalling £P.7,330 may be summarised as follows :—

	Personal Emoluments	Other Charges	Special Expenditure	Total
	£P.	£P.	£P.	£P.
<b>Increases :</b>				
(a) Increments—				
(1) Land Settlement	429	—	—	512
(2) Irrigation	83	—	—	
(b) Approved increases of pay etc. (items 1(14), 1(20), 1(22) and 29)	690	—	200	890
(c) Increases on account of seconded officers (items 1(5), (6) and (22))	823	—	—	823
(d) Increases on account of increased prices, under-estimation and other commitments (items 4, 6, 9 and 12)	—	880	—	880
(e) Transfers on separation of Irrigation from Land Settlement	3,277	770	2,420	6,467
(f) Development of Irrigation Service	3,076	2,605	180	5,861
£P.	8,378	4,255	2,800	15,433
Less sets-off under items 1(24) and 1(28)	152	—	—	152
Total Increases	8,226	4,255	2,800	15,281
<b>Decreases :</b>				
(g) Change in holders	25	—	—	25
(h) Transfer from Land Settlement to Irrigation	3,185	770	2,420	6,375
(i) Other transfers between items	738	—	—	738
(j) Deduction of emoluments of officer released for military service	823	—	—	823
(k) Items not required in 1942-43	—	50	35	85
£P.	4,771	820	2,455	8,046
Less set-off under items 1(15), (20) and 1(22)	716	—	—	716
Total decreases	4,055	820	2,455	7,330
Net Increase	4,171	3,435	345	7,951

81. The provision for irrigation services is now shown under a separate division of the estimates, but the appointment of the Water Commissioner, who is also the Deputy Director of the Department and whose knowledge of and experience in land settlement are invaluable to the department, is maintained under the Land Settlement Division. The only increases apart from increments under Land Settlement are for an increase in the salary of the Building Inspector, Haifa Harbour Estate (item 1(14) approved in 1941-42, additional provision under other charges for telephones (£P.200) based on the charges notified by the Postmaster General; increased prices for clothing (£P.75); increased requirements of drawing materials at higher prices (£P.105); and increased provision for redistribution expenses, Urban Property Tax (£P.500) necessitated by recent amendment of the Rural Property Tax Ordinance.





82. The provision for irrigation services totalling £P.12,611 as compared with some £P.6,400 in 1941-42 is made up as follows :—

	Increments and approved revote	Transferred from Land Settlement votes	New provision	Total
	£P.	£P.	£P.	£P.
<i>Personal Emoluments :</i>				
Item 17(1) Duty Allowance at £P.200 p.a.	—	100	100	200
Item 2(1) Chief Irrigation Officer at £P.100 p.a.	—	1,000	—	1,000
Item 17(3) 1 Settlement Officer at £P.800 per annum	—	—	800	800
Item 17(4) Expatriation Allowance at £P.100 per annum	—	—	100	100
Item 17(5) 2 Irrigation Officers	25	490	800	815
Item 17(6) 1 Irrigation Engineer, grade K	12	800	—	812
Item 17(7) 1 Irrigation Inspector, grade N	—	—	282	282
Item 17(8) Technical Assistants— 5 grade N 5 grade O	—	420	1,100	1,520
Item 17(9) Officers of the General Clerical Service	40	725	—	765
Item 17(10) Cost of Living Allowance	—	150	336	486
Item 17(11) 5 subordinate staff	6	92	108	206
Total Personal Emoluments	83	3,277	3,076	6,436
<i>Other Charges :</i>				
18 Transport and Travelling	—	250	950	1,200
19 Railway Fares and Freight	—	50	—	50
20 Telephones	—	—	100	100
21 Publications	—	—	50	50
22 Uniforms	—	—	25	25
23 Lighting, heating, water and conser- vancy	—	—	100	100
24 Drawing office supplies	—	—	400	400
25 Incidental Expenses	—	35	15	50
26 Supervision of water distribution	—	—	300	300
27 Irrigation Experiments and inves- tigations	—	435	365	800
28 Upkeep of Irrigation lay-out	—	—	300	300
Total Other Charges	—	770	2,605	3,375
<i>Special Expenditure :</i>				
29 Minor Irrigation Works	200	640	160	1,000
30 Investigation into utilization of saline water	—	1,780	20	1,800
Total Special Expenditure	200	2,420	180	2,800
Total Irrigation	283	6,467	5,861	12,611

83. With the coming into effect of the Irrigation Ordinance it is necessary to take steps to implement the proposed organisation of the Irrigation service set out in paragraphs 12 to 14 of Chapter III of the report of the Committee on Development and Welfare Services, 1941.

84. The duty allowance of £P.200 per annum under item 17(1), instead of £P.100 per annum now payable to the Water Commissioner is inserted with a view to bringing his emoluments, as the officer statutorily responsible for water settlement under the Ordinance, to a level more with his responsibilities and more closely approximating those of Heads of cognate Departments e.g. the Director of Land Registration and the Director of Surveys.

85. The provision of £P.1,780 under item 30 is inserted as a contribution towards the cost of continuation of the investigation into the utilisation of saline water being conducted by the Agricultural Research Station of the Jewish Agency at Rehovot.





## HEAD XX — LEGAL.

(Including Administrator-General and Town Planning).

Approved Estimates, 1941-42	£P. 24,349
Estimates, 1942-43	£P. 25,697
Increase	£P. 1,348

86. The increase of £P.1,348 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as follows :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	18,537	19,650	4,653	3,440
Other Charges	5,812	6,047	445	210
	24,349	25,697	5,098	3,750
Net Increase £P.			1,348	

87. The increases totalling £P.5,098 and decreases totalling £P.3,750 under this head may be summarised as follows :—

	Personal Emoluments	Other Charges	Total
	£P.	£P.	£P.
<i>Increases :</i>			
(a) Increments and changes in holder	366	—	366
(b) Reorganisation etc. approved in 1941-42			
(i) Legal	1,031		
(ii) Administrator General	2,564	225	3,820
(iii) Town Planning	—		
(c) Under-estimation and increase in prices —			
(i) Legal		150	
(ii) Administrator General		60	220
(iii) Town Planning		10	
(d) New appointments, grading of clerks etc.	692	—	692
(i) Legal £P.396			
(ii) Town Planning £P.296			
Total Increase	4,653	445	5,098
<i>Decreases :</i>			
(e) Decrease consequent on reorganisation under (b) above			
(i) Legal	595		
(ii) Administrator General	2,581	—	3,176
(f) Decreases contingent on new appointments under (d) above			
(i) Legal (item 1(14))	264		
(ii) Town Planning (item 19(8))	100		364
(g) Over-estimated in 1941-42 (items 3 and 11)	—	210	210
Total Decrease	3,540	210	3,750
Net Increase £P.	1,113	235	1,348





88. With regard to the increases totalling £P.3,820 under (b) above the increase of two Junior Government Advocates in grade K under item 1(10) against the post of Assistant Government Advocate in grade G suppressed was approved by the Secretary of State's telegram No. 1482 of the 31st August, 1941; one post of clerical officer in grade M was approved in 1941-42 in connection with the reorganisation of the office of the Attorney General; the organisation and staff of the office of the Administrator General was approved by Secretary of State's telegram No. 67 of the 15th January, 1942; and the additional provision of £P.225 under Town Planning — transport and travelling was approved by Secretary of State's telegram No. 1695 of the 21st October, 1941.

The provision for new appointments and grading of clerical appointments is as follows:—

*Legal:*

Item 1(11)	Officers of the General Clerical Service	£P.	
	2 grade O	312	(against saving of £P. 264 under item 1 (14))
	2 grade P		
Item 1(13)	Stenography allowance	36	
Item 1(15)	2 messengers	48	
	£P.	896	

*Town Planning:*

Item 19(6)	1 Inspector £P.140-8-172	140	
Item 19(7)	2 grade O clerks	120	(against saving of £P. 100 under item 19 (8))
Item 19(9)	1 messenger	36	
	£P.	296	
	£P.	692	

89. The provision under items 1(11) and 19(7) give effect to the practice followed in these estimates to place officers whose employment is other than purely temporary in the normal clerical grades. The stenography allowances under item 1(13) are payable to shorthand writers qualified for the grant of these allowances under regulations. The additional messenger under item 1(15) and 19(9) are required for Crown Counsel's offices and Haifa District Office of the Town Planning section. The inspector for whom provision is made under item 19(6) is required for supervision of building in the Galilee area where, in spite of restrictions on imported building materials, building continues and is likely to continue with local stone and lime and where, at present, control is lacking, with consequent unplanned development and loss of revenue from permits.

Provision for the Administrator General's department will be shown under a separate head in 1943-44 estimates.

### HEAD XXI — MIGRATION.

<i>Approved Estimates, 1941-42</i>	£P. 32,128
<i>Estimates, 1942-43</i>	£P. 26,058
<i>Decrease</i>	£P. 6,070

90. The decrease of £P.6,070 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as follows:—

	Approved Estimates 1941/42	Draft Estimates 1942/43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	23,568	17,068	278	6,778
Other Charges	4,560	3,990	325	895
Special Expenditure	4,000	5,000	2,500	1,500
	32,128	26,058	3,103	9,173
			Net Decrease	6,070





91. The increases totalling £P.3,103 and decreases totalling £P.9,173 are made up as under :—

	Personal Emoluments	Other Charges	Special Expenditure	Total
	£P.	£P.	£P.	£P.
<b>Increases :</b>				
(a) Increments	278	—	—	278
(b) Under-estimated in 1941-42	—	325	—	325
(c) Increase in refund of visa deposits	—	—	2,500	2,500
<b>Total Increase</b>	<b>278</b>	<b>325</b>	<b>2,500</b>	<b>3,103</b>
<b>Decreases :</b>				
(d) Change in holders	91	—	—	91
(e) Deduction of salaries of officers seconded to other departments and released for military service	6,687	—	—	6,687
(f) Over-estimated in 1941-42 and special expenditure not required in 1942-43	—	895	1,500	2,395
<b>Total Decrease</b>	<b>6,778</b>	<b>895</b>	<b>1,500</b>	<b>9,173</b>
<b>Net Increase</b>	<b>—</b>	<b>—</b>	<b>1,000</b>	<b>—</b>
<b>Net Decrease</b>	<b>6,500</b>	<b>570</b>	<b>—</b>	<b>6,070</b>

Particulars of the twenty-one seconded officers are set out in Appendix A to the Estimates. The increased provision for refund of Palestinian visa deposits is required for refund of deposits against collateral guarantees of travellers now detained in Palestine as war refugees.

#### HEAD XXII — MISCELLANEOUS.

Estimates 1941-42	£P. 1,383,290
Estimates 1942-43	£P. 1,146,243
Decrease	£P. 237,047

92. The reserved provision of £P.100,000 under items 20 and 21 for provident fund and regrading of salaries is included in the above figures.

The decrease of £P.237,047 in the draft estimates for 1942-43 as compared with the estimates for 1941-42 is made up as under :—

	Approved Estimates 1941/42	Draft Estimates 1942/43	Increase	Decrease
	£P.	£P.	£P.	£P.
<b>Ordinary</b>	<b>92,290</b>	<b>92,477</b>	<b>7,483</b>	<b>7,246</b>
Item 20: Provident Fund	50,000	50,000	—	—
Item 21: Regrading of appointments	50,000	50,000	—	—
<b>£P.</b>	<b>192,290</b>	<b>192,477</b>	<b>7,483</b>	<b>7,246</b>
<b>Special Expenditure</b>	<b>1,191,000</b>	<b>953,766</b>	<b>439,766</b>	<b>677,000</b>
<b>Total £P.</b>	<b>1,383,290</b>	<b>1,146,243</b>	<b>447,199</b>	<b>684,246</b>
<b>Net Decrease £P.</b>				<b>237,047</b>





93. Of the foregoing expenditure the following items are met from grant-in-aid given by His Majesty's Government :—

	Approved Estimates 1941/42	Draft Estimates 1942/43	Increase	Decrease
	£P.	£P.	£P.	£P.
Item 24 Relief of Abyssinian Refugees	2,000	2,850	850	—
Compensation for loss of and damage to property during the disturbances	145,000	—	—	145,000
Compensation for loss of life and injury during the disturbances	40,000	—	—	40,000
	187,000	2,850	850	185,000

94. The principal items of special Expenditure are shown below. All except items 23. Relief, and 29. Government Agency in Cairo are necessitated by war conditions :—

	Approved Estimates 1941/42	Draft Estimates 1942/43	Increase	Decrease
	£P.	£P.	£P.	£P.
Item 22 Issue of war savings certificates etc.	1,000	1,000	—	—
Item 23 Relief	142,000	100,000	—	42,000
Item 25 Compensation for war damage	150,000	150,000	—	—
Item 26 High cost of living allowances	250,000	425,000	175,000	—
Item 27 War Supply Board	10,000	28,250	18,250	—
Item 28 Food Control	—	50,000	50,000	—
Item 29 Government Agency in Cairo	—	3,000	3,000	—
Item 30 Allowances to seconded officers	1,000	1,000	—	—
Item 31 Expenses of Advisory Committee under Defence Regulations	—	300	300	—
Item 32 Administrative Expenses, Citrus Advances	—	1,000	1,000	—
Item 33 Food Production Expenditure	—	181,000	181,000	—
Item 35 Special Emergency measures	—	10,000	10,000	—
— Assistance to the Citrus industry (transferred to Head XXXV Loans from Public Funds)	450,000	—	—	450,000
	1,004,000	945,550	488,550	492,000

Provision is made under item 22 for the printing and issue expenses of local savings certificates and defence bonds, arrangements for which are nearing completion. Reduced provision is made for relief under item 23 owing to the change in the nature of the relief problem, which was originally one of unemployment and has now become largely one of social welfare services in the Arab and Jewish communities. The necessity to subsidize all communities to enable them to establish schemes for the prevention and alleviation of starvation of children, sick and aged continues, and, while every endeavour is being made to eliminate this provision from the budget at the earliest possible date it is impracticable to reduce the allocation below £P.100,000 in the estimates now under review. The provision for compensation for war damage has been repeated in the current estimates on the lines explained in paragraph 247 of the memorandum on the expenditure estimates for 1941-42. The provision for High Cost of Living Allowances has been placed at £P.425,000.





95. Owing to the increase in the activities of the War Supply Board in connection with army contracts and civil requirements the estimates of the board have been increased as follows :—

	Estimates 1941-42		Draft Estimates 1942-43
	Original	Revised	
	£P.	£P.	£P.
Personal Emoluments	10,000	9,344	18,422
Other Charges		2,060	3,305
Special Expenditure		4,386	200
	10,000	15,790	21,927
		say £P.	22,000

Expenditure has been classified under the Heads of 'Personal Emoluments', 'Other Charges' and 'Special Expenditure' but the figures represent rough approximate estimates only as it is difficult to forecast the financial requirements of the Board with accuracy. The work of the Supply Office of the Board is to a large extent dependent on the orders which it receives in the same way as a commercial office. It is not possible to itemise expenditure under the normal Government classifications but classification has been retained as far as possible.

The work of the Board is at present divided into (a) the Head Office, carrying out the executive work of the Board and dealing with questions of policy, (b) the Supply office dealing with the investigation of supply and costs and the execution of orders on behalf of the military authorities, the United Kingdom Commercial Corporation and Government Departments, and (c) the Tel Aviv office dealing with Import Engineering Control. A branch of the Engineering Import Control Office has been opened in the Supply Office at Jerusalem, in order to maintain the close contact which is indispensable between the Import Control, the Engineering Section and the Director of Public Works. The office in Tel Aviv also provides accommodation for Supply Officers and Inspectors of the Board when on duty in Tel Aviv.

One of the principal functions of the Board is that of agent of the War Department in carrying out orders for military stores. It performs a similar function for the supply of stores to the Turkish Ministry of Defence through the United Kingdom Commercial Corporation; it also assists Government departments in placing orders for goods of local manufacture. The development of the Supply Office and the size of the staff required to perform these duties depend therefore on outside factors which render it difficult to present firm estimates for the coming financial year. For example it has been found necessary owing to rapid increase in the volume of army orders and the demand for inspection of products by the Board, to engage the services of seven inspectors during a period of one month. The estimates are therefore to be regarded as tentative and liable to modification in the light of the demands made upon the Board by the War Department and the Turkish Ministry of Defence. The Engineering Import Control Office was opened on the 20th October and it is difficult to forecast what provision for staff may eventually be necessary.

Provision of £P.1,250 has also been made under this item for industrial research for war purposes being carried out by a committee of the War Supply Board in collaboration with the Hebrew University.

96. Provision of £P. 50,000 has been inserted in the estimates for the reorganisation of food control referred to in the correspondence ending with High Commissioner's telegram No. 339 of 15th March, 1942. The present known commitments for staff already engaged and on the point of being engaged are in the neighbourhood of £P. 45,000. Further staff will be necessary as the control system develops.

97. The provision of £P.3,000 under item 29 for the establishment of a Palestine Government Agency in Cairo is made in accordance with the correspondence ending with Secretary of State's telegram No. 171 of the 13th February, 1942.

98. The provision of £P.1,000 under item 30 is for the payment of the difference between civil and military rates of pay under the approved scheme for the release of officers for military duties.





99. Provision of £P.300 is made under item 31 for the non-official members of tribunals set up to investigate claims of enemy aliens interned under Defence Regulations.

100. The provision of £P.1,000 under item 32 is required to meet the expenditure on the examination of claims for and the distribution of assistance to citrus-growers. The provision for assistance to the citrus industry is transferred from this head to Head XXXV, Loans from Public Funds, item 8, assistance to the citrus industry.

101. The provision of £P.181,000 under item 33 for food production expenditure is dealt with in the correspondence ending with Secretary of State's confidential telegram No. 433 of the 2nd April, 1942. The expenditure included in this total includes :—

	£P.
Capital expenditure on the irrigation of farm lands and on buildings and equipment	75,000
Working expenditure on production	86,000
Subsidies on sales of seeds and seedlings to farmers	20,000
Total	£P.181,000

Revenue of £P.100,000 from these operations is shown under item 53 of Revenue Head IV.

102. The provision of £P.10,000 under item 35 is token provision to meet the cost of special emergency measures as the necessity may arise of passive defence other than air-raid precautions.

103. Owing to increased cost of materials, under-estimation and other commitments it has proved necessary to make increased provision totalling £P.7,433 under item 1 Cash safes and boxes (£P.150); commission to stamp vendors (£P.560); commuted waqf tithes (£P.523); cost of remittances (£P.500); Crown Agents expenses including insurance on stores (£P.3,000); profits from currency-contribution to Trans-Jordan Government (£P.1,000) and tuition expenses for languages (£P.1,700).

104. The provision of £P.5,866 under item 34 is on account of arrears of payments in lieu of tithe formerly assigned to private waqfs which accrued prior to 31st March, 1942 and in respect of which negotiations with the claimants are proceeding.

#### HEAD XXIII — POLICE AND PRISONS.

Approved Estimates, 1941-42	£P. 2,207,404
Estimates, 1942-43	£P. 2,646,465
Increase	£P. 439,061

105. The increase of £P.439,061 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as follows :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
POLICE :				
Personal Emoluments	1,191,609	1,380,409	188,800	46,589
Other Charges	681,080	948,406	267,326	52,185
Special Expenditure	161,500	188,080	26,580	67,570
	2,034,189	2,516,895	482,706	166,289
PRISONS :				
Personal Emoluments	58,995	61,890	2,895	1,479
Other Charges	109,880	170,680	60,800	8,910
Special Expenditure	4,890	7,050	2,160	8,840
	173,765	239,620	65,855	8,729
Total	2,207,954	2,756,515	548,561	175,018
Net Increase			439,061	





106. The excess in expenditure over the normal expenditure, based on that for 1935-36, met from the special security grant made by His Majesty's Government is as under :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Estimated Expenditure on Police and Prisons Services :	2,207,404	2,646,465	439,061	—
Less :				
(i) Actual Expenditure 1935-36 on Police and Prisons (excluding reformatory school)	524,967	524,967	—	—
(ii) Actual Expenditure 1935-36 on Frontier Control	8,016	8,016	—	—
(iii) Recoverable expenditure on village ghaffirs	1,000	1,000	—	—
	533,983	533,983	—	—
Estimated grant-in-aid	1,673,421	2,112,482	439,061	—

It must be emphasized that the estimates have been prepared strictly in accordance with Colonial Regulation 204, but that savings due to vacancies in establishment, particularly of British constables, are likely to amount in the year to between £P.100,000 and £P.150,000.

107. The increases totalling £P.614,078 and the decreases totalling £P.175,017 may be as follows :—

	Personal Emoluments	Other Charges	Special Expenditure	Total
	£P.	£P.	£P.	£P.
<i>Increases :</i>				
(a) Increments :				
(i) Police	2,566	—	—	2,718
(ii) Prisons	152	—	—	—
(b) Emoluments of officers seconded to other administrations and dependencies and released for military duties : Police	17,794	—	—	17,794
(c) Increase in temporary additional Police approved in 1941-42	184,448	25,662	—	160,110
(d) Other committed increases for services approved in 1941-42 or payable by regulations, including revotes and replacements :—				
(i) Police	7,789	35,408	39,100	90,327
(ii) Prisons	940	1,090	6,000	—
(e) Increased cost of rations, forage and stores—				
(i) Police	—	275,438	—	398,578
(ii) Prisons	—	63,140	—	—
(f) Gross increases for new appointments and new services, including regrading and promotions—				
(i) Police	45,377	1,694	—	51,089
(ii) Prisons	3,438	580	—	—
	212,504	408,012	45,100	660,616
Less increases set off by decreases under same items	22,747	28,791	—	46,538
Total Increases :	189,757	379,221	45,100	614,078





	Personal Emoluments	Other Charges	Special Expenditure	Total
	£P.	£P.	£P.	£P.
<i>Decreases :</i>				
(g) Changes in holders, posts suppressed; and savings due to over-estimation and special expenditure not required in 1942-43—				
(i) Police	5,925	52,185	67,570	—
(ii) Prisons	879	3,910	8,340	183,759
(h) Seconded officers—deduction of salaries (see (b) above)	17,794	—	—	17,794
(i) Decreases set off against new appoint- ments etc.				
(i) Police	22,864	—	—	23,464
(ii) Prisons	600	—	—	—
Total Decreases	48,062	56,045	70,910	175,017
Net Increases	141,695	323,176	—	439,061
Decrease	—	—	25,810	—

108. With regard to the increases under (a), (b) and (c) the particulars of seconded officers under (b) are set out in appendix A to the Estimates.

The increase under (c) in temporary additional police includes augmentation of the forces for Jewish settlements reported in High Commissioner's telegram No. 846 of the 12th June, 1941, and the schedule to High Commissioner's despatch No. 145 of the 29th July, 1941; and the increase of 21 temporary additional police as escorts to Tax Collectors approved by Secretary of State's savings telegram No. 40 of the 17th July, 1941.

109. The approved additional provision on account of temporary additional police is as follows :—

*Personal Emoluments :*

	£P.
Item 1(42) 2 Sergeants at £P.120 p.a.	240
Item 1(44) 108 Corporals at £P.96 p.a.	10,368
Item 1(46) 1830 Constables at £P.72 p.a.	129,840

£P. 134,448

*Other Charges :*

Item 2 Transport and Travelling	740
Item 6 Lighting and heating (set off by equivalent decrease under same item)	1,000
Item 13 Forage and Forage Allowances	1,000
Item 15 Clothing, necessities and accoutrements	17,100
Item 16 Miscellaneous stores	1,880
Item 25 Saddlery and stable requisites	1,000
Item 26 Remounts	250
Item 31 Medical treatment	500
Item 41 Casual labour	1,620
Item 42 Escorts to animal enumerators	1,512
	26,552

Total £P. 160,100





110. The increase of £P.90,327 under (d) is made up as follows :—

POLICE :	Increase
<i>Personal Emoluments :</i>	£P.
Item 1(12) Expatriation allowances at £P.100 p.a.	50
Item 1(16) 1 Senior Building Inspector, grade K	180
Item 1(20) 2 Building Inspectors	384
Item 1(36) Housing allowances	538
Item 1(37) Cost of living allowances	277
<i>Palestinian Section :</i>	
Item 1(50) Good Conduct Pay	700
Item 1(51) Proficiency Pay	715
Item 1(52) Language allowances	875
Item 1(54) Trade Pay—Wireless operators	2,148
Item 1(55) Trade Pay—Port and Marine	210
<i>British Section :</i>	
Item 1(65) Trade Pay—Wireless Operators	1,190
Item 1(66) Trade Pay—Port and Marine	378
Item 1(67) Trade Pay—M.T. Personnel and Artisans	144
	<hr/> 7,789
<i>Other Charges :</i>	
Item 2 Transport and Travelling	400
Item 4 Telephones	8,000
Item 15 Clothing, necessities and accoutrements	10,350
Item 20 Wireless and signals equipment	3,800
Item 21 Mechanical transport and launches (mainly set-off by other decreases)	4,258
Item 45 Leave allowances to British Police	8,600
	<hr/> 35,408
<i>Special Expenditure :</i>	
Item 46 Replacement of M/T vehicles	20,000
<i>Revotes :</i>	
Item 47 Purchase and installation of refrigerators	4,770
Item 48 Special equipment	355
Item 51 Furniture and equipment for police stations, posts and quarters	760
Item 55 Purchase of pack saddlery and stable requisites	2,200
Item 56 Lighting, heating, cooking and ventilating appliances	900
Item 57 Miscellaneous stores	2,000
Item 58 Spare parts etc., mechanical vehicles and launches	8,000
Item 59 Miscellaneous tools	115
	<hr/> 89,100
Total Police	<hr/> 82,297
 PRISONS :	
<i>Personal Emoluments :</i>	
Item 60(6) 2 British Inspectors, grade M	576
Item (7) Expatriation allowances	100
Item (19) Personal allowances	72
Item (21) 2 Wardresses at £P.72 p.a.	144
Item (34) Cost of Living allowances	48
	<hr/> 940
<i>Other Charges :</i>	
Item 61 Transport and Travelling	200
Item 63 Telephones	50
Item 66 Water and Conservancy	250
Item 74 Arms and Ammunition	250
Item 76 Upkeep of Plant	340
	<hr/> 1,090
Carried forward	<hr/> 2,080





	Increase £P.
Brought forward	2,030
<i>Special Expenditure :</i>	
<i>Revotes :</i>	
Item 84 Clothing, necessities and accoutrements	3,000
Item 85 Miscellaneous stores	2,000
Item 86 Prisoners' clothing	1,000
	6,000
Total Prisons	8,030
Total (d)	90,327

111. The increase of £P.50 shown above under item 1(12) represents arrears of expatriation allowances payable to two officers acting in 1941-42 as Deputy Superintendents whose subsequent promotion to the posts was antedated. The increases under items 1(16) (£P.180) and 1(20) (£P.384) are due to the appointment to these posts of former foremen on the Police building scheme at a consolidated rate of pay of £P.480 per annum in each case. The increases under Housing and cost of living allowances are mainly due to the abolition of the posts of Assistant Inspector in 1941-42 and the appointments therefrom of the holders to the new posts of British Inspector (grade M) created. The increases under items 1(50), (51) and (52) totalling £P.2,290 are due to the increase in the number of other ranks annually becoming eligible for these allowances. The increases under items 1(54), (55) totalling £P.2,358 and under 1(65), (66) and (67) totalling £P.1,712 in respect of Trade Pay are due to a decision to postpone the introduction of new rates of trade pay for which provision was made in the 1941-42 estimates: vide paragraph 256 of the memorandum on the expenditure estimates 1941-42.

112. With regard to the increases totalling £P.35,408 grouped under this heading for other charges-Police-the increase of £P.400 for transport and travelling is to meet the increase from 500 to 650 mils per diem payable to British police on convalescent leave; the increase of £P.8,000 under item 4, Telephones is required for increased claims of the Postmaster-General on trunk and local excess call rates particularly for air raid warning circuits; the sum of £P.10,350 under item 15 is required for replenishing greatly reduced stocks of clothing and equipment; the sum of £P.3,800 under item 20 is required to replenish depleted stocks and for equipping new wireless telegraphy stations when the new sets on order arrive; the increase of £P.4,258 (net £P.1,750) under item 21 was reported in High Commissioner's secret despatch of the 9th August, 1941; the provision of £P.8,600 under item 45 is required to implement the scheme for leave allowances to British Police approved by Secretary of State's telegram No. 1674 of the 14th October, 1941.

113. The increases totalling £P.39,100 under Police—Special Expenditure are for replacement of mechanical vehicles (£P.20,000) and include increases of £P.19,100 for revotes of expenditure approved in 1941-42 and for which indents were submitted to the Crown Agents for the Colonies in 1941-42. Revotes on Police votes amount to £P.108,030 in respect of such indents.

114. The provision of £P.27,500 under item 46 is required for the replacement of vehicles which have been in service for more than six years and the cost of repair of which is altogether out of proportion to their original cost. Seven trucks, ten tourers and fifty three pick-ups require replacement; and it is intended to purchase 25 motor-cycles locally as although funds were made available in 1941-42 the Crown Agents were unable to supply them. The estimate of £P.27,500 is made up as follows :—

	£P.
7 trucks at £P.430 each	3,010
10 tourers at £P.600 each	6,000
53 pick-ups at £P.300 each	15,900
	24,910
Say £P.	25,000
25 motor-cycles at £P.100 each	2,500
	£P. 27,500





115. The provision of £P.940 under Prisons—personal emoluments set out in paragraph 109 comprises provision of £P.576 for two inspectors under item 60(6) £P.100 under item 60(7) and £P.48 under item 60(34) to replace two Assistant Inspectors whose posts were abolished (vide decrease) (£P.432) when the posts of Assistant Inspector was abolished under Police in 1941-42. The provision of £P.72 personal allowances (item 60(19) was omitted from the estimates in 1941-42 by oversight and the provision under item 60(21) for two wardresses is set off by reduction of two warders under item 60(18). The latter reduction is, however, set off by increases for new appointments referred to later in this memorandum. The increases under Prisons—other charges totalling £P.1,090 are mainly due to increased requirements for internees camps. Revotes of expenditure approved and indented for in 1941-42 (vide items 82 to 86 total £P.7,050; the gross increase being £P.6,000 as set out in paragraph 110.

116. Increased provision totalling £P.338,578 on account of increased contract prices for rations, forage and stores have been inserted in the estimates as follows:—

## POLICE :

*Other Charges :*

	£P.
Item 12. Rations and Ration allowances (set off partially by decreases under the same item £P.21,023)	111,123
Item 13. Forage and forage allowances	98,000
Item 15. Clothing, necessities and accoutrements	27,120
Item 16. Miscellaneous stores	2,170
Item 23. Upkeep of bicycles	25
Item 37. Rations for internees	30,000
Item 38. Clothing and necessities for internees	7,000
	<hr/>
	£P. 275,488

## PRISONS :

*Other Charges :*

Item 69. Rations and Ration allowances	1,550
Item 72. Miscellaneous stores	1,500
Item 73. Furniture and equipment	90
Item 78. Prisoners' Clothing	2,000
Item 79. Prisoners' Rations	58,000
	<hr/>
	£P. 63,140

Total £P. 338,578

The cost of rations for the British Police for the next three months is 255 pils per man per diem. There is a contractual obligation to ration the Police on the army scale. Enquiries are being made as to the possibility of obtaining part of the rations from military sources. The price of forage is now more than four times that of the last contract. The increase of £P.27,120 allowed for rise in prices under item 15 is based on current price tendencies. The increases under items 37, 69 and 79 are based on existing contract prices; and the remaining increases are based on existing price tendencies.

*New Services etc.*

117. The increases in the draft estimates for new services, new appointments and regrading are summarised below:—





	Personal Emoluments	Other Charges	Total
	£P.	£P.	£P.
<b>POLICE :</b>			
(i) Increase in Signals Branch	3,564	—	3,564
(ii) N.C.O. Establishment for temporary additional police (gross increase) :	26,208	—	26,208
(iii) New Police Station, Tel Aviv	2,760	850	3,610
(iv) Narcotic Bureau	1,080	250	1,330
(v) Grading of clerical staff	6,071	—	6,071
(vi) Replacement of C.I.D. Police Personnel by civilian staff	2,646	—	2,646
(vii) Pay office	1,808	—	1,808
(viii) Replacement of constable telephonists, messengers by civilians; and additional cooks, sanitary men etc.	1,740	594	2,334
	45,877	1,694	47,071
<b>PRISONS :</b>			
(ix) Criminal Lunatic Section, Acçe	792	100	892
(x) Internment Camps	1,752	—	1,752
(xi) Regrading of clerical establishment	750	—	750
(xii) Additional wardresses	144	480	624
	3,438	580	4,018
Total Gross Increases for new services etc.	48,815	2,274	51,089

118. The following amounts have to be set off against the above increases :

	Personal Emoluments	Other Charges	Total
	£P.	£P.	£P.
<b>POLICE :</b>			
(iv) N.C.O. establishment for temporary additional police	26,268	—	26,268
(v) Grading of clerical staff	5,990	—	5,990
(vi) Replacement of C.I.D. Police Personnel by civilian staff :	1,764	725	2,489
(vii) Staff — Pay Office	144	—	144
(viii) Replacement of constable telephonists etc. by civilians	2,088	—	2,088
	36,254	725	36,979
<b>PRISONS :</b>			
(ix) Grading of clerical establishment	600	—	600
	36,854	725	37,679
	11,961	1,549	13,410





## New Services—Police.

119. The provision for the proposals under (i) to (iv) for new services is as follows:—

119. The provision for the proposals under (i) to (iv) for new									
	(i)		(ii)		(iii)		(iv)		Total
	Signals		T. A. P. N. C. Os.		New Police Station Tel Aviv		Narcotic Bureau		
	No.	£P.	No.	£P.	No.	£P.	No.	£P.	£P.
Personal Emoluments :									
Item 1(23) Officers of the General Clerical Service 1 Clerk Gr. O		—		—		—	1	60	60
Item 1(37) Cost of Living Allowances		—		—		—		12	12
Item 1(41) 1 Sub Inspector at £P.168 p.a.		—		—	1	168		—	168
Item 1(42) 164 Sergeants at £P.120 p.a.	2	240	160	19,200	2	240		—	19,680
Item 1(44) 78 Corporals at £P.96 p.a.	3	288	x. 73	7,008	2	192		—	7,488
Item 1(46) 67 Constables at £P.72 p.a.	25	1,800		—	30	2,160	12	864	4,824
Item 1(53) Plain Clothes al- lowances		—		—		—		144	144
Item 1(54) Trade Pay, Wireless Operators		1,236		—		—		—	1,236
		3,564		26,208		2,760		1,080	33,612
x. 233-160 = 73									
Other Charges :									
2 Transport and Travelling		—		—		200		—	200
15 Clothing, necessities and accoutrements		—		—		650		250	900
£P.		—		—		850		250	1,100
Total £P.		3,564		26,208		3,610		1,330	34,712
Item 1(46) 93 Constables at £P.72 p.a.		—		6,696		—		—	6,696
Less 233 Lance Corporals at £P.84 p.a.		—		19,572		—		—	19,572
		—		26,268		—		—	26,268
Net { Increase		3,564		—		3,610		1,330	8,444
Decrease		—		60		—		—	

120. *Signals—Increase £P.3,564.* As no suitable British Police candidates were forthcoming, it was found necessary to attach 5 Palestinian N.C.Os. and 25 constables to the Signals Branch, depleting other formations to this extent. It is now necessary to bring the establishment of the Signals branch up to strength in order that other establishments shall not be prejudiced. The present position arose through an error in "present establishment" shown on page 69 (para. 281) of the memorandum on the expenditure estimates for 1941-42 which showed seven N.C.Os. and 38 constables whereas the authorised establishment at the time was two N.C.Os. and 13 constables.

121. *N.C.Os. for temporary additional police — Net Decrease £P.60.*

The N.C.Os. of the Jewish Settlement Police are the backbone of the Force and in order to retain their services it is necessary to improve their status and to bring it more into conformity with that of the permanent Palestinian establishment by the promotion of lance-sergeants and lance-corporals to the full ranks of sergeants and corporals. The financial implications of the proposals are as follows:—



160 Lance Sergeants promoted to Sergeants (Increase of £P.24 p.a. each)	£P. 3,840
233 Lance Corporals promoted to Corporals (Increase of £P.12 p.a. each)	2,796
	£P. 6,636
Less Reduction of establishment of constables by 93 temporary additional police at £P.72 p.a.	6,696
Net decrease	£P. 60

122. *New Station—Tel Aviv — Increase £P.3,610.*

The size of the town of Tel Aviv, increase in crime due to war conditions and recent terrorist activities necessitate the opening of a new Police Station. British personnel can be found from existing establishments but the Palestinian establishment is inadequate for the purpose and it is necessary to provide for one sub-inspector, two sergeants, 2 corporals and 30 constables for the new station.

123. *Narcotic Bureau: Increase £P.1,330.*

In view of the large increase in traffic in narcotics it has proved necessary to provide for increase in the staff of the "skeleton" bureau established in 1941-42 by a clerk and 12 Palestinian constables. The British staff is being found from existing establishments.

124. The provision for the changes in the estimates under the headings (v) to (viii) summarised in paragraphs 117 and 118 is as follows:—

	(v) Grading of clerical staff		(vi) C. I. D.		(vii) Pay Office		(viii) Telephonists messengers and labour		Total
	No.	£P.	No.	£P.	No.	£P.	No.	£P.	£P.
<i>Personal Emoluments:</i>									
1(14) 1 Assistant Paymaster, gr. K.	—	—	—	—	1	300	—	—	300
1(23) Officers of the General Clerical Service —									
5 grade N	—	—	1	180	4	720	—	—	900
67 grade O	60	3,600	4	240	3	180	—	—	4,020
16 grade P	16	960	—	—	—	—	—	—	960
1(26) 6 Temporary Clerical Officers	—	599	6	2,160	—	—	—	—	2,759
1(33) 26 Telephone Operators at £P.36	—	—	—	—	—	—	26	1,560	1,560
1(34) 7 messengers at £P.60-6-96	—	—	—	—	—	—	7	168	168
1(37) Cost of Living Allowances	—	912	—	66	—	108	—	—	1,086
1(49) 1 Saddler at £P.204	—	—	—	—	—	—	12	12	12
		6,071		2,646		1,308		1,740	11,765
<i>Other Charges:</i>									
41 Casual Labour	—	—	—	—	—	—	—	594	594
Total Increases		6,071		2,646		1,308		2,334	12,359
<i>Less:</i>									
1(27) Expatriation Allowance	—	250	—	—	—	—	—	—	250
1(28) Extra Clerical Assistance (£P.6,700-960)	—	5,740	—	—	—	—	—	—	5,740
1(46) 33 constables at £P.72 p.a.	—	—	2	144	2	144	29	2,088	2,376
1(59) 3 First Sergeants at £P.180 p.a.	—	—	3	540	—	—	—	—	540
1(60) Second Sergeants at £P.156 p.a.	—	—	3	468	—	—	—	—	468
1(61) 3 constables at £P.132 p.a.	—	—	3	396	—	—	—	—	396
1(64) Plain Clothes Allowances	—	—	—	216	—	—	—	—	216
Sundry items	—	—	—	725	—	—	—	—	725
Total deductions		5,990		2,489		144		—	10,711
Net Increases £P.		81		157		1,164		246	1,648





125. *Grading of Clerical Staff — Net Increase £P.81.*

The provision now made does not affect the pensionable status of the clerks concerned but is merely designed to remove an anomaly in past years where the vote for extra clerical assistance was utilised to provide for the salaries of clerks whose appointments were no less permanent than those, say, of other clerks on probation. The thirty-five appointments now provided under item 1(28) are temporary appointments approved and reported in 1941-42. Provision is made under item 1(26) for the payment of a consolidated salary of £P.360 per annum to five British clerical officers at present serving in grade N.

126. *Replacement of Police Personnel in C.I.D. by civilians — Net increase £P.157.*

This proposal is for replacing Police personnel employed on purely clerical duties with C.I.D. by clerical officers. The employment of policemen on these duties is undesirable and although this procedure may have been justified during the rapid expansion of activities in recent years continual secondment and reversion of Police personnel must necessarily impair their efficiency. Six British officers (vide item 1(26)) are necessary to take charge of offices now directed by British N.C.Os. Provision is made for these officers at a consolidated rate of pay of £P.360 per annum, which is the rate now provided for most appointments of like nature which are likely to be filled by members of the British Police.

127. *Pay Office — Increase £P.1,164.*

The secondment of the Financial Assistant to O.E.T.A. and the promotion of various experienced officers to appointments necessitated by war time activities necessitated a careful survey of the requirements of the Pay Office which disclosed a glaring lack of supervisory posts and the necessity for certain additional subordinate posts of permanent character. The number of supervisory posts has remained stationary since 1935 since when the Force has been more than quadrupled and in the present estimates modest provision has been made for strengthening this office, which has only been kept in efficient order by overwork and strain on the very small supervisory staff now available.

128. *Telephonists, messengers and labour—Net increase £P.246.*

The provision now made is to put an end to the uneconomical and unsatisfactory process of utilizing policemen as telephonists and in some cases as messengers where these duties can be performed by civilians at lower cost. The sum of £P.564 is provided under item 41 for sixteen additional sanitarymen and seven cleaners required for the cleanliness and conservancy of the new Police buildings.

## 129. The provision for new appointments etc. under prisons is as follows:—

Personal Emoluments	(ix)		(x)		(xi)		(xii)		Total
	Criminal Lunatics Acre		Internment Camps		Additional Wardresses		Grading of clerical staff		
	No.	£P.	No.	£P.	No.	£P.	No.	£P.	£P.
Item 60(8) 9 officers of the General Clerical Service—Grade O		—		—		—		642	642
Item 60(16) 1 Sergeant warder at £P.120 p.a.	1	120		—		—		—	120
Item 60(17) 2 Corporal warders at £P.96 p.a.	1	96	1	96		—		—	192
Item 60(18) 31 Warders at £P.72 p.a.	8	576	23	1,656		—		—	2,232
Item 60(21) 2 Wardresses		—		—		144		—	144
Item 60(34) Cost of Living Allowances		—		—		—		108	108
		792		1,752		144		750	3,438
Other Charges									
71 Clothing, necessities and accoutrements		100		—		—		—	100
81. Labour		—		—		480		—	480
		100		—		480		—	580
Total Increases		892		1,752		624		750	4,018
Less : Extra Clerical Assistance		—		—		—		600	600
Increases		892		1,752		624		150	3,418



*Extra Clerical Assistance :*

The additional staff for the Criminal Lunatics Section at Acre is necessary to implement the scheme for separation of criminal lunatics from other prison inmates referred to in the correspondence ending with Secretary of State's despatch No. 437 of the 15th December, 1941 (see also paragraph 70 under Head XVI Health). The additional personnel for internment camps is essential for night-watching. The additional wardresses are required for the female section of the lock-ups at Haifa and Jaffa; and the provision of £P.480 under item 81 is made for temporary wardresses for the Female Criminal Lunatic Section at Bethlehem referred to in paragraph 70 of this memorandum and for casual employment of other temporary wardresses as may be necessary. Provision is made for the grading of staff previously paid from the vote for extra clerical assistance in similar circumstances to those explained in paragraph 125 on the grading of Police clerical staff.

## HEAD XXIV — POSTS AND TELEGRAPHS.

(Including Imperial Censorship).

Approved Estimates, 1941-42 £P.484,484

Estimates, 1942-43 £P.558,811

Increase £P. 74,377

130. The increase of £P.74,377 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as follows :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
<i>Posts and Telegraphs</i>				
Personal Emoluments	244,717	290,085	64,784	19,866
Other Charges	201,867	216,562	21,015	5,820
Special Expenditure	6,200	4,650	2,650	4,200
£P.	452,284	511,297	88,899	29,886
<i>Imperial Censorship</i>				
Personal Emoluments	26,490	39,754	15,420	2,156
Other Charges	5,660	7,760	2,100	—
£P.	32,150	47,514	17,520	2,156
Total £P.	484,434	558,811	105,919	31,542
Net Increase £P.	—	—	74,377	—

131. The above figures include the following expenditure defrayed from grants-in-aid by His Majesty's Government.

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
<i>Posts and Telegraphs</i>				
<i>Special Expenditure</i>				
Restoration of lines etc. damaged by sabotage	4,000	—	—	4,000
<i>Second Broadcasting Transmitter :</i>				
Items 39(1) to (14) Personal Emoluments	5,181	5,181	812	262
Items 40 to 49 Other Charges	12,550	7,186	156	5,520
Total	17,681	12,367	468	5,782
Total	21,681	12,367	468	9,782
<i>Imperial Censorship</i>				
<i>Transit Branch</i>				
Items 62(1) to (5) Personal Emoluments	3,948	4,012	100	36
Items 63 to 69 Other Charges	1,060	1,460	400	—
Total Grants £P.	5,008	5,472	500	86
£P.	26,689	17,839	968	9,818
Net Decrease £P.	—	—	—	8,850





132. The increases totalling £P.80,919 and decreases totalling £P.31,542 set out in paragraph 130 may be further analysed as follows :—

	Personal Emoluments	Other Charges	Special Expenditure	Total
	£P.	£P.	£P.	£P.
<b>Increases : (gross)</b>				
(a) Increments :				
(i) Posts and Telegraphs	2,650	—	—	4,600
(ii) Censorship	1,950	—	—	—
	650	—	—	650
(b) Changes of holders				
(c) Approved regrading and appointments including —				
(i) Posts and Telegraphs (transfers from other items)	14,994	—	—	17,308
(ii) Censorship	2,309	—	—	—
(d) Officers seconded to censorship from other Departments (Item 50(10))	11,161	—	—	11,161
(e) Increases due to increased prices and under-estimation etc. in 1941-42				
(i) Posts and Telegraphs	—	16,863	—	18,968
(ii) Censorship	—	2,100	—	—
(f) Increased contribution to renewals fund	—	4,368	—	4,368
(g) High cost of living allowances	25,000	—	—	25,000
(h) New Services, new appointments etc. (gross increases)	31,972	—	2,650	34,622
	90,686	23,831	2,650	116,667
Less decreases set-off against increases under various items :	10,532	216	—	10,748
<b>Total Increases</b>	<b>80,154</b>	<b>23,115</b>	<b>2,650</b>	<b>105,919</b>
<b>Decreases : (gross)</b>				
(i) Changes in holder, and over-estimation and special expenditure items not repeated in 1942-43				
(i) Posts and Telegraphs	647	5,820	4,200	10,667
(ii) Censorship	120	—	—	120
(j) Posts suppressed or transferred to other items				
(i) Posts and Telegraphs	1,524	—	—	1,560
(ii) Censorship	36	—	—	—
(k) Provision set-off against increases under —				
(i) Posts and Telegraphs	10,445	—	—	12,445
(ii) Censorship	2,000	—	—	—
(l) Provision set-off against increases under (g)	9,880	—	—	9,880
(m) Deduction for officers seconded to other administrations and departments	6,105	—	—	6,105
	30,757	5,820	4,200	40,777
Less increases set off against decreases under various items	9,235	—	—	9,235
<b>Total Decrease</b>	<b>21,522</b>	<b>5,820</b>	<b>4,200</b>	<b>31,542</b>
<b>Net { Increase</b>	<b>58,632</b>	<b>17,295</b>	<b>—</b>	<b>74,877</b>
<b>Decrease</b>	<b>—</b>	<b>—</b>	<b>1,550</b>	<b>—</b>





134. The increases under (a) and (b) call for no comment except that provision is made under items 50(4) (£P.1,800) and 62(5) (£P.100) for payment of increments to censorship personnel who are in most cases on rates of pay corresponding to the lower steps of grade O and who were not granted increments in previous years. Although their appointments are for the period of the war there is no justification for placing these officers in a worse position than that of their colleagues in the same or other departments who are in many cases doing similar work.

135. The approved provision in the estimates referred to under (c) of increases (£P.17,303) and (k) of the decreases (£P.12,445) is as under :—

<i>Posts and Telegraphs</i>	<u>Increase</u> £P.	<u>Decrease</u> £P.
<i>Personal Emoluments :</i>		
<i>Engineering :</i>		
Item 1(49) 15 skilled workmen, Class I	9,100	
Item 1(50) 49 skilled workmen, Class II	4,900	
Item 1 (51) 67 skilled workmen, Class III	5,092	
131	12,092	
Item 1(55) unclassified workmen		9,000*
Item 1(57) motor drivers		295
		9,295
<i>Broadcasting :</i>		
Item 1(60) 1 Deputy Postmaster General	1,000	
Item 1(61) Expatriation allowance at £P.100 p.a.	100	
	1,100	
Director of Programmes		1,100
Entertainment Allowance		50
		1,150
<i>General :</i>		
Item 1(68) Cost of living allowances	1,572	—
	14,764	10,445
<i>Second Broadcasting Transmitter :</i>		
Item 39(7) Controller of Arabic Programmes at £P.650 p.a.	50	
Item 39(9) 1 clerk, grade N	180	
	230	
Total £P.	14,994	
<i>Censorship :</i>		
Item 50(3) 1 Censor	650	
Item 50(4) Deputy Assistant Censor	39	
Item 50(6) 3 Chief Examiners at £P.144 p.a.	432	
Item 50(8) 11 Examiners, Sorters etc.	1,056	
Item 50(12) 2 Messengers	182	
Replacement of seconded officers	—	2,000
Total £P.	2,039	2,000
Total Increase	17,303	12,445
Net Increase £P.	4,858	

\* The net decrease of £P. 900 under item 1 (55) is due to inclusion of provision of £P. 8,100 for 70 workmen as explained in paragraph 136 and 144.



*Posts and Telegraphs :*

136. The increased provision under items 1(49) (£P.2,100), 1(50) (£P.4,900), 1(51) part (£P.5,092 and item 1(68) part £P.1,572) is set off by the decreases shown above (£P.9,295) under items 1(55) and 1(57), and is in respect of the classification of 131 workmen approved by Secretary of State's telegram No. 360 of the 31st March, 1942. It will be observed that the net estimated additional cost is £P.4,369 as compared with the figure of £P.2,820 reported in High Commissioner's telegram No. 267 of the 3rd March, 1942, due to provision now being made at an average rate of £P.76 per annum for the Class personnel (item 1(51)) as compared with the rough estimate of some £P.64 per man when the matter was reported to the Secretary of State.

The men concerned have been working in most cases for such a period of time as to justify entry into the classified establishment at this point.

It is anticipated that some £P.5,000 of this increase and of the increase of £P.1,190 under item 7, Labour will be recovered from the military authorities in respect of excess cost of services performed by the Department for war purposes which at present are charged to military advance accounts. It will be noted in this connection that provision of £P.8,100 is maintained under item 1(55) for unclassified workmen, whose retention is necessitated by increased military and departmental requirements as explained later in this memorandum.

The appointment of a Deputy Postmaster General under item 1(60) and 1(61) was approved by the Secretary of State's telegram No. 1427 of the 19th August, 1941.

Approval for the proposed increase under item 39(7) was sought in High Commissioner's secret savings telegram No. 71 of the 16th October, 1941.

The post under item 39(9) was approved together with the revised estimates for 1941-42 by Secretary of State's despatch secret (3) of the 29th October, 1941.

*Censorship :*

137. With regard to the provision under item 50(3), (4), (6) and (8) for censorship staff, the provision of £P.2,000 under item 48(11) of the approved 1941-42 estimates was supplemented by £P.3,000 as approved by Secretary of State's telegram No. 1705 of 22nd October, 1941; and the increases now shown result from transfer to the appropriate items of provision for the emoluments previously shown under the item "Replacement of seconded officers".

138. Provision of £P.11,161 is made under item 50 (10) for officers seconded from other departments (as set out in Appendix A(2)) to this department for censorship duties. The amount is made up as follows :—

Head	V. Agriculture and Fisheries	688
Head	VI. Antiquities	184
Head	XIII. Education	184
Head	XVIII. Land Registration	483
Head	XXI. Migration	3,841
Head	XXIV. Posts and Telegraphs	5,781
		<u>£P.11,161</u>

139. The provision of £P.18,963 due to rise in prices, under-estimation in 1941-42 and increased commitments for approved services is summarised below :—

	INCREASES DUE TO		Total
	Rise in Prices	Other Causes	
<i>Posts and Telegraphs :</i>	£P.	£P.	£P.
2 Transport and Travelling	—	970	970
5 Uniforms	100	—	100
6 Lighting, heating and power	—	1,000	1,000
7 Labour	—	1,190	1,190
8 Maintenance stores	8,900	—	8,900
9 Office furniture and equipment	—	777	777
12 Upkeep of mechanical transport	8,000	—	8,000
13 Postage stamps and postal orders	—	860	860
15 Commission and Agency fees	—	570	570
17 Rents	—	400	400
19 Water Supply and Conservancy	75	75	150
20 Passages	—	1,000	1,000
21 Crown Agents' Charges	250	—	250
24 Maintenance of rural broadcasting services	150	150	300
25 Broadcast programmes	900	1,100	2,000
27 Entertainment	—	90	90
33 Tuition expenses	—	150	150
	<u>8,875</u>	<u>8,382</u>	<u>16,707</u>



	INCREASES DUE TO		Total
	Rise in Prices	Other Causes	
	£P.	£P.	£P.
<i>Second Broadcast Transmitter :</i>			
46. Rent, furniture, water and cleaning	—	86	86
48. Entertainment	—	20	20
49. Printing, stationery and publications	—	100	100
Total Posts and Telegraphs	—	156	156
	8,875	8,488	16,868
<i>Censorship : Palestine :</i>			
51. Transport and Travelling	100	—	100
54. Telegrams, telephones and postage	—	1,850	1,850
56. Uniforms	—	50	50
60. Photographic materials	—	200	200
	100	1,600	1,700
<i>Transit Branch :</i>			
63. Transport and Travelling	100	—	100
65. Telegrams, telephones and postage	—	300	300
	100	300	400
Total Censorship	200	1,900	2,100
Total      £P.	8,575	10,388	18,963

140. With regard to the increases other than those due to higher prices, rates of hired transport and like services, the increase of £P.970 under item 2 is required for more travelling of officers of the engineering branch for inspection of increased departmental plant provided for military purposes; the increase of £P.1,000 under item 6 is required for lighting and power for the Haifa Automatic Exchange; the increase of £P.1,190 for labour is required for increased daily paid labour for departmental and military requirements including temporary and casual personnel, cleaners, storemen, and substitutes for personnel on vacation leave, sickness etc. Supplementary provision of £P.2,500 was required under this item in 1941-42 as reported in the schedule to High Commissioner's despatch No. 194 of 3rd November, 1941. Increase in wages to the extent of some £P.390 is also included under this item. The increase of £P.777 under item 9 is required for a miscellany of furniture and equipment peculiar to the department as well as for the fire extinguishers (£P.60), clocks (£P.48), safes (£P.224), scales and weights (£P.30) and bicycles (£P.150) formerly included under separate items. The increase of £P.860 under item 14 is necessary for outstanding requisitions for postage stamps and postal orders. Of the increase of £P.570 under item 15 a sum of £P.240 is to provide four postal agencies in settlements without postal facilities and the remainder is for increase in the remuneration of existing agencies. The increase of £P.400 under item 17 is for additional essential hirings for the broadcasting service and for workshops accommodation. The increase under item 19 is for water supply and conservancy for the Haifa Automatic Exchange. The provision for passages is adequate for eight officers to take leave in 1942-43. A special warrant for £P.1,500 was issued under this item in 1941-42 as reported in the schedule to High Commissioner's despatch No. 145 of 29.7.41. The increase of £P.1,100 under item 25, apart from that of £P.900 due to increased prices and artists' rates of pay, is for Palestine Symphony Orchestra concerts (£P.600) and other programme improvements (£P.500). The allocation for entertainment is for entertainment of a minor kind of artists and members of the public, largely children, taking part in the programmes. The provision of £P.150 under item 33 is for tuition expenses and language examination awards payable under regulations. A special warrant for £P.145 issued on this account in 1941-42 was reported in the schedule to High Commissioner's despatch No. 145 of 29.7.41. The increases totalling £P.156 under the Second Broadcasting Transmitter Other Charges Votes include provision for a cleaner (£P.36); and £P.100 for printing, stationery and publication expenses. Provision of £P.20 is allocated to this section on account of entertainment charges formerly paid from the item for incidental expenses. Of the increase totalling £P.2,100 under other charges votes of the Censorship a sum of £P.200 is required owing to increased rates payable for the hire of transport; £P.1,650 is due to increased flat rate telephone charges based on requirements notified by the Postmaster General; a sum of £P.50 is required for clothing for messengers and £P.200 is required for photographic materials.





141. Particulars of the increased contribution to the renewals fund (item 32) are set out in Appendix G to the estimates.

141a. With regard to the increase of £P.25,000 for high cost of living allowances attention is invited to Officer Administering the Government's telegram Secret No. 179 of 11th April, 1942

*New Services and new appointments etc.*

142. The following increases and decreases in the provision for 1942-43 resulting in a net increase of £P.15,274 as compared with the approved estimates for 1941-42 relate to new appointments etc.

	Increases	Decreases
	£P.	£P.
<i>Personal Emoluments :</i>		
<i>Administration :</i>		
Item 1(16) Assistant Postmaster, £P.300-12-360-10-480	720	
Item 1(18) 24 Postal clerks, telephonists and telegraphists, grade M	6,912	
Item 1(20) 48 Postal clerks, telegraphists and telephonists, Grade N	8,640	
Item 1 (21) 21 Postal clerks, telegraphists and telephonists, Grade O(a)		3,780
Item 1(23) 25 Postal clerks, telegraphists and telephonists, Grade O(b)		3,300
Item 1(25) 28 Postal clerks, telegraphists and telephonists, Grade O(c)		2,800
Item 1(30) 15 Watchmen and porters at £P.60 p.a.	900	
Item 1(32) Allowances to Postmen Drivers	50	
£P.	17,222	9,880
<i>Engineering :</i>		
Item 1(42) 1 Assistant Engineer, grade K	300	—
Item 1(46) 3 Assistant Inspectors, grade M	864	—
Item 1(48) 5 Foremen, grade N	900	—
Item 1(51) 20 Skilled Workmen, Class III	1,520	—
Item 1(55) 70 Unclassified Workmen at varying rates of pay	8,100	8,100
£P.	11,684	8,100
<i>Broadcasting :</i>		
Item 1(65) 2 Senior programme assistants at £P.360 p.a.	720	
Item 1(66) 1 Programme Assistant at £P.264 p.a.	—	264
Item 1(66) 1 Programme Assistant at £P.216 p.a.	216	
Item 1(67) 2 Studio Assistants at £P.96 p.a.	192	
£P.	1,128	264
Item 1(68) Cost of Living Allowances	1,938	888
Total Personal Emoluments	31,972	19,132
Item 25 Broadcasting Programmes	—	216
£P.	31,972	19,348
Net Increase	£P. 12,624	
<i>Special Expenditure :</i>		
Item 35 Mechanical Transport	1,550	
Item 37 Workshop Tools and Appliances	500	
Item 38 Musical Instrumentals	600	
£P.	2,650	





*Administration :*

143. The provision under items 1(16) to 1(20) is designed to create a more balanced ratio between supervisory and subordinate posts and to afford some amelioration of the stagnation from which many of the officers in the Post Office at present suffer. These proposals conform very closely to the regrading proposals now under consideration and the anomaly in the position of post office officials vis-a-vis officials of other departments was held to be of such urgency as to justify inclusion of the proposals in the estimates now under review.

The following table sets out the proposed establishment as compared with that in 1940-41 and the present establishment under the items of Assistant Postmaster and Postal Clerks, telegraphists and telephonists :—

	Actual 1940-41	Approved 1941-42	Proposed 1942-43
L (Now proposed £P.300-12-360-10-480)	3	5	7
M	10	11	35
N	27	27	75
O(a)	107	201	180
O(b)	329	800	275
O(c)	394	928	300
	870	872	872

Provision is made under item 1(30) for 15 additional porters required to replace messengers performing delivery duties more appropriate to postmen. The messengers thus replaced will be transferred to Head Offices where messengers are urgently required to cope with increasing telegram and express letter traffic.

The increase of £P.50 under item 1(32) is required for the employment of two postmen-drivers in urban areas.

*Engineering :*

144. Provision is made under item 1(42) for an additional post of Assistant Engineer to take charge of the workshops where the expansion due to departmental and military requirements necessitates creation of a first division post for the officer in charge. The duties are similar in scope and responsibility to those of the other assistant engineer in the department.

The proposed additional appointments under items 1(46) and 1(48) are analogous to those under the administration section referred to in the previous paragraph. The further growth of the department makes additional supervisory posts essential.

The following table shows the proposals now made as compared with the present establishment which is the same as that in 1940-41 :—

	1940-41 and Present	Proposed
Item 1(44) Inspector Grade L	8	8
Item 1(46) Assistant Inspector Grade M	10	13
Item 1(48) Foreman Grade N	24	29
Item 1(49) Skilled Workmen, Class I (Gr. O(a))	53	68
Item 1(50) Skilled Workmen, Class II (Gr. O(b))	87	136
Item 1(51) Skilled Workmen, Class III (Gr. O(c))	123	210
Item 1(55) Unclassified Workmen	131	70
	(£P.9,000)	(£P.8,100)
Item 7 Labour	£P. 5,700	£P. 6,890

The 20 additional appointments provided under item 1(51) for skilled workmen, Class III (at £P.76 p.a. average each) are for the classification of the appointments approved by Secretary of State's telegram No. 1824 of the 22nd November, 1941.

The provision of £P.8,100 under item 1(55) is explained by the fact that the present establishment of unskilled workmen is 151 and in addition there are 79 employed for military works whose emoluments are defrayed from War Department advances at present (but not in future) and it is intended to transfer 101 posts from item 1(55) and fifty of the posts now paid





from army funds to item 1(50) leaving 50 to be paid from item 1(55) and twenty of the remaining 29 on military works also to be defrayed from this vote; the remainder being remunerated under works votes. In this connection vide paragraph 136 regarding reimbursement by the army.

#### Broadcasting.

145. The provision under item 1(65) is required for the absorption of a British Programme Assistant and Announcer whose emoluments have up to now been borne on the Police vote. The English Programme staff is, particularly since the retirement of the English Programme Director and Deputy Programme Director, extremely overburdened. The remaining post of Senior Programme Assistant is that approved by Secretary of State's savings telegram No. 100 of the 21st December, 1941, at £P.350 per annum but the salary now proposed for both appointments is £P.360 per annum. There is a set-off of £P.264 under item 1(66); on the other hand provision of £P.216 is made under the latter item for an additional assistant for music, particularly required as a competent pianoforte accompanist for rehearsals and auditions. An equivalent set-off is made under item 25, broadcast programmes. Two studio assistants are provided under item 1(67) for observation of and directing the various artists to the studios, and to arrange the studios for the different features to be broadcast.

#### Cost of Living Allowances.

146. The net increase of £P.1,050 under this heading is consequent on the foregoing new appointments.

#### Special Expenditure.

147. Provision of £P.3,450 has been inserted under item 35 to replace six vehicles nearing the end of their serviceable life and for an additional Ford (8 H.P.) van required for the increasing mail service between Jaffa and Hadera. The Postmaster General points out that delay in replacement of unserviceable vehicles besides entailing maintenance on an uneconomical basis might lead to embarrassment at a critical moment in case of emergency or of exceptional military requirements. The provision of £P.500 under item 37 is required for the purchase of a lathe, furnace and drill to enable the departmental workshops to cope with the expanding repair work formerly carried out under contract, but which can be much more satisfactorily and economically performed in the workshops. The sum of £P.600 provided under item 38 is for the purchase of musical instruments required as a permanent part of the equipment of the Broadcasting Service.

### HEAD XXV — PUBLIC WORKS DEPARTMENT.

<i>Approved Estimates, 1941-42</i>	£P.	149,768
<i>Estimates, 1942-43</i>	£P.	160,912
<i>Increase</i>	£P.	11,149

148. The increase of £P.11,149 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as follows:—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
<b>Public Works:</b>				
Personal Emoluments	69,889	72,269	10,950	8,570
Other Charges	13,860	18,940	5,380	300
Special Expenditure	3,200	8,855	5,655	—
	86,949	100,064	21,985	8,870
<b>Jerusalem Water Supply:</b>				
Personal Emoluments	4,881	6,608	2,569	842
Other Charges	57,533	54,240	500	3,793
Special Expenditure	400	—	—	400
	62,814	60,848	3,069	5,035
<b>Total</b>	<b>149,768</b>	<b>160,912</b>	<b>25,054</b>	<b>13,905</b>
<b>Net Increase</b>			<b>11,149</b>	





149. The provision for special expenditure includes the following amount on account of the organization of control of materials under Defence Regulations :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase
	£P.	£P.	£P.
Item 14 Control of Materials	1,200	6,855	5,655

150. The increases totalling £P.25,054 and decreases totalling £P.13,905 may be further analyzed as follows :—

	Personal Emoluments	Otehr Charges	Special Expenditure	Total
	£P.	£P.	£P.	£P.
<i>Increases :</i>				
(a) Increments, changes in holders, (£P.22) and cost of living omitted in 1941-42 (£P.540)	1,568	—	—	1,568
(b) Under-estimation and increased costs : (i) Works (ii) Water Supply		4,800 500 }		5,380
(c) Transfers between items, Jerusalem Water Supply	1,698	—	—	1,698
(d) Increased cost of control of Materials	—	—	5,655	5,655
(e) New Appointments, regrading, etc. (gross increase)	10,746	500	—	11,246
	14,007	5,880	5,655	25,542
Less decreases under items of increase (items 1(16) and 15(6))	488	—	—	488
	13,519	5,880	5,655	25,054
<i>Decreases :</i>				
(f) Changes in holders	486	—	—	486
(g) Decreases contingent on regrading proposals under (e) above Public Works                   £P.7,626 J.W.S.                           £P. 428	8,054	—	—	8,054
(h) Deduction of emoluments of Officers released for Military Services	458	—	—	458
(i) Decrease on account of transfer of provision under (c) above	1,698	—	—	1,698
(j) Over-estimation in 1941-42 and special expenditure not repeated in 1942-43	—	2,809	400	3,209
Total decreases	10,696	2,809	400	13,905
Net Increase	2,823	3,071	5,255	11,149

151. The increase of £P.1,557 under (a) includes a sum of £P.540 under 1(67) in respect of cost of living allowances on account of appointments in the 1941-42 estimates for which provision was made at consolidated rates of pay, but which were subsequently placed in appropriate grades.

152. The increases summarized under (b) are as follows :—

	Increase £P.
<i>Public Works :</i>	
Item 2 Transport and Travelling (part)	2,550
Item 4 Telephones	2,330
	<u>£P.4,880</u>
<i>Jerusalem Water Supply :</i>	
Item 22 Spares and tools	500
	<u>£P.5,380</u>





The increase under item 2 is required for maintenance overseers, timekeepers, etc. appointed in 1941-42 and is due to increased rates for hire of transport. The increase under item 4 is to meet increased flat rate telephone charges for trunk and local calls. The increase of £P.500 under item 22 is to meet increased prices of spares and cylinder liners for the engines in the various pumping stations.

153. The increase of £P.1,698 under (c) on account of transfers between items of the Jerusalem Water Supply is made owing to the increase in water consumption necessitating three-shifts working on a *permanent* basis. In the past the wages of the personnel for the third shift has been met from item 26 labour. On this reorganization the provision of engine fitters becomes unnecessary and is set off against the increase. The following items reflect these changes :

		Increase £P.	Decrease £P.
Item 15(6)	5 Assistant Station Engineers	918	
Item 15(8)	8 Greasers	378	
Item 45(9)	1 Electrician	180	
Item 15(13)	3 Filter Hands	198	
Item 15(14)	Cost of Living Allowances	24	
—	Engine fitters		414
Item 26	Labour		1,284
		<u>1,698</u>	<u>1,698</u>

154. The estimated cost of control of Materials in 1942-43 is £P.6,855 as compared with the estimate of £P.1,200 in 1941-42 which proved to be inadequate. The estimate for 1942-43 is made up as follows :—

*Personal Emoluments :*

	£P.
1 Controller	800
1 Superintending Engineer	600
1 Assistant Controller	600
12 Clerks and Typists at various rates	2,076
5 Inspectors at various rates	1,380
Messengers and cleaners	84
Extra Clerical Assistance	240
	<u>£P.5,780</u>

*Other Charges :*

Transport and Travelling	500
Telephones, telegrams and postage	75
Lighting, heating, water and conservancy	100
Rent of Offices	240
Incidental Expenses	110
	<u>£P.1,025</u>

*Special Expenditure :*

*Furniture and Equipment*

	50
<b>Total</b>	<b>£P.6,855</b>

It is pointed out that these estimates are only approximate as in the case of similar war emergency services, and in the circumstances the total only is included in the estimates.





*New appointments, regrading, etc.*

155. The provision for classification of unclassified appointments in the draft estimates is set out below :—

*Grading of unclassified posts :*

		Increase £P.	Decrease £P.
<i>Public Works :</i>			
<i>Headquarters Administration :</i>			
Item 1(15)	13 Officers of the General Clerical Service	1,438	
	1 N.		
	11 O.		
	1 P.		
<i>District Engineers :</i>			
Item 1(28)	30 Officers of the General Clerical Service	2,674	
	1 N.		
	26 O.		
	3 P.		
Item 1(65)	Extra Clerical Assistance	—	4,658
Item 1(66)	Cost of Living Allowances	804	
Item 1(68)	5 Draughtsmen	1,116	
	2 M.		
	3 N.		
Item 1(69)	1 Assistant Quantity Surveyor, Grade K.	300	
Item 1(70)	6 Quantity Surveyor Assistants	1,404	
	2 M.		
	3 N.		
Item 1(63)	Temporary draughtsmen and Assistant Quantity Surveyors	—	3,000
		7,736	7,658
<i>Jerusalem Water Supply :</i>			
Item 15(1)	Maintenance Engineer, Grade K	—	50
Item 15(2)	Expatriation Allowance @ £P.50 p.a.	50	
Item 15(4)	Expatriation Allowance @ £P.50 p.a. — to to Station Supt., Grade M.	50	
Item 15(5)	Station Engineer, Grade N.	—	
Item 15(6)	Assistant Station Engineer, Grade O.	6	
Item 15(7)	Chemist, Grade O.	4	
Item 15(9)	Electricians, Grade O.	6	
Item 15(10)	Pipe Rangers, Grade O.	4	
Item 15(11)	Officers of the General Clerical Service	384	
	1 Grade N.		
	1 Grade O.		
	1 Grade P		
Item 15(14)	Cost of living allowances	390	
	3 Clerks		378
	Total	894	378
		8,630	8,036
	Net Increase £P.	594	

The grading of the 43 clerical posts under items 1(15), 1(28) and 1(66) is proposed to remove the anomaly of permanent officers being paid from Extra Clerical assistance votes. The majority of the appointments are posts of trust and responsibility which should be held by permanent officers with some degree of security of tenure. The proposals fall well within the grading proposals now under consideration and are still short of the clerical establishment envisaged in Sir Douglas Harris' report of 1936 on the Department. Similarly the proposals for draughtsmen and Assistant Quantity Surveyors are designed to reorganize and strengthen





the Architectural and Quantity Surveyor's offices and to provide the minimum classified staff required to carry out a normal programme of work. Although the quantity surveying section has been a permanent branch of the Department for many years—no classified officers except the officer in charge of the Section and one grade N draughtsman have been appointed to the branch. The present proposals likewise conform closely to the regrading proposals.

The proposals for classifying the Jerusalem Water Supply operation staff were postponed in 1941-42 pending preparation of regrading proposals. The proposals now submitted should no longer be deferred and fall within the ranges of salary of the regrading proposals for similar appointments.

#### *New appointments, etc.*

156. Provision for new appointments in the estimates amounts to £P.2,124 as follows:—

	£P.
Item 1(26) 3 Foremen of Works, Grade M.	864
Item 1(27) 3 Foremen of Works, Grade N.	540
Item 1(28) 3 Clerks, Grade N.	540
Item 1(66) Cost of living allowance	180
	<u>£P.2,124</u>

Provision of £P.500 is included under item 2 for transport and travelling of the foremen for whom provision is now made.

The additional foremen are required to ensure proper supervision of maintenance of the fifty-five new police buildings. The posts now proposed are one for each of the five works districts and an additional one for Jerusalem District owing to its wide extent. This is the minimum staff required to ensure efficient and economical maintenance of those buildings. The additional grade N clerks are required as Chief Clerk for the Gaza District Office; a timekeeper for the Southern Area of the large Jerusalem Works District to prevent as far as possible dishonesty or wastage of Government funds through improper timing of labour; and a Sub-District Paymaster for the Jerusalem Works District which stretches from Ramallah in the North to the Egyptian border in the South. It is quite impossible for one Paymaster to supervise the pay of this area twice monthly and an additional officer for the purpose is essential.

#### HEAD XXVI — PUBLIC WORKS RECURRENT.

<i>Approved Estimates, 1941-42</i>	£P. 377,015
<i>Estimates, 1942-43</i>	£P. 386,825
<i>Increase</i>	£P. 9,810

157. The increase of £P.9,810 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as follows:—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
<i>Ordinary:</i>				
Rent of offices and quarters	84,000	91,200	7,200	—
Maintenance of Roads and Bridges	146,600	146,600	—	—
Other sub-heads	94,215	101,215	11,360	3,750
	<u>324,815</u>	<u>339,625</u>	<u>18,560</u>	<u>3,750</u>
Emergency Expenditure	52,200	47,200	—	5,000
	<u>877,015</u>	<u>386,825</u>	<u>18,560</u>	<u>8,750</u>
<b>Net increase</b>	—	—	<b>9,810</b>	—





158. The Emergency expenditure included in the above figures is met from the special security grant-in-aid by His Majesty's Government and is made up as follows :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Item 19 Maintenance of frontier fence	1,200	1,200	—	—
Item 20 Rent of Security Offices and Quarters	25,000	20,000	—	5,000
Item 21 Maintenance of Security Roads	25,000	25,000	—	—
Item 22 Maintenance of Security Buildings	1,000	1,000	—	—
Total	52,200	47,200	—	5,000

159. The increase of £P.7,200 under rent of offices and quarters (item 6) is due to new hirings and increase in certain rentals of trustee property where inordinately low rentals had been paid over a period of years. The essential new hirings alone amounted to a total of over £P.8,000.

160. The remaining increases under this Head totalling £P.11,360 are as follows :—

*Item 2. Maintenance of Mechanical Transport—Increase £P.2,000.*

The increase is due to rise in prices on account of the war.

*Item 3. Maintenance of buildings—Increase £P.4,000.*

The increase of £P.4,000 comprises an additional £P.3,000 on account of police buildings for which provision of £P.6,000 was made in 1941-42; and an additional £P.1,000 for other buildings for which £P.22,000 was provided in 1941-42. From 1943-44 the estimated cost of maintaining the police buildings will be £P.12,000 a year, but in view of their recent construction it is considered that £P.9,000 should be adequate in 1942-43. The estimate of £P.23,000 for the remaining buildings will not permit any decorative as distinct from maintenance works as the rise in prices of all materials is far more than the additional provision now inserted.

*Item 7. Furniture —Increase £P.500.*

The increase is to provide for additional cost of timber and for additional furniture for the new Magistrates' Courts at Haifa.

*Item 8. Maintenance of Harbour and Marine Structures—Increase £P.350.*

The increase is required for arrears of dredging at Haifa Harbour; arrears of road, maintenance in port areas and additional cost of maintenance of Haifa breakwater.

*Item 14. Maintenance of Airports—£P.3,500.*

The increase of £P.3,500 is required for arrears of maintenance and for the maintenance of increased areas of runways.

*Item 16. Maintenance of Safad Water Supply—£P.625.*

This provision is required for the operation, for the time being, of the extension of Safad Water Supply recently constructed for military purposes, until the Municipality can operate it efficiently and economically.

Other minor increases under item 11 (£P.285) and 12 (£P.100) have been made for maintenance of food production irrigation channels.

160. The decrease of £P.3,500 under item 10 is due to the transfer of this provision to Head XV, item 3; and the decrease of £P.5,000 under item 20 is due to economies in security hirings resulting from completion of the Police building scheme.





## HEAD XXVII — SECRETARIAT.

(Including Printing and Stationery, Civil Aviation, Commissioner on Special Duty, Economic Adviser, Labour and Commissioner of Income Tax).

Approved Estimates, 1941-42	£P. 170,788
Estimates, 1942-43	£P. 208,724
Increase	£P. 32,936

162. This increase of £P.32,936 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as follows :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	86,632	101,860	24,914	10,186
Other Charges	78,056	95,023	23,445	6,478
Special Expenditure	6,100	7,341	1,241	—
	170,788	208,724	49,600	16,664
Net Increase	—	—	32,936	—

163. The distribution of this expenditure on the various services included under this head is as follows :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
(i) Chief Secretary's Office and Press Bureau	54,779	58,990	6,601	2,390
(ii) Publicity	22,574	29,870	7,296	—
(iii) Printing and Stationery	50,663	51,698	1,250	215
(iv) Civil Aviation (including fuel rationing)	22,060	25,032	3,679	707
(v) Commissioner on Special Duty	2,724	2,635	16	105
(vi) Economic Adviser	1,988	1,946	5	47
(vii) Labour	6,000	11,551	10,251	4,700
(viii) Commissioner of Income Tax	10,000	22,002	20,502	8,500
Total £P.	170,788	208,724	49,600	16,664

164. The estimates provide for the following expenditure on publicity services to be met from a grant-in-aid from His Majesty's Government :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase
	£P.	£P.	£P.
Item 13(1) to (17) Personal Emoluments	5,064	6,370	1,806
Items 14 to 24 Other Charges	16,260	21,800	5,040
Item 25 Special Expenditure	1,250	2,200	950
	22,574	29,870	7,296
Less Palestine share	8,750	8,750	—
Grant-in-aid	18,824	26,120	7,296





In approving the expenditure and grant for 1941-42 the Secretary of State directed that expenditure in excess of £P.22,574 should be met from Palestine Funds. The increased expenditure in 1942-43 is, however, entirely for Imperial publicity services and consequently the Palestine share has been maintained at £P.3,750 as in 1941-42.

165. Expenditure on war emergency services excluding expenditure defrayed from grants-in-aid is as follows:—

	Approved Estimates 1941-42	Draft Estimates 1942-43
	£P.	£P.
Items 13 to 25 Palestine share — Publicity	8,750	8,750
Item 56 Fuel Rationing Service	8,000	8,000
£P.	6,750	6,750

166. The increases set out in paragraph 162, totalling £P.49,600 and the decreases totalling £P.16,664 may be analysed as follows:—

	Personal Emoluments	Other Charges	Special Expenditure	Total
	£P.	£P.	£P.	£P.
<b>Increases:</b>				
(a) Increments—				
(i) Chief Secretary's Office	552			
(ii) Publicity	86			
(iii) Printing and Stationery	128	—	—	809
(iv) Civil Aviation	87			
(v) Commissioner on Special Duty	8			
(vi) Economic Adviser	8			
(b) Changes in holders:				
(i) Chief Secretary's Office	365			
(iv) Civil Aviation	34	—	—	899
(c) Increases approved in 1941-42 new commitments:				
(i) Chief Secretary's Office	1,366			
(ii) Publicity	466			
(iii) Printing and Stationery	—	85	—	
(vii) Labour	8,120	1,840		
(viii) Commissioner for Income Tax	8,502	12,000	291	82,670
(d) Officers seconded to other departments and released for military service:				
(i) Chief Secretary's Office	1,610	—	—	2,075
(iv) Civil Aviation	465			
(e) Increase in prices and under-estimation in 1941-42:				
(i) Chief Secretary's Office	—	2,570		
(ii) Publicity		2,740	950	
(iii) Printing and Stationery		870		
(iv) Civil Aviation		1,580		8,170
(v) Commissioner on Special Duty		8		
(vii) Economic Adviser		2		
(f) New Services, regrading etc. (gross increases):				
(i) Chief Secretary's Office	414			
(ii) Publicity	822	2,800	—	6,320
(iii) Printing and Stationery	672			
(iv) Civil Aviation	2,112			
£P.	25,757	23,445	1,241	50,443
Less decreases set off against increases	848	—	—	848
Total Increases £P.	24,914	23,445	1,241	49,600





	Personal Emoluments	Other Charges	Special Expenditure	Total
	£P.	£P.	£P.	£P.
<b>Decreases :</b>				
(g) Changes in holders :				
(i) Chief Secretary's Office	270			361
(iv) Civil Aviation	2			
(v) Commissioner on Special Duty	42			
(vi) Economic Adviser	47			
(h) Posts abolished and over-estimation in 1941-42 :				
(i) Chief Secretary's Office	510			788
(iii) Printing and Stationery		215		
(v) Commissioner on Special Duty		63		
(j) Deduction of salaries of seconded officers :				
(i) Chief Secretary's Office	1,610			2,075
(iv) Civil Aviation	465			
(k) Sets off against increases under (c) above :				
(vii) Labour	3,000	1,700		13,200
(viii) Commissioner for Income Tax	4,000	4,500		
(l) Set off against increase under (f) (iv) above :				
(iv) Civil Aviation	240			240
Total Decrease	10,186	6,478		16,664
Net Increase £P.	14,728	16,967	1,241	32,956

167. The increases totalling £P.32,670 in respect of increases approved in 1941-42 and commitments are set out below :—

	Increase £P.
<b>Chief Secretary's Office :</b>	
<b>Personal Emoluments :</b>	
Item 1(19) 1 Administrative Assistant at £P.420 p.a.	420
Item 1(20) 1 Personnel Officer Grade K	483
Item 1(33) 1 Assistant Cypher Officer, Grade N	250
Item 1(34) Expatriation Allowance at £P.50	50
Item 1(39) Cost of Living Allowances	63
	1,266
<b>Press Bureau :</b>	
Item 1(42) Expatriation Allowance at £P.100	100
	£P.1,366
<b>Publicity :</b>	
Item 13(3) 1 Confidential clerk	10
Item 13(4) 1 clerk at £P.168 from £P.120	48
Item 13(12) 1 Cinema operator, grade O	132
Item 13(18) 1 Cinema Commentator at £P.180 p.a.	180
Item 13(14) 1 Driver Mechanic at £P.96	96
	£P. 466
<b>Printing and Stationery :</b>	
<b>Other Charges :</b>	
Item 37 Incidental Expenses	85





*Labour Department :*

Items 69(2) to (17) Personal Emoluments	£P. 8,120
Items 70 to 76 Other Charges	1,840
Items 77 to 79 Special Expenditure	291
	<hr/> 10,251

*Commissioner for Income Tax :*

Items 80(2) to (8) Personal Emoluments	8,502
Items 81 to 87 Other Charges	3,500
Item 86 Refunds of Income Tax	8,500
	<hr/> 20,502
	<hr/> £P. 32,670

The appointment of administrative assistant under item 1(19) was approved by Secretary of State's despatch No. 44 dated 21st February, 1942. The post of Personnel Officer under item 1(20) is in respect of an Assistant Treasurer transferred to the Secretariat in 1941-42. The necessity for the additional post of assistant cypher officer under items 1(33) and (34) was reported to the Secretary of State in the schedule enclosed with High Commissioner's despatch No. 194 of 3rd November, 1941. The provision of £P.100 under item 1(42) has been inserted to cover expatriation allowance payable to the Public Information Officer. The increases under the Head Publicity totalling £P.466 result from transfer of provision for personal emoluments from item 24 for approved publicity projects to the appropriate items and are consequent on the acquisition of mobile cinema units approved by Secretary of State's telegram No. 55 Empax of the 2nd May, 1941. The increase of £P.85 under item 37 was reported in the quarterly return of special warrants for the quarter ending 30th June, 1941. The increase totalling £P.10,251 under items 69 to 79 are consequent on the proposals approved by Secretary of State's secret telegram No. 1947 of the 22nd December, 1941 for establishment of the Labour Department, and the net increase as compared with the nucleus establishment approved in 1941-42 is £P.5,551. As regards the provision for the Commissioner for Income Tax now set out under items 80 to 87 the net increase is £P.12,002 including provision of £P.8,500 for refund of Income Tax. Pending further experience of the working of this office the estimates must be regarded as provisional as regards distribution of the items and salary rates.

168. The particulars of emoluments totalling £P.2,075 of seconded officers to other departments and released for military service are set out in Appendix A to the estimates.

169. The provision of £P.8,170 in respect of rise in prices, and under-estimation in 1941-42 is set out below :—

	Increase £P.
<i>Chief Secretary's office</i>	
5 Telegrams and postage	2,500
7 Uniforms	20
9 Incidental expenses	50
	<hr/> £P. 2,570

*Publicity : Other Charges :*

18 Publications	50
19 Uniforms	15
20 Lighting and Heating	35
22 Drawing Office Supplies	140
24 Approved publicity projects	2,500
	<hr/> 2,740

*Special Expenditure :*

25 Publicity Films	950
	<hr/> £P. 3,690





<i>Printing and Stationery :</i>	£P.
27 Transport and Travelling	150
31 Uniforms	20
34 Labour	200
	<u>£P.370</u>
<i>Civil Aviation :</i>	
44 Publications	49
47 Upkeep of apparatus and plant	850
50 Stores and equipment	631
	<u>£P.1,530</u>
<i>Commissioner on Special Duty and Economic Adviser :</i>	
Items 60 and 67 Telephones (£P.8) and Uniforms (£P.2)	10
	<u>Total £P.8,170</u>

The considerable increase of telegraphic correspondence due to the war necessitates the increase under item 5. The increases under items 24 and 25 are due to the rise in prices of printing and photographic material required for publicity purposes. The increase of £P.850 under item 47 is to meet contractual obligations for increased cost of electric power for the plant and buildings at Lydda airport. The increase under items 44 to 50 are to meet outstanding charges from 1941-42 which cannot be defrayed from the normal annual provision. The remaining minor increases are to provide for increased prices of materials and increases due to under-estimation of requirements in 1941-42 for transport and travelling of personnel and additional casual labour for the Government Printing Press.

#### *New appointments and services.*

170. The increase of £P.6,320 for new appointments and services, regradings etc. is made up as follows :—

	<i>Increase</i>
<i>Chief Secretary's Office : Personal Emoluments</i>	£P.
Item 1(25) 5 officers of the General Clerical Service—	360
1 grade N	
3 grade O	
1 grade P	
Item 1(39) Cost of Living allowances	54
	<u>£P.414</u>
<i>Publicity :</i>	
Item 13(4) 4 clerks —	356
3 grade O	
1 grade P	
Item 13(9) 1 Editorial Compiler at £P.300 p.a. (from £P.228 p.a.)	72
Item 13(10) 1 Editorial Assistant, grade N (from grade O)	10
Item 13(13) 1 Cinema Commentator	180
Item 13(15) 2 Telephone Operators	120
Item 13 (16) 1 Messenger	36
Item 13(17) Cost of Living Allowances	48
	<u>£P.822</u>
<i>Other Charges :</i>	
Item 24 Approved Publicity Projects	2,300
	<u>£P.3,122</u>





	<u>Increase</u>
	<u>£P.</u>
<i>Printing and Stationery : Personal Emoluments :</i>	
Item 26(6) 1 Clerk grade O	60
Item 26(12) 1 Typewriter mechanic at £P.144 p.a.	144
Item 26(14) 1 Proof reader at £P.18 p.a.	
1 Copyholder at £P.8 p.m.	312
Item 26(22) 4 Apprentices at £P.4 p.m.	144
Item 26(24) Cost of Living Allowance	12
	<u>£P.672</u>
<i>Civil Aviation : Personal Emoluments :</i>	
Item 39 (2) 1 grade N clerk	180
Item 39 (6) Cost of living allowance	18
Item 39(10) 4 senior watchkeepers, grade N	720
Item 39(13) 1 radio mechanic, grade N	180
Item 39(14) 1 electrician grade O	60
Item 39(15) 2 mechanics, grade O	120
Item 39(16) Increase (increase of pay of two from £P.180 p.a. to £P.188 p.a.)	16
Item 39(17) 2 telephone operators at £P.6 p.m.	144
Item 39(20) Cost of living allowances	126
Item 39(233) 4 Scientific Assistants at £P.240 p.a. (from £P.180 p.a.)	240
Item 39(26) 1 Instrument mechanic at £P.200 p.a. (from £P.180 p.a.)	20
Item 39(29) 4 Technical assistants, grade O	240
Item 39(30) Cost of living allowances	48
	<u>2,112</u>
Total	£P. 6,320

*Chief Secretary's Office :*

171. The increase of £P.414 under item 1(25) comprises the appointment of a grade N clerk to strengthen the accounts section, and two grade O clerks and a typist required for the registry which is understaffed.

*Publicity :*

172. The increase under item 13(4) is required for classification of three grade O and one grade P post formerly met from the vote for extra clerical assistance, which, however, is not susceptible of reduction owing to increased requirements for semi-casual clerical assistance. The proposed increase in the salary of the editorial compiler (item 13(9) and the regrading of the post of editorial assistant (item 13(10) are proposed in view of the increased scope of the duties and responsibility of the posts. The additional cinema commentator (item 13(13) is required for the second mobile cinema unit. The telephone operator and messenger are necessary owing to the day and night functions of the Publicity office. The increased provision of £P.2,300 under item 24 is for extension of propaganda by way of publications, photographs, posters, exhibitions, special broadcasts, etc.

*Printing and Stationery :*

173. The heavy increase in the work of the Government Printing Press for the military forces and departments necessitates the additional staff under items 26(6), (12) and (14). Provision is made under item 26(22) for four apprentices whom it is desired to train so as to secure a better type of workman. The proposed term of apprenticeship is for five years, after which period a certificate would be granted. No certificate would be granted to any apprentice before completion of the full period. Highly promising candidates are available for the scheme.

*Civil Aviation :*

174. The post of a grade N clerk provided under item 39(2) is for the chief clerk of this division. The appointments of four senior watchkeepers (item 39(10)) are required for four





watches of six hours each daily in the Control Tower at Lydda airport, where the duties are onerous and highly responsible. The additional appointments under items 39(13) to (15) are required owing to the increase in radio equipment which requires constant maintenance and repair, and for replacing casual subordinate staff now employed as assistants to the electrical and mechanical foreman. The increase in pay of the electrical and mechanical foremen (£P.16) at Lydda from £P.180 to £P.188 per annum in each case is a token payment in anticipation of the decision on the regrading proposals. The increase under item 39(20), cost of living allowances is consequent on the foregoing proposals for new appointments. The proposed increase in pay (from £P.180 to £P.240 p.a.) under item 39(23) 4 scientific assistants has been provided as the result of strong representations over a number of years that these highly qualified assistants are greatly underpaid. Pending decision on the regrading proposals provision has been made for increase in the salaries of these posts to £P.240 p.a. In view of the expert nature of the duties of the instrument mechanic an increase of £P.20 per annum (from £P.180 to £P.200 p.a.) has likewise been provided under item 39(26). Provision is made under item 39(28) for four technical assistants formerly paid from item 39(18) which has been reduced accordingly.

## XXVIII — STATISTICS.

<i>Approved Estimates, 1941-42</i>	£P. 8,337
<i>Estimates, 1942-43</i>	£P. 9,417
<i>Increase</i>	£P. 1,080

175. The increase of £P.1,080 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as under :—

	Approved Estimates 1941—42	Draft Estimates 1942—43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	6,279	6,637	490	132
Other Charges	810	1,030	225	5
Special Expenditure	1,248	1,750	1,750	1,248
	8,337	9,417	2,465	1,385
Net Increase			1,080	

176. The provision for new appointments and Special Expenditure included in the estimates is set out below, (other increases being for increments, allowances payable by regulation and minor increases under other charges due to increased prices and under-estimation in 1941-42) :

	Increase £P.
<i>Personal Emoluments :</i>	
Item 1 (6) 3 clerks, grade O	180
Item 1(12) Cost of living allowances	36
	£P.216
<i>Other Charges :</i>	
2 Transport and Travelling	£P.170
<i>Special Expenditure :</i>	
Item 10 Purchase of sorting machine	550
Item 11 Census of Industry	1,000
Item 12 Cost of Living Enquiry	200
	£P.1,750
Total	£P.2,136

177. The three additional clerks and the increased provision for transport and travelling are required for extension of activities of the Department which are unavoidable in connection with the war. Owing to increased mechanical tabulation the one sorting machine available delays production and an additional machine is essential. An annual census of industry is most important in present circumstances in connection with production for war purposes and provision has, therefore, been made for a second census in 1942; similarly statistical enquiry for determination of cost of living indices must continue and provision of £P.200 is made for an enquiry in 1942.





## HEAD XXIX — SURVEYS.

<i>Approved Estimates, 1941-42</i>	£P. 84,687
<i>Estimates, 1942-43</i>	£P. 96,455
<i>Increase</i>	£P. 11,818

178. The increase of £P.11,818 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as follows :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	67,479	74,413	8,885	1,901
Other Charges	16,158	21,042	5,804	420
Special Expenditure	1,000	1,000	—	—
	84,687	96,455	14,189	2,321
Net Increase			11,818	

179. The increases totalling £P.14,139 and decreases totalling £P.2,321 are set out below :—

	Personal Emoluments	Other Charges	Total
	£P.	£P.	£P.
<i>Increases :</i>			
(a) Increments	1,310	—	1,310
(b) Seconded officers reverted to Establishment	479	—	479
(c) Officers seconded to Land Settlement	1,278	—	1,278
(d) Transfer between items (Item 1(19))	48	—	48
(e) Cost of living allowance for appointments provided in 1941-42 at consolidated rates of pay	516	—	516
(f) Under estimation in 1941-42 and increase in prices	—	1,617	1,617
(g) New appointments etc.	5,252	4,427	9,679
	8,883	6,044	14,927
Less decreases set-off against items of increase	48	740	788
Total Increase	8,885	5,804	14,189
<i>Decreases :</i>			
(h) Decreases set off against increases under (b), (c), (d) and (g) above	1,901	—	1,901
(i) Items over-estimated in 1941-42	—	420	420
Total Decrease	1,901	420	2,321
Net Increase	6,984	4,884	11,818



180. The particulars of the emoluments totalling £P.1,278 of officers seconded to Land Settlement are set out in Appendix A of the estimates. The provision of £P.516 under (e) is for cost of living allowances for new posts provided in the 1941-42 estimates at consolidated rates of pay and subsequently incorporated into the appropriate grades as directed by the Secretary of State.

181. The additional provision of £P.1,617 under (f) above due to under-estimation in 1941-42 and increased prices is distributed as follows :—

	<i>Increase</i> £P.
Item 2 Transport and Travelling	1,000
Item 4 Telephones	120
Item 7 Uniforms	27
Item 9 Upkeep of plant	320
Item 13 Miscellaneous stores	150
	<hr/> £P.1,617

The increase under item 9 is required for the purchase of cupboards for valuable map records, and the remaining increases are required in connection with acceleration of land settlement.

*New appointments, etc.*

182. The provision of £P.9,679 for new appointments and the consequent other charges is set out below :—

	<i>Increase</i> £P.
<i>Special Expenditure :</i>	
Item 1(12) 2 Assistant Storekeepers, grade O	144
Item 1(13) 2 Assistant Printers, grade O	176
Item 1(14) 15 Computers and Draughtsmen	1,488
1 grade N	
3 grade N	
11 grade O	
Item 1(15) 22 Surveyors :	2,148
1 grade M	
3 grade N	
16 grade O	
Item 1(16) Field allowances	684
Item 1(20) Cost of living allowances	612
	<hr/> £P. 5,252

*Other Charges :*

Item 2 Transport and Travelling	450
Item 3 Railway fares and freight	100
Item 5 Telegrams and postage	5
Item 8 Lighting, heating etc.	30
Item 10 Labour (i.e. chainmen, carries etc.)	1,848
Item 11 Office furniture	394
Item 13 Miscellaneous stores	125
Item 14 Technical stores	895
Item 15 Marks and Beacons	580
	<hr/> £P.4,427

*Special Expenditure :*

Item 17 Camp Equipment (£P.1,000) (no increase)	<hr/> —
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£P.9,679





183. The increases under items 1(12) and 1(13) include provision in each case for one officer at present paid from the vote for subordinate staff which has been reduced accordingly; and for an additional assistant in each case necessitated by the extension of the department's activities for war purposes.

184. The remaining new appointments and ancillary provision conform to the development programme in connection with acceleration of Land Settlement, set out in Chapter IV, Sec. C, Welfare Services, 1940.

### HEAD XXXI — POSTS AND TELEGRAPHS EXTRAORDINARY.

<i>Approved Estimates, 1941-42</i>	£P. 126,152
<i>Estimates, 1942-43</i>	£P. 148,450
<i>Increase</i>	£P. 22,298

185. The provision of £P.148,450 in the draft estimates comprises :—

	£P.
Revotes	87,600
Further votes on account of works in progress	4,150
	<hr/> 91,750
New Works 1942-43	56,700
	<hr/> £P.148,450

186. Of the revotes and further votes on account of works in progress the following item is defrayed from grant-in-aid from His Majesty's Government :—

Item 9 Purchase and Installation of second Medium Wave Broadcasting Transmitter :

	£P.
Revote	21,400
Further votes on account	1,650
	<hr/> £P.23,050

Of the remaining revotes the following item is necessitated by war emergency conditions :—

	£P.
Item 12 Emergency restoration of communications	<hr/> 3,000

187. The provision for new works is set out below :—

	£P.
Item 1 Additional exchange switchboards	1,700
Item 2 Additional subscribers' circuits	17,700
Item 3 Additional distribution cables	5,300
Item 5 Development of main underground cables and ducts	21,600
Item 6 Subscribers' cables rural areas	250
Item 7 Rural Automatic Exchanges	5,300
Item 13 Additional teleprinter with V.F. Units	2,100
Item 14 Recording equipment and two portable recorders	2,750
Total	<hr/> £P.56,700





Item 1. *Additional Exchange Switchboards* — £P.1,700. In the absence of any unforeseen event the Automatic Exchange at Haifa should be ready for use in May, 1942. The present manual exchange equipment will then be dismantled and overhauled and then adapted for installation as separate exchanges in five areas where the existing equipment is obsolete and improvement of the service is necessary.

Item 2. *Additional subscribers circuits* — £P.17,700. It is expected that the following installations will be required during the year :—

1470 urban stations at £P.10 each.

20 long distance circuits at an average cost of £P.75 each, (totalling £P.15,200).

To that sum an amount of £P.1,500 has been added to provide for Police and other Government circuits of all kinds in urban areas. A revised estimate is being prepared under this sub-head in the light of deletion of provision for the third extension of the Jerusalem exchange on receipt of Secretary of State's telegram No. 313 of 20th March, 1942.

Item 3. *Additional Distribution Cables*. This item is closely connected with item 2 and estimated expenditure of £P.5,300 has been inserted to provide for the corresponding growth and development of the distribution systems.

Item 5. *Development of main underground cables and Ducts*. The additional provision is for the further development of the main cables in Jerusalem where there are now three areas with very few spare circuits and unless further cabling is provided these will have to be regarded in the near future as closed so far as further telephone installations are concerned, whether for civil or military needs.

Item 7. *Rural automatic exchanges* — £P.5,300. There is very little margin for additional subscribers on the existing exchanges at Petah Tiqva and Ramallah and none at all at Ramat Gan. These exchange areas of Petah Tiqva and Ramallah will have to be regarded as closed in the near future unless the capacity of the exchanges is extended. Ramat Gan is already closed and further installations there except in replacement of wastage are not possible until the exchange equipment has been extended. Provision is also made for a new automatic exchange at Jenin where the existing exchange is very small, fully laden and incapable of extension.

Item 13. *Additional Teleprinters with V.F. Units* — £P.2,100. The existing teleprinters and associated V.F. Units are heavily worked whilst spare machines are not available. The overhauling of instruments entails, therefore, either an interruption of the service or all-night maintenance work and often both. It is expected that much greater use will be made in the near future of teleprinter working on both international and inland circuits. The speed of teleprinter working is over twice that of hand telegraphy, apart from the advantages of improved accuracy and legibility.

Item 22. *Recording equipment Marconi-Stille Type and two portable recorders* — £P.2,750. Up-to-date recording equipment is very badly needed in the Broadcasting Service. With the development of the service and in view, moreover, of the demands for recorded material, it is essential to acquire other recording apparatus of an improved type as the present equipment is obsolescent. The fact that periodical adjustments, which require to be effected to the cutter heads of the existing plant, can only be carried out by the manufacturers in England, necessitates the acquisition of this equipment, which is at present the standard gear with most broadcasting services. The equipment which it is proposed to acquire is of the steel tape principle and will greatly facilitate the exchange of recordings with other broadcasting administrations and what is of particular importance afford in the long run more economical recording as the steel tape can be used over and over again. It is also necessary to purchase two portable recorders at a cost of £P.350.





## HEAD XXXII — PUBLIC WORKS EXTRAORDINARY.

Approved Estimates, 1941-42	£P. 1,843,545
Estimates, 1942-43	£P. 1,137,849
Decrease	£P. 205,696

188. The provision of £P.1,137,849 is summarised below :—

Item	Details of Expenditure	Works in hand 1942-43		New works 1942-43	Total
		Revotes	Further votes on account		
		£P.	£P.	£P.	£P.
1-2	Agriculture and Fisheries	4,000	—	—	4,000
3-5	Customs, Excise and Trade	15,450	—	—	15,450
6	Forests	—	—	500	500
7-8	Health	2,000	8,000	400	10,400
9-10	Land and Surveys	—	—	970	970
11 to 18	Police and Prisons	93,533	20,170	2,310	116,013
19 & 20	Posts and Telegraphs	1,870	—	—	1,870
21	Public Works Department	—	—	250	250
22	Secretariat, Printing and Stationery	1,000	—	—	1,000
23 to 29	Roads and Bridges	90,858	7,000	2,900	100,758
30 to 49	Miscellaneous :				
	(i) Irrigation and Drainage	20,000	2,000	65,000	87,000
	(ii) Purchase of Land	142,000	—	40,000	182,000
	(iii) Other	6,285	2,200	24,450	32,935
	(iv) Sundry Works	10,000	—	—	10,000
50	Works on Repayment	1,700	—	—	1,700
51 to 53	Emergency Works	453,003	120,000	—	573,003
	Total	£P. 841,699	£P. 159,370	£P. 136,780	£P. 1,137,849

188a. Of the foregoing expenditure the following items are defrayed from a grant-in-aid from His Majesty's Government :—

Item 51	Construction of Police Buildings	£P. 250,000
Item 52	Extension of police building programme	
	Revote	£P. 202,220
	Further vote on account	£P. 120,000
		£P. 322,220
		£P. 572,220

189. With regard to revotes the additional provision under item 1 was approved by Secretary of State's telegram No. 61 of 14.1.42; the provision for additional funds at Haifa Harbour (item 5) was approved by Secretary of State's telegram No. 1969 of the 28th December, 1941; the provision for additional accommodation for internees (item 14) was reported by High Commissioner's telegram No. 1013 of the 11th July, 1941, and item 53 is in respect of such approved works as were postponed in 1941-42 owing to lack of materials which it may be necessary and possible to put in hand in 1942-43.

190. With regard to additional votes on account of work in progress the sum of £P.8,000 has been inserted under item 7 for separate accommodation for criminal lunatics at Acre and Bethlehem in accordance with the proposals in the correspondence ending with Secretary of State's despatch No. 437 of the 15th December, 1941. The accommodation at Bethlehem will provide for 20 female cases. The question of continuation of construction of the Frontier Control Post at Ras el Naqura (item 11) for immediate essentials will largely depend on the available materials. The increase in the estimated cost of improvements to the Jerusalem-Jaffa Road (item 24) was reported to the Secretary of State in the High Commissioner's telegram No. 16 of 6th January, 1942.





191. The further appropriation for irrigation works at Beisan and Jericho (item 33) is necessary in connection with food production schemes; and the appropriation of £P.2,200 under item 34 represents an outstanding commitment of Government deferred repeatedly since completion of the Kadoorie Agricultural School at Mount Tabor. The further vote on account (£P.120,000) of the extension of the police building scheme (item 53) approved in correspondence ending with Secretary of State's telegram No. 404 of the 20th March, 1941, is again only a tentative estimate of cost having regard to the very large rise in cost of materials.

192. Item 37. *Purchase of Land*. The revote of £P.142,000 comprises the following items:—

	£P.
(i) Purchases of land, Haifa Harbour Extension and railway diversion	94,000
(ii) Other minor revotes (from 1941-1942 and previous years)	11,000
(iii) Other major proposals under correspondence during 1941-42	37,000
	<u>£P.142,000</u>

A sum of £P.40,000 has been provided in 1942-43 for new purchases of land in connection with the Government Stock Farm at Acre, and other schemes.

193. The whole provision for new works has been limited to essential items which will not require appreciable quantities of controlled materials and/or, as in the case of item 41 unavoidable replacements which cannot well be postponed even in wartime. It is proposed to retain the provision of £P.10,000 under item 40, Minor Works for release by Government as required and to limit each work approved to a maximum of £P.500.

#### Item 42. *Wadi Fari'a Irrigation Scheme*.

194. Three groups of major springs rise in the Wadi Fari'a and surrounding lands:—

- (i) The 'Ein Beidan series, rising near the Nablus-Jiftlik road, about 7 kilometers from the Jerusalem-Nablus road; discharge about 0.1m<sup>3</sup>/sec.
- (ii) The 'Ein Fari'a serie, rising about 4½ kilometres to the Southwest of Tubas village; discharge about 0.4m<sup>3</sup>/sec.
- (iii) The Tall Miska series, main spring: 'Ein Tall Miska, rising about 8 kilometres down stream of the 'Ein Beidan series, on the right bank of the Wadi Fari'a and some metres above the Wadi bed; discharge 0.3 to 0.6m<sup>3</sup>/sec.

It has been observed that much of the spring discharge is lost in the Wadi. In normal years, for instance, the very considerable amount of unutilized water coming from the Beidan series and the Fari'a series, the former flowing in the Wadi Fari'a and the latter joining this wadi at the Jisr Malaki, disappears a few kilometres down stream of the junction at Jisr Malaki. The dissipation in the Wadi Fari'a and in earth channels which convey the discharge of the Ain Tall Miska series is also known to be very considerable.

It is now proposed, as a first beginning, to construct a main irrigation channel from 'Ein Tall Miska to Bab el Dieka where the Ghor el Fari'a lands begin. This channel is 12,000 metres long and is designed to carry the whole discharge of the 'Ein Tall Miska series, viz 0.35 to 0.40m<sup>3</sup>/sec. At a later stage the impermeable channel would be continued upstream in order to carry also the surplus water of the Ein Beidan and Ein Fari'a series which are now lost. The channel from Ein Tall Miska to Ban el Dieka would then have to be enlarged. The present detailed design has to provide for the possibility of widening the channel at reasonable cost.

The area reported to be irrigated at present from the 'Ein Tall Miska series is as follows:—

	Winter	Summer
Cereals	4100 dunums	1385 dunums
Vegetables	1090	360
Bananas	299	299
Total	<u>5489 dunums</u>	<u>2044 dunums</u>





It is estimated that by lining the channel as in the present scheme, the area under irrigation could be increased :—

in winter by 2500 dunums,  
in summer by 3000 dunums,

all under cereals, leguminous crops and vegetables. The water required for the irrigation of the 550 dunums would be saved by lining the channel.

The cost of the scheme is approximately estimated as follows :—

12,000 metres of channel at £P.1,800 about	£P.22,000
Syphons, regulators, outlets, etc.	£P. 1,000
Overhead expenditure	£P. 2,000
Total	£P.25,000

The overhead expenditure includes £P.500 for survey and design.

#### Item 43. *Irrigation and Drainage Scheme—Fawwar Basin.*

195. The Fawwar basin is the most intensively cultivated part of the irrigated Beisan valley.

In the two main feeding streams of this basin, the branches of the Jemmain and Beisan river, considerable losses of water occur. They amount in summer to 10 per cent. of the discharge per kilometre length of channel in one channel and to 5 per cent. in the other. These losses are due to dissipation and leakages from the channels which are largely above the level of the adjacent lands.

At the same time, the low lying lands (Umm Sarisa) which are situated between the two main channels, the Murtafa to the North and the Husseiniat to the South, require agricultural drainage.

It is proposed to line the two main channels for a length of 6500 metres and drain the Umm Sarisa lands thoroughly. A considerable amount of water will be saved in this way.

The cost of the scheme is approximately estimated as follows :—

Lining of 6500 metres of channel at £P.1,750	£P.11,400
Drainage of Umm Sarisa lands, regulators	£P. 2,500
Overhead expenditure	£P. 1,100
Total	£P.15,000

The cost for survey and design, viz. £P.500, is included in the overhead charges.

#### Item 44. *Maddu' Basin Irrigation and Drainage Scheme.*

196. This basin is irrigated by the best water in the Beisan valley and has the best soil. A long approach channel leads the water to the irrigable lands. Much water is therefore lost. Furthermore, the existing earth channels are in a poor state of repair and malaria is badly spread in these lands.

In and near the bed of the the Maddu' river, a number of springs rise, the topmost being Ras el Maddu'. All these springs call for proper development with the object of increasing the yield and, at the same time, improving the hygienic conditions.

The scheme consists of the following parts :—

- (i) Lining 3500 metres of the main channel in order to avoid losses of water.
- (ii) Re-grading and re-excavating 17,000 metres of earth channels.
- (iii) Constructing the necessary regulators and outlets.
- (iv) Developing the springs.

By lining the channels, a considerable amount of water which used to disappear through seepage will then become available.





The cost of the work is approximately estimated as follows:—

Lining of 3500 metres of channel, at £P.1,800	£P. 6,300
Remodelling of 17000 metres of earth channels at 100 mils	£P. 1,700
Regulators, outlets	£P. 500
Works on the springs	£P. 1,000
Overhead charges	£P. 1,500
Total	£P.11,000

The cost of survey and design, viz. £P.500, is included in the overhead charges.

Item 45. *Assi Basin Irrigation and Drainage Scheme.*

198. Although the water irrigating this basin is saline, some works are urgently required to improve the distribution of the water and remedy bad seepages and swamp formation. It is found that a swampy stretch of the Assi river, to the west of its bifurcation into the Jkheidim—and Malha Jedid channels, causes a loss about 10 per cent. of the whole spring discharge. On the other hand, the Assi spring is the strongest in the whole Beisan valley (about 0.9m 3/sec.) and the Assi basin is the largest one in the valley (more than 20,000 dunums).

It is proposed to construct a new earth channel in order to dry the swamps mentioned in the previous paragraph, construct about 500 metres of masonry channel in order to avoid considerable leakages and swamp formation in the Jkheidim channel near Wadi Dawwa, remodel about 4000 metres of earth channels and construct regulators and outlets.

By drying the swamps, it appears that water sufficient for the irrigation of 2000 dunums in winter and about 1500 dunums in summer would be made available.

The cost is approximately estimated as follows:—

Lining of 500 metres of channel at £P.1,800	£P. 900
600 metres new earth channel (diversion of Assi river) to dry swamps at 300 mils (£P.180) : say	£P. 200
9000 M <sup>3</sup> of fill	£P. 900
Remodelling of 400 metres of earth channels at 100 mils	£P. 400
Regulators, outlets, weirs, etc	£P. 600
Overhead expenditure	£P.1,000
Total	£P.4,000

199. *Ashrafia* — (£P.10,000). This scheme is for canalization near Beisan to enable 4,000 dunums of state domain earth to be brought under cultivation, vide para. 3 II of H.C. confidential telegram No. 334 of 13th March, 1942.

199a. The schemes set out in paragraphs 194 to 199 have now been approved in Secretary of State's telegram No. 433 of the 22nd April, 1942.

Item 35. *Preservation of Acre Town Walls* — £P.2,000.

200. As a result of a very full survey on the historic walls of Acre by the Field Archaeologist, which discloses that the work of preservation on repairs is a matter of urgency and pending a full estimate of the cost of the whole conservation proposals, it is proposed to put in hand at the earliest possible date the more important works to maintain the historical character of this monument and to restore the arrangement of the fortifications where it is likely to become lost. It is proposed thereafter to carry out the restoration by stages and to make some provision in the estimates annually for each stage of the scheme.

HEAD XXXV — LOANS FROM PUBLIC FUNDS.

Approved Estimates, 1941-42	£P. 381,000
Estimates, 1942-43	£P. 940,000
Increase	£P. 559,000

201. The estimated increase of £P.559,000 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as follows:—





	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Items 1 to 4 Loans to Municipalities	181,000	100,000	29,000	110,000
Items 5 to 7 Agricultural and development loans	200,000	300,000	100,000	—
Item 8. Assistance to Citrus Industry	—	540,000	540,000	—
	381,000	940,000	669,000	110,000
	Net Increase			559,000

202. The provision under items 1 to 4 includes the following revotes of approved relief loans :—

	£P.
Item 1 Tel Aviv Municipality	10,000
Item 2 Jerusalem Municipality	8,000
Item 3 Haifa Municipality	27,000
Item 4 Other Municipalities	5,000
	£P.50,000

A further sum of £P.50,000 is included under item 4 for such further loans for urgent works which may become necessary in 1942-43.

203. The provision of £P.300,000 under item 5 includes a revote of £P.50,000 on account of approved allocations of food production and citrus land diversification loans. A further sum of £P.200,000 has been provided under item 5 for essential food production purposes arising out of the war.

204. The provision of £P.25,000 for long term development loans (item 6) is to enable owners of land, on settlement, to terrace and improve their lands, to prevent soil erosion and to carry out permanent improvements. This financing is considered of importance for both short and long range policy. It may be found preferable to facilitate terracing by means of grants rather than loans. The Secretary of State will be addressed separately on this matter at a later stage.

205. The provision of £P.25,000 for water development under item 7 is to assist development on enactment of the irrigation law. Major expenditure has to some extent been provided under items 42 to 46 of Head XXXII and will probably continue to fall within schemes to be financed in whole or in part by Government against recoveries by way of fees, rates or sales of water, but further loans, analogous to the village water supply loans made in former years, but now in abeyance, are required for the development of water resources in villages or on the land.

206. The provision of £P.540,000 under item 8 has been reported to the Secretary of State in High Commissioner's telegram No. 349 of 17th March, 1942.

#### HEAD XXXVI — COLONIAL DEVELOPMENT.

Approved Estimates, 1941-42	£P. 2,150
Estimates, 1942-43	£P. 1,025
Decrease	£P. 1,125

207. The decrease of £P.1,125 comprises an increase of £P.120 on account of the development fund contribution to the Colonial forestry scholarship scheme referred to in Secretary of State's circular despatch of 31st July, 1941, and a reduction in the free-interest grant on the Jerusalem drainage scheme by £P.1,245 based on the estimated expenditure on the scheme in 1942-43, vide para. 52 of Revenue memorandum.





## APPENDIX B. RAILWAYS.

208. The draft estimates of the Railways for 1942-43 show an estimated surplus of £P.12,022 as compared with the estimated surplus of £P.11,847 in 1941-42 as follows:—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Estimated Receipts from Railway working	1,421,000	1,872,000	451,000	—
Estimated Expenditure on railway working	1,003,162	1,288,070	284,908	—
Estimated Surplus on railway working	417,838	583,930	166,092	—
Debt Charges	124,708	124,708	—	—
Estimated Extraordinary Expenditure	58,849	44,650	—	14,199
Contribution to Palestine Railway Renewals Fund	72,000	144,000	72,000	—
Emergency Expenditure	6,695	5,000	—	1,695
Interest payable from property of Kantara Rafa Railway	—	203,550	203,550	—
Contribution to Kantara-Rafa Special Fund	143,739	50,000	—	93,739
	405,991	571,908	275,550	109,633
Estimated surplus	11,847	12,022	175	—

209. The manner in which the Palestine Railway Renewals Fund, the Kantara-Rafa special fund and the profits on the working of the Kantara-Rafa Railway have been treated are fully explained in paras. 53 to 75 of the memorandum on Revenue. The following paragraphs will, therefore, only deal with the details of changes in the estimates.

## REVENUE.

210. In view of the extreme difficulty of framing an estimate of Revenue during wartime the revenue estimate has been based on the supposition that for 1942-43 the revenue under all heads and on all sections of the Railway will increase to the extent (subject to a reduction of 10 per cent. on the analogy of Customs Revenue) which the revised estimate for 1941-42 showed an increase over the actual revenue for 1940-41; after allowing for a 25% rebate in the revenue figures for 1940-41 on military passenger traffic over the Kantara-Rafa Railway as approved for 1941-42 and 1942-43.

Thus the estimate of revenue for 1942-43 is as follows:—

	Palestine Railway (including Petach-Tiqva Railway)	Kantara- Rafa- Railway	Hijaz Railway	Total
	£P.	£P.	£P.	£P.
(i) Revised estimate 1941-42 (earned on the Railway)	749,000	537,000	164,000	1,450,000
(ii) less actuals 1940-41	510,000	830,000*	84,000	924,000
(iii) increase of (i) over (ii)	239,000	207,000	80,000	526,000
(iv) add (i)	749,000	537,000	164,000	1,450,000
(v) total	988,000	744,000	244,000	1,976,000
(vi) less 10%	98,800	74,400	24,400	197,600
	889,200	669,600	219,600	1,778,400
	888,000†	670,000	220,000	1,778,000
Add (a) Rental of Rolling stock Kantara-Rafa Railway	69,000	—	—	69,000
(b) Interest from profit on Kantara-Rafa Railway	25,000	—	—	25,000
	982,000	670,000	220,000	1,872,000

\* After making a hypothetical reduction of £P.32,000 to bring revenue from military passenger traffic on to the basis in force from 1st April, 1941, onwards.

† In calculating revenue separately under each category and railway, e.g. coaching, goods and miscellaneous to the nearest £P.1,000—a discrepancy of £P.1,000 has entered into the calculation.





## EXPENDITURE.

## ABSTRACT A — Maintenance and Renewals of Ways and Works.

Approved Estimates, 1941-42	£P. 130,180
Estimates, 1942-43	£P. 155,870
Increase	£P. 25,190

211. The increase of £P.25,190 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as under :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	17,415	19,390	2,069	94
Other Charges	112,765	135,980	23,215	—
£P.	130,180	155,870	25,284	94
Net Increase	—	—	25,190	—

212. The increases totalling £P.25,284 and the decrease of £P.94 may be analysed as follows :—

	Personal Emoluments	Other Charges	Total
	£P.	£P.	£P.
<i>Increases :</i>			
(a) Increments	169	—	169
(b) Army officers and personnel temporarily attached to the Railway	1,900	—	1,900
(c) Increases of wages on approved basis	—	2,415	2,415
(d) Increase of labour for additional installations and works	—	3,590	3,590
(e) Increased materials for additional installations and works at increased prices	—	17,210	17,210
£P.	2,069	23,215	25,284
<i>Decreases :</i>			
(f) Changes in holders	94	—	94
Net Increase	1,975	23,215	25,190

213. The increase under (e) includes a sum of £P.14,050 under the vote for materials for the maintenance of permanent way which is mainly required for additional sleepers for the Kantara-Rafa Railway which were previously paid for from the renewals programme; this increase is reflected in the increase of £P.13,630 in the allocation of the Kantara-Rafa Railway under this Abstract.





**ABSTRACT B — Maintenance and Renewals of Locomotives and Rolling Stock and (in 1942-43) including running expenses.**

<i>Approved Estimates, 1941-42</i>	£P. 164,710
<i>Estimates, 1942-43</i>	£P. 752,920
<i>Increase</i>	£P. 588,210

214. The increase of £P.588,210 in the draft estimates for 1942-43 as compared with the approved estimates for 1941-42 is made up as under :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	15,140	22,210	7,413	343
Other Charges	149,570	730,710	581,140	—
£P.	164,710	752,920	588,553	343
Net Increase	—	—	588,210	—

215. The increases totalling £P.558,553 and the decreases totalling £P.343 may be summarised as under :—

	Personal Emoluments	Other Charges	Total
	£P.	£P.	£P.
<i>Increases :</i>			
(a) Increments and changes in holders (£P.53)	522	—	522
(b) Transferred from Abstract C, Running Expenses	3,908	476,170	480,078
(c) Increases committed in 1941-42	1,013	—	1,013
(d) Additional Assistant Running Superintendent grade K	470	—	470
(e) Army officers and personnel temporarily attached to railways	1,500	—	1,500
(f) Increase of wages on approved basis	—	8,125	8,125
(g) Labour for increased traffic	—	84,815	84,815
(h) Increase of coal and material for maintenance and running at increase costs	—	67,530	67,530
£P.	7,413	581,140	588,553
<i>Decreases :</i>			
Changes in holders etc.	343	—	343
Net increase	7,070	581,140	588,210

216. The transfer of the Running Superintendent and his staff and running expenditure to this Abstract was approved by Secretary of State's despatch No. 254 of the 23rd July, 1941. Of the increase of £P.34,815 under (g) £P.26,970 is for labour for maintenance and running of locomotives and rail cars and is mainly a commitment on account of the additional staff approved by Secretary of State's saving telegram No. 76 of the 7th October, 1941, and increased contract price for coaling engines, and of the increase of £P.67,530 under (h) a sum of £P.56,000 is for coal. The estimate is based on the coal consumption in 1941-42 at £P.5 per ton.





ABSTRACT C — *Traffic and Commercial Expenses.*

<i>Approved Estimates, 1941-42</i>	£P. 579,902
<i>Estimates, 1942-43</i>	£P. 121,890
<i>Decrease</i>	£P. 458,512

217. The decrease of £P.458,512 under this abstract, due to the approved transfer of running expenses to Abstract B, is as follows :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	50,194	50,200	4,617	4,611
Other Charges	529,708	71,190	17,652	476,170
£P.	579,902	121,890	22,269	480,781
Net Decrease £P.	—	—	—	458,512

218. The increases totalling £P.22,269 and the decreases totalling £P.480,781 are analysed below :—

	Personal Emoluments	Other Charges	Total
	£P.	£P.	£P.
<i>Increases :</i>			
(a) Increments and changes in holder	1,311	—	1,311
(b) New appointments for increased traffic	1,428	—	1,428
(c) Army officers and personnel temporarily seconded to the Railway	3,000	—	3,000
(d) Increase of wages on approved basis	—	1,000	1,000
(e) Additional staff for increased traffic	—	14,062	14,062
(f) Additional equipment at new stations, ropes, chains and tarpaulins for increased traffic	—	2,590	2,590
£P.	5,739	17,652	23,391
Less set off under items of increase	1,122	—	1,122
Total increase	4,617	17,152	22,269
<i>Decreases :</i>			
(g) Changes in holders	79	—	79
(h) Transferred to Abstract B	4,581	476,170	480,751
£P.	4,660	476,170	480,830
Less set-off under item of decrease	49	—	49
Total decrease	4,611	476,170	480,781
Increase	6	—	—
Net Decrease	—	458,518	458,512

219. It has proved necessary to increase the clerical establishment by thirteen clerks and to provide for four additional stationmasters and four station clerks under this Abstract. The additional provision under (e) was approved in part by Secretary of State's savings telegram No. 76 of 9th October, 1941, for checkers, signalmen, shunters and other yard and station personnel.





## ABSTRACT D — General Charges.

Increase	£P. 128,370
Approved Estimates, 1941-42	£P. 258,390
Estimates, 1942-43	£P. 130,020

220. The increase of £P.130,020 is made up as follows :—

	Approved Estimates 1941-42	Draft Estimates 1942-43	Increase	Decrease
	£P.	£P.	£P.	£P.
Personal Emoluments	32,780	37,080	5,144	844
Other Charges	95,590	221,310	129,870	4,150
£P.	128,370	258,390	135,014	4,994
Net Increase	—	—	130,020	—

221. The increases totalling £P.135,014 and decreases totalling £P.3,994 are analysed below :—

	Personal Emoluments	Other Charges	Total
	£P.	£P.	£P.
<i>Increases :</i>			
(a) Increments and change in holder	720	—	720
(b) Transfer from Abstract B and other items of Abstract D	1,439	—	1,439
(c) New appointments	2,985	—	2,985
(d) Increases due to increase in prices, under-estimated in 1941-42 and other commitments (items 2, 4 to 6, 7, 8 and 12)	—	6,870	6,870
(e) Increase in rental of rolling stock, Kantara—Rafa Railway (item 11)	—	29,000	29,000
(f) Hire of W.D. Locomotives and rolling stock (item 17)	—	34,000	34,000
(g) High cost of living allowances (item 20)	—	60,000	60,000
Net Increases	5,144	129,870	135,014
<i>Decreases :</i>			
(h) Change in holder and transfers to other items	844	—	844
(i) Over-estimated in 1941-42	—	150	150
(j) Rent of Kantara—Rafa Railway	—	4,000	4,000
Total Decrease	844	4,150	4,994
Net Decrease	4,300	125,720	130,020

222. The increases under (b) relates to transfers of staff for centralisation of mechanical accounting. The new appointments, etc., are as follows :—

	£P.
Item 1(18) Extra Clerical Assistance	380
Item 1(25) Stock verifier	360
Item 1(62) Expatriation allowance at £P.50	50
Item 1(32) 2 clerks grade O	144
Item 1(35) Subordinate staff	2,003
Item 1(36) Cost of living allowances	48
	£P.2,985





The extra clerical assistance vote has been restored to £P.1,000 to cope with likely requirements during the year owing to the very large increase in the scope of the activities of the General Manager, Railways' office. The appointment of stock verifier was recommended in Appendix IV (page 67) Price Waterhouse Report on the accounts and internal control of the Railways, but for various reasons the proposal was not implemented. Owing to pressure by the Director of Colonial Audit and the obvious necessity for continuous verification of railway stores provision is now made for the post, which is of even greater necessity in war conditions. The increase under item 1(35) results from commitments on account of supplementary provision approved in 1941-42.

223. The increase in the rental of rolling stock, Kantara-Rafa railway and deletion of the payment for rent of the Railway are explained in paras. 55 to 63 of the Revenue memorandum. The rental for 1942-43 under item 11 is made up as follows :—

	£P.
Interest 1942-43 (£P.23,075 + £P.5,622)	27,697
Renewals contribution (double contribution)	41,374
	£P. 69,071
say	£P.69,000

224. The provision of £P.34,000 under item 17 for hire of war department locomotives is based on the present arrangement with the military authorities for locomotives at present on loan and the figure is purely tentative.

225. The provision of £P.60,000 for high cost of living allowances (item 20) forms part of the provision of £P.511,000 reported in the Officer Administering the Government's telegram No. 479 Secret of the 11th April, 1942.

#### ABSTRACT F — *Extraordinary Expenditure.*

*Estimates, 1942-43*                      £P. 44,650

226. The estimated expenditure of £P.44,650 for 1942-43 is made up as under :—

	Palestine Railway	Hijaz Railway	Total
	£P.	£P.	£P.
(i) Revotes	17,850	15,100	32,950
(ii) Further votes on account of works in progress	250	8,250	8,500
(iii) New Works	6,200	2,000	8,200
	24,800	20,850	44,650

227. Of the revotes, item 7 was approved by Secretary of State's confidential telegram No. 1483 of the 30th August, 1941. The additional votes on account are due to increased prices. The new works are as follows :—

<i>Palestine Railway</i>	£P.
Item 5 Provision for quarters for A.P.W. Inspector, Gaza	900
Item 6 Provision of goods shed at El Arish Station	300
Item 8 Minor New Works	5,000
	£P. 6,200
<i>Hajaz Railway</i>	
Item 12 Minor New Works	2,000
	£P. 8,200

230. The provision under items 8 and 12 are essential for carrying out new works, not exceeding £P.500 in each case, the necessity for which is bound to arise from time to time. Item 5 is required for the replacement of an old mud hut at Gaza and item 6 is required to increase the present inadequate accommodation, (consisting of a small room) for goods at El Arish.





ABSTRACT G — *Contribution to and Expenditure from Renewals Fund —**Palestine Railway :*

	£P.
Receipts — Approved Estimates 1941-42	72,000
Estimates 1942-43	144,000
increase	72,000
Expenditure : Approved Estimates 1941-42	95,780
Estimates 1942-43	83,368
Decrease	12,412

231. The contribution for 1942-43 has been doubled as explained in paragraph 56 of the Revenue memorandum. The expenditure for 1942-43 is set out in the Appendix on page 120 of the estimates and is made up as under :—

	£P.
(i) Renewals of permanent way (items 1 to 4)	45,955
(ii) Maintenance of Qishon shops (item 5)	2,020
(iii) Revotes (items 6 to 19)	35,393
	83,368

The provision under 1 allows for further increased cost of materials.

ABSTRACT H — (i) *Emergency Expenditure on account of sabotage and protection measures.*

Approved Estimates, 1941-42	£P. 6,695
Estimates, 1942-43	£P. 1,695
Decrease	£P. 5,000

232. It is not proposed in 1942-43 to claim the expenditure under this Abstract from His Majesty's Government as in the past as the expenditure can no longer be directly ascribed to the disturbances. The expenditure includes £P.2,800 for security services, trolleys and equipment and £P.2,200 for repairs not completed in 1941-42.

ABSTRACT H — (ii) *Interest Payments.*

233. The increase of £P.203,550 is on account of interest payable to His Majesty's Government and the Palestine Government under the financial arrangements approved in 1924 for the working of the Kantara-Rafa Railway and as explained in para. 70 of the Revenue memorandum. The amount of £P.203,550 is calculated as follows :—

Estimated surplus on working of Kantara-Rafa Railway		£P.
Revenue	£P.670,000	
Working Expenditure	£P.416,450	253,550
Contribution to Special Fund		50,000
		£P.203,550

Divided as follows :—

His Majesty's Government—

409,375	of £P. 203,550 — £P. 179,886 say £P. 179,000
465,375	
56,000	of £P. 203,550 — £P. 24,548 say £P. 24,550
465,375	
	£P. 203,550

Palestine Government—

*Kantara Rafa Special Expenditure.*

233. The question of the contribution to the fund is dealt with in para. 58 of the Revenue Memorandum. Items 1 and 2 of the expenditure (£P.12,000) are revotes of expenditure approved in 1941-42 and item 3 (£P.1,500) is required to replace three worn out and leaking tanks at Kantara by a reservoir.

