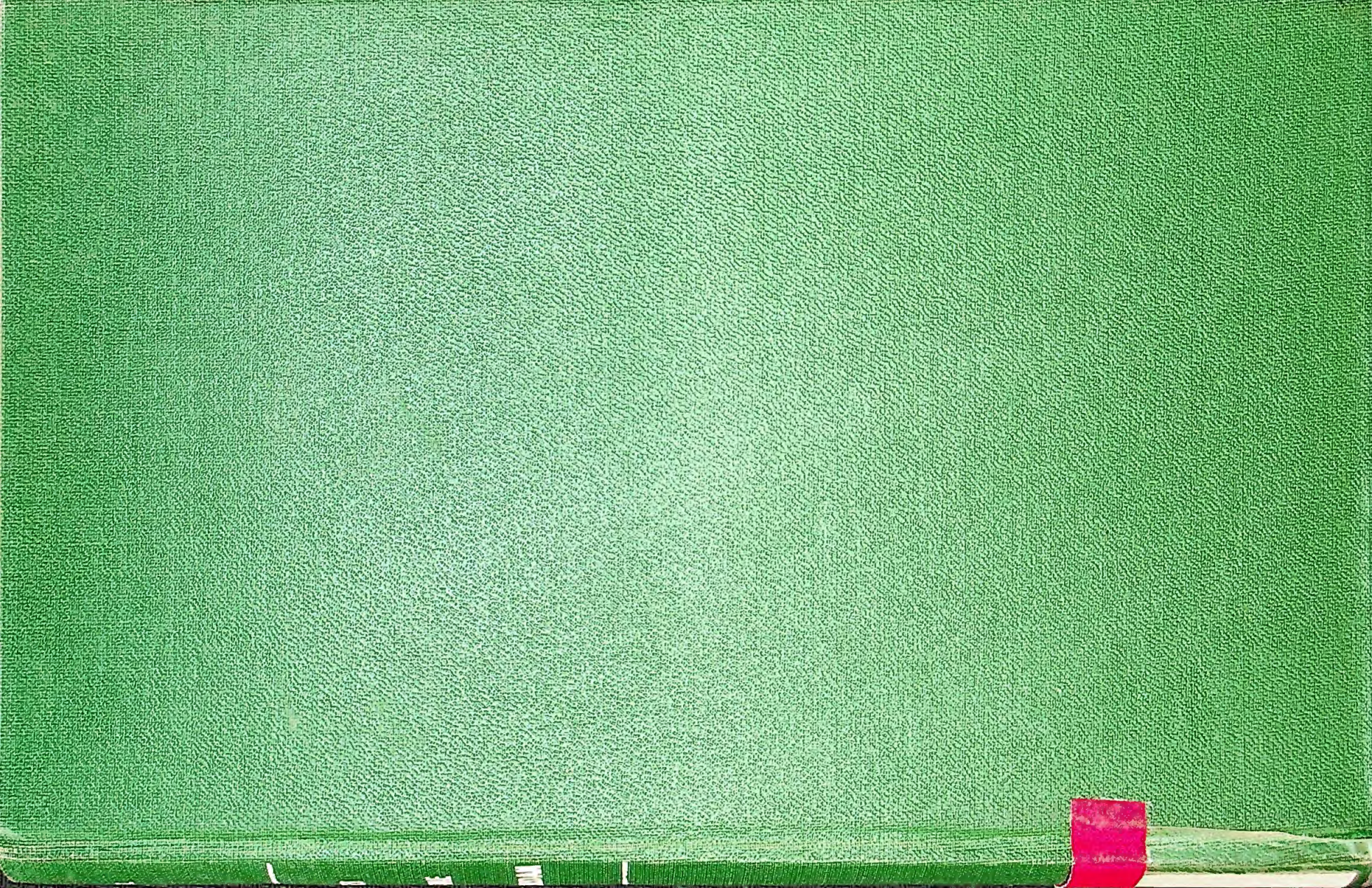

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REPORT

by His Majesty's Government in the United Kingdom of Great Britain and Northern Ireland to the Council of the League of Nations on the Administration of

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1937

PALESTINE AND TRANS-JORDAN

for the year 1937

(For Reports for 1935 and 1936 see Non-Parliamentary Publications, Colonial No. 112, 1936, and Colonial No. 129, 1937, (Price 6s. 0d. and 6s. 6d. respectively).)

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Questionnaire of Permanent Mandates Commission.

I.—Jewish National Home.

1. *Q.*—What measures have been taken to place the country under such political, administrative, and economic conditions as will secure the establishment of the national home of the Jewish people?

What are the effects of these measures?

2. *Q.*—What measures have been taken to place the country under such political, administrative, and economic conditions as will secure the development of self-governing institutions?

What are the effects of these measures?

3. *Q.*—What measures have been taken to place the country under such political, administrative, and economic conditions as will safeguard the civil and religious rights of all the inhabitants of Palestine, irrespective of race and religion?

What are the effects of these measures?

II.—Autonomous Administration.

Q.—What measures have been taken to encourage local autonomy?

What are the effects of these measures?

III.—Jewish Agency.

1. *Q.*—When and in what manner has the Jewish Agency been officially recognized?

2. *Q.*—Has this Agency given any advice to the Administration in the past year?

If so, in what form and in what connection?

3. *Q.*—What is the nature and extent of the co-operation of this Agency with the Administration of Palestine in economic, social and other matters?

4. *Q.*—In what manner has this Agency taken part in the development of the country (statistics of results obtained)?

5. *Q.*—What steps have been taken in consultation with His Britannic Majesty's Government to secure the co-operation of all Jews who are willing to assist in the establishment of the Jewish National Home?

IV.—Immigration and Emigration.

1. *Q.*—What measures have been taken to facilitate Jewish immigration?

2. *Q.*—What measures have been taken to safeguard the rights and position of other sections of the population?

3. *Q.*—What measures have been taken in co-operation with the Jewish Agency to encourage the close settlement by Jews on the land (give figures)?

4. *Q.*—What are the effects of these measures?

Statistics of immigration (country of origin, religion, race, profession, age, and sex). Geographical distribution within the country in the urban centres and in the rural districts.

Same statistics for emigration.

V.—Land Regime.

1. *Q.*—How have State lands been defined and delimited?

2. *Q.*—How have waste lands been defined and delimited?

3. *Q.*—What measures have been taken for the registration of real property?

VI.—Nationality.

1. *Q.*—What is the text of the Nationality Law?

2. *Q.*—Have special provisions been enacted, framed so as to facilitate the acquisition of Palestinian citizenship by Jews?

VII.—Judicial System.

1. *Q.*—When did the new judicial organisation begin to operate?

2. *Q.*—What special features does it contain with a view to assuring to foreigners as well as to natives a complete guarantee of their rights as laid down in Article 9?

3. *Q.*—What special measures have been taken to assure respect for the personal status of the various peoples and communities and for their religious interests?

4. *Q.*—How have the control and administration of Wakfs been assured?

5. *Q.*—What extradition agreements have been made between the Mandatory and other foreign Powers since the coming into force of the Mandate?

VIII.—Economic Equality.

1. *Q.*—How have the interests of the community been safeguarded in the execution of measures taken to secure the development of the country in respect of public ownership or control of any of the natural resources of the country or of the public works, services, and utilities?

2. *Q.*—Has it been found necessary to arrange with the Jewish Agency to construct or operate any public works, services, and utilities or to develop any of the natural resources of the country —and if so, under what circumstances?

3. *Q.*—Give a complete list of concessions and the names and nationalities of the concession holders.

4. *Q.*—Give the reports submitted to the company meetings and the balance sheets of these undertakings, or, when such reports and balance sheets are not available, give all information relating to the subject, particularly the rate of interest and the uses made of profits.

5. *Q.*—What provisions are made to secure economic equality as regards:—

(*a*) Concessions?

(*b*) Land tenure?

(*c*) Mining rights (in particular, rules in regard to prospecting)?

(*d*) Fiscal regime (direct and indirect taxation)?

(*e*) Customs regulations (imports, exports, transit)?

6. *Q.* What regulations has the Mandatory Power made for the application of the clause providing " freedom of transit under equitable conditions "?

7. *Q.*—Have any Customs agreements been made by virtue of Article 18?

If so, give the text of such agreements.

IX.—Holy Places.

1. *Q.*—What measures have been taken for the assumption by the Mandatory of responsibility in connection with the Holy Places and religious buildings or sites, including the responsibility of preserving existing rights and of securing free access to the Holy Places, religious buildings and sites, and the free exercise of worship?

2. *Q.*—Which are the purely Moslem sacred shrines the immunities of which are guaranteed?

X.—Freedom of Conscience.

1. *Q.*—What measures have been taken to assure freedom of conscience and religion?

2. *Q.*—Have any restrictions been made upon the free exercise of any form of worship in the interest of the maintenance of public order and morals?

What are the effects of such restrictions?

3. *Q.*—What measures have been taken to ensure the rights of communities to maintain their own schools for the education of their own members?

What educational requirements of a general nature are imposed by the Administration?

What measures have been taken to assure the exercise of such supervision over religious or other charitable bodies of all faiths or nationalities in Palestine as may be required for the maintenance of public order and good government?

XI.—Military Clauses.

1. *Q.*—What is the form of military organization and training?

2. *Q.*—Are there any police forces independent of the military charged with the defence of the territory?

What is the respective importance of these two forces and the amount spent on each?

Racial and religious composition of these two forces?

3. *Q.*—Has there been any occasion for the Administration of Palestine to contribute to the cost of maintenance of the military forces of the Mandatory Power?

If so, to what extent?

4. *Q.*—Has the Mandatory exercised its rights to use the roads, railways, and ports of Palestine for the movement of armed forces and the carriage of fuel and supplies?

If so, to what budget has the expenditure been charged?

XII.—International Conventions.

1. *Q.*—To what International Conventions has the Mandatory adhered on behalf of the Palestine Administration?

2. *Q.*—What steps have been taken by the Mandatory to co-operate with the League of Nations in the struggle against disease, including diseases of plants and animals?

XIII.—Antiquities.

Q.—Has the Mandatory enacted a law of antiquities according to the provisions laid down in Article 21 of the Mandate?

Give the text.

XIV.—Official Languages.

1. *Q.*—Have the three official languages been used simultaneously and on an equal footing in legislative and administrative documents and in the Courts?

If not, what languages are used?

2. *Q.*—To what observations does the application of this system give rise?

XV.—Holy Days.

Q.—What days are recognized as holy days by the various communities?

XVI.—Trans-Jordan.

1. *Q.*—Has the territory lying beyond the Jordan been finally delimited and organized?

2. *Q.*—In what way does the political and administrative regime established in this territory differ from the regulations laid down for Palestine?

XVII.—Labour.

1. *Q.*—What measures have been taken to ensure, in accordance with Part XIII of the Treaty of Versailles, the consideration of conventions or recommendations of International Labour Conferences?

2. *Q.*—Are these conventions or recommendations being carried into effect?

3. *Q.*—What other regulations are in force in regard to labour?

4. *Q.*—What powers has the Administration for controlling labour contracts in order to ensure their loyal fulfilment both on the part of employer and employed, and what powers does it possess to prevent any abuses in this respect?

5. *Q.*—What is the competent authority in regard to labour legislation, and what authority is responsible for the application of such legislation?

XVIII.—Trade in and Manufacture of Drugs.

Q.—Have measures been taken to secure the prohibition or the control of the importation, of the production, and the consumption of poisonous or narcotic drugs?

XIX.—Education.

1. *Q.*—What is the general system of elementary education (organization and statistics)?

Is this education free for all, and, if not, in what cases is it free?

2. *Q.*—What measures have been taken for higher education; for example, medical, veterinary, and technical education?

3. *Q.*—In what language is instruction given in the various categories of schools?

XX.—Public Health.

1. *Q.*—What steps are being taken to ensure public health and sanitation and to combat endemic and epidemic diseases?

2. *Q.*—What is the regime for medical assistance?

3. *Q.*—What is the actual situation as regards prostitution and what measures have been taken in this matter?

XXI.—Public Finance.

Q.—A general schedule of the revenue and expenditure of the territory, the budgetary system, and indication of the nature and the assessment of taxes.

XXII.—Demographic Statistics.

Q.—Statistics of births, marriages (polygamy), deaths, emigration, and immigration.

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NOTE.

At its Seventeenth Session, the Permanent Mandates Commission of the League of Nations specially requested that the Sections of this Report might be arranged in the order of subjects adopted by the Commission for its annual examination, that is, in the order of the questions in its Questionnaire on the Palestine Mandate, namely:—

I. Jewish National Home.
II. Autonomous Administration.
III. Jewish Agency.
IV. Immigration and Emigration.
V. Land Regime.
VI. Nationality.
VII. Judicial System.
VIII. Economic Equality.
IX. Holy Places.
X. Freedom of Conscience.
XI. Military Clauses.
XII. International Conventions.
XIII. Antiquities.
XIV. Official Languages.
XV. Holy Days.
XVI. Trans-Jordan.
XVII. Labour.
XVIII. Trade in and Manufacture of Drugs.
XIX. Education.
XX. Public Health.
XXI. Public Finance.
XXII. Demographic Statistics.

2. This order has been followed, except that, for convenience, the Section on Trans-Jordan, which is self-contained, has been removed from its order according to the Questionnaire and placed at the end of the Report.

An Introductory Section and Sections on Customs, Excise and Trade, Posts and Telegraphs, Agriculture, Public Works, Railways, Co-operative Societies, and Civil Aviation are also included in the Palestine portion of the Report. The Section relating to Development has been included under Chapter V, Land Regime.

There are no specific headings for these matters in the Questionnaire.

REPORT BY HIS MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND TO THE COUNCIL OF THE LEAGUE OF NATIONS ON THE ADMINISTRATION OF

PALESTINE AND TRANS-JORDAN FOR THE YEAR 1937.

PALESTINE

INTRODUCTORY.

POSITION, ETC.

Palestine lies on the western edge of the continent of Asia between latitude 30° N. and 33° N., Longitude 34° 30′ E. and 35° 30′ E.

On the south-west it is bounded by Egyptian territory, on the south-east by the Gulf of Aqaba, on the east by Trans-Jordan, on the north by the French Mandated Territories of Syria and the Lebanon, and on the west by the Mediterranean. The boundaries are as follows:—

South-west.—From a point on the Mediterranean coast north-west of Rafa, passing in a south-easterly direction to the south-west of Rafa, to a point west-north-west of Ain Maghara; thence to the junction of the Gaza-Aqaba and Nekl-Aqaba roads, from whence it continues to the end of the boundary line at the point of Ras Taba on the western shore of the Gulf of Aqaba.

South-east.—From Ras Taba on the Gulf of Aqaba to a point two miles west of Aqaba, thence up the centre of the Wadi Araba the Dead Sea, and the Jordan, up the centre of the River Yarmuk to the Syrian frontier.

North.—The northern boundary was laid down by the Anglo-French Convention of the 23rd December, 1920, and its delimitation was ratified in 1923. Stated briefly, the boundary runs from Ras el Naqura on the Mediterranean eastwards to Metulla and across the upper Jordan valley to Banias, thence to Jisr Banat Yaqub, thence along the Jordan to the Lake of Tiberias and on to El Hamme station on the Samakh-Deraa railway line.

West.—The Mediterranean Sea.

AREA AND CLIMATE.

2. The average length of Palestine from south to north is about 160 miles and its extreme width from east to west is less than 70 miles, the total area being approximately 10,100 square miles inclusive of a water area of 261 square miles (the Dead Sea, Lake Tiberias and Lake Huleh). In size it is therefore comparable with Wales or Belgium.

3. The climate of Palestine, affected by the neighbouring deserts of Arabia and Nubia as well as by nearby temperate zones, is characterized generally by a dry, warm, but not excessively hot summer, and a mild winter with heavy periodical rainfalls accompanied by high, cold winds; frost is rare. But the typical climate is varied by the diverse topography of the country. In the south and south-west there are wide expanses of sand dunes and desert. The remainder of the country falls naturally into three longitudinal strips—the maritime plain, the mountainous regions (or central highlands), and the Jordan valley. Each of these strips, which are more closely described below, is climatically distinct.

The climate of the maritime plain is warm but equable; the heat of summer and the cold of winter are both tempered by the westerly winds from the Mediterranean. In the central highlands there is a greater range of temperature both daily and seasonal, and the maximum temperature is a few degrees lower than in the coastal plains. Snow and hail occasionally fall in Jerusalem and Hebron, and the winter storms are accompanied by penetrating winds which necessitate the use of clothing suitable for a cold English climate.

The Jordan valley is tropical. The high air pressure and the excessive heat in summer combine to produce most oppressive conditions, but the winter in this region is warm and balmy.

The maritime plain and the central highlands are both healthy, though the one, on account of greater humidity, is relaxing in its effects, while the other, through sudden changes of temperature, predisposes to chills and respiratory complaints.

4. The following records are typical of the three climatic zones:—

		Maritime Plain, Haifa.	*Central Highlands, Jerusalem.*	*Jordan Valley, Tiberias.*
Mean temperature	Summer	77°F.	70°F.	83°F.
	Winter	60°F.	52°F.	62°F.
Mean daily maximum temperature	Summer	—	83°F.	95°F.
	Winter	—	60°F.	72°F.
Mean daily minimum ...	Summer	—	60°F.	71°F.
	Winter	—	44°F.	54°F.
Absolute maximum temperature.	Summer	104°F.	102°F.	114°F.
Absolute minimum temperature.	Winter	35°F.	21°F.	34°F.
Relative humidity	Summer	69 per cent.	55 per cent.	51 per cent.
	Winter	70 per cent.	68 per cent.	64 per cent.

5. Rainfall is of vital importance in Palestine and any reduction in its quantity arouses concern for the prospects of agriculture and water conservation generally. The mean volume of annual rainfall is roughly equal to that of the rainfall in the east of England.

There are two well-marked periods of precipitation. The " former rain " in October and November is not usually large; during December, January and February, the rainfall steadily increases; in March it begins to abate, and it is practically ended in April. The characteristic winds are the moist west and south-west of winter and the dry north and north-west of summer. Desert heat is brought by the sirocco from the hot deserts of the south or east generally in April and May and occasionally in September and October.

6. Along the greater part of the western seaboard lies a stretch of fertile plain of sand and sandy loam soil. In the south this plain has an average width of about 20 miles, but it gradually narrows to the north until at Mount Carmel, near Haifa, the hills approach to within a few hundred yards of the sea. Beyond Carmel the plain widens again, but in this area it is marshy and malarial.

The second strip consists of two distinct mountainous regions divided sharply by the Plain of Esdraelon. To the north of that plain are the mountains of Galilee extending beyond the Syrian frontier and rising at Jebel Jermak to a height of 3,934 ft. above sea-level; to the south are the mountains of Samaria and Judea, which in places reach heights little less than those of Galilee. Most of this second strip of country is desolate and stony, but at irregular intervals there occur stretches of fertile land capable of deep tillage.

The Plain of Esdraelon, which cuts so sharply through the mountain system of Palestine, is roughly triangular in shape. Though the soil is here of a heavier and more clayey texture than that of the coastal plain, Esdraelon is proverbially fertile and is especially suitable for cereal production.

The third and eastern strip of country is the Jordan valley, a natural depression which, starting from sea-level in the extreme north of the country, falls gradually to a depth of 1,300 ft. below that level at the Dead Sea, about 100 miles to the south.

7. The capital of Palestine is Jerusalem, situated in the midst of the hills of Judea, and the principal towns are Haifa, with its modern harbour, in the north at the entrance to the plain of Esdraelon; Jaffa, a second port which lies some 40 miles west-north-west of Jerusalem; Tel Aviv, which is contiguous to Jaffa; and Nablus, the ancient Sichem, in the hills of Samaria. Jerusalem has a majority of Jewish inhabitants; in

Haifa the Arab and Jewish elements are approximately equal in numbers; Tel Aviv is an entirely Jewish township of 150,000 inhabitants. In Jaffa a large majority of the people are Arabs, and in Nablus, apart from a small community of Samaritans, all the people are Arabs.

Other important towns where the population consists of both Arabs and Jews are Hebron, 20 miles to the south of Jerusalem; Tiberias, on the western shore of the Sea of Galilee; and Safad, a remote town in mountainous country in the extreme north of Palestine.

CHANGES IN PERSONNEL, 1937.

From Palestine.

8. During the year the following left Palestine:—

Mr. J. Hathorn Hall, C.M.G., D.S.O., O.B.E., M.C., Chief Secretary to Government, was appointed British Resident, Zanzibar.

Sir Michael F. J. McDonnell, Chief Justice; Mr. H. E. Bowman, C.M.G., C.B.E., Director of Education; Mr. J. E. F. Campbell, C.B.E., District Commissioner, Jerusalem District; Mr. R. G. B. Spicer, C.M.G., M.C., Inspector General, Police Force and Prisons Service; Lieut.-Colonel W. Hudson, C.B.E., M.C., Postmaster General; Mr. E. T. Richmond, Director of Antiquities; Mr. S. J. Gilbert, Senior Veterinary Research Officer, Department of Agriculture and Fisheries, retired on pension.

Mr. Max Nurock, O.B.E., Assistant Secretary, Secretariat, was appointed Assistant Chief Secretary, Uganda.

Mr. R. Le Mare, Senior Assistant Treasurer, was appointed Accountant, Nigeria.

Dr. W. P. H. Lightbody, Senior Medical Officer, was appointed Assistant Director of Medical Services, Sierra Leone.

Mr. J. P. Attenborough, Senior Inspector Department of Education, was appointed Education Officer, Aden.

The appointment of Mr. F. G. Horwill, Examiner of Banks, terminated on expiration of contract.

To Palestine.

Mr. W. D. Battershill, C.M.G., formerly Colonial Secretary, Cyprus, was appointed Chief Secretary to Government.

Sir Harry Herbert Trusted, K.C., formerly Attorney-General, was appointed Chief Justice.

Mr. W. J. FitzGerald, K.C., M.C., formerly Attorney-General, Northern Rhodesia, was appointed Attorney-General.

Major A. Saunders, O.B.E., M.C., formerly Inspector-General, Nigerian Police, was appointed Inspector-General, Police Force and Prisons Service.

Mr. A. S. Kirkbride, O.B.E., M.C., Assistant British Resident, Trans-Jordan, was appointed District Commissioner, Galilee and Acre District.

Mr. G. H. Webster, O.B.E., formerly Deputy Postmaster General, was appointed Postmaster General.

Mr. R. Scott, formerly Assistant District Officer, Uganda, was appointed Assistant Secretary, Secretariat.

Mr. W. R. McGeagh, formerly Assistant Secretary, Zanzibar, was appointed Assistant Secretary, Secretariat.

Mr. J. F. Cornes, formerly Cadet, Nigeria, was appointed Assistant Secretary, Secretariat.

Mr. M. C. Greene, formerly President District Court, Cyprus, was appointed British Puisne Judge.

Mr. T. V. Scrivenor, formerly Assistant District Officer, Tanganyika, was appointed Assistant District Commissioner.

Mr. G. G. Grimwood, formerly Cadet, Nigeria, was appointed Assistant District Commissioner.

Mr. R. Newton, formerly Assistant District Officer, Nigeria, was appointed Assistant District Commissioner.

Mr. H. C. Willbourn, M.C., formerly Assistant Postmaster-General, Kenya, was appointed Deputy Postmaster-General.

Mr. A. L. Peters, formerly Assistant Treasurer, Nigeria, was appointed Senior Assistant Treasurer.

Dr. W. J. E. Phillips, M.C., formerly Medical Officer, Cyprus, was appointed Senior Medical Officer.

Mr. F. R. Mason, formerly Agricultural Officer, Straits Settlements and Federated Malay States, was appointed Deputy Director of Agriculture and Fisheries.

9. Government has under consideration a scheme for the training and instruction of officers selected for service in Palestine in conformity with the recommendation in paragraph 43 of Chapter VI of the Royal Commission's Report concerning the selection and training of senior administrative staff.

Government is also examining the means by which British officers may be encouraged and given greater opportunity to acquire proficiency in Arabic and Hebrew.

PUBLIC SECURITY.

10. During the year covered by this Report, public security in Palestine was seriously disturbed by a compaign of murder, intimidation, and sabotage conducted by Arab law breakers, which on a few occasions provoked Jewish reprisals.

This general description of public security in Palestine during 1937 calls for amplification. The terrorist campaign took the form of isolated murder and attempted murder; of sporadic cases of armed attacks on military, police and civilian road transport; on Jewish settlements and on both Arab and Jewish private property; while in the autumn there was a revival of lawlessness and violence by armed Arab bands which persisted until the end of the year. Outwardly the life of the country did not appear to be unduly affected, but towards the end of the year economic conditions seriously deteriorated.

11. During the first five months lawlessness was generally confined to the Northern District and to the Jerusalem Municipal area.

12. In the Northern District in January an attempt was made on the life of the Mayor of Haifa and a notable of the town was killed by Arab terrorists. In February there was an increase of intimidation with violence of Arabs by Arabs, an Arab police constable being shot dead near Haifa on the 22nd of the month. At the end of the month there was a serious case of cattle theft from a Jewish settlement near Tiberias. There were also attacks on individual Jews, including the brutal murders of a young Jewish settler near Beisan and a Jewish doctor in Beisan. During March the Safad, Nazareth and Tiberias sub-districts continued to be unsettled and on the 13th and 14th of the month five Jews were murdered by armed Arabs, three of them near their settlement in the hills above the southern end of Lake Tiberias. The other two were shepherds who were brutally killed near Nazareth by a band of marauders who stole four hundred sheep and goats belonging to the Jewish settlement of Kfar Hahoresh.

In the first fortnight of April there was a recrudescence of murder in the urban and rural sub-districts of Haifa resulting in the deaths by shooting of the Arab Vice-Mayor of Tiberias and an Arab Assistant Superintendent of Police, whose Arab orderly was assassinated at the same time.

13. In the Jerusalem Municipal Area the month of March was marked by two serious outbreaks. On the 6th a Jew was wounded in the Old City and this attack was followed later in the day by the murder of one Arab and the wounding of another near a Jewish suburb of the town. On the 17th of the month a bomb, thrown in the Jaffa road, wounded 19 Jews (including two policemen) and one British soldier, and some hours later three further bombing outrages occurred, four bombs being thrown into Arab cafés. These three later incidents resulted in the death of one Arab and the injuring of ten. Both on the 6th and the 17th March a curfew was at once imposed after the incidents. During the rest of the month and the whole

of April the Jerusalem Municipal area remained comparatively undisturbed; but in the middle of May a Jew was wounded and an Arab killed.

Elsewhere in the country sporadic shooting at Jewish settlements and occasional attacks on Arab property had persisted. In January and February there were further incidents of armed highway robbery and hold-ups, and on two occasions in January the Police engaged parties of bandits on the Nablus-Jenin road and inflicted casualties; but after February there was an almost complete cessation for four months of highway brigandage, which, as stated in the Annual Report for 1936 (Introductory Chapter, paragraph 40 (*d*)), had been frequent during the last three months of 1936.

14. On the 13th June an unsuccessful attempt was made in Jerusalem by three armed Arabs on the life of Mr. R. G. B. Spicer, C.M.G., M.C., the Inspector-General of Police. His British chauffeur was wounded.

On the 30th June and on the 3rd July respectively attacks were made on a member of the Nashashibi family at Jaffa and on the Mayor of Bethlehem in his house.

15. On the 1st July a new Police Division for the Northern Frontier was formed consisting of one British Deputy District Superintendent of Police, two Palestinian inspectors, 83 British and 128 Palestinian constables. It was entrusted with the control of the Palestine Syrian frontier from Ras an Naqura in the west to Samakh in the east in co-operation with the Trans-Jordan Frontier Force.

On the 14th July for the purposes of administrative convenience the Northern District, which comprised the Phoenicia, Galilee and Samaria divisions, was reorganized as two Districts: the Haifa sub-districts (urban and rural) and the Samaria division remained under the District Commissioner, Haifa, and a new Galilee District comprising the Galilee Division and the Acre sub-district was created with Headquarters at Nazareth. The two Districts are called "Haifa and Samaria" and "Galilee and Acre" respectively.

16. The last 10 days of July witnessed a revival of lawlessness. Three Arabs were murdered between the 19th and the 30th of the month in Jerusalem, Jaffa and Haifa, and between the 23rd and the 30th there were four night attacks by small parties of armed Arabs on road transport, one raid on a Public Works Department camp, and one armed burglary of an Arab house in the Jerusalem district.

During the first three weeks of August the campaign of lawlessness was intensified, seven Arabs (including a police constable, a police tracker and the Mukhtar of Bir Zeit) being murdered and seven wounded (including a police constable and a police clerk). There was also an increase in isolated attacks

on Arab property and in shooting on Jewish settlements, and there was one serious case of theft of livestock from a Jewish settlement near Tiberias.

17. During the four weeks from the 29th August to the 26th September on which date Mr. L. Y. Andrews, O.B.E., the acting District Commissioner, Galilee District, and British Police Constable McEwen were murdered at Nazareth, there occurred a further succession of murderous attacks in the four administrative districts of the country.

In Jaffa there were two bomb-throwing incidents in which two Arabs and three Jews (one a woman) were wounded, and in Tel Aviv an Arab was shot and wounded.

In the Jerusalem district four attacks were made on omnibuses (three belonging to Arab and one to Jewish companies) in which one Arab woman was killed, another was wounded and one Jew was killed. There was also one unsuccessful bomb-throwing incident and four cases of murder by shooting, three Arabs being killed and one Jew.

In the Haifa rural area, at Karkur and near Hedera, two Jews and five Arabs were murdered between the 30th August and the 1st September. On the 4th and the 12th September a notable of Haifa and a notable of Jenin, respectively, were murdered by terrorists. Two Arabs were shot and killed on the 31st August and the 19th September in and near Haifa. On the 8th September Arab bandits held up a number of cars between Haifa and Nazareth. All the passengers were robbed and two Jews travelling in one car were removed from the scene of the hold-up. One was shot dead and the other wounded.

In the Galilee District two Arabs were wounded and one Jew killed and another wounded. Late on the afternoon of Sunday the 26th September Mr. L. Y. Andrews, O.B.E., the acting District Commissioner, Galilee District, and his police escort, British Constable McEwen, were shot dead by unknown assassins in the narrow roadway leading to the Anglican Church in Nazareth where they were about to attend the Evening Service. The Assistant District Commissioner who was with Mr. Andrews was also shot at but escaped injury.

18. Reference is made in the following section of this Report (Policy) to the action taken by the Palestine Government on the 1st October as a result of the persistence of the terrorist campaign of murder and intimidation which has been described in the preceding paragraphs of this section.

19. From the 26th September to the 13th October there was a comparative lull, but on the 14th October there was a sudden revival of incidents of murder and violence and an increase of sabotage and attempted sabotage. This state of insecurity persisted until the end of the year in the Jerusalem, Galilee and Haifa and Samaria Districts.

In the Southern District during the second fortnight of October an armed Arab band raided Lydda Airport burning down the temporary buildings housing the Customs and Passport offices and the wireless installations; and another armed party made an unsuccessful attack on a crowded passenger train on the Lydda-Haifa line near Ras el Ain.

Two attempts were made by bombing to damage the railway track near Gaza, and a Jewish boy was shot and killed in Rehovot. During the remainder of the year, however, the Southern District was quiet.

In the Jerusalem district between the 14th and the 31st October, three Arabs were killed and four were wounded. The Jewish casualties during the same period of three killed and sixteen wounded included the murder of Mr. Avinoam Yellin, M.B.E., of the Department of Education, who was shot near his office on the 21st October. He died two days later. An Armenian and an Egyptian were shot and killed in the neighbourhood of the Jaffa Road; and during an attack by an armed Arab band on the Hebron Road in the early morning of the 15th October, two British police constables were killed. As a result of these incidents curfew was imposed on the Jerusalem Municipal area for a total period of eight days between the 15th and the 31st of the month.

The incidents which produced these casualties in the Jerusalem district included the bombing of two Jewish buses and an armed Arab attack on a potash convoy from the Dead Sea; while on the 18th October a large Arab gang raided a police post south of Hebron and stole five rifles and a quantity of ammunition.

During the same period in the Haifa and Samaria and the Galilee and Acre Districts one Arab was killed and another wounded, two Jews were wounded and the 'Iraq Petroleum Company's pipe-line was three times damaged at the eastern end of the valley of Esdraelon. Extensive damage was done to the Balfour Forest near Nazareth by arson.

20. During November there was an outbreak of murderous attacks in and near Jerusalem. On the 5th November two British soldiers were shot and killed in the Valley of Hinnom below the Walls of the Old City. On the 9th five Jews, including a Jewish supernumerary policeman, while proceeding to their work outside their settlement of Kiryat Anavim 10 kilometres west of Jerusalem near the Jaffa road were murdered by a party of armed Arabs. On the 10th in and near the Old City one Arab was killed and one wounded and one Jew was wounded. On the 11th two Arabs were killed and two wounded when a bomb was thrown among them near the General Post Office. And on the 14th, when this outbreak of terrorism reached its peak, four Arabs were shot dead and another wounded; three Arab passengers, including two women, were

killed when an Arab bus was shot at as it was passing through a Jewish quarter (two Jewish women bystanders were wounded); and in a stone-throwing fracas in another Jewish quarter two Arabs and four Jews were injured. One of the Jews subsequently died. During the month of November curfew was imposed on the Jerusalem Municipal area for a total of 13 days.

During the same period in the Galilee and the Haifa and Samaria Districts a British constable was shot and killed when the car in which he was conveying a wounded Jew to hospital was shot at; and an Arab was shot dead in Acre and a Jew murdered near Beisan. An Arab Police sergeant and a constable were also murdered east of Acre when their patrol of three was captured by an armed gang, the third man making good his escape.

About the middle of the month the military forces together with the Police and the Trans-Jordan Frontier Force undertook an extensive operation near the Syrian frontier as a result of which a large gang was located and dispersed with casualties. Six days later, on the 22nd, as a result of another enterprise in which the military forces and the police successfully co-operated, the notorious gang-leader Sheikh Farhan Es Saadi was captured in a village near Jenin. He was condemned to death by the Military Court in Haifa on the 24th and was executed on the 27th.

21. Throughout December sporadic acts of violence and murder persisted mainly in the Haifa and Galilee Districts and in Jerusalem and its suburbs. Altogether eight Arabs were killed (including an Arab Police Inspector and an Arab Prison warder) in Haifa and two were wounded, while six Jews were killed and 26 wounded, of whom 12 were injured in one incident —an ambush of a Jewish bus near Haifa on the 13th December. In the case of the Arab casualties at least three were murdered with the apparent motive of intimidating others. Unsuccessful attempts were also made on the lives of the Mayor of Nablus and the Mayor of Tulkarm. There was a series of attacks on Jewish transport on the Jerusalem-Jaffa road in which one Jewish passenger lost his life; and, particularly on the Hebron-Beersheba road and on the Tiberias-Nazareth road, there was a recrudescense of the sabotage of telephone wires. Near Beisan the 'Iraq Petroleum Company's pipe-line was again punctured.

During the second half of December six military operations in Galilee and Samaria resulted in the infliction of a number of casualties on armed Arab bands which during the first fortnight of the month had been active in those areas. These encounters took place north of Tulkarm, east of Acre, north of Nazareth and west of Tiberias. They culminated on Christmas Day in the pursuit of a large armed band which, after a pitched battle, was finally completely dispersed with

heavy casualties north-west of the town of Tiberias. The Military Forces, the Police and the Trans-Jordan Frontier Force participated in these operations. During this encounter a British officer and a British soldier were killed and two soldiers were wounded.

22. During the year there were numerous long-range encounters between the Police and armed gangs. There were also a few close encounters. Of these the following were outstanding:—

(*a*) On the night of the 4th January, 1937, near Nablus, a police patrol car encountered an armed gang in the process of robbing the passengers of a number of cars on the highway. The police opened fire on the gang killing one of them. The remainder fled, escaping in the darkness.

(*b*) At about 10 p.m. on 22nd January, 1937, on the Nablus-Jenin road a police patrol car was held up by six or seven armed men. The police opened fire, killing one of the band. The remainder fled, making good their escape in the darkness.

(*c*) In March, 1937, a strong armed band attacked Jewish workers in the fields near Mesha Colony, Tiberias. Whilst the firing was still in progress, a party of British police with a Lewis gun arrived at the scene and drove off the attackers, killing one and wounding two others.

23. The police took punitive action throughout the year against harbourers of terrorists. This action, in the main, took the form of collective fines and the establishment of specially enlisted supernumerary policemen in the localities concerned, the cost of these additional policemen being borne by the inhabitants of the area. In addition, a number of houses belonging to gang-leaders, etc., were destroyed.

24. The following is a statistical statement of the number of cases of terrorist activities during the year.

	January–March.	*April–June.*	*July–September.*	*October–December.*	*Total.*
By Bombs and Firearms—					
Against the Police or Military	4	35	12	58	109
Against Jewish settlements	39	16	23	65	143
Against Jewish transport	1	3	2	32	38
Against Arab transport	5	—	1	17	23
Against British houses...	1	—	—	1	2
Against Arab houses ...	29	34	22	24	109
Murderous attacks on shepherds at work ...	6	4	1	—	11
Murderous attacks on ploughmen at work ...	1	1	—	1	3
Total	86	93	61	198	438

	January–March.	*April–June.*	*July–September.*	*October–December.*	*Total.*
Robbery—					
Highway Robbery ...	20	1	7	6	34
Robbery from buildings	11	16	9	23	59
Robbery in open country	17	13	18	10	58
Total	48	30	34	39	151

25. The total casualties during the year 1937 resulting from terrorist and gang activities were:—

	Killed.	*Wounded.*
Police—		
British	4	2
Arab	10	4
Jewish	—	2
Officials of the Civil Administration—	2	—
Military	5	5
Civil—		
Arabs	44	53
Jews	32	83
Total	97	149

26. On the 18th March the Palestine (Defence) Order in Council, 1937, was promulgated by His Majesty King George VI in Council. It embodied certain amendments of the Palestine (Defence) Orders in Council, 1931 and 1936, which it superseded.

Reference is made in the following section of this Report (Policy) to the powers taken by Government under Defence Regulations in connection with—

(*a*) The deportation of members of the Arab Higher Committee, the dissolution of the Committee itself and the removal of Haj Amin Eff. el Husseini from office as President of the Supreme Moslem Council and Chairman of the General Committee of the Wakfs (paragraph 50).

(*b*) The formation of the Awkaf Commission (paragraph 52).

(*c*) The setting up of Military Courts (paragraph 54).

In addition, five further Regulations were made under the Palestine (Defence) Order in Council, 1937, relating to public security, namely:—

(i) On the 30th March District Commissioners were empowered to billet, at the expense of the local population, additional police in areas where the inhabitants had failed to render all the assistance in their power to the police or other authority for the purpose of suppressing disturbances.

(ii) On the 26th July District Superintendents of Police were empowered to require that all persons in Palestine desiring to hold a meeting or procession must previously obtain a police licence for this purpose.

(iii) On the 30th September, the High Commissioner took power to direct the detention within His Majesty's possessions of persons living in Palestine in respect of whom orders of deportation from Palestine had been made.

(iv) On the 14th October, the High Commissioner took power to require any person who was out of Palestine to remain so for such time as the order to that effect remained in force.

(v) On the 11th November Regulations were made, whereby Military Courts were set up to deal with certain offences against public order, and persons convicted by these Courts of carrying firearms, ammunition or bombs, became liable to the death sentence, while the provisions imposing the death penalty for discharging firearms, throwing bombs, etc., were amplified. An extended penalty (i.e., imprisonment for life) was provided for conviction on a charge of being in possession of (as distinct from carrying) any of the above-mentioned weapons.

27. During the year money rewards totalling £P.26,200 were offered by the Police to any person giving information leading to the arrest of those guilty of murder and attempted murder. No rewards have been claimed.

28. In order to safeguard essential communications, to implement other police dispositions and to ensure adequate protection for Jewish settlements, supernumerary police were enrolled, trained and allocated during the year as follows:—

	Arabs.	*Jews.*
(1) for protection of Jewish settlements	—	978 (active) 3,881 (reserve)
(2) for other police dispositions ...	195	15

NOTES:—

(*a*) When enrolled, supernumeraries were trained on the following system:—

(1) A number of selected recruits were given instructional courses particularly in weapon training under military instructors. On the completion of these courses, the supernumeraries so trained were given the rank of lance-corporals and posted to the settlements.

(2) In the settlements, they in their turn acted as instructors of the supernumerary establishment in each settlement, this training being supplemented by additional instruction at frequent intervals by the Police under district arrangements.

(3) The supernumeraries were armed with rifles. In each settlement armoury there were also Greener guns.

(*b*) On various occasions a number of the Jewish reserve supernumerary police constables were called up.

(*c*) In addition a special Jewish force of Supernumerary Police was trained for the protection of the Palestine Railways, to be commanded by British officers assisted by British and Palestinian Inspectors from the regular Police Force. During the year there was no occasion to mobilize this force.

Punitive police posts, to be paid for by the inhabitants, were established in towns, villages and areas where undetected acts of violence, lawlessness and sabotage had occurred as follows:—

	Posts.
Jerusalem District	39
Southern District	6
Haifa and Samaria District ...	18
Galilee and Acre District	17
Total	80

29. 903 persons were detained under Regulations made under the Palestine Defence Order in Council, and the Prevention of Crime Ordinance, as follows:—

Arabs	816
Jews	87

At the end of the year the numbers detained were:—

Arabs	580
Jews	51
Total	631

30. Reference is made in Chapter XI of this Report (Military Clauses: paragraph 1) to exceptional Police developments during the year including—

(*a*) the establishment of reserve Police forces (in-lying picquets) at Jerusalem, Jaffa and Haifa;

(*b*) the establishment of a new Police post in the Jerusalem suburb of Rehavia;

(*c*) the installation of eleven additional police wireless stations and the equipment of police motor vehicles with wireless telephony receiving sets, while arrangements were made for eighteen further vehicles to be similarly equipped; and

(*d*) the purchase of two more South African police dogs.

31. During the year additional British officers joined the District staffs and were posted as Assistant District Commissioners for the Haifa Sub-District, and the Safad and Tulkarm Sub-Districts.

32. In April the construction of a new road following the alignment of the Palestine-Syrian border between Bassa on the west and Metulla on the east was started. It was opened to

traffic at the end of July. This road is throughout garrisoned by and patrolled from inter-communicating police posts so located as to prevent the smuggling of arms into Palestine and the entry across the border of armed bandits and illegal immigrants.

33. On the 29th September the new direct road connecting Jaffa and Tel Aviv with Haifa along the coastal plain was completed and opened to traffic.

34. In order to ensure safer conditions for Jewish worshippers, a new route was opened in November through the Old City of Jerusalem to the Wailing Wall. It avoids the mainly non-Jewish quarters which had previously to be traversed.

35. In the Introductory Chapter (paragraph 68) of the Annual Report for 1936 the arrival in September and October, 1936, of additional military forces from Great Britain under the command of Lieutenant-General Sir John Dill was reported. In November, 1936, the gradual reduction of the garrison began, and in March, 1937, the forces of the Crown in Palestine had been reduced to a strength of two Infantry brigades and ancillary units and, for Palestine and Trans-Jordan, to a strength of one Squadron and one Flight of aeroplanes. This was the strength of the garrison on 31st December, 1937.

36. Throughout the year there was close cooperation between Police on the one hand and the British Military and Air Forces in Palestine on the other. This cooperation by the Military and Air Forces consisted in reinforcing police engaged upon civil duties in connection with the protection of the roads, the seizure of arms, the arrest of individual law-breakers, and the searching of villages. In addition, troops and aircraft carried out military operations against armed Arab bands.

During the first nine months of the year the Military and Air Forces engaged armed Arab bands on one occasion only; but in the remaining three months there were nine encounters as follows:—

October ...	1
November	2
December	6

The number of known casualties inflicted upon the bands was 48 and in addition it is estimated that a further 100 were killed and wounded.

37. On the 18th November the High Commissioner, acting under powers conferred by the Defence Order in Council, established the Military Courts, to which reference is made in paragraphs 54 and 55 of the following section of this report, "Policy", one in Jerusalem and the other in Haifa.

Up to the end of the year the Military Courts had tried 38 persons, all of them Arab. The following is a statement of the sentences confirmed by the General Officer Commanding the British Forces in Palestine and Trans-Jordan:—

Death	3
Imprisonment—	
Life	13
7 years	3
6 ,, ...	1
5 ,, ...	2
4 ,, ...	1
2 ,, ...	2
1 year	2
6 months	1
Bound over	4
Acquitted	6

38. During the year, the control of the Press continued to be exerted under the Press Ordinance and the Defence Regulations made under the Palestine (Defence) Order in Council.

39. After the publication of the Report of the Palestine Royal Commission, the Government gave the fullest consideration to the Commission's recommendation that a Press Ordinance should be adopted providing for a cash deposit which could be confiscated; for penalties of imprisonment as well as a fine; and, in the case of a repetition of the offence, for forfeiture of the Press and its material. Sufficient information was collected by Government to render possible the enactment at short notice of a new Ordinance on the general lines of the Commission's recommendations, should an occasion arise calling for a closer control of the Press than can be achieved under the present Ordinance and the Defence Regulations; but it was considered that no useful purpose would be served at present by enacting the new Ordinance and putting it into force.

40. During the year, local newspapers, daily and weekly, were penalized as follows:—

I. *Arabic Press* (*Dailies*).—(*a*) 1st January to 8th July, 1937 (i.e. the date of the publication of the Report of the Palestine Royal Commission).

Name.	*No. of suspensions.*	*Total period.*	*Cause.*
" Al Liwa " ...	2	17 days	Publication of matter likely to endanger public peace.
" Al Difa'a " ...	2	21 days	Do. do.
" Falastin " ...	1	4 days	Publication of a false report.
" Jamia al Islamiya "	2	45 days	Publication of matter likely to endanger public peace.

During this period one official warning was given to " Al Liwa ".

(*b*) 9th July to 31st December, 1937.

Name.	*No. of suspensions.*	*Total period.*	*Cause.*
" Al Liwa " ...	2	84 days	Publication of matter likely to endanger the public peace.
" Al Difa'a " ...	2	31 days	Do. do.
" Falastin " ...	1	14 days	Do. do.

One official warning was given to " Al Difa'a ".

II. *Hebrew Press* (*Dailies*).—The action taken in respect of the Hebrew daily Press during the corresponding periods was as follows:—

(*a*) 1st January to 8th July, 1937.

Name.	*No. of suspensions.*	*Total period.*	*Cause.*
" Haaretz " ...	1	7 days	Publication of matter likely to endanger the public peace.

During this period official warnings were given on one occasion to the " Davar " newspaper and on two occasions to the " Haboker " newspaper.

(*b*) 9th July to 31st December, 1937.

Name.	*No. of suspensions.*	*Total period.*	*Cause.*
" Davar "	3	14 days	Publication of matter likely to endanger the public peace (twice). Publication of false reports.
" Haboker " ...	1	14 days	Publication of false reports.

During this period two official warnings were given to the " Davar " newspaper and one to the " Haaretz " newspaper.

Weekly journals published in the country were suspended as follows:—

Name.	*No. of suspensions.*	*Total period.*	*Cause.*
" Palestine and Trans-Jordan " (Printed in English).	1	3 months	Publication of matter likely to endanger the public peace.
" Miraat es Shark " (Arabic)	1	2 months	Do. do.
" Al Nafir " ... (Arabic)	1	2 months	Do. do.
" Al Karmel al Gedid " (Arabic)	2	4 months	Do. do.
" Al Iqdam " (Arabic)	2	4 months	Do. do.
" Al Sirat al Mustaqim " (Arabic)	1	1 week	Publication of false reports.
" Hayarden " ... (Hebrew)	3	17 weeks	Publication of matter likely to endanger the public peace.

Official warnings were given once to " Al Iqdam " and twice to " Hayarden."

41. Newspapers published in neighbouring countries were excluded from Palestine under section 20 (1) of the Press Ordinance as follows:—

Syrian newspapers	on	18	occasions.	
Lebanese	,,	,,	8	,,
Egyptian	,,	,,	8	,,
'Iraqi	,,	,,	2	,,

42. The High Commissioner made use of the powers conferred by Regulation 11 under the Palestine (Defence) Order in Council, 1931, as follows:—

(*a*) A one-day censorship of outgoing foreign Press telegrams was enforced from the 8th to the 9th September.

(*b*) A scrutiny of all newspapers entering Palestine from Egypt, the Lebanon, Syria and 'Iraq was imposed from the 7th October up to midnight the 10th-11th November, 1937.

(*c*) Certain pamphlets, books and manifestos were prohibited.

(*d*) On the 25th September Press telegrams were detained for four hours in Jerusalem lest the news of Mr. Andrews' death should reach his widow through Press or broadcast channels before she received the official intimation.

43. During the session of the Permanent Mandates Commission at Geneva in August, 1937, Baron Van Asbeck inquired from the British Accredited Representative as to the number of cases in which legal action had been taken by Government against speakers or journalists using violent language in their speeches or articles during the period preceding the disturbances of 1936.

No such actions were taken either against speakers or journalists. The provisions of the Press Ordinance were used against newspapers publishing articles written in violent language.

POLICY.

44. The Palestine Royal Commission, which had arrived in the country on the 11th November, 1936, was, as stated in paragraph 72 of the Introductory Chapter of the Annual Report for 1936, still sitting when the New Year opened. The boycott by the Arabs which had been declared before the arrival of the Royal Commission was still maintained; but on the 6th January the Arab Higher Committee by a unanimous decision issued a public statement announcing their intention to withdraw from their decision not to co-operate with the Commission. Their evidence was heard in public, beginning on the 12th January and ending on the 18th January.

Between the 15th November, 1936, and the 18th January, 1937, the Commission heard 60 witnesses at 30 public sessions and 53 witnesses at 40 private sessions in Jerusalem.

On their return to England the Commision were again in session. One public session was held, at which evidence was heard from two witnesses, and seven private sessions, at which eight witnesses were heard.

The report, which was unanimous, was signed and submitted to His Majesty the King in London on the 22nd June, 1937.

45. At 9 p.m. on the 7th July the report of the Palestine Royal Commission was published simultaneously in Great Britain, Palestine, Egypt, Saudi Arabia, Syria, the Lebanon, 'Iraq and Trans-Jordan, as well as in the British Dominions, the United States and various other foreign countries. Publication was effected by the issue of Official Communiqués of the Palestine Government as follows:—

(*a*) A full summary of the Report accompanied by a map.

(*b*) An abridged summary for broadcasting.

(*c*) The statement of His Majesty's Government's policy in Palestine.

Communiqués (*a*) and (*c*) are appended to this section as Appendices " A " and " B ".

Translations of the three communiqués in Arabic and Hebrew had been made and printed in Jerusalem, and at 9 p.m. communiqués (*b*) and (*c*) were broadcast by the Palestine Broadcasting Service together with a short speech by the High Commissioner. Earlier the same evening communiqués (*a*) and (*c*) had been circulated to the local Press. In addition, Arabic copies of (*a*) and (*c*) had been sent in advance of the day of release to all the neighbouring countries named above for synchronized publication in the respective Presses on the 8th July.

46. The following Palestinian bodies met and subsequently published expressions of their views regarding the Partition Scheme proposed by the Royal Commission:—

(1) The Arab Higher Committee.

(2) The Defence Party, whose representatives had resigned from the Arab Higher Committee on the 3rd July (see Arab Affairs).

(3) An assembly of Christian Arabs under the chairmanship of Bishop Hajjar, who had given evidence before the Royal Commission.

(4) The Federation of Jewish Labour (Histadruth).

(5) The (Jewish) Revisionist Party.

47. On the 20th and the 21st July the House of Lords and the House of Commons debated the Government's Statement of Policy for Palestine together with the Report of the Royal Commission. The resolution accepted by the House of Commons was in the following terms:

> " That the proposals contained in the White Paper relating to Palestine should be brought before the League with a view to enabling the British Government, after adequate inquiry, to present Parliament with a definite scheme, taking full account of all the recommendations in the White Paper."

On the 21st July the Palestine Defence Party published a memorandum setting forth their views on the Report and the Statement of Policy, which they were submitting to the Permanent Mandates Commission and the British Government.

Two days later, on the 23rd July, the Arab Higher Committee published for the same destinations a statement of their views on the subject.

48. During the Thirty-second (Extraordinary) Session of the Permanent Mandates Commission which opened on the 30th July delegations both of the Arab Higher Committee and of the Vaad Leumi and the Jewish Agency were present in Geneva.

49. Reference is made in the previous section of this Report (Public Security) to the events beginning with the attempted murder in Jerusalem on the 13th June of the Inspector-General of Police and culminating on the 26th September in the murder at Nazareth of the Acting District Commissioner of the newly formed Galilee and Acre District.

50. At noon on the 1st October, the Officer Administering the Government issued the following Official Communiqué:—

> " 1. The Palestine Government has been gravely concerned by the existence of an organized campaign of terrorism and assassination directed against individuals in this country.
>
> " 2. During the last four months this campaign has become intensified in its activities.
>
> " 3. The action now being taken is a direct result of this murder campaign.
>
> " 4. On the 13th June, an attempt was made to assassinate Mr. R. G. B. Spicer, the Inspector-General of the Palestine Police Force. There followed a number of assassinations both of Arabs and Jews, the campaign culminating on the 26th September in the dastardly murder of Mr. L. Y. Andrews, the District Commissioner, Galilee District, and British Constable P. R. McEwen.
>
> " 5. The Officer Administering the Government has therefore found it necessary to institute action against certain persons whose activities have been prejudicial to the maintenance of public security in Palestine and who must thus be regarded as morally responsible for these events.

" 6. In virtue therefore of the powers taken by the Officer Administering the Government by Regulations made under the Palestine (Defence) Order in Council, 1937,

The Arab Higher Committee and all National Committees in Palestine have been declared to be unlawful associations.

Warrants of arrest have been issued in respect of the following persons who will be deported from Palestine:—

Jamal Effendi al Husseini.
Ahmad Hilmi Pasha.
Fuad Effendi Saba.
Yacoub Effendi Ghussein.
Dr. Hussein Fakhri Effendi al Khalidi.
Haj Rashid Effendi Ibrahim.

Haj Amin Effendi al Husseini has been deprived of his office of President of the Supreme Moslem Council and of membership of the General Wakf Committee of which he was chairman."

51. Earlier on the same day Ahmed Hilmi Pasha, Dr. Hussein Khalidi, and Fuad Eff. Saba, together with Haj Rashid Eff. Ibrahim, the Haifa Manager of the Arab Bank, had been arrested, and on the following day Yacoub Eff. Ghoussein was apprehended. They were removed from Palestine on the 2nd October to the Seychelles, where they remain. Jamal Eff. al Husseini evaded arrest and at the end of the year was reported to be in Syria. Shortly after the action described in the two preceding paragraphs, Haj Amin Eff. al Husseini fled from Palestine to the Lebanon, where he remains.

The Regulations made under the Palestine (Defence) Order in Council, 1937, to which reference is made in the above-quoted official Communiqué, are appended to this section as Appendix " C ".

52. On the 16th October, the Officer Administering the Government published the following official Communiqué regarding the maintenance of the Awkaf (Moslem pious foundations) services:—

" As a result of the recent murder campaign culminating in the murder of Mr. Andrews on the 26th September, Government has taken a number of steps as announced in Official Communiqué No. 16/37. of the 1st October.

" One of these steps was the depriving of the Mufti of Jerusalem of membership of the General Wakf Committee of which he was the Chairman.

" It has therefore become necessary to take immediate measures to safeguard the interests of the Moslem Community by ensuring the continuance of Awkaf services. These measures will be of a temporary nature until such time as circumstances are favourable for the establishment of a Moslem Wakf Department or other body to resume control of these Awkaf.

" In the meantime, it is the intention of Government to take over the duties of the financial control previously exercised by the Supreme Moslem Council or the General Wakf Committee in the matter of the collection of Awkaf revenues and the payment of the salaries of Awkaf staff and for Awkaf services which have in the past been directly dealt with by the Supreme Moslem Council or the General Wakf Committee or through local Mamours.

"It is proposed to administer the Awkaf temporarily by a Commission of three members. The Chairman of the Commission will be a Judicial Officer. The names of the Chairman and the two members will be announced in due course.

"The Officer Administering the Government desires to emphasize that the Awkaf services will be carried out strictly in accordance with the law and for the benefit of the objects for which they were founded."

53. Two days later, the names of those appointed to serve on the Commission were announced as follows:—

Chairman: His Honour Mr. Justice Greene, Puisne Judge.
Members: Sheikh Hussam ed Din Eff. Jarallah, M.B.E.,
Mr. A. L. Kirkbride, O.B.E.

In December, Mr. Kirkbride, who had proceeded on leave to England, was replaced as a member of the Commission by Mr. R. F. Jardine, C.M.G., O.B.E.

The Regulations made under the Palestine (Defence) Order in Council, 1937, giving effect to the decision of Government to create the Awkaf Commission, were published on the 16th October and are appended to this section as Appendix "D".

54. On the 10th November the following official Communiqué was issued by Government announcing the establishment of Military Courts in Palestine:—

"In view of the continuation of an organized murder campaign in Palestine, it has been decided in the interests of public security in this country to establish Military Courts by Defence Regulations made under the Palestine (Defence) Order in Council, 1937.

"The Defence Regulations will be published on the 11th November and will come into force on the 18th November.

"In accordance with this decision, Military Courts for the whole of Palestine, consisting of a President who will be an officer of Field Rank and two other officers, will be set up for the trial of offences summarized below:—

(*a*) The discharge of firearms at *any* persons, which will be an offence punishable by death.

(*b*) The carrying of arms, bombs, etc., which will be an offence punishable by death.

(*c*) Causing sabotage and intimidation.

"Full details will appear in the Regulations which will be published on the 11th November.

"Sentences pronounced by these Military Courts will be subject to confirmation by the General Officer Commanding the British Troops in Palestine and Trans-Jordan from whose decision there will be no appeal.

"The Officer Administering the Government wishes it to be understood beyond any doubt that these decisions have been prompted entirely by reasons of public security, and not because there has been any failure on the part of the Civil Courts which will continue to deal with all offences save those mentioned above.

"The institution of these Military Courts together with enhanced penalties is designed solely to expedite the operation of the Emergency Regulations for the suppression of the present campaign of terrorism and sabotage which it is the determination of the Government to exterminate.

"During the period which will elapse between the publication of the new Defence Regulations and their coming into force on the 18th November, this Communiqué will be published daily in all local daily newspapers and broadcast daily by the Palestine Broadcasting Service."

55. The Courts came into being on the 18th November. A statement of the results of their proceedings is contained in the preceding section of this Report (Public Security, paragraph 37).

The Regulations made under the Palestine (Defence) Order in Council, 1937, establishing these Courts were published on the 11th November and are appended to this section as Appendix "E".

IMMIGRATION.

56. In view of the anticipated publication of the Report of the Royal Commission, Government authorized a labour immigration schedule for a four-monthly period (April to July) instead of the usual six-monthly schedule for the period ending the 30th September. The authorized schedule of 770 included 400 immigration certificates for workers from Germany and 120 certificates for workers from other countries to be selected by the Jewish Agency, and a departmental reserve of 250. Following the Report of the Royal Commission and the Statement of Policy of His Majesty's Government in July, Government authorized a labour schedule of 1,780 for the period October, 1937, to March, 1938. No labour schedule was issued in respect of the months of August and September.

Jewish immigrants to the number of 10,536 were registered during the year. Of these 1,275 were capitalist immigrants, whose dependants numbered 1,096, 1,869 were persons coming to employment, whose dependants numbered 1,282, and 3,784 were dependants of residents of Palestine.

57. The Palestine Government has continued to take all possible measures to check illegal immigration, through the agency of His Majesty's Consular Officers abroad, by control arrangements at the ports and frontiers and by the employment of a special preventive force by land and sea. The construction of the northern frontier road and the employment of a special force of police in this area for public security purposes served at the same time to control more effectively illicit immigration through the northern frontier. On the eastern frontier control has been strengthened by the establishment of three control posts.

58. 1,572 persons (including 304 Jews) who made their way into the country surreptitiously during 1937 were later detected, sentenced to imprisonment and recommended for deportation; 1,096 such deportations were carried out in the year, namely, 95 Jews and 1,001 other persons. Eight Jewish and 10 other

travellers were also deported for overstaying their period of permitted stay in the country. In addition 1,121 persons, of whom 18 were Jews, were summarily deported to Syria and Egypt. There was a marked decrease in illegal immigration by Jews in 1937.

59. Poland, which provided 35 per cent. of the Jewish immigrants in 1937 as compared with 41 per cent. in 1936, continues to be the principal source of Jewish immigration to Palestine. The proportion of Jewish immigrants from Germany increased from 27 per cent. in 1936 to 34 per cent. in 1937.

The Jewish Agency expended £P.43,000 on the settlement of German Jews during the year October, 1936—September, 1937, from its regular budget, and £P.136,000 was expended for this purpose during the same period from other funds received by the Department of the Jewish Agency for the settlement of German Jews.

ARAB AFFAIRS.

60. In January an announcement was made that Amin Bey Abdul Hadi, M.B.E., had accepted an invitation from the British Government to be the official representative of the Arab Community at the Coronation in London of His Majesty King George VI. This announcement was severely attacked in the Arab Press and Amin Bey then wrote a letter to the local newspapers in which he defined his position in terms which were held to be tantamount to a withdrawal of his acceptance of the invitation. Subsequently it was officially announced that the invitation had lapsed.

61. Early in April, 1937, Jamal Effendi al Husseini, the President of the Palestine Arab Party, left Palestine for England where he addressed several meetings to explain the Arab case. Some time later, he was followed by Dr. Izzat Tannous, a supporter of Jamal Eff. al Husseini's political party, who visited England and the United States for a similar purpose. At the time of their departure from Palestine it was made public that they were not delegates of the Arab Higher Committee. Later in the summer, Emil Eff. Ghori, a member of the Palestine Arab Party, who was accompanied by a Priest of the Orthodox Church, made a similar tour in the Balkans.

62. The publication early in May of the Labour Schedule created much excitement and resentment among the Arabs. A protest was promptly published in the Press by the Arab Higher Committee and telegrams to the same effect were sent to the British Prime Minister and the Arab Rulers. The local reaction among the Arabs found its expression in an intensified campaign for a boycott, which was generally observed, of the Coronation

celebrations. Shortly afterwards the celebration of the anniversary of the birth of the Prophet was made the occasion for a special demonstration of Arab feeling on political and national rather than religious lines.

63. On the 3rd July, at a meeting in Jerusalem of the National Defence Party, a decision was taken that the two delegates of the Party (Ragheb Bey Nashashibi and Yacoub Eff. Farraj) should withdraw from the Arab Higher Committee. This decision was announced to the Press the same day. The grounds given for it were stated to be, *inter alia*, that the composition of the Committee as agreed upon by the parties had been changed; that the meetings of the Committee had been irregular in so far as the conditions and interest of the country required; that the majority of the members including the representatives of the National Defence Party had been kept uninformed of many measures and negotiations which were carried out in the name of the Committee; and that the President of the Committee had left the country in critical days, without the knowledge of his colleagues in the Committee.

64. On the 21st July the National Defence Party published their views on the Report of the Palestine Royal Commission in the form of a memorandum, signed by the President of the Party, Ragheb Bey Nashashibi, which was circulated to the British Government and the Permanent Mandates Commission.

On the 23rd July the Arab Higher Committee published a similar memorandum for similar destinations.

Both these memoranda rejected the Partition proposals and demanded the recognition of the Arab right to complete independence in Palestine, the termination of the Mandate, and the conclusion of a treaty between Great Britain and a Palestinian Sovereign state. Jewish immigration and land sales should cease at once; but the Arabs would be prepared to furnish guarantees covering the Holy Places and assuring the protection of all legitimate Jewish and other minority rights and the safeguarding of reasonable British interests. The memorandum of the National Defence Party further stipulated that the present ratio existing between the Arab and the Jewish populations should not be altered and that this principle should be admitted in the proposed Anglo-Palestine treaty.

Early in September an Arab Conference was held at Bludan in Syria. It was attended by several prominent Palestine Arabs and the series of resolutions which it passed was transmitted to the League of Nations in Geneva.

The dissolution of the Arab Higher Committee and the National Committees in Palestine and the various other measures taken by Government on the 1st October are described in a preceding section of this chapter.

Supreme Moslem Council.

65. During 1937 important major works were undertaken by the Awqaf Department.

In the Annual Report for 1936 reference was made (page 43) to extensive repairs within the Haram esh Sharif. The following is a detailed report of the work which was done during the year.

The Dome of the Rock.

Within the building.—In August, 1937, wooden frameworks were erected inside the Dome in order to facilitate the study of the repairs intended to be made to the mosaic works and the gilded marble stones. The marble stones on the inside walls of the Mosque have been completely repaired.

Outside the building.—In September, 1937, the repairs of the marble stones on the Western side of the Dome were completed. The white, red and black marble necessary for these repairs was imported from Egypt. The danger of further damage to the building on account of rain and weather has been minimized by fixing wooden window frames and repairing all rain-water pipes.

On the roof.—The plaster of the roof was completely renewed, the rain-water pipes enlarged, and the lead covering repaired. One part also of the woodwork and Kishany (Mosaic) work was completed.

Lower roof.—The replastering of one part of the lower roof, at a distance of three metres from the Dome, was completed. The corniches were also repaired and repainted.

Sultanieh (Moslem School).—The walls were repaired and the frontage renovated with white and red stones of local origin.

The Qaitbey water source (Ablution pool).—The decaying stones in this historical water source were replaced by new material and its platform was repaved and replastered.

Corridors.—Some of the stones of the corridors were removed and new stones are being prepared to replace them. The final repairs will be undertaken in 1938. In the meantime certain structural repairs in these corridors have been undertaken.

Tankizieh (former premises of the Sharia Court).—As the western part of the building showed signs of collapse, its western and southern walls were pulled down in November. They were subsequently rebuilt to a height of 10 metres. This step removed all danger of collapse. All the roofs of " Al-Tankizieh " were re-pointed.

The sanitary water installations in " Al-Tankizieh " were renewed and some of the smaller rooms were plastered and new windows constructed in place of the old and unserviceable windows.

Repairs to Al Aqsa Mosque.

Towards the end of 1937, the removal of perished plaster and its replacement by new material were started in the eastern part of the Mosque. This operation had, however, to be discontinued as cracks of a dangerous nature were observed in some of the corners, columns and ceilings of the building. Accordingly the Supreme Moslem Council invited the Architect of the Department of Antiquities in Jerusalem, who was accompanied by an architect from the Department of Public Works, to visit the Haram and inspect the cracked places. On their recommendation pieces of glass will be placed on the faulty places to ascertain whether the cracks continue to develop.

Hebron.

By the end of the year, work on the repair of the historical pulpit in Hebron, which had been proceeding for three years, was practically completed. A supporter of beautiful red stone has been placed under it, so as to avoid the danger of damage from water.

Nablus.

The repairs in Al-Naser Mosque continued throughout the year and the western and eastern parts were completely ceiled, while a large part of the eastern and western sides was constructed.

JEWISH AFFAIRS.

66. The publication of the Report of the Royal Commission and the Statement of Policy of His Majesty's Government in July in regard to the partition scheme gave rise to a sharp cleavage of opinion among the various Jewish parties and intensified the interest shown in the elections in Palestine to the Twentieth Zionist Congress, which was held at Zurich. Over 115,000 votes were recorded at the elections, of which Labour received a substantial majority, obtaining 85 out of a total of 124 delegates from Palestine. The total number of delegates from all countries was 526.

The principal resolution adopted by the Congress, which represented a compromise between the views of the supporters and opponents of a partition scheme, empowered the Executive to enter into negotiations with a view to ascertaining the precise terms of His Majesty's Government for the proposed establishment of a Jewish State which should then be submitted to a newly-elected Congress for consideration.

67. A similar resolution was adopted at the meeting of the Council of the Jewish Agency which followed the Zionist Congress. The Council further directed the Executive of the Jewish

Agency to request His Majesty's Government to convene a conference of Jews and Arabs with a view to exploring the possibilities of a peaceful settlement in an undivided Palestine based on the free development of both the Jewish and Arab peoples of Palestine and the mutual recognition of their respective rights.

The following were elected Executives of the Jewish Agency:—

Zionist Members.	Dr. Ch. Weizman, President of the Zionist Organization and of the Jewish Agency.
	Mr. D. Ben-Gurion, Chairman of the Executive of the Jewish Agency in Jerusalem.
	Mr. M. Shertok.
	Mr. E. Kaplan.
	Mr. I. Gruenbaum.
	Dr. F. Rotenstrich.
Non-Zionist Members.	Dr. A. Ruppin.
	Dr. M. B. Hexter.
	Dr. W. Senator.
	Mrs. Edward Jacobs.
	Dr. M. Karpf.

68. The strained relations between the official Zionist bodies and the Revisionists (New Zionist Organization) showed no improvement during the year. Strong criticism in the Revisionist Press at the end of 1936 in regard to the distribution of labour immigration certificates by the Jewish Agency (see paragraph 92 of the Introductory Chapter of the 1936 Report) culminated in February, 1937, in an attack on the Jewish Agency offices at Jerusalem by a group of members of the Bitar (Revisionist Youth) Organization, in which a number of officials were assaulted and office property was damaged. Several arrests were made by the Police, and the offenders were dealt with in the Courts.

69. The newly-appointed Ashkenazic Chief Rabbi, Rabbi Dr. I. Herzog (formerly Chief Rabbi of the Irish Free State) arrived in Palestine in January, 1937, and was officially inducted into office in Jerusalem in the presence of representatives of Government and leaders of the Jewish Community.

70. Mr. I. Ben-Zvi, M.B.E., Chairman of the Vaad Leumi, was delegated by the High Commissioner to represent the Jewish Community of Palestine at the Coronation of His Majesty King George VI.

In Palestine the Jewish community actively participated in the local celebrations of His Majesty's Coronation and much enthusiasm was displayed.

71. On the initiative of the Manufacturers' Association a delegation of Jewish manufacturers visited the United Kingdom in March and established contact with a number of Chambers of Commerce with a view to strengthening trade relations between Great Britain and Palestine.

72. A census of Jewish workmen and employees was taken by the General Federation of Jewish Labour in March, 1937. 104,122 Jewish wage-earners were enumerated, distributed by occupation as follows:—

Agriculture	25,212
Manufacture and Transport	32,802
Construction	11,001
Unskilled labour	12,279
Clerical and liberal professions	20,227
Commerce ... ... }	
Students ... . }	2,601
Miscellaneous ... ... }	
Total	104,122

The labour organization of the Agudat Israel has extended its activities and opened a contracting office for the execution of public works. The organization has also established four agricultural groups (Kibbutzim), including one for women.

73. After a successful opening season in 1936-37 the Palestine Orchestra founded by Mr. Bronislaw Hubermann increased its membership for the second season and appears to be established on a sound footing. The Orchestra was augmented by the addition of several new members from abroad. At the Coronation festivities the Orchestra gave a special Coronation Concert conducted by Dr. Malcolm Sargent, which was attended by the High Commissioner and representatives of Government. The Orchestra made successful tours in Egypt and Syria during 1937.

The " Habimah " theatrical company proceeded on a tour of European countries and achieved considerable success abroad by their presentation in Hebrew of Biblical and mediaeval Jewish legend and of modern plays by Jewish dramatists.

74. Palestine Jewry lost an active and influential supporter through the death in October of Mr. Felix Warburg, the well-known New York banker, who was the first Chairman of the Administrative Committee of the Jewish Agency. Mr. Warburg contributed generously to Zionist activities in Palestine and to the Hebrew University of Jerusalem.

75. Dr. J. Luria, who had been for many years the Director of the Hebrew School system of the Vaad Leumi, died at the close of the year. Hebrew education in Palestine also sustained a heavy loss through the assassination in October of Mr. Avinoam Yellin, M.B.E., the Senior Government Inspector of Jewish schools.

ECONOMIC AFFAIRS.

76. The revised estimate of revenue for the financial period 1st April, 1937, to 31st March, 1938, is £P.4,909,000 as compared with the original estimate of £P.5,015,000. The principal decrease occurs under Customs Duties (£P.175,000). Expenditure is estimated at £P.7,326,000; but this figure includes an adjustment of £P.1,581,500 representing expenditure in previous years from surplus balances which is now met from voted monies. The estimated expenditure also includes a sum of £P.697,000 in respect of Defence which falls to be borne by Palestine. This amount represents the excess cost of maintaining the British Forces in Palestine over the cost of maintaining such Forces in the United Kingdom. The excess of expenditure over revenue for 1937-8 will therefore be approximately £P.2,417,000; and the accumulated surplus balance of Government which stood at £P.4,835,000 at the 31st March, 1937, will be reduced to approximately £P.2,418,000 at the end of March, 1938.

77. During the calendar year 1937 a total number of 12,475 immigrants entered Palestine as compared with a total of 31,671 in 1936 and of 64,147 in 1935. The number of Jewish immigrants with a capital of £P.1,000 and upwards in 1937 was 1,275 as compared with 6,309 and 2,970 in 1935 and 1936 respectively. The total value of imports increased from £P.13,900,000 in 1936 to £P.15,903,000 in 1937, but is still considerably below the level of 1935 when the value of imports stood at £P.17,853,000. The general price level of imported commodities rose in 1937 by approximately 18 per cent. over 1935. The total value of exports, which had declined from approximately £P.4,215,000 in 1935, to £P.3,625,000 in 1936, increased to £P.5,820,000 in 1937. This increase was, however, mainly due to increased exports of citrus fruit, Dead Sea products, hides and skins and edible oils.

78. The number of dunums of land sold in 1937 was approximately 103,000, valued at £P.4,388,556, as compared with 76,000 valued at £P.4,921,000 in 1936.

79. The estimated value of investments in buildings in 1937 was £P.3,000,000 as compared with £P.4,000,000 in 1936 and £P.7,000,000 in 1935.

80. New area planted with citrus trees was 1,500 dunums in 1937 as compared with 20,000 dunums in 1936 and 28,000 dunums in 1935.

81. During 1937 the new local companies registered totalled 207, with an authorized capital of £P.969,000 as compared with 183 and an authorized capital of £P.1,038,000 in 1936, while 44 companies increased their capital from £P.4,338,550 to

£P.7,200,350. At the 31st December, 1937 the currency in circulation amounted to £P.4,829,134 as compared with £P5,741,134 at the 31st December, 1936. Deposits with banks and the leading local co-operative societies at the 31st December, 1937, amounted to £P.16,000,000 as compared with £P.16,600,000 at the 31st December, 1936.

82. Revenue receipts, which began towards the end of 1935 to reflect the uneasiness aroused by the political outlook in Europe, continued to fall throughout 1936-7 owing to the after effects of the disturbances in that year. It is expected that revenue receipts for 1937-8 will show a slight improvement but this cannot be taken as indicating economic recovery. It is difficult to forecast the probable duration of the effects of the disturbances or of the political situation which has arisen on the economic life of the country. The underlying causes of the events of 1936 and the uncertainty of the political future of the country must necessarily affect its economic life since they are mainly responsible for the immediate suspension of the impulses which animated economic activities in recent years. The country is passing through a period of adjustment both economic and financial and it is to be feared that conditions are not likely to improve in the meantime. Customs receipts, which for the 12 months ended November, 1935, had maintained an average of £P.240,000 a month and had fallen to £P.128,000 in August, 1936, but tended to stabilize during the last quarter of 1936 at an average of about £P.202,000 a month, fell progressively in 1937 until in September of that year they reached the low level of £P.150,000. Although in the last three months of the year they showed a slight improvement, the average for the year fell to about £P.177,000 a month. Revenues other than Customs showed an increase from approximately £P.2,619,000 in 1936 to £P.2,873,000 in 1937, but continued to be lower than the 1935 level, when they stood at £P.3,095,000. The general uneasiness and uncertainty as to the trend of events in Palestine, to which reference was made in the 1936 Report, continued to discourage new developments in trade and industry. Credit facilities, which were curtailed in 1936, continued to be stringent in 1937. The number of companies that went into voluntary liquidation in 1937 was 27 as compared with 17 in 1936. Winding-up orders were issued in 1937 in respect of seven companies. Receiving orders were issued in respect of 57 companies in 1937 as compared with six in 1936; and the number of bankruptcies actually declared in 1937 was also 57 as compared with 33 in 1936.

83. With regard to the trade agreement with Egypt referred to in paragraph 110 of the Introductory Chapter to the 1936 Report, the expected visit of the trade delegation from Egypt took place in June, 1937. According to the terms of the trade

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agreement with Egypt, periodic meetings are to be held between representatives of the Egyptian Government and the Government of Palestine with a view to the development and improvement of trade relations to the mutual advantage of both countries. As a result of the meetings between the Egyptian delegates and the Committee appointed to confer with them, recommendations have been submitted to Government on the basis of reciprocal concessions to the mutual benefit of both countries. These recommendations are still under consideration by Government and it is hoped that the result will not be long delayed. The trade agreement concluded with 'Iraq in December, 1936, with a view to encouraging the trans-desert route between the two countries continues to be operative. While the Customs facilities provided for in the agreement were introduced early in 1937, the establishment of the free zone has not so far been effected. In 1935 a Committee was appointed to consider whether the Palestine-Syria Customs Agreement of 1929 required revision, and if so, in what manner it should be revised. The Committee has now submitted its report to Government and steps are being taken for negotiating a revision of the agreement with a view to bringing it more into line with the changed conditions and demands of Palestine's trade and industry.

84. Reference is made in paragraph 111 of the Introductory Chapter to the 1936 Report to Dr. Tomkins' proposals for an investigation into the causes of fruit wastage. A first year's programme for an investigation into citrus fruit wastage was subsequently drawn up and arrangements made for it to be carried out by the Department of Scientific and Industrial Research in England, and the Jewish Agency Agricultural Research Station at Rehovot in Palestine. A scheme of investigation has already been introduced and is progressing satisfactorily.

85. The Citrus Transportation and Marketing Committee submitted unanimous proposals for the enactment of legislation designed to improve the standard of ships carrying citrus fruit from Palestine, the principal provisions relating to fixing of minimum speed of boats, prohibition of deck cargoes and methods of stowing and ventilation, etc. It was thought preferable, however, in view of the general shipping difficulties owing to the international situation in 1937, to defer this legislation for further consideration in consultation with the shipping interests. Such consultation is proceeding.

The Committee's investigations into marketing have not been concluded as attention was directed to the desirability of expediting the organization of co-operative societies among Arab producers as a necessary preliminary to the organization of the trade as a whole.

86. During the year, local industry was given further assistance by the imposition of protective tariffs on certain articles

which are produced in Palestine, by exempting from import duty a number of raw materials, and by the grant of Customs drawback in certain cases where exemption from import duty of the raw material was impracticable. The industries benefiting from such assistance include the citrus industry, poultry keeping, rice and lentils milling, artificial silk, vegetable canning and various other minor industries.

87. Owing to the further deterioration of the financial position it has not been possible to carry out the improvements in railway equipment which were referred to in paragraph 113 of the Introductory Chapter to the Report for 1936 as having been postponed; nor, in view of the decrease in railway traffic, are these improvements now immediately essential.

The completion of the new railway tariff has been delayed by the effect upon railway traffic and revenue by the depression in trade and commerce and by the opening of the Haifa—Jaffa road, but the question of rates is under consideration.

88. Mention was made in paragraph 114 of the Introductory Chapter to the 1936 Report that as a result of visits in 1935 and 1936 by the General Manager of the Jaffa Citrus Exchange to several countries in Europe various tentative arrangements were suggested with a view to securing the removal of trade and currency restrictions which have been an obstacle to the Palestine citrus trade. The results achieved by these visits are summarized below:—

(*a*) The import duties in Switzerland and Czechoslovakia were made chargeable on the basis of net weight in lieu of the gross weight;

(*b*) The import duties on grapefruit in the following countries were either cancelled altogether or amended in a manner favourable to the Palestine Citrus Trade:

Sweden, Belgium, Hungary, Poland, Switzerland, France, Austria, and Czechoslovakia.

(*c*) Since 1933, Canada has extended to oranges from Palestine a treatment which is equivalent in practice to Imperial Preference;

(*d*) More liberal quotas were granted to Palestine citrus by Czechoslovakia, Yugoslavia, Denmark, Hungary, Germany, and France, and currency restrictions were made less stringent by Germany and Hungary.

89. During the examination of the 1936 Report by the Permanent Mandates Commission it was noted that, notwithstanding the unfavourable position in which Palestine is placed by Article 18 of the Mandate, the Mandatory Power had in some cases obtained certain advantages for Palestine; and hope was

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expressed by the Commission that the Mandatory Power would be able to improve the present unfavourable position by obtaining concessions from a larger number of States. During 1937 most-favoured-nation treatment was extended to Palestine by Canada, and the extension to Palestine of the terms of two other United Kingdom agreements, viz., those with Turkey and Brazil, is under consideration.

It has previously been pointed out that the application of the rule of economic equality laid down in Article 18 of the Mandate constitutes a heavy burden on Palestine's industry and commerce owing to the absence of reciprocity. The Royal Commission examined, *inter alia,* the position in this respect and expressed the view that the provisions of Article 18 are out of date: they recommended that negotiations should be opened for the amendment of that Article with a view to putting the trade of Palestine upon a fairer basis. The recommendations of the Commission in this respect are now under consideration by Government.

AGRICULTURE, FORESTRY AND LAND.

90. The connected problems of water conservation, soil erosion and the improvement of grazing, which are of major importance in the agricultural economy of Palestine, continue to receive close attention. The initial stages of an attempt to repair by afforestation the denudation and impoverishment of the soil, which have resulted in hill districts from centuries of neglect, have been entered upon. During 1937, the total number of Forest Reserves was increased by two; an area of 4,271 dunums was allocated as State Forest; experiments in arresting sand drift were continued; and a more extensive distribution of forest plants and seeds to both Government and private plantations was made.

91. The year 1937 was favourable to agriculture. Except in a few areas, the winter crops were generally excellent; and the yields from the cereal, forage and vegetable crops were considerably above the average. Well-distributed rains towards the end of the year produced exceptionally propitious conditions for agriculture during the winter months.

92. The activities of the Department of Agriculture and Fisheries with regard to education and propaganda were continued during the year. The Agricultural Supplement to the Palestine Gazette, which is published monthly in the three official languages, contains a wide range of information on subjects of interest to agriculturists. The dissemination of agricultural information and advice to farmers, and talks, market reports, and weather forecasts form a regular part of

the programmes of the Palestine Broadcasting Service. The necessity of ensuring that these talks have a truly popular character receives continual attention.

93. Effect has been given to the scheme for the grant of credits to peasants in the hill-districts, to which reference was made in paragraph 120 of the Introductory Chapter of last year's Report. The allocation of £P.31,551 among 1,125 applicants was approved during the year. In spite of financial stringency, Government continued to furnish direct assistance to the farmer in a number of ways: seed potatoes, grain, and vegetable seedlings were issued; beehives were distributed on generous terms, and a supply of duty-free sugar was also made available for beekeepers; eggs, chicks, and swarms were distributed from Government poultry stations and apiaries; and fruit-trees and vines from Government Horticultural Stations.

94. Citrus exports during the season 1936-7 were considerably larger than in the previous season. The citrus advertising campaign for the season 1936-7 was carried out with satisfactory results in the United Kingdom, Continental countries, India, Syria and Palestine.

95. A Fisheries Committee was instituted during the year. (See para. 75 of Chapter XXV—Agriculture, Fisheries and Forestry.) The Fisheries Service was increasingly active both in the enforcement of existing legislation and in the dissemination of advice and help to fishermen.

96. The aims of the agricultural policy consistently followed by Government are, broadly, to increase the quantity and quality of crops and livestock, and to encourage the intensification of farming by the adoption of improved irrigation and technical methods. The activities of Government in these directions were described in detail in paragraph 116 *et seq.* of the Introductory Chapter of the Report for 1936.

MISCELLANEOUS.

97. Monseigneur Gabriel, the Syrian Orthodox Bishop, resigned in January and left Palestine for Syria in March. Monseigneur Yacoub was appointed Patriarchate Vicar in his place.

98. Early in the year the new Oil Dock at Haifa was completed and handed over to the 'Iraq Petroleum Company.

99. On 9th of April the Right Rev. the Lord Bishop of Portsmouth laid the foundation stone of St. Luke's School for boys in Haifa. The school, which is under the auspices of the Anglican Church in Palestine, was completed in time for the October term.

100. His Highness the Amir Abdullah accompanied by his Chief Minister left Haifa for London to attend the Coronation Ceremonies on 28th April, 1937. His Highness returned to Amman on 12th June.

101. Celebrations in honour of the Coronation of their Majesties King George VI and Queen Elizabeth on the 12th May were held throughout Palestine.

In Jerusalem, where the main buildings and streets were lavishly decorated, the High Commissioner took the salute in the presence of about 5,000 spectators at the ceremony of the Trooping of the Colour at Talavera Barracks, and at the conclusion of the parade there was a presentation by His Excellency of medals and decorations.

Later in the morning the High Commissioner attended Divine Service at St. George's Cathedral.

In the afternoon British children were entertained at the Sports Club and in the evening a Ball was given at Government House.

In Haifa, Jaffa and other centres military parades took place; and in each administrative area District Commissioners and their representatives gave official receptions and entertained members of the respective British Communities.

In honour of the Coronation the band of the Palestine Police made a tour of the country and gave performances in most large towns.

102. On the 11th August the Palestine Airways Service was inaugurated at Lydda in the presence of the District Commissioner of the Southern District.

103. In September, Lieutenant General Sir John Dill, K.C.B., C.M.G., D.S.O., was succeeded as General Officer Commanding the British Forces in Palestine and Trans-Jordan by Major General A. P. Wavell, C.B., C.M.G., M.C.

104. In October the Imperial Airways flying boats began to use the facilities provided by the Government for landing on Lake Tiberias as a port of call on the regular service between England and India.

105. An announcement was made on the 4th November in the House of Commons that Sir Arthur Wauchope's resignation of the post of High Commissioner for Palestine and Trans-Jordan had been accepted by the British Government and on the 4th December the appointment of his successor, Sir Harold MacMichael, K.C.M.G., D.S.O., Governor and Commander-in-Chief of the Mandated Territory of Tanganyika, was announced.

APPENDIX " A."

Official Communique No. 10/37, 7th July, 1937.

The Report of the Palestine Royal Commission is divided into two sections. The first section proceeds on the assumption that the present Mandate will continue to operate and contains the Commission's recommendations for the alteration and improvement of the existing system of Government. The Commission do not, however, consider that any real or lasting solution of the problem is to be found on these lines and, in the second section, they advocate the termination of the Mandate and the inauguration of a new order of things in Palestine on the basis of the partition of the country between the Arabs and the Jews and the setting up of two independent States in Treaty relations with Great Britain.

The first section deals at length with the various activities of Government and only a very brief summary of the main conclusions reached is possible within the compass of a short communique. The following are the principal recommendations.

As regards land sales, the High Commissioner should, if the Mandate is to remain operative, be empowered to prohibit the transfer of land in any stated area by Arabs to Jews. Where sales are made, the rights of Arab tenants and cultivators must be preserved and alienation of land should only be permitted where it is possible to replace extensive by intensive cultivation.

As regards immigration, if the Mandate is to remain operative the volume of Jewish immigration should continue to be restricted in the first instance by the economic absorptive capacity of Palestine but it should be subject further to what the Commission term a " political high level," namely, a maximum covering Jewish immigration of all categories. This maximum should be fixed for the next five years at 12,000 per annum.

The Commission do not recommend that any attempt should be made to revive the proposal of a Legislative Council, but they would welcome an enlargement of the Advisory Council by the addition of Unofficial Members.

In dealing with public security, the Commission recommend that, should disorders break out again of such a nature as to require the intervention of the Military, there should be no hesitation in enforcing martial law, in which event disarmament should also be enforced. Central and local police reserves should be formed and a large mobile mounted force established. A more rigorous Press Ordinance should also, they consider, be enacted.

The Commission lay great stress on the necessity of improving the arrangements for Arab education and consider that the Administration should regard the claims of such education as second in importance only to those of public security.

Among the Commission's proposals of a more general nature are recommendations for greater decentralization in the Administration, for the rapid completion of the Jaffa-Haifa road and for the amendment of the provisions of Article 18 of the Mandate which denies to Palestine the power to protect its trade by the imposition of discriminatory tariffs. The expedition of settlement operations and a more active policy in investigating the water resources of the country are also advocated.

The Commission further recommend that the services of an expert on local Government should be obtained to assist in drafting a new Local Self Government Ordinance and in improving the relations between Government and the Municipalities. The need of Tel Aviv for a substantial loan should, they consider, be promptly and sympathetically reconsidered.

Such in brief are the recommendations advocated by the Commission if the Mandate is to remain operative. But, as already stated, they do not believe that the acceptance of these recommendations will solve the problem. In dealing with immigration they admit that the proposal put forward can be regarded as no more than a palliative. They point out that the difficulty has always been, and, if the Mandate continues, will continue with it, that the existence of the National Home, whatever its size, bars the way to the attainment by the Arabs of Palestine of the same national status as that attained, or soon to be attained, by all the other Arabs of Asia. Similarly, in dealing with public security, they do not regard their proposals as a permanent remedy but only as temporary measures designed to prevent a recurrence of open rebellion and to give the Jews that protection which, under the Mandate, they have a right to expect. They would involve great expense, probably beyond the capacity of the country, and their immediate effect would be to widen the gulf which separates the Arab from the Jew. As they point out, it is not easy to pursue the dark path of repression without seeing daylight at the end of it.

The Commission conclude the first section of their report by explaining that the recommendations which it contains are the best palliatives which they can devise for the disease from which Palestine is suffering, but that they are only palliatives. They might reduce the temperature, but they cannot cure the trouble. The disease is so deep rooted that it is the Commission's firm conviction that the only hope of a cure lies in a surgical operation.

"Manifestly" they state, "the problem cannot be solved by giving either the Arabs or the Jews all they want. The answer to the question 'Which of them in the end will govern Palestine' must surely be 'Neither.' We do not think," they continue, "that any fair-minded statesman would suppose, now that the hope of harmony between the races has proved untenable, that Britain ought either to hand over to Arab rule 400,000 Jews, whose entry into Palestine has been for the most part facilitated by the British Government and approved by the League of Nations, or that, if the Jews should become a majority, a million or so of Arabs should be handed over to their rule. But," they conclude, "while neither race can justly rule all Palestine, we see no reason why, if it were practicable, each race should not rule part of it. Partition seems to offer at least a chance of ultimate peace. We can see none in any other plan."

And so, in the second section of their Report, the Commission recommend the termination of the present Mandate on the basis of Partition and put forward a definite scheme which they consider to be practicable, honourable and just. This scheme, the general lines of which have, as notified in Official Communique No. 11/37 of the 7th July, 1937, been accepted by His Majesty's Government, is as follows:—

The Mandate for Palestine should terminate and be replaced by a Treaty System in accordance with the precedent set in Iraq and Syria.

Under Treaties to be negotiated by the Mandatory with the Government of Trans-Jordan and representatives of the Arabs of Palestine on the one hand and with the Zionist Organization on the other it would be declared that two sovereign independent States would shortly be established—(1) an Arab State consisting of Trans-Jordan united with that part of Palestine allotted to the Arabs and (2) a Jewish State consisting of that part of Palestine allotted to the Jews. The Mandatory would undertake to support any requests for admission to the League of Nations made by the Governments of the Arab and Jewish States. The Treaties would include strict guarantees for the protection of minorities. Military Conventions would be attached to the Treaties.

The partition of Palestine is subject to the overriding necessity of keeping the sanctity of Jerusalem and Bethlehem inviolate and of ensuring free and safe access to these Holy Places for all the world. A new Mandate should, therefore, be framed with the execution of this trust as its primary purpose. An enclave should be demarcated to which this Mandate should apply, extending from a point north of Jerusalem to a point south of Bethlehem, and access to the sea should be provided by a corridor extending from Jerusalem to Jaffa. The policy of the Balfour Declaration would not apply to this Mandated area.

The Mandatory should also be entrusted with the administration of Nazareth and with full powers to safeguard the sanctity of the waters and shores of Lake Tiberias, and similarly with the protection of religious endowments and of such buildings, monuments and places in the Arab and Jewish States as are sacred to the Jews and the Arabs, respectively.

The frontier between the Arab and Jewish States recommended by the Commission is as follows. Starting from Ras an Naqura, it follows the existing northern and eastern frontier of Palestine to Lake Tiberias and crosses the Lake to the outflow of the River Jordan, whence it continues down the river to a point rather north of Beisan. It then cuts across the Beisan Plain and runs along the southern edge of the Valley of Jezreel to a point near Megiddo, whence it crosses the Carmel Ridge in the neighbourhood of the Megiddo road. It then runs southwards down the eastern edge of the Maritime Plain, curving west to avoid Tulkarm, until it reaches the Jerusalem-Jaffa Corridor near Lydda. South of the Corridor it continues down the edge of the Plain to a point about ten miles south of Rehovot, whence it turns west to the sea.

Haifa, Tiberias, Safad and Acre should be kept for a period under Mandatory administration. Jaffa should form an outlying part of the Arab State.

In view of possible commercial developments in the future, an enclave on the north-west coast of the Gulf of Aqaba should be retained under Mandatory administration.

As a part of the proposed Treaty System, a Commercial Convention should be concluded with a view to establishing a common tariff over the widest possible range of imported articles and to facilitating the freest possible interchange of goods between the three territories. The Treaties should also provide for free transit of goods in bond between the two States and the Mandated Area on the one hand and Haifa, Rafah and the Gulf of Aqaba on the other.

Agreements entered into by the Government of Palestine for the development and security of industries, as, for example, that with the Palestine Potash Company, should be taken over and carried out by the Governments of the Arab and Jewish States. Guarantees to that effect should be given in the Treaties. The security of the Power Station at Jisr el Majami should be similarly guaranteed.

In view of the fact that that portion of Palestine which falls within the Arab State will no longer benefit, as it does at present, from the taxable capacity of the Jewish area, and as the area of the Jewish State will be larger than the existing area of Jewish land and settlement, the Jewish State should pay a subvention to the Arab State. A Finance Commission should be appointed to advise as to its amount and as to the division of the public debt of Palestine and other financial questions.

Funds should be made available to ensure the necessary standard of administration in Trans-Jordan, and the British Parliament should be asked to make a grant of £2,000,000 for this purpose to the Arab State.

The Treaties should provide that if Arab owners of land in the Jewish State or Jewish owners in the Arab State wish to sell their land, the Government of the State concerned should be responsible for purchase

at a fair price to be fixed, if required, by the Mandatory Government. A loan for a reasonable amount should, if necessary, be guaranteed in order to enable such purchases to be financed.

An immediate inquiry should be undertaken into the possibilities of irrigation and development in Trans-Jordan, the Beersheba District and the Jordan Valley. If it becomes clear as the result of this inquiry that a substantial amount of land could be made available for the re-settlement of Arabs living in the Jewish Area by means of large scale plans of irrigation and development, strenuous efforts should be made to obtain an agreement, in the interests of both parties concerned, for an exchange of land and population. The cost of developing the areas referred to would, however, probably be more than the Arab State could be expected to bear and, in order to facilitate such an agreement, the United Kingdom Parliament should be asked to make a grant to meet this cost.

The rights of all existing Civil Servants, including rights to pensions or gratuities, should be fully honoured.

The new regime could not, of course, be introduced at once. There would necessarily be a period of transition before the new Mandate and the Treaties came into force and during this period the existing Mandate would continue to be the governing instrument of the Palestine Administration. The Commission's recommendations for this period are as follows:—

Land purchase by Jews within the Arab Area or by Arabs within the Jewish Area should be prohibited.

No Jewish immigration into the Arab Area should be permitted. The volume of Jewish immigration should be determined by the economic absorptive capacity of Palestine less the Arab Area.

Negotiations should be opened without delay to secure the amendment of Article 18 of the Mandate and thus to place the external trade of Palestine on a fairer basis.

The Advisory Council should, if possible, be enlarged by the nomination of Arab and Jewish representatives.

The municipal system should be reformed on expert advice, as recommended.

A vigorous effort should be made to increase the number of Arab schools.

The Commission point out that, while these proposals do not offer either the Arabs or the Jews all they want, they offer each party what it wants most, namely, freedom and security.

The advantages to the Arabs of Palestine may be summarized as follows:—

(i) They obtain their national independence and can co-operate on an equal footing with the Arabs of the neighbouring countries in the cause of Arab unity and progress.

(ii) They are finally delivered from the fear of being "swamped" by the Jews and from the possibility of ultimate subjection to Jewish rule.

(iii) In particular, the final limitation of the Jewish National Home within a fixed frontier and the enactment of a new Mandate for the protection of the Holy Places, solemnly guaranteed by the League of Nations, removes all anxiety lest the Holy Places should ever come under Jewish control.

(iv) As a set-off to the loss of territory which the Arabs regard as theirs, the Arab State will receive a subvention from the Jewish State. It will also, in view of the backwardness of Trans-Jordan, obtain a grant of £2,000,000 from the British Treasury; and, if an agreement can be reached as to the exchange of land and population, a further grant will be made for the conversion, as far as may prove possible, of uncultivable land in the Arab State into productive land from which the cultivators and the State alike will profit.

The advantages to the Jews are:—

(i) Partition secures the establishment of the Jewish National Home and relieves it from the possibility of its being subjected in the future to Arab rule.

(ii) Partition enables the Jews in the fullest sense to call their National Home their own; for it converts it into a Jewish State. Its citizens will be able to admit as many Jews into it as they themselves believe can be absorbed. They will attain the primary objective of Zionism—a Jewish nation, planted in Palestine, giving its nationals the same status in the world as other nations give theirs. They will cease at last to live a " minority life."

APPENDIX " B."

Official Communique No. 11/37, 7th July, 1937.

STATEMENT OF POLICY BY HIS MAJESTY'S GOVERNMENT IN THE UNITED KINGDOM—PRESENTED BY THE SECRETARY OF STATE FOR THE COLONIES TO PARLIAMENT BY COMMAND OF HIS MAJESTY, JULY, 1937.

1. His Majesty's Government in Great Britain, by the direction of His Majesty, have considered the unanimous Report of the Palestine Royal Commission. They find themselves in general agreement with the arguments and conclusions of the Commission.

2. As is fully recognised by the Commissioners in their historical survey, His Majesty's Government and their predecessors, since the obligations of the Mandate were accepted, have taken the view, which the tenor of the Mandate itself implies, that their obligations to the Arabs and the Jews respectively were not incompatible, on the assumption that in the process of time the two races would so adjust their national aspirations as to render possible the establishment of a single Commonwealth under a Unitary Government.

3. In spite of the many discouraging experiences during the past 17 years, His Majesty's Government have based their policy on this expectation and have taken every opportunity of encouraging co-operation between the Arabs and the Jews. In the light of experience and of the arguments adduced by the Commission they are driven to the conclusion that there is an irreconcilable conflict between the aspirations of the Arabs and the Jews in Palestine, that these aspirations cannot be satisfied under the terms of the present Mandate and that a scheme of partition on the general lines recommended by the Commission represents the best and most hopeful solution of the deadlock. His Majesty's Government propose to advise His Majesty accordingly.

4. His Majesty's Government therefore propose to take such steps as are necessary and appropriate, having regard to their existing Treaty Obligations under the Covenant of the League of Nations and other International Instruments, to obtain freedom to give effect to a scheme of partition to which they earnestly hope it may be possible to secure an effective measure of consent on the part of the communities concerned.

5. Pending the establishment of such a scheme, His Majesty's Government have no intention of surrendering their responsibility for peace, order and good Government throughout Palestine. They are in general agreement with the Commission's recommendations in the matter of public security. If serious disorders should again break out, of such a nature as to require military intervention, the High Commissioner will delegate the powers in respect of the whole country under the Palestine (Defence) Orders in Council, to the General Officer Commanding the Military Forces.

6. In the immediate future, while the form of a scheme of partition is being worked out, His Majesty's Government propose that, as an interim measure, steps should be taken to prohibit any land transactions which might prejudice such a scheme. Further, since the

period of the current Labour Schedule expires at the end of July, and some provision must be made for the ensuing period, they propose that a total Jewish immigration in all Categories of 8,000 persons shall be permitted for the eight months' period from August, 1937, to March, 1938, provided that the economic absorptive capacity of the country is not exceeded.

7. In supporting a solution of the Palestine problem by means of partitioning, His Majesty's Government are much impressed by the advantages which it offers both the Arabs and the Jews. The Arabs would obtain their national independence; and thus be enabled to co-operate on an equal footing with the Arabs of the neighbouring countries in the cause of Arab unity and progress. They would be finally delivered from all fear of Jewish domination, and from the anxiety which they have expressed lest their Holy Places should ever come under Jewish control. The Arab State would receive financial assistance on a substantial scale both from His Majesty's Government and from the Jewish State. On the other hand, partitioning would secure the establishment of the Jewish National Home and relieve it from any possibility of its being subjected in the future to Arab rule. It would convert the Jewish National Home into a Jewish State with full control over immigration. Its nationals would acquire a status similar to that enjoyed by nationals of other countries. The Jews would at last cease to live a "minority life," and the primary objective of Zionism would thus be attained. Under the proposed Treaties the rights of the minorities in both States would be strictly guaranteed. Above all, fears and suspicions would be replaced by a sense of confidence and security, and both peoples would obtain, in the words of the Commission, "the inestimable boon of peace."

APPENDIX "C."

Palestine (Defence) Order in Council, 1937.

REGULATIONS MADE BY THE OFFICER ADMINISTERING THE GOVERNMENT UNDER ARTICLES 6 AND 10.

In exercise of the powers vested in him by Articles 6 and 10 of the Palestine (Defence) Order in Council, 1937, the Officer Administering the Government has made the following regulations.

1. These Regulations may be cited as the Defence (Amendment) No. 6 Regulations, 1937.

2. In the Regulations the term "Principal regulations" shall mean the Emergency Regulations, 1936.

3. Regulation 15 of the principal regulations is hereby amended by the addition thereto of the following:—

> "The deportation order made under this Regulation may order that the person with respect to whom the deportation order is made shall be detained in such part of His Majesty's possessions as the High Commissioner, with the consent of the Governor or the Officer Administering the Government of that possession may direct."

4. These regulations shall come into operation on the 30th day of September, 1937.

By His Excellency's Command,

S. MOODY,

Acting Chief Secretary.

30th September, 1937.

Palestine (Defence) Order in Council, 1937.

REGULATIONS MADE BY THE OFFICER ADMINISTERING THE GOVERNMENT UNDER ARTICLES 6 AND 10.

In exercise of the powers vested in him by Articles 6 and 10 of the Palestine (Defence) Order in Council, 1937, the Officer Administering the Government has made the following regulations.

1. These regulations may be cited as the Defence (Amendment) No. 7 Regulations, 1937.

2. In these regulations the term " principal regulations " shall mean the Emergency Regulations, 1937.

3. The principal Regulations shall be amended by the insertion after Regulation 14A thereof of the following regulations:—

" 14B. The High Commissioner may by notification in the Gazette declare any association or body of persons to be an unlawful association.

An association or body of persons in respect of which such declaration has been made shall be an unlawful association for the purpose of these Regulations.

14C. Any person who is a member of an unlawful association or who occupies or acts in any office of or position in or under an unlawful association or who by writing, words, signs, or representation directly or indirectly whether by inference, suggestion, implication or otherwise acts on behalf of or as a representative of an unlawful association shall be guilty of an offence against these Regulations.

14D. Any person who prints, publishes, sells or exposes for sale or transmits through the post any book, periodical, pamphlet, handbill, poster, newspaper or any other document which contains or purports to contain any record of proceedings of an unlawful association or which is issued on behalf of in the interests of or issued by an unlawful association shall be guilty of an offence against these regulations."

4. These regulations shall come into operation on the 30th day of September, 1937.

By His Excellency's Command,

S. MOODY,

Acting Chief Secretary.

30th September, 1937.

Palestine (Defence) Order in Council, 1937.

REGULATIONS MADE BY THE OFFICER ADMINISTERING THE GOVERNMENT UNDER ARTICLES 6 AND 10.

In exercise of the Powers vested in him by Articles 6 and 10 of the Palestine (Defence) Order in Council, 1937, the Officer Administering the Government has made the following regulations.

1. These regulations may be cited as the Defence (Supreme Moslem Council) Regulations, 1937.

2. Notwithstanding anything to the contrary in the Supreme Moslem Sharia Council Regulations dated the 20th day of December, 1921, Mohamed Haj Amin Effendi el Husseini shall as and from the date of these

regulations cease to be President of the Supreme Moslem Sharia Council and he shall thereafter be ineligible for appointment to the office of President of the Supreme Moslem Sharia Council.

3. Notwithstanding anything to the contrary in the Supreme Moslem Sharia Council Regulation dated the 20th day of December, 1921, the Mufti of Jerusalem shall as and from the date of these Regulations cease to be a member of the General Wakf Committee and to act as Chairman thereof.

4. The Supreme Moslem Sharia Council Regulation dated the 20th day of December, 1921, is hereby amended accordingly.

5. These regulations shall come into operation on the 30th day of September, 1937.

By His Excellency's Command,

S. MOODY,

30th September, 1937. Acting Chief Secretary.

NOTICE.

In exercise of the powers vested in him by Regulation 14B of the Defence (Amendment) No. 7 Regulation, 1937, the Officer Administering the Government hereby notifies that he has declared the associations or bodies of persons commonly known as the Arab Higher Committee and the Arab National Committees which are established locally throughout Palestine and any branch, centre, committee, group or faction of the said associations or bodies of persons to be an unlawful association.

APPENDIX " D."

Palestine (Defence) Order in Council, 1937.

REGULATIONS MADE BY THE OFFICER ADMINISTERING THE GOVERNMENT UNDER ARTICLES 6 AND 10.

1. These Regulations may be cited as the Defence (Moslem Awkaf) Regulations, 1937, and shall be read as one with the Emergency Regulations, 1936.

2. Notwithstanding anything to the contrary in the Supreme Moslem Sharia Council Regulation dated the 20th day of December, 1921, or any other law, the High Commissioner may by notice in the Gazette appoint a commission to be composed of a chairman and two members to control and manage the Moslem Awkaf. If the chairman shall be incapable of so acting at any time for any cause whatsoever, the High Commissioner may appoint any other member of the commission or any other person as acting chairman during the incapacity of the chairman. The High Commissioner may appoint persons to act as members during casual vacancies caused by illness or absence. The commission shall be deemed to be competent to conduct business if at any meeting one member in addition to the chairman or acting chairman is present. In case of an equality of votes the chairman shall have a casting vote.

3. From the date of such notice the Supreme Moslem Sharia Council and the General Awkaf Committee shall cease to control, manage or intervene in Awkaf affairs except as the commission may direct or to exercise any of the powers vested in them by the above mentioned Regulation or any other law for the purpose of controlling or managing Moslem Awkaf.

4. As and from the date of such notice all funds, cash, securities and deposits appertaining to or deposited on behalf of or vested in the Supreme Moslem Council or the General Awkaf Committee on behalf of Moslem Awkaf shall be transferred to and vested in the commission.

5. The commission shall have all or any of the powers vested in the Supreme Moslem Sharia Council and the General Wakf Committee by the Supreme Moslem Sharia Council Regulation dated the 20th day of December, 1921, and the Supreme Moslem Sharia Council Ordinance, 1926, for the purpose of controlling and managing the Moslem Awkaf funds, cash, securities and deposits aforesaid. In particular they shall have the power:—

(*a*) To require all persons indebted to the Awkaf to pay the amount of such debt to the commission or to such person as may be authorised in writing by the commission to receive it.

(*b*) To give receipts or discharges in respect of all sums receivable or payable by the Awkaf.

(*c*) To inspect either themselves or by a person nominated by them all documents of title books or other financial records or documents of any description dealing with Moslem Awkaf affairs and to require the production of such books or documents and all such explanations or any information from persons in charge thereof as they may deem necessary for the discharge of their powers and duties and for this purpose they may enter if need be by force any premises or place where they have reason to believe such records books or documents may be kept.

6. The commission may appoint such persons as they deem fit to advise them in the discharge of their powers duties under these Regulations.

7. All Awkaf accounts administered by the commission shall be subject to audit by an auditor to be nominated by the High Commissioner.

8.—(i) If any person contravenes or abets the contravention of or otherwise fails to comply with any of the provisions of these Regulations or any order, rule or direction made or given thereunder or is guilty of any offence against these Regulations, notwithstanding anything contained therein he may be tried under the provisions of the Magistrates' Courts Jurisdiction Ordinance, 1935, and if convicted shall be liable to imprisonment for a term not exceeding six months or a fine not exceeding one hundred pounds or both such imprisonment and fine, and notwithstanding anything contained in the Trial Upon Information Ordinance, 1924-1935, any such person may be tried upon information, and when so tried shall upon conviction be liable to a penalty of three years imprisonment or a fine of two hundred pounds or both.

(ii) Where the person guilty of any such offence is a corporation, company or society, any director, officer or trustee, or other person concerned with the management thereof, shall be guilty of the like offence unless he proves that the offence was committed without his knowledge or consent.

9. The Supreme Moslem Sharia Council Regulation dated the 20th day of December, 1921, and the Supreme Moslem Sharia Council Ordinance, 1926, are hereby amended accordingly.

By His Excellency's Command,

S. Moody,

Acting Chief Secretary.

16th October, 1937.

APPENDIX "E."

Supplement No. 2 to the Palestine Gazette Extraordinary No. 737 of 11th November, 1937.

Palestine (Defence) Order in Council, 1937.

REGULATIONS MADE BY THE OFFICER ADMINISTERING THE GOVERNMENT UNDER ARTICLES 6 AND 10.

In virtue of the powers vested in the High Commissioner by Articles 6 and 10 of the Palestine (Defence) Order in Council, 1937, the Officer Administering the Government has made the following regulations:—

1. These regulations may be cited as the Defence (Military Courts) Regulations, 1937, and shall be read as one with the Emergency Regulations, 1936.

2. There shall be courts in Palestine which shall be called Military Courts and shall under and subject to the terms of these regulations constitute Military Courts.

3. A Military Court shall consist of a President who shall be an officer of or above the rank of Field Officer, and two other officers. The President and the other officers shall be appointed by warrant under the hand of the General Officer Commanding.

4. No person shall be found guilty by a Military Court on any charge except by the unanimous verdict of the members.

5. A Military Court shall sit in such place or places within Palestine as the President of the Court may think fit.

6. Trials in a Military Court shall be conducted summarily. The Court shall have jurisdiction throughout Palestine to try and determine all offences committed after the coming into operation of these regulations which are specified in the Defence Regulations as triable by a Military Court and to impose any penalty that may be prescribed.

7.—(1) No sentence passed by a Military Court shall be carried out until it has been confirmed by the General Officer Commanding.

(2) Pending confirmation of such sentence the Court shall order the person sentenced to be detained in custody and such period of detention shall, if the sentence is confirmed and was one of imprisonment, be reckoned as part of the sentence of imprisonment passed as aforesaid.

8. In case of conviction by a Military Court the General Officer Commanding shall have power to:—

(*a*) confirm the conviction and sentence, or

(*b*) reverse the finding and acquit or discharge the accused, or

(*c*) alter the finding, maintaining the sentence, or, with or without altering the finding, reduce the sentence, or

(*d*) with or without such reduction, alter the nature of the sentence.

9. Save as provided in regulation 8 hereof there shall be no appeal from a finding or sentence of a Military Court.

EXECUTION OF SENTENCES.

CAPITAL SENTENCES.

10. Every sentence of death shall direct that the person condemned shall be hanged by the neck until he is dead.

11. A certificate under the hand of the President of the Court that such sentence has been passed and naming the person condemned shall be sufficient authority to any Superintendent of a Prison in Palestine for the detention of such person.

12. The General Officer Commanding, after considering the report provided for in paragraph 16 of the Schedule hereto, shall communicate to the said President or the successor in office of such President, a copy under his hand or any order he may make thereunder and the President or his successor in office shall cause an entry of the effect thereof to be entered on the record of the Court.

13. A copy of the General Officer Commanding's order under his hand which shall also be signed by the President of the Court or his successor in office shall be sent to the Superintendent of the Prison in which the person sentenced is detained and the Superintendent of the Prison shall act in accordance therewith.

14. The said copy of the General Officer Commanding's order under his hand and also signed by the President of the Court or his successor in office shall be sufficient authority in law to all persons to carry into effect in accordance with the terms thereof the sentence and directions prescribed and given therein.

SENTENCES OTHER THAN CAPITAL.

15. A warrant under the hand of the President of the Court by which any person shall have been sentenced ordering that the sentence shall be carried out in any prison in Palestine, shall be full authority to the Superintendent of such prison and to all other persons for carrying into effect the sentence described in such warrant, not being a sentence of death.

16. Military Courts shall conform as nearly as may be with the procedure and practice set out in the schedule hereto, and the provisions of such schedule shall have the same force and effect for all purposes as if they were contained in these regulations.

17. In these regulations, except where the context otherwise requires:—

"The Forces" shall mean His Majesty's Naval, Military and Air Forces, the Trans-Jordan Frontier Force and the Palestine Police Force, or any part of those Forces;

"General Officer Commanding" shall mean the General Officer Commanding the Forces in Palestine.

18. These regulations shall commence and come into operation on the 18th day of November, 1937.

SCHEDULE.

1. Any member of the Forces may arrest any person whom he reasonably suspects of having committed any offence triable by a Military Court. Any commissioned officer of the Forces, any police officer in charge of a police station or any Magistrate may issue a warrant for the arrest of any person whom he has reason to believe has committed such an offence. Such warrant may be executed by the apprehension in Palestine by any member of the Forces or by any private individual of the person named in the warrant and his detention in custody until he can be produced before a Military Court.

2. Any member of the Forces and, with the permission of the Court, any public officer may institute and prosecute proceedings before a Military Court.

3. The room or place where any Military Court sits shall so far as is convenient be open to the public.

4. When the accused appears before a Military Court for trial the substance of the charge against the accused shall be reduced to writing and shall be stated to him in a language that he understands and he shall be asked if he admits or denies the truth thereof.

5. There shall be a separate charge for each distinct offence alleged to have been committed by the accused, but any number of such charges may be made at the same time and may be tried together or separately as the Court shall at any time decide. But the accused shall make a separate and distinct plea to each charge.

6. Any number of accused persons alleged to be guilty of similar offences or of offences arising out of the same transaction or series of transactions may be charged and tried together or separately as the Court shall at any time decide.

7. Where at any stage of the proceedings a Court decides that separate trials shall be held under the preceding rules hereof, such trials may each proceed from the point on the joint proceedings where the Court ordered separate trials.

8. At any stage of the proceedings the Court may at the request of the Prosecution or the accused or of its own motion alter the charge and having called upon the accused to plead to the altered charge may proceed with the hearing thereof as if the evidence already taken had been taken on the hearing of such charge, provided that it shall, on the request of the accused or the Prosecution, recall any witness who has already given evidence.

9. If the accused admits the truth of the charge, the Court may proceed to hear the evidence of all or any of the prosecution witnesses or may proceed forthwith to convict the accused of the offence and pass sentence upon him according to law.

If the accused does not admit the truth of the charge or the Court refuses to accept a plea of guilty, the Court shall proceed to hear the prosecutor and his witnesses and other evidence (if any). The accused may put questions to each witness produced against him and thereafter the prosecutor may re-examine such witness.

If the accused does not employ an advocate the Court shall, at the close of the examination of each witness for the Prosecution, ask the accused whether he wishes to put any questions to that witness and shall cause his answer to be recorded.

10. At the close of the evidence in support of the charge, if it appears to the Court that the case is made out against the accused sufficiently to require him to make a defence, the Court shall ask him if he wishes to say anything in answer to the charge, or wishes to give evidence or has any witness to examine or other evidence to adduce in his defence, and the Court shall then hear the accused and his witnesses and other evidence (if any).

If the accused states that he has witnesses to call but that they are not present, the Court may in its discretion adjourn the trial and if it so deems fit take the steps hereinafter mentioned to secure the attendance of such witnesses.

11. The evidence of any witness produced before a Court shall be taken on oath or affirmation:

Provided that the Court may, for any reason which seems to it to be sufficient and which reason shall be recorded, receive the unsworn or unaffirmed evidence of any witness.

12. The rules of evidence applied by the Court shall be those followed in Courts of Law in England unless the Court shall in any particular instance and for any reason which seems to it to be sufficient and which shall be recorded, permit such rules to be relaxed.

13. The President of the Court shall record or cause to be recorded a summary of the evidence and any submission made by the accused.

14. Variance between the charge and the evidence adduced in support of it with respect to the time or place at which the alleged offence was committed is not material. But if any variance between the charge and the evidence appears to the Court to be such that the accused has been thereby deceived or misled, the Court may adjourn the hearing and allow any witness to be recalled, and such questions to be put to him as by reason of the terms of the charge may have been omitted.

The Court may at any time amend the charge on such terms as may be just.

15. At the conclusion of the evidence the accused or his advocate may address the Court and thereafter the Prosecution may reply.

16. The Court, at the conclusion of the case and after such deliberation as to it shall seem proper, shall convict or acquit the accused as the case may be on each of the charges preferred against him and if he is convicted on any charge shall pass sentence against him according to law. The decision of the Court and the sentence (if any) shall be reduced to writing and signed by the President of the Court. The Court shall as soon as possible after passing sentence, send to the General Officer Commanding a report upon the case, together with all documents, minutes and notes of evidence taken in the case.

17. The Court may convict the accused of an offence other than that charged, provided that the offence of which he is convicted is not of a character entirely dissimilar to that contained in the charge.

18. The Court may at any stage of the proceedings adjourn the same to any time or place which to it may seem fit and may make such provision for the appearance of the accused at such time or place, either by his detention in the meantime or otherwise as to it may seem fit.

19. If it is made to appear that material evidence can be given by or is in the possession of any person who will not voluntarily attend to give it or will not voluntarily produce the same, it shall be lawful for any commissioned officer of the Forces or any police officer in charge of a police station to issue a summons to such person requiring his attendance before a Military Court or requiring him to bring and produce to such Court for the purpose of evidence all things in his possession or power which may be specified or otherwise sufficiently described in the summons:

Provided that if such officer has reason to believe that the person will not attend on a summons, such officer may issue a warrant for his arrest.

20. When a witness is arrested under a warrant the Court may on the furnishing of satisfactory security for the appearance of such witness at the trial release him from custody.

21. Any person summoned to attend before a Military Court who without reasonable excuse fails to attend as required by the summons, or who, having attended departs without having obtained the permission of the Court or fails to attend after adjournment of the Court and after being ordered to attend, or any person who being present in Court refuses to obey any lawful direction of the Court may be immediately sentenced by such Court to imprisonment for a term not exceeding two years.

Nothing herein contained shall affect the liability of any such person to any other punishment or proceeding for such neglect or refusal.

By His Excellency's Command,

S. Moody,

Acting Chief Secretary.

11th November, 1937.

I.—JEWISH NATIONAL HOME.

The affairs of the Jewish community during 1937 continued to be largely dominated by the state of insecurity and by the uncertainty which existed in regard to the political future of Palestine. These matters are dealt with elsewhere in this Report.

2. There were signs in the early part of the year of a slight improvement in the economic situation but the improvement was not maintained, and in the latter part of the year there was a general slackening of commercial, industrial and building activity throughout the country, while the number of Jewish unemployed increased considerably and was estimated at the end of December at about 12,000 (combining whole and part time employment).

3. During 1937, 10,536 Jews were registered as immigrants, of whom 1,869 were working men and women (with 1,282 dependants), 2,439 including dependants were of the capitalist category (persons with £P.1,000 and upwards) and 3,784 were dependants of residents of Palestine. The Jewish population at the end of 1937 was estimated to be approximately 396,000, equivalent to about 30 per cent. of the settled population of the country.

4. During the year, 29,367 dunums of land were purchased by Jews from non-Jews at a total cost of £P.392,916, as compared with 18,146 dunums at a cost of £P.158,826 in 1936 and 72,903 dunums at a cost of £P.1,609,121 in 1935. Of this total, 13,507 dunums were purchased by the Jewish National Fund, which increased the land in its ownership up to 385,000 dunums or about 30 per cent. of the total area in Jewish ownership.

5. The following grants-in-aid were made by the Palestine Government towards the expenditure of the Jewish community upon various services of a public character during the financial year 1937-8:—

	£P.
Education:	
Grant-in-aid to the schools of the General Council (Vaad Leumi) (recurrent services) ...	44,747
Capital grant in respect of capital expenditure on new schools (non-recurrent services) ...	20,012
Capital grant towards the construction of a trade school by the Mizrahi organization ...	2,000
Health:	
Contribution to Jewish health services—	
(*a*) Tuberculosis hospital, Safad	1,700
(*b*) School hygiene	2,041
(*c*) Infant welfare work	1,771
(*d*) Tel-Aviv hospital (recurrent service) ...	6,841
Grant to Hebrew University for anti-malarial research	180
Grant to Kupat Holim for extension of Emek Hospital	550

Agriculture and Forests:	£P.
Grant for citrus research by the experimental station of the Jewish Agency	3,000
Grant to Jewish Agency experiments on fruit growing at Hillside Station, Kiryat Anavim	300
Grant to Jewish Agency for intensive farming experiments	300
Grant to Jewish Agency for research	2,950
Grant to Hebrew University for field mice investigations	200
Grant to Hebrew University for spirochaetosis research	180

6. New Local Councils were established in the Jewish settlements of Beit Wegan, Hertsliya, Raanana, Kfar Saba and Bnei Braq.

Petah Tiqva, which increased in size considerably during the years 1934-6, and the population of which is now about 18,000, was declared a Municipal Corporation in March, 1937, and thus became the second all-Jewish Municipality.

7. Four additional Jewish District Officers were appointed by Government during 1937 to the District Administration in the Haifa and Samaria and the Galilee and Acre Districts to serve the needs of Jewish settlements.

8. Considerable progress was made in the development of the Lighter Harbour at Tel-Aviv, which was started in 1936 with the permission of Government following the closure of the Jaffa roadstead through the Arab strike. The landing of all classes of merchandise has been authorized in stages during the year and at the close of the year the landing of passengers and immigrants had been agreed to in principle by Government, subject to the provision of proper accommodation and to compliance with certain requirements in the interest of the safety of passengers.

The Lighter Harbour now comprises three transit sheds, an export shed, a large dump, a lighter basin of four acres of water surface which holds 80 lighters, and a quay 240 yards long, equipped with five small cranes and one large movable crane, which is estimated to be capable of handling about 1,500 tons of import and export cargoes daily. It is estimated that about one million cases of citrus fruit will be exported through Tel-Aviv during the 1937-8 season. The Marine Trust, Limited, which is responsible for the lighter port has increased its share capital to £P.250,000, of which £P.175,000 has been paid up.

9. Seventeen new agricultural settlements located in the Beisan sub-district, the Jordan Valley and the Maritime Plain were established by the Jewish Agency in 1937 on Jewish National Fund lands. These settlements cover an area of 35,000 dunums, of which 20,000 dunums were placed under cultivation

during the year. The new settlements are planned to accommodate 1,200 families and at present contain a population of about 1,340 persons.

10. During the year October, 1936—September, 1937, the Jewish Agency expended on colonization and agricultural research a sum of £P.127,000 allocated as follows:—

	£P.
Agricultural Research Institute	23,600
Amelioration Works, Huleh	4,000
Colonization (Including new settlements (£P. 28,000) and completion of equipment of old settlements (£P. 59,000))...	99,000

11. The budget of the General Council (Vaad Leumi) of the Jewish Community of Palestine for the year ended 30th September, 1937, provided for an estimated revenue of £P.166,158, and an estimated expenditure of £P.164,529, the principal heads of expenditure being Education £P.131,612, Health £P.8,447, Social Service £P.15,997 and Administration £P.8,472. At the request of the General Council (Vaad Leumi) the High Commissioner approved Rules made by the Council under Rule 12 of the Jewish Community Rules providing penalties for offences in elections to the Elected Assembly.

12. The number of Jewish children attending schools increased during the year ending the 30th September, 1937, from 61,173 to 68,182. Seventy per cent. of the Jewish pupils attended Vaad Leumi schools: the remaining 30 per cent. attended public and private schools outside the Vaad Leumi school system. The attendance at the schools and educational institutions of the Vaad Leumi was as follows:

Kindergartens	7,600
Elementary Schools	34,471
Secondary Schools	4,583
Teachers' Training Colleges	660
Technical Schools, Agricultural Colleges, etc. ...	497

The total budget of the Vaad Leumi for education was £P.385,306 which was derived from the following sources:—

	£P.
The Jewish Community	312,033
Government grant	42,880
Jewish Agency	20,000
P.I.C.A.	4,425
Other bodies	5,968
Total ...	£P.385,306

13. Further developments took place in the Hebrew University of Jerusalem, of which the aggregate expenditure for the financial year amounted to about £P.107,000.

At the end of the academic year, 1936-7, the staff of the University comprised 112 members, including 30 professors and 26 lecturers. The number of students enrolled was 779 (of whom one-third were women), as against 620 in the preceding year. 731 were undergraduates, of whom 517 were in the Faculty of Humanities and 214 in the Faculty of Science, and 48 were research students. Two students in the Faculty of Humanities graduated with the degree of M.A. and 14 with the degree of M.Sc. in the Faculty of Science. In the Faculty of Humanities, a provisional post for the teaching of the History of Halacha (Jewish Law) was established; a lecturer was appointed to the vacant position of lecturer in Arabic Language and Literature and a teacher in Arabic was appointed; new professorships were established in Social Philosophy and Principles of Education; elementary instruction in the English language was introduced and special courses were given in educational psychology and in the Sociology and Economics of the Modern Near East.

In the Faculty of Science posts were established for Assistants in Geometry and in the Physiology of Plants. Further progress was made in the equipment of the Institute of Physics and instruction in Chemistry was extended to include a beginners' course.

Considerable progress was made in the construction of the Medical School Buildings, the University Hospital and Nurses Training School on Mount Scopus, which will constitute the University Medical Centre. It is hoped to open the Centre in October, 1938.

The University received a large bequest from South Africa for the establishment of a Museum of Jewish Antiquities.

14. Further assistance was given to local industries which are entirely or largely in the hands of Jewish manufacturers, by the grant of exemption from import duty on raw materials, by the increase of import duties for protective purposes on manufactured articles, and by the grant of drawbacks in respect of certain products exported from Palestine.

These included protective duties on perfumery, poultry, beer (of Syrian and Lebanese origin), eggs, canned peas, metal fittings for wooden roller shutters, and artificial silk goods.

The raw materials exempted from import duty included: palladium, calcium stearate, zambils, wooden hoops for citrus cases, raw rubber and rubber latex, palm leaf baskets and crates, Palmyra fibre, citric acid, bare and tinned copper wire, rubber wells and nibs for fountain pens.

Drawback was granted in respect of rough, raw or uncleaned rice used in the manufacture of rice and cleaned rice products exported from Palestine, and in respect of imported prepared

wood or wood prepared in Palestine from imported boards or planks used in the manufacture of citrus cases exported from Palestine.

The new Jewish undertakings established during 1937 included factories for the manufacture of celluloid toys, buttons, varnishes, citrus by-products, aluminium ware and flour.

II.—AUTONOMOUS ADMINISTRATION.

The collection of arrears of taxation and the maintenance and provision of public services has been energetically pursued throughout the year under review by the Municipal and Local Councils.

The collection of municipal rates and taxes was as good as the prevailing economic circumstances could permit.

2. The following Municipal By-laws were issued by the different Municipal Corporations during the year:—

Licensing of Bicycles and Tricycles	(Tel-Aviv)
Closing of Shops	(Tel-Aviv)
Protection of Plants	(Tel-Aviv)
Licensing and Control of Dogs	(Tel-Aviv)
Slaughter House Fees	(Petah Tiqva)
Traffic Control	(Petah Tiqva)
General By-laws	(Majdal)
Water rate	(Majdal)
Licensing and Control of Dogs	(Beersheba)
Licensing and Control of Dogs	(Gaza)
Sidewalks	(Gaza)
General By-laws	(Khan Yunis)
Licensing and Control of Dogs	(Ramleh)
Licensing and Control of Dogs	(Lydda)
Licensing and Control of Dogs	(Acre)
Tariff charges for public motor vehicles ...	(Haifa)
Advertisement	(Haifa)
Street name plate	(Haifa)
Advertisement	(Jerusalem)
Construction of Streets	(Jerusalem)
Insanitary Nuisances	(Jerusalem)
Slaughter House	(Jerusalem)

The following By-laws were issued by Local Councils:—

Slaughter House Fees	(Ramat Gan)
Licensing of Bicycles and Tricycles	(Hertsliya)
Closing of shops	(Hertsliya)
Entertainment fees	(Ramat Gan)

3. The Local Council of Petah Tiqva was raised to the rank of Municipal Corporation. The President of the Local Council was appointed Mayor and the members were authorized by

Government to remain in office until the election of a new Municipal Council in accordance with the provisions of the Municipal Corporations Ordinance.

4. During the month of December the High Commissioner, in exercise of the powers vested in him by section 61 of the Municipal Corporations Ordinance, nominated a council to replace the Commission appointed for the Municipal Council of Khan Yunis during the 1936 disturbances.

5. Presidents and councillors were appointed during the year for the Local Councils which were established during 1936 at Beit Vegan, Kfar Saba, Raanana, and Hertsliya.

6. Local Councils were established during the year for Bnei Beraq, Anebta village, and for Tubas Area (Nablus Sub-District) with jurisdiction over the lands of Tubas, Tammun, Aqraba and Tayassir villages.

7. During the year the Municipal Council of Haifa completed and inaugurated a new slaughter house and also constructed asphalted roads and new sewers.

8. Electricity was introduced into Beisan, and the Local Council of Affuleh constructed a parking place. The construction of a school in that town is proceeding.

9. At the end of the year a number of applications for the establishment of Local Councils was under consideration by Government.

10. In the municipal area of Jerusalem extensive construction of sidewalks and planting of trees was carried out. A much needed Municipal Fire Brigade was organized and equipped during the year.

11. In Hebron an up-to-date slaughter house is in the course of construction. In Ramallah, municipal offices have been constructed and a vegetable market is nearing completion. The Municipalities of Hebron, Ramallah, Bethlehem and Beit Jala have been declared Town Planning Areas and outline and detailed Town Planning Schemes for the future development of these towns are in course of preparation.

12. In the Introductory section of this report (Policy) mention is made of the deportation of the Arab Mayor of Jerusalem with other members of the Arab Higher Committee on the 1st October. As a result, the Jewish Deputy Mayor, Mr. Daniel Auster, was appointed by the High Commissioner to perform the duties assigned to the Mayor.

13. At Hebron the Municipal Commission which was appointed in 1936 continued in office throughout the year 1937. In Ramallah, owing to the death of the Mayor which occurred

during the year, it was found necessary to appoint a Commission to administer municipal affairs. This Commission was still in office at the end of the year.

14. Municipal Corporations have in general displayed a fair sense of financial responsibility and the marked improvement which has been observed in the working of municipalities since the enactment of the Municipal Corporations Ordinance, 1934, still continues.

III.—JEWISH AGENCY.

The representations of the Jewish Agency in regard to Government proposals for legislation concerned the Immigration (Amendment) Bill, 1937, the Banking (Amendment and Further Provisions) Bill, 1937, the Rent Restrictions Ordinance, 1937, the Huleh Concession (Boundaries) Bill, 1937, and the Rates and Taxes (Exemption) Bill, 1937.

The Immigration (Amendment) Bill, 1937, was designed, *inter alia,* to give effect to paragraph 6 of the Statement of Policy issued in July, 1937, by His Majesty's Government (see Introductory Chapter, "Policy", Appendix B), in which it was intimated that a total Jewish immigration in all categories of 8,000 would be permitted for the eight months' period from August, 1937, to March, 1938, provided that the economic absorptive capacity of the country was not thereby exceeded. For this purpose the Bill provided that the High Commissioner should have powers to prescribe a maximum aggregate number of foreigners to be admitted to Palestine during any specified period, to fix the maximum number of persons to be admitted in any category and to provide what proportion of these persons might be persons of the Jewish race.

The Bill also provided greater discretion to the Director of Immigration in deciding applications for the admission of dependants other than wives and children; introduced heavier penalties for aiding and abetting illegal immigration; placed on persons charged with being illegally in Palestine the onus of proving the contrary; vested in the Director of Immigration instead of in the High Commissioner the power to decide whether persons were unsuitable for admission to Palestine; and defined more clearly the power of the High Commissioner to prescribe fees.

The Bill was strongly criticized by the Jewish Agency chiefly on the following grounds: (i) the imposition of an overriding maximum was contrary to the economic absorptive capacity principle; (ii) if the purpose of the Bill was to impose a limit of 8,000 for the period of eight months from the 1st August, 1938, the temporary character of this provision should be definitely embodied in the Bill; (iii) a special limitation for immigrants of

Jewish race lay Government open to the charge of discrimination between Jews and non-Jews and might be used as a justification for the policy of racial discrimination against Jews in other countries.

As a result of these representations the relevant clause was amended by the deletion of the provision to provide power for the High Commissioner to fix the number of "persons of Jewish race" and a proviso was added to the effect that the clause would expire on the 31st March or on such later date as the High Commissioner in Council might determine with the approval of the Secretary of State.

The changes contained in other clauses of the Bill on which the Jewish Agency submitted representations had been for the most part included in the Immigration (Amendment) Bill, 1936, the promulgation of which had been deferred pending the recommendations of the Royal Commission in regard to the manner in which immigration into Palestine should be regulated in the future (see page 67 of the Report for 1936). After careful consideration of the Jewish Agency's representations and having regard to the Royal Commission's recommendations these proposals were enacted as proposed in the draft legislation.

The provisions of the Rent Restrictions Ordinance, 1937, were made applicable to Tel-Aviv on the request of the Jewish Agency and the Municipal Council of Tel-Aviv.

The representations of the Jewish Agency in regard to the Banking (Amendment and Further Provisions) Bill, 1937, were principally directed to the stipulation in the Bill that the minimum capital of a bank should be £P.25,000 and they urged that this figure should be reduced to £P.5,000. After careful consideration Government reached the conclusion that the provision was essential to improve banking methods in the country and to safeguard the interests of depositors, as the small so-called banks were carrying on business under conditions foreign to proper banking methods and there was a serious risk of failure among these institutions which might lead to a banking crisis.

Representations of the Agency in regard to the Rates and Taxes (Exemption) Bill, 1937, and the Huleh Concession (Boundaries) Bill, 1937, were still under consideration by Government at the end of the year.

2. In view of the anticipated publication of the report of the Royal Commission, an immigration schedule was authorized for the period April to July, inclusive, instead of the usual six-monthly period ending the 30th September. After considering the representations of the Jewish Agency the High Commissioner on the 10th May authorized a labour immigration schedule for the four months of 770.

No labour schedule was in force during the months of August and September and for the period October, 1937—March, 1938, a labour schedule of 1,780 was authorized on the 9th November after consideration of the Jewish Agency's application.

3. The General Council (Vaad Leumi) of the Jewish Community made representations to Government in regard to the grant of a loan for the erection of school buildings and in regard to the payment of arrears of their share of the grant for the construction of school buildings from Loan Funds. These requests were under consideration by Government at the end of the year.

4. The Jewish Agency submitted applications for the exemption from import duty of certain raw materials and for the imposition of protective tariffs on a number of commodities, which are being manufactured in Palestine. A representative of the Jewish Agency served on a special sub-committee set up by Government for the purpose of considering modifications in the Syria-Palestine Customs Agreement.

5. Representations were also made by the Jewish Agency in regard to the employment of Jews in public works and in the railway and port services. The share of Jewish labour in public works during the year amounted to 23 per cent. of the total wages bill of the Public Works Department. Amongst other public works, Government entrusted to Jewish labour the completion of the Haifa-Jaffa road, the road from Raanana to Miske in the Southern District, the Police Station at Tel-Aviv, the Police Married Quarters at Tel-Aviv and the Government Hospital, Haifa.

6. The arrangements made to allot a section of Government porterage work in Haifa port to Jewish labour at contractors' rates (see page 68 of the Annual Report for 1936) have worked satisfactorily. The Jewish porters have augmented their equipment of mechanical appliances and there has been a marked improvement in their manual and physical dexterity. The proportion of porterage work performed by the Jews was one-fifth and the average number of Jewish porters engaged daily throughout the period of six months ending the 30th November was 77.

7. The Jewish Agency continued to co-operate with the authorities concerned in all matters relating to the defence and security of Jewish settlements. Government authorized the enrolment by instalments during the year of a large force of Jewish supernumerary police and special constables for the protection of Jewish settlements, in the recruitment of which the Jewish Agency co-operated.

IV.—IMMIGRATION AND EMIGRATION.

1. The numbers of persons in the several classes recorded as having entered or left Palestine during 1937 and distributed by "racial" or "national" declarations are as follows:—

Arrivals.	*Total.*	*Jews.*	*Arabs.*	*Others.*
(*a*) Residents returning after a period exceeding one year	1,855	976	707	172
(*b*) Residents returning after a period not exceeding one year	103,784	30,177	64,740	8,867
(*c*) Immigrants	10,832	9,855	579	398
(*d*) Exempted persons ...	531	—	2	529
(*e*) Temporary visitors... ...	82,653	13,702	42,465	26,486
(*f*) Transit travellers	16,615	1,377	3,518	11,720
Total	216,270	56,087	112,011	48,172
Departures.				
(*a*) Residents departing for a period exceeding one year	1,528	889	341	298
(*b*) Residents departing for a period not exceeding one year	112,332	35,827	66,737	9,768
(*c*) Temporary visitors... ...	80,958	13,437	41,539	25,982
(*d*) Transit travellers	16,215	1,470	3,252	11,493
Total	211,033	51,623	111,869	47,541
Net increase of population due to recorded migration ...	5,237	4,464	142	631

2. The numbers of persons recorded as having entered Palestine during 1937 and arriving by the several means of transport are as follows:—

	Sea.	*Land.*	*Air.*
Total arrivals	46,961	167,397	1,912
Temporary visitors	14,858	66,677	1,118
Immigrants	9,969	1,388	6
Residents returning after a period exceeding one year	1,307	543	5
Residents returning after a period not exceeding one year	17,882	85,341	561
Transit travellers	2,945	13,448	222

The numbers of persons recorded as having departed from Palestine during 1937 and leaving by the several means of transport are as follows:—

	Sea.	*Land.*	*Air.*
Total departures	41,566	167,238	2,229
Temporary visitors	13,925	65,790	1,243
Residents departing for a period exceeding one year	1,376	145	7
Residents departing for a period not exceeding one year	23,166	88,404	762
Transit travellers	3,099	12,899	217

3. Of the persons who entered Palestine in 1937 as travellers, 1,112 were registered as immigrants. Of these, 681 were Jews and 431 were non-Jews.

Including exempted persons, the total number of immigrants during the year was thus 12,475, of whom 10,536 were Jews and 1,939 were non-Jews.

4. The recorded volume of Jewish immigration and emigration in 1937 and previous years is as follows:—

Year.	*Jewish persons registered as immigrants.*	*Jewish persons recorded as leaving permanently.*
1920–1924	42,784*	5,476†
1925–1929	57,022	18,501
1930–1934	91,258	2,345†
1935	61,854	396
1936	29,727	773
1937	10,536	889
Total	293,181*	28,380†

* The records begin in September, 1920.

† No figures are available for Jewish emigration in 1920, 1921, 1932, 1933 and 1934. The census taken in 1931 revealed that the actual number of Jewish emigrants was larger than that revealed in the migration records.

5. The countries of previous residence of immigrants registered in 1937 (i.e., of persons arriving as immigrants, or arriving as travellers and subsequently registered as immigrants) were as follows:—

Country of previous residence.	*Total.*	*Jews.*	*Arabs.*	*Others.*
Total immigrants registered	12,475	10,536	743	1,196
Total Europe	10,211	9,326	37	848
Austria	225	214	—	11
Belgium	75	75	—	—
Bulgaria	40	38	—	2
Czechoslovakia	234	220	—	14
Danzig	26	26	—	—
Denmark	5	5	—	—
Esthonia...	11	9	—	2
Finland	1	1	—	—
France	131	88	2	41
Germany	3,664	3,611	—	53
Great Britain	648	94	1	553
Greece	87	71	—	16
Hungary...	51	44	—	7
Irish Free State	17	7	—	10
Italy	150	43	—	107
Latvia	111	110	—	1
Lithuania	219	218	—	1
Netherlands	67	65	—	2
Norway	7	7	—	—

Country of previous residence.	*Total.*	*Jews.*	*Arabs.*	*Others.*
Poland	3,647	3,636	—	11
Rumania	318	314	—	4
Spain	46	11	33	2
Sweden	5	5	—	—
Switzerland	38	36	—	2
U.S.S.R. (Russia)	355	354	—	1
Yugoslavia	31	24	1	6
Other countries of Europe ...	2	—	—	2
Total Asia	1,433	848	456	129
Aden	63	63	—	—
Afghanistan	86	86	—	—
China	11	11	—	—
Cyprus	79	4	57	18
India	22	21	—	1
Iran	28	27	—	1
Iraq	162	148	7	7
Syria and Lebanon	575	99	382	64
Trans-Jordan	5	—	5	—
Turkey	47	43	—	4
Yemen	336	336	—	—
Other countries of Asia ...	19	10	5	4
Total Africa	445	141	143	161
Abyssinia	6	—	—	6
Egypt	383	94	141	148
Morocco	2	2	—	—
Sudan	1	1	—	—
Tripoli	19	17	2	—
Tunis	2	—	—	2
Union of South Africa ...	29	26	—	3
Other countries of Africa ...	3	1	—	2
Total America	344	200	107	37
Canada	8	5	—	3
United States of America ...	190	167	6	17
Argentine	4	4	—	—
Brazil	19	9	4	6
Mexico	6	—	4	2
Other countries of Latin America	117	15	93	9
Australia	4	2	—	2
New Zealand	25	16	—	9
Undefined	13	3	—	10

6. The following table illustrates the changes in the principal sources of Jewish immigration:—

	Proportion per 100 Jewish immigrants coming from all countries in years.			
Country of previous residence.	*1922–1929.*	*1935.*	*1936.*	*1937.*
All countries	100	100	100	100
Poland	46	49	41	35
Russia	20	1	2	3
Germany	—	11	27	34
Rumania	6	6	5	3
Lithuania	5	3	3	2
United States of America ...	3	3	1	2
Others	20	27	21	12

7. Persons granted visas for Palestine are liable to be refused admission on arrival at the frontier if the Immigration Officer is not satisfied that they are persons who may lawfully be admitted to Palestine. The numbers of persons so refused admission in 1937 and previous years are as follows:—

Year.	*Total entrants.*	*Number refused admission.*	*Number refused admission per 1,000 entrants.*
1930	94,576	212	2
1931	90,334	401	4
1932	100,679	253	3
1933	141,478	1,505	11
1934	176,681	945	5
1935	230,643	831	4
1936	147,932	315	2
1937	216,270	588	3

No figures are available prior to 1930.

8. The numbers of immigrants by sex registered in 1937 are as follows:—

Race.	*Total.*	*Male.*	*Female.*
Jews	10,536	5,098	5,438
Arabs	743	235	508
Others...	1,196	766	430

These figures indicate that Jewish women formed 52 per cent. of the Jewish immigrants registered in 1937. According to the census taken in 1931, Jewish women formed 49·5 per cent. of the Jewish population of Palestine.

9. The age groups of immigrants registered in 1937 (i.e., of persons arriving as immigrants, or of persons arriving as travellers and subsequently registered as immigrants) are as follows:—

Age groups.	*Total.*	*Jews.*	*Arabs.*	*Others.*
Total	12,475	10,536	743	1,196
0– 4	666	483	125	58
5– 9	644	526	84	34
10–14	781	637	84	40
15–19	1,416	1,178	164	74
20–24	2,457	1,989	123	345
25–29	1,790	1,472	63	255
30–34	1,075	908	35	132
35–39	683	573	22	88
40–44	478	412	13	53
45–49	411	368	6	37
50–54	495	465	3	27
55–59	519	494	5	20
60–64	432	411	10	11
65–69	314	295	5	14
70–74	176	170	1	5
75 and over ...	138	135	—	3

10. The change in the relative proportions of Jewish immigrants over and under the age of 35 years during the last five years is indicated by the following figures:—

Year.	*Under 35 years per cent.*	*Over 35 years per cent.*
1933	79·9	20·1
1934	75·7	24·3
1935	71·2	28·8
1936	68·5	31·5
1937	68·5	31·5

11. The numbers of immigrants by sex and conjugal condition registered in 1937 are as follows:—

Conjugal condition.	*Jews.*	*Arabs.*	*Others.*
Males:			
Persons	5,098	235	766
Unmarried	2,987	205	630
Married	1,923	28	133
Divorced	32	—	1
Widowed	156	2	2
Females:			
Persons	5,438	508	430
Unmarried	1,774	182	242
Married	3,019	312	170
Divorced	49	2	1
Widowed	596	12	17

12. The numbers of immigrants by previous occupation registered in 1937 are as follows:—

Occupation.	*Total.*		*Jews.*		*Arabs.*		*Others.*	
	Males.	*Females.*	*Males.*	*Females.*	*Males.*	*Females.*	*Males.*	*Females.*
Total persons in all occupations	6,099	6,376	5,098	5,438	235	508	766	430
Total persons in specified occupations	4,194	817	3,423	636	100	37	671	144
Agriculture, Forestry and Fishing	951	51	948	51	1	—	2	—
Mines and Quarries ...	4	—	3	—	—	—	1	—
Manufacturing Industries :								
Textiles	12	5	12	5	—	—	—	—
Leather works ...	8	—	8	—	—	—	—	—
Wood works	83	—	81	—	—	—	2	—
Metal works	81	—	67	—	10	—	4	—
Ceramics	8	1	8	1	—	—	—	—
Chemical products ...	—	—	—	—	—	—	—	—
Food products... ...	64	2	63	2	—	—	1	—
Dress and toilet ...	70	58	68	58	—	—	2	—
Building	98	2	94	2	1	—	3	—
Industries relating to literature and artistic trades	45	3	44	3	1	—	—	—
Transport...	16	—	11	—	3	—	2	—
Commerce	697	11	667	11	20	—	10	—
Other trades	—	1	—	1	—	—	—	—
Clerical Service	117	48	74	43	5	1	38	4
Public Officials, Police and Army	408	2	1	—	—	—	407	2
Professions and Liberal Arts :								
Religion	205	100	55	—	16	9	134	91
Law	29	1	27	1	—	—	2	—
Medicine :								
Physicians, surgeons	40	7	33	5	2	—	5	2
Dentists	16	2	15	1	1	—	—	1
Medical attendants...	16	21	16	11	—	4	—	6
Education	52	27	37	14	4	2	11	11
Architects, engineers ...	47	4	42	4	—	—	5	—
Arts	20	11	18	10	—	—	2	1
Other liberal professions	10	3	10	3	—	—	—	—
Domestic service... ...	12	73	4	46	1	5	7	22
Insufficiently described occupations	275	31	272	31	1	—	2	—
Students (16 years and over)	810	353	745	333	34	16	31	4
TOTAL PERSONS OF NO OCCUPATION OR OF UNKNOWN OCCUPATION, MINORS AND DEPENDANTS ...	1,905	5,559	1,675	4,802	135	471	95	236

13. Immigrants registered in 1937 belonged to the following categories defined in the rules under the Immigration Ordinance:—

Categories.	*Total.*	*Jews.*	*Arabs.*	*Others.*
A (i) Persons with £P.1,000 and upwards	1,300	1,275	13	12
Dependants of persons in category A (i)	1,101	1,096	3	2
A (ii) Members of liberal professions with a capital of not less than £P.500	—	—	—	—
Dependants of persons in category A (ii)	—	—	—	—
A (iii) Skilled artisans with a capital of not less than £P.250 ...	12	12	—	—
Dependants of persons in category A (iii)	12	12	—	—
A (iv) Persons of minimum income of £P.4 a month	49	45	1	3
A (v) Persons with a capital of not less than £P.500	1	—	1	—
Dependants of persons in category A (v)	—	—	—	—
B (i) Orphans coming to institutions	31	23	7	1
B (ii) Persons of religious occupations	295	39	29	227
Dependants of persons in category B (ii)	67	56	—	11
B (iii) Students whose maintenance is assured	1,165	1,043	70	52
C Persons coming to employment	2,039	1,869	42	128
Dependants of persons in category C	1,315	1,282	5	28
D Dependants of residents of Palestine	4,557	3,784	570	203
Persons exempted from the provisions of the Immigration Ordinance	531	—	2	529
Total	12,475	10,536	743	1,196

14. The fluctuations in the number of Jewish immigrants with a capital of £P.1,000 and upwards during the last six years is shown by the following figures:—

Year.	*Number.*	*Proportion per cent. of total Jewish immigrants.*
1932	727	8
1933	3,250	11
1934	5,124	12
1935	6,309	10
1936	2,907	10
1937	1,275	12

15. The increase in number and proportion of dependants among Jewish immigrants during the last five years is as follows:—

Year.	*Number.*	*Proportion per cent. of total Jewish immigrants.*
1933	15,653	52
1934	24,472	58
1935	37,739	61
1936	17,658	59
1937	6,230	59

16. The numbers of immigrants, apart from dependants, authorized under labour schedule during 1937 as compared with previous years are as follows:—

Schedule Period.	*Certificates for Jewish Agency and departmental reserve.*
April–September, 1933	5,500
October, 1933–March, 1934...	5,500
April–September, 1934	6,200
October, 1934–March, 1935...	7,500
April–September, 1935	8,000
October, 1935–March, 1936...	3,250
April–September, 1936	4,500
October, 1936–March, 1937...	1,800
April–July, 1937	770
October, 1937–March, 1938	1,780

17. The immigration certificates under the labour schedules approved during 1937 were issued under special conditions as to age, sex, conjugal condition and skill in accordance with the following specifications:—

Specification.	*Total.*	*April–July, 1937.*	*October, 1937–March, 1938.*
By age.—18–35 years	1,390	200	1,190
18–45 years	40	—	40
Any age above 18 years	1,120	570	550
By sex.—Men	180	180	—
Women	20	20	—
Either sex	2,350	570	1,780
By method of selection.—			
Skilled workers nominated by individual employers (part A)	450	200	250
Skilled workers required by individual employers (part B)	—	—	—
Skilled workers, relatives of residents of Palestine (part C)...	232	—	232
Workers selected by the Jewish Agency (part D)	1,218	200	1,018
	Jews and Non-Jews.	*Jews.*	*Non-Jews.*
Workers approved by the Department of Migration (part E—Departmental reserve)	370	80	200

The 400 immigration certificates approved in the labour schedule for April to July under parts A and D were for workers from Germany. A further 120 immigration certificates were originally approved in part D for workers from other countries to be selected by the Jewish Agency. The Jewish Agency refused to accept these certificates on the ground that the number was too small. These certificates were therefore transferred to part E and are included in the total of 370 immigration certificates distributed directly to workers selected by the Department of Migration.

No labour schedule was in force during the months of August and September.

18. The distribution of certificates granted to the Jewish Agency by conjugal condition was as follows:—

Specification.	*Total.*	*April–July, 1937.*	*October, 1937–March, 1938.*
Married men	80	80	—
Unmarried men...	100	100	—
Unmarried women	20	20	—
Unrestricted as to conjugal condition...	2,350	570	1,780

No restrictions as to conjugal condition were imposed in the labour schedule period from October, 1937, till March, 1938, as the number of dependants to be admitted with immigrants under the labour schedule was controlled in accordance with the provisions of the *Statement of Policy issued in July, 1937, by His Majesty's Government.

19. That Statement of Policy included a decision to permit a total of 8,000 Jewish immigrants to enter Palestine in all categories during the eight months beginning on the 1st August, 1937, provided that the economic absorptive capacity of Palestine was not thereby exceeded.

To give effect to these provisions the Immigration (Amendment) Ordinance, 1937, was enacted on the 11th November, 1937. The Ordinance also—

(*a*) gave greater discretion to the Director, Department of Immigration, in deciding on applications for the admission of dependants other than wives and children;

(*b*) introduced heavier penalties for aiding and abetting illegal immigration;

(*c*) placed on persons charged with being illegally in Palestine the onus of proving the contrary;

(*d*) vested in the Director, Department of Immigration, instead of in the High Commissioner the power to decide whether persons were unsuitable for admission to Palestine; and

(*e*) defined more clearly the power of the High Commissioner to prescribe fees.

* Cmd. 5513.

20. His Majesty's Consular and Passport Control Officers have standing instructions to facilitate the return of any Turkish citizen of Palestinian birth who wishes to come back to Palestine. Among the facilities given are the grant of visas for Palestine, without reference to the Department of Immigration, to these persons and to their wives and minor unmarried children, and of affidavits in the place of the passports ordinarily required, if these latter are not available. In short, these persons and their dependants are not obliged to carry out the formalities and to satisfy the conditions normally imposed upon foreign travellers or immigrants to Palestine, or to pay immigration fees.

21. The numbers of persons entering Palestine as travellers (temporary visitors and transit travellers) for limited periods who remained illegally in Palestine in 1937 and previous years beyond the authorised period of temporary residence are as follows:—

Year.	*Numbers of travellers entering.*		*Numbers of travellers remaining illegally.*		*Proportion of travellers entering October, 1936–September, 1937, and remaining illegally at the end of 1937 per thousand travellers entering in 1937.*	
	Jews.	*Non-Jews.*	*Jews.*	*Non-Jews.*	*Jews.*	*Non-Jews.*
1933 (from 1st Sept.)	6,827	17,943	2,321	989	340	55
1934 ...	26,400	65,423	2,907	3,022	110	46
1935 ...	36,128	70,695	4,618	3,256	128	46
1936 ...	14,574	42,091	—132*	1,288	—	31
1937 ...	15,079	84,189	93	1,679	6	20

* The negative sign implies that the population of Jewish illegal immigrants who have abused the facilities granted to travellers actually in Palestine at the 31st December, 1936, declined by 132 persons.

22. The numbers of persons deported in 1937 and previous years for immigration and other offences are as follows:—

Year.	*Total.*	*Jews.*	*Non-Jews.*
1934	2,407	772	1,635
1935	2,445	293	2,152
1936	2,039	152	1,887
1937	2,375	157	2,218

23. It is not possible to give an adequate analysis of migration to and from Palestine in each calendar year at the time at which this report is prepared. Such an analysis is dependent on proportionate and other statistics which cannot be completed until some months after the closure of the immigration account for each year.

V.—LAND REGIME.

1. The Tithes (Commutation) Ordinance, providing for the remission of 10 per cent. of the Commuted Tithe assessed on the lands within the Lake Huleh Concession Area for the period 1st April, 1936, to 31st March, 1938, was enacted on the 10th June, 1937.

2. Two important amendments were made: one to the Land Transfer Ordinance, the other to the Land Law Amendment Ordinance. The first enables the Director of Land Registration to refuse registration of a lease by a mortgagor where the mortgage contains a covenant by the mortgagor not to lease without the consent of the mortgagee. The Ottoman Law made no provision for this.

The other amendment is designed to prohibit the registration of trees, buildings and other accretions to land, with a saving clause in respect of judgments already given but still unregistered.

3. In adition to these amending Ordinances, there were amendments to the Rules made under the Land Transfer Ordinance enabling the Director of Lands to waive the necessity of a Mukhtar's certificate in cases where he is satisfied that he would not be justified in withholding his consent to a transaction on account of the lack of such certificate.

The remaining amendments concern fees, and the most important of these is designed to encourage the early registration of succession upon the death of a registered owner. During the first six months the fee will be waived, but after that period it increases in proportion to the delay as a penalty.

State Domains.

4. The examination and inspection of State Domains was continued, and arrangements were made for the Survey Section to prepare plans for all properties hitherto unsurveyed, or for which only inadequate plans were available. This has been done for the greater part of the Southern District, excluding Beersheba, and for the properties in and around Jerusalem.

5. The approximate area of known State Domain is 1,050,000 dunums, an increase of 14,000 dunums on the figure reported in the Annual Report for last year. This increase is mainly due to lands being adjudicated to Government at Land Settlement.

6. The total area of State Domain includes 232,499 dunums allotted to Arabs under the Ghor Mudawwara Land Agreement of 1921. In this area Government's interest is limited to the collection of the transfer price, and to the remote possibility of the resumption of possession in the event of failure by a transferee to pay the purchase price.

7. To the area of known State Domain about 220,000 dunums of sand dunes which are being claimed at Land Settlement might be added.

8. The area of State Domain held by non-Jews is 532,397 dunums, of which 232,449 dunums have been allotted under the Ghor Mudawwara Land Agreement of 1921; 156,303 dunums are held with hereditary and assignable interests, and 143,645 dunums on lease. The area held by Jews and Jewish companies and organizations is 177,773 dunums. Some of the companies cannot, however, be regarded as wholly Jewish. A further area of 31,512 dunums is at present under negotiation for lease to Jewish organizations and companies.

9. No progress was made in the settlement of title to the major part of the declared Forest Reserves, but of the small area that has been settled 3,377 dunums were allotted for afforestation.

10. During the year, 353 leases and agreements were concluded.

Valuations.

11. A very considerable number of valuations were made during the year for various purposes including the acquisition of land and property for Government, the Army and the Royal Air Force.

12. An examination under the Land Valuers Ordinance, 1922, was held in March, and two candidates only presented themselves, neither of whom passed. Of other applicants, five were found to be qualified without examination and were granted licences.

13. The number of licensed land valuers at the end of 1937 was 27.

Land Settlement.

14. The Sub-District of Tiberias was declared a Settlement Area on 5th May, 1937.

15. Notices of Settlement were published during the year in 13 villages comprising an area of 196,016 dunums.

16. The Land (Settlement of Title) Ordinance has now been applied to a total of 184 villages in the following Settlement Areas:—

	No.
Jaffa Settlement Area	45
Ramleh Settlement Area	53
Gaza Settlement Area	40
Haifa Settlement Area	14
Tulkarm Settlement Area	24
Tiberias Settlement Area	2
Jenin Sub-District	2
Safad Sub-District	2
Jerusalem Sub-District	1
Jericho Sub-District	1
Total	184

17. The following table illustrates the stages of progress reached:—

Settlement Area (or Sub-District).	*Villages in which*		
	Settlement Completed. No.	*Final Investigation in progress.* No.	*Preliminary field investigation in progress.* No.
Jaffa	41	3	1
Ramleh	37	15	1
Gaza	21	12	7
Haifa	5	8	1
Tulkarm	13	9	2
Jenin	1	1	—
Safad	1	1	—
Jerusalem	1	—	—
Jericho	1	—	—
Tiberias	—	—	2
Total	121	49	14

18. The following is a summary of the work completed in 1937:—

	In Mafruz land.	*In Masha' land.*	*Total number.*
(*a*) *Claims recorded* :—			
No. of Claims, original ...	10,808	113	10,921
(*b*) *Disputed Claims* :—			
Number of disputed claims outstanding at the end of 1936...	13,640	349	13,989
Number received during 1937...	6,513	63	6,576
Number settled during 1937 ...	7,070	59	7,129
Number outstanding at the end of 1937	13,083	353	13,436
(*c*) *Land Cases* :—			
Total number of actions outstanding at end of 1936		2,598	
Total number of actions added during 1937		660	
			3,258
Total number of cases amalgamated with other cases			209
			3,049
Total number of actions decided during 1937 :—			
(*a*) by judicial settlement of disputes		1,258	
(*b*) by amicable agreement implemented by judicial decision		426	
			1,684
Number of actions outstanding at the end of 1937			1,365
Number of actions referred to the Land Courts on appeal			106

Schedules of Rights and Partition Schedules Published:—

Schedules Published.	*No. of Registered Blocks.*	*No. of Parcels.*	*Covering total area. Metric dunums*
Mafruz Land— Schedules of Rights ...	314	13,070	189,244
Masha' Land— Schedules of Partition...	—	—	—
Total number of Schedules Published	314	13,070	189,244

19. The following is a comparative statement of the area completed under settlement operations to date:—

Period.	*Preliminary Investigation.*	*Final Investigation.*
	Recording of claims and publication of Schedules of Claims.	*Settlement of claims and publication of Schedules of Rights and of Partition.*
	Metric dunums.	*Metric dunums.*
June, 1928, to December, 1930...	212,992	142,799
During 1931 ...	255,947	138,387
„ 1932 ...	358,303	167,293
„ 1933 ...	479,195	334,139
„ 1934 ...	355,732	283,464
„ 1935 ...	196,119	298,549
„ 1936 ...	138,276	127,246
„ 1937 ...	118,236	189,244
Total ...	2,114,800	1,681,121

20. Land Settlement field work and the hearing of cases were impeded during the year by the unsettled conditions in the country. It has, however, been possible to settle a number of more complicated disputes. In the Haifa Area, it has been necessary to give up the hearing of the more important cases between Arab and Jewish parties on account of the state of public security.

21. The settlement of the plain lands of Tulkarm Sub-District, including the hearing of cases, is now complete with the exception of four villages.

22. Government has accepted the recommendation of the Royal Commission that Land Settlement should be accelerated, and for this purpose a number of recommendations have been

given effect to or are under consideration. Amongst these was the appointment immediately of two additional Settlement Officers.

23. Another recommendation which has been accepted is that survey marks for private properties should be provided by Government at the time of survey, instead as hitherto by the claimant, the cost thereof being made a charge on the land and collected together with Survey and Land Settlement Fees after settlement is completed. This system will provide a uniform mark for the whole country; will avoid delays occasioned by claimants not providing marks when required and the loss of marks by theft when the lands of a neighbouring village are taken up for survey.

24. Certain amendments to the Land (Settlement of Title) Ordinance, as well as to the rules of procedure, are also under consideration to enable Settlement Officers to deal more summarily with claims, and it is hoped that when these are enacted it will be possible for Land Settlement to proceed more expeditiously.

25. *Land Settlement Fees.*—The following is a statement of registration, survey and court fees arising out of Settlement:—

(*a*) During the year 1937:—

Payable.	*Collected.*
£P.2,919	£P.3,544

(*b*) From commencement of settlement, 1928, to end of December, 1937:—

Payable.	*Collected.*	*Outstanding.*
£P.54,548	£P.33,035	£P.21,513

Urban Property Tax.

26. The Urban Property Tax Ordinance was not applied to any additional areas during the year, and the number of towns to which the Ordinance applies remains at 28.

27. Revision and assessment operations which were begun in 1936 for the tax-year 1937-8 were carried out as follows:—

Annual Revision operations were completed in the following 26 Urban Areas:—

Jerusalem, Jaffa (including Tel-Aviv and Sarona), Gaza, Beisan, Tulkarm, Tiberias, Ramleh, Lydda, Rishon-le-Tsiyon, Rehovot, Petah Tiqva, Majdal, Shefa 'Amr, Khan Yunis, Nablus, Hadera, Beit Sahur, Ramat Gan, Nazareth, Beersheba, Safad, Jenin, Hebron, Bethlehem, Beit Jala and Ramallah.

Quinquennial Revaluation in accordance with Section 19 (6) of the Ordinance was carried out in the Urban Areas of Haifa and Acre.

28. The rates of tax remained unaltered, being 10 per cent. of the net annual value.

29. Exemption from payment of the tax has been granted on house property occupied by registered owners of which the net annual value is less than:—

£P.20—in the urban areas of Jerusalem, Jaffa and Haifa.

£P.13—in the urban areas of Tulkarm, Tiberias and Nablus.

£P.10—in the urban area of Acre.

£P.7—in the urban areas of Beisan, Gaza, Ramleh, Lydda, Nazareth, Beersheba, Safad, Jenin, Hebron, Bethlehem, Petah Tiqva, Rishon le Tsiyon, Rehovot, Majdal, Hadera and Ramat Gan.

£P.4—in the urban areas of Beit Jala, Ramallah, Khan Yunis and Shefa 'Amr.

£P.2—in the urban area of Beit Sahur.

30. Quinquennial revaluation operations for the tax year 1938-9 were commenced towards the end of the year and are still in progress in the urban areas of Petah Tiqva, Rehovot, Rishon-le-Tsiyon and Majdal.

31. Annual revision operations for the tax year 1937-8 were begun in a number of the remaining 24 urban areas so that they may be completed by 31st March, 1938.

Tithes.

32. The annual revision of the distribution of commuted tithes in accordance with Section 14 of the Ordinance was carried out during the year in the whole of the Beersheba Sub-District and in the Huleh Concession Area to which the Commutation of Tithes Ordinance is still applicable.

33. The total aggregate commuted tithe payable and collected in these areas from 1st April, 1937, to 31st December, 1937, was as follows:—

	Assessment.	*Remissions.*	*Collections.*	*Outstanding.*
	£P.	£P.	£P.	£P.
Beersheba	8,938	—	93	8,845
Huleh Concession Area...	1,233	308	244	681
Total ...	£P.10,171	308	337	9,526

34. The High Commissioner granted a remission of ten per cent. of the commuted tithe assessed on the lands within the Huleh Concession Area in respect of the period 1st April, 1936, to 31st March, 1938.

35. The following is a summary of the amount of arrears of ordinary and commuted tithe (including Treasury, waqf,

rental tithes shares and *Badl Tabu*) outstanding on 1st April, 1937, and the amount collected during the period 1st April, to 31st December, 1937:—

	£P.
Outstanding on 1.4.37	141,078
Remissions during period 1.4.37 to 31.12.37	295
Collected during period 1.4.37 to 31.12.37	5,765
Balance outstanding on 1.1.38	135,018

Rural Property Tax.

36. The aggregate area of all the tax categories under the Rural Property Tax Ordinance, 1935, totals 13,595,830 dunums.

37. Annual revision of the tax in those areas brought under cultivation or planted with fruit trees since the fiscal survey and the introduction of the tax in April, 1935, was made during the year. In addition 49 new industrial buildings were valued and found to have a net annual value of £P.4,342.

38. One thousand four hundred and nineteen Notices of Development of Land were submitted.

39. Supplementary Rural Property Tax Rolls showing the revised tax categories of the land by reason of development were posted for 1,033 blocks in 198 villages.

40. To these alterations in the tax category of the land 43 objections were submitted and dealt with by the Official Valuers, 13 being admitted and 30 refused. Subsequently nine appeals against the decisions of the Official Valuers were made: five were allowed and four refused by the District Appeal Committee.

41. As a result of recommendations submitted to Government by the Citrus Committee appointed in February, 1936, a reduction in the rate of tax on citrus land was granted. This concession to citrus growers reduced the tax payable on citrus from £P.74,600 to £P.43,800 for the year 1936-7 and from £P.90,460 to £P.53,550 for the year 1937-8.

42. The following is a statement of the amount of Rural Property Tax due on the 1st April, 1936, collected during 1936-7 and outstanding on the 1st April, 1937:—

	£P.	£P.
Gross assessment as at 1.4.36		302,555
Exemption granted under Section 6 of the Ordinance	127,316	
Reductions granted during 1936–37	10,992	
		138,308
Amount payable		164,247
Collections during 1.4.36 to 31.3.37		61,798
Outstanding on 1.4.37		£P.102,449

Land Registration.

43. There has been a further decline from the high levels of 1935 in the value of all agricultural land during the year, and present indications point to a continuation of this downward trend. Urban buildings changed little in value but there has been a tendency to depreciate in the case of building sites, except in the larger centres of population.

44. The fall in prices referred to in paragraph 41 on page 86 of the Annual Report for 1936 varied roughly with the distance from a Jewish settlement. In the case of the more remote Arab lands the fall in value was approximately 50 per cent. of the high level value in the year 1935.

45. The tendency of the Jewish population to acquire land in the vicinity of existing settlements rather than the development of new isolated holdings continues, and the resulting difference in the price of agricultural land in the neighbourhood of Jewish settlements as compared with land elsewhere has been maintained. Jewish interests have not used the period since the publication of the Report of the Royal Commission to acquire land outside the boundaries recommended by the Commission for the proposed Jewish State. There are, however, certain contracts entered into before the Report was published affecting areas in the Gaza and Beersheba districts which have not yet been carried out.

46. In connection with the purchase of land by Jews from non-Jews during the year 1936 a member of the Permanent Mandates Commission enquired during the examination of the Reports for the years 1935 and 1936 whether the vendors belonged to the class of " effendis " or " fellaheen ". It is impossible with accuracy to classify vendors as " effendis " or " fellaheen ", but a broad differentiation can be made by deeming vendors of less than 100 dunums to be fellaheen and of more than 100 dunums to be effendis. On this basis 383 fellaheen sold 7,536 dunums and 43 effendis sold 21,274 dunums. It must however be remembered that no record of the total holding of a vendor is made at the time of sale and many persons selling less than 100 dunums may only be disposing of a part of their land. They might therefore be more properly included in the effendi class.

47. Areas amounting to 29,367 dunums of land were purchased by Jews from non-Jews during the year at a total cost of £P.392,916. The corresponding figures for 1936 were 18,416 dunums at a cost of £P.158,826.

48. A member of the Permanent Mandates Commission inquired during the examination of the Reports for the years 1935 and 1936 regarding the location of Waqf lands. There is

no precise information available regarding the distribution of Awqaf Lands in Palestine. Generally speaking, the Awqaf claims an interest, usually restricted to a part of the income from the property, in land all over the country. In many cases the land is not registered and the claim of the Waqf is disputed.

49. An interesting feature of the year under review was the increase in the number of mortgages, 10,848 having been registered as against 8,980 in 1936. The sum secured was £P.5,977,391 against £P.5,499,408 during the previous year. The increase is due to land development companies replacing agreements to sell by absolute transfers with a mortgage back to the vendor to secure the unpaid balances. This is done as a matter of convenience in raising money, mortgages being negotiable whereas the agreements are not.

50. In land registration, Palestine is distinguished from other countries by the unusually large number of new parcels registered as a result of parcellation schemes. During the years 1933, 1934, 1935 and 1936, 3,468 parcels were divided and became 35,388 new parcels. In the year 1937, 6,745 new parcels were created as a result of the sub-division of 794 original parcels. Special methods have had to be devised to deal with these mutations, as it was not possible in this respect to profit by the experience of other countries where parcellation has not proceeded at the speed and extent which has prevailed in Palestine.

51. The total number of transactions registered during the year was 42,009 as against 36,101 for the year 1936.

Fees amounting to £P.208,323 were collected as compared with £P.219,687 in 1936.

52. In addition to the original entries derived from the Schedule of Rights deposited by Settlement Officers, 18,264 transactions were recorded in the New Registers based upon Settlement. The corresponding figure for 1936 was 13,978.

53. Schedules of Rights received during the year by Registrars from Settlement Officers for initial inscription in the new Registers numbered 316.

Surveys.

Triangulation.

54. Work on the major extension towards the Egyptian frontier (see paragraph 48 on page 86 of the 1936 Report) had to be suspended in June owing to the necessity of transferring the observer elsewhere for 4th Order work.

55. The increase in 4th Order work was for providing closer control in areas containing only topocadastral intersections and resections.

56. A large number of traverse and intersected points were provided for the control of block plans.

57. Very few cases of restoration owing to wilful damage of marks were necessary.

58. *Trigonometrical and Traverse Progress.*

Major.		*4th Order.*		*Traverse.*		*Inter-sections.*
No. of Points.	*Area km.²*	*No. of Points.*	*Area km.²*	*No. of Points.*	*Length km.*	*No. of Points.*
4	200	191 52	175 —	5,280	510	2,229

59. The second circuit of 247 km. (Jaffa-Tulkarm-Nablus-Jericho-Jerusalem-Jaffa) and the third circuit of 171 km. (Affula-Beisan-Jiftlik-Nablus-Jenin-Affula) were completed.

60. *Precise Levelling Progress.*

Marking.		*Levelling.*
Kilometres.	*Number and type of Bench mark.*	*Kilometres.*
200	Fundamental 2 A 37 B 86	205

Magnetic Variation.

61. A few more observations were taken with a " Connolly " Standard Compass.

Topographical Surveys.

62. A topographical survey is being carried out in the Beersheba Sub-District for the purpose of completing the 1/100,000 map series—Sheets 12 and 13 and that part of 14 which is not covered by air photographs.

Cadastral Surveys.

63. During the year 659 blocks, of a total area of 288,823 dunums were surveyed and examined for Land Settlement, the details of which are given below.

64. The Land Settlement branch was issued with 365 Preliminary Block Plans, together with schedules of claimants representing 10,919 parcels comprising 167,772 dunums.

65. Settlement decisions were applied to 264 blocks for which Final Block Plans were submitted for registration. These cover an area of 156,578 dunums and represent 11,027 parcels on which £P.3,718 in survey fees are chargeable on registration.

66. *Progress of Cadastral Survey.*

Category of Land.	*No. of blocks.*	*Area dunums.*	*No. of parcels.*	*Average area per parcel.*	*Average cost per dunum.*		
					Field. mils.	*Office. mils.*	*Total mils.*
				dunums	£P.		£P.
Mafruz (divided lands) ... sc. 1 : 2,500.	484	265,850	9,727	26.0	52	20	0·072
Mafruz (divided lands) ... sc. 1 : 1,250.	172	22,880	10,366	2.2	236	10	0·246
Built-on areas sc. 1 : 625.	3	93	282	0.3	1,709	645	2·354
Total ...	659	288,823	20,375				

In addition, 19 blocks, covering an area of 20,000 dunums (Masha') have been surveyed on the 1/10,000 scale. This area is subject to partition at Settlement.

Urban Surveys.

67. The following are particulars of Urban areas surveyed and examined during the year:—

Urban Area.	*Scale.*	*No. of Blocks.*	*Dunums.*	*Parcels.*	*Average area per parcel.*
Haifa and Carmel ...	1 : 1,250	93	20,600	7,775	2·5 dunums
	1 : 625	8	380	822	
Haifa Bay ...	1 : 1,250	39	8,100	3,022	
Tiberias ...	1 : 1,250	20	1,860	908	
Affula	1 : 1,250	8	1,360	620	
Jerusalem ...	1 : 1,250	5	730	280	
Total ...		173	33,030	13,427	

In addition, 71 blocks covering an area of 19,920 dunums, are ready for examination.

Assessment plans amounting to 423 were revised and issued for the 1938 assessment under the Urban Property Tax.

Water Resources Survey.

68. Tertiary Levelling continued over that portion of the area in which wells were investigated, which is traversed by the Precise Level lines. A number of correction sheets were forwarded to the Department of Development, from which their water-tables, based on trigonometrical heights, could be corrected.

69. *Tertiary Levelling Progress.*

No. of trig. points included.	*No. of Bench Marks cut.*	*KM. run.*	*No. of wells involved.*
423	66	1,111	468

Land Registration Surveys.

70. The number of plans examined and dealt with at headquarters was 1,461, covering an area of 87,433 dunums. These figures include the checking of 1,203 plans prepared by licensed surveyors, covering an area of 78,155 dunums. The remaining 258 plans, covering an area of 9,278 dunums, were prepared by Government surveyors.

Mutations in settled areas to the number of 1,252 were dealt with during the year, bringing the total up to 4,376 since the beginning of settlement.

Mapping and Publication.

71. The following sheets of the 1:100,000 topographical series were published during the year in full colour and grey editions:—

Sheet 9—Gaza.
Sheet 11—Bethlehem.
Sheet 5—Tulkarm.
Sheet 10—Hebron.

72. 1:500,000 *Motor Map.*—7th and 8th editions were published and a 9th edition showing the new northern frontier road and the main Jaffa-Haifa road is in course of preparation.

73. Sales of maps to the public amounted to £P.1,250.

Land Surveyors' Examination.

74. Examinations for Land Surveyors' Licences were held during the year. Twenty-seven candidates entered, of whom six passed and received their licences.

Development.

75. Six registered landless Arabs, of whom five are from the Arab Abu Qandil Tribe from the Southern District, have been settled during the year. No further claims have been submitted for registration.

Thirteen members of the Arab Abu Qandil tribe who were admitted to the Register of Landless Arabs were settled in the Jenin Sub-District.

Twenty other families of this tribe have been settled at Beit Qad during the year, notwithstanding the fact that they were not officially registered as landless Arabs. Special circumstances connected with their situation, which transpired after the Register was completed, made their settlement desirable.

The landless Arab families settled at Muqeibila have, with the exception of one, deserted the settlement and are engaged, for the most part, in other than agricultural work. Six of the settlers on irrigated land at Tall esh Shauk (Beisan Sub-District), having proved quite incapable of cultivating under irrigation, have been transferred to Muqeibila. The progress of the settlers at Tall esh Shauk, while improving, cannot yet be called satisfactory; but the settlers at Beit Qad are doing well and give promise of success. (See Report for 1936, page 91, paragraph 77.)

76. The Arabs of Wadi Hawarith (North) are also progressing favourably. (See Report for 1936, pages 90 and 91, paragraph 76.)

The Arabs of Wadi Hawarith (South) continue to cultivate land neighbouring their camping site in the Wadi Qabbani, Tulkarm sub-district. (See Report for 1936, page 91, paragraph 76.)

77. Sporadic cultivation on Birket Ramadan (see Report for 1936, page 91, paragraph 78) and the employment of harmful methods of reclamation by tenants of the owners in the marsh area have caused extensive damage, which has been partially remedied by the Department of Health. Endeavours are now being made to persuade the owners to carry out such arrangements as will prevent repetition of the damage.

78. The experiment in the conservation of flood water at Abu Samara dam (see Report for 1936, page 91, paragraph 79) has provided valuable data regarding the run-off of rain water, evaporation and the possibilities of water storage. A cloud burst occurred in November, 1937, and caused a sudden and exceptionally high flood, which breached the earth dam in several places. In view of the experience already gained at the site, it was considered unnecessary to continue the experiment.

79. Six observation stations are now established for the investigation of the run-off of rainwater and the number will shortly be increased to ten. The observations during the rainy season 1936-7 showed a much higher percentage of run-off than in the previous year, but the percentage observed so far is low.

80. Investigations into " duty of water " are continuing in the Acre, Beisan and Ramleh Sub-Districts. Particular attention is being paid to the irrigation of forage crops and the employment of overhead irrigation for these.

81. Control of the Well Observation Stations (see Report for 1936, page 91, paragraph 82) established in the Coastal Plain has been continued during the year. There is so far no reason for apprehension with regard to the underground water resources. The minimum levels of 1937 were generally above those of 1936, although still below those of 1935. There were, however, exceptions in three stations, where the 1935 levels were attained. Government and private exploratory bores have demonstrated the presence of underground water in several areas hitherto unexploited.

82. The field work of the Water Resources Survey Committee (see Report for 1936, page 92, paragraph 83) having been completed and the mass of detail obtained and tabulated, a contour map showing the levels of the underground water has been prepared. Other geological and hydrological maps and sections based on the information collected, and from other sources, are under preparation, together with a detailed geo-hydrological report.

83. A Water Settlement Officer has been appointed and is carrying out a trial water settlement in the Beisan Sub-District. It is expected that the work now being done will be a valuable preliminary to organised settlement of water rights following the promulgation of irrigation legislation.

In addition to the recording of the discharges of certain important springs and streams in Palestine, all the spring discharges in the Beisan Area are now recorded monthly and arrangements have been made to carry out a contour survey of the area fed by these springs as a necessary preliminary to systematic control of irrigation in the District.

84. Immediately before the close of the year sanction was accorded for the execution of a hydrographic survey of Southern Palestine and the Jordan Valley at an estimated cost of £P.60,000, to be shared equally between His Majesty's Government and the Government of Palestine. This survey is being undertaken in pursuance of the recommendation made in paragraph 42 of Chapter XXII of the Royal Commission's Report that the areas in question should be surveyed and an authoritative estimate made of the practical possibilities of irrigation and development within them.

The programme of operations, which are to commence at once, includes the sinking of both deep and shallow wells at selected points throughout the area so as to test the quantity and quality of the sub-soil supplies, the carrying out of geophysical investigations, the determination of the volume of water flowing from the hill catchments into the Dead and Mediterranean Seas, and, in general, the collection and compilation of data relating to the water resources of the tract.

VI.—NATIONALITY.

1. The text of the Palestinian Citizenship Order, 1925, and of a Proclamation by the High Commissioner for Palestine amending Article 2 thereof were reprinted in Section 4 of the Report for 1925; and the text of the amending Order in Council of 1931 was printed in Appendix II of the Report for that year.

2. The qualifications for naturalization are: two years' residence in Palestine out of the three preceding application, good character, and the declared intention to settle in Palestine. Knowledge of Hebrew is accepted under the literary qualification. In special cases the High Commissioner is empowered to grant naturalization even if the period of residence has not been within the three years preceding application. The fee for naturalization is 500 mils.

3. The total number of persons to whom naturalization certificates were delivered in 1937 compared with those in previous years is as follows:—

	Applications submitted.	*Certificates delivered.*
Total	51,791	44,572
1925–1929	20,168	15,551
1930–1934	7,978	8,161
1935	6,007	5,994
1936	5,444	4,941
1937	12,194	9,925

21,728 persons acquired Palestinian citizenship in 1937 including wives and children who acquired Palestinian citizenship through the naturalization of their husbands or fathers or mothers.

4. The substantial increase in the number of applications in 1937 is mainly due to a campaign by several Jewish organizations to encourage naturalization among members of the Jewish community; and to the number of persons, who, having entered the country as immigrants two or more years ago, had acquired the requisite residential qualifications entitling them to apply for naturalization.

5. The Naturalization Field Officer accepted the following number of applications in the Jewish rural settlements in 1937 as compared with previous years:—

	Total applications.	*Applications accepted in the field.*	*Field applications per cent. of all applications.*
1935	6,007	1,322	22
1936	5,444	946	17
1937	12,194	1,588	13

This field service was initiated during 1934.

6. The race and previous nationality of the persons naturalized in 1937 were as follows:—

	Number.	*Per cent. of Jews naturalized.*
A. *Jews*:—		
Total	21,542	100
Polish	9,298	43
German	2,030	10
Russian	1,784	8
Rumanian	1,080	5
Other	4,275	20
Stateless	3,075	14
B. *Non-Jews*:—		
Total	186	—
Turkish	64	—
Syrian	43	—
Egyptian	5	—
Other	76	—

In 1936 the proportions of applicants who were Polish and German subjects were 41 per cent. and 13 per cent. respectively.

7. The services granted by the Passport Office in 1937 as compared with previous years are shown in the following table:—

Service.	*1935.*	*1936.*	*1937.*
Total	36,055	34,689	46,798
Palestinian passports issued ...	11,546	9,039	15,267
Palestinian passports renewed...	4,323	3,626	3,830
Palestinian passports endorsed	2,603	3,141	4,156
Certificates of Identity issued...	380	398	572
Return visas granted	12,139	14,567	18,306
Other visas granted	3,479	2,484	2,633
Identity and Travel documents issued	383	416	621
Identity and Travel documents renewed	25	59	70
British passports issued ...	490	429	575
British passports endorsed and renewed	649	463	741
Registration of British subjects and of retention of Canadian domicile	38	67	27

8. The number of Palestinian passports granted during 1937, namely, 15,267, is by far the largest number ever issued in one year since the inception of the department.

9. The increase in the number of passport services granted during the year is due to:—

(i) The increase in the number of persons who applied for and were granted certificates of naturalization as Palestinian citizens and who subsequently applied for Palestinian passports.

(ii) The expiration of the validity of passports granted 10 years ago and which are no longer renewable.

(iii) The journey to Europe of visitors to the Paris exhibition and to the Zionist Congress held at Zurich.

(iv) The journey to Eastern Europe of young Palestinians for the purpose of contracting marriages of convenience with foreign women to enable them to evade the Palestine immigration regulations.

(v) The increase in the number of Arabs who travel abroad for business, health or pleasure.

10. Since 1926, when Palestinian passports were first printed, some 95,000 have been issued.

11. A number of persons who furnished false evidence in connection with applications for passport services were prosecuted and convictions secured.

12. The following numbers of changes of names were registered in 1937 as compared with previous years:—

1933	211	1936	682
1934	412	1937	1,427
1935	793		

The majority of these changes are made by Jewish immigrants from Europe adopting Hebrew names on the acquisition of Palestinian citizenship.

13. Consideration is being given to the amendment of the Palestine Citizenship Order in Council, 1925-31, with a view to giving effect to the recommendation in Chapter XV, paragraph 12, of the Royal Commission's Report in regard to the position of persons born in Palestine who acquired on birth or subsequently and still possess Turkish nationality but were habitually resident abroad at the commencement of the Palestine Citizenship Order in Council, 1925.

VII.—JUDICIAL SYSTEM.

Legislation.

The following are the most important Ordinances enacted during the year 1937:—

Juvenile Offenders Ordinance.—This Ordinance repeals the Young Offenders Ordinance and enacts more elaborate provisions for proceedings in respect of juvenile offenders and for the care of young persons in need of protection.

Fisheries Ordinance.—This Ordinance repeals the Fisheries Ordinance and enacts more elaborate provisions for the regulation of fisheries in Palestine.

Companies (Amendment) Ordinance.—This Ordinance amends the principal Ordinance by the insertion of a new part providing for the registration as a company of a co-operative society registered under the Co-operative Societies Ordinance.

Safeguarding of Public Water Supplies Ordinance.—This Ordinance empowers the High Commissioner to declare any area as a public water supply area for the purpose of safeguarding public water supplies. The Ordinance provides that after any area has been so declared no person may construct any new or alter any existing well, save under licence from the District Commissioner. Provision is also made for appeals to the High Commissioner from the decision of a District Commissioner and for the payment of compensation in respect of any work done in any area before its declaration as a public water supply area.

Explosives Ordinance.—This Ordinance makes provision for controlling the sale of and the dealing in explosive substances. It prohibits trading in explosive substances without a licence, requires licensees to register all dealings in explosive substances and authorizes the Police to inspect their stock and, if necessary, to order its removal to approved premises.

Dead Sea Concession Ordinance.—This Ordinance validates the concession dated the 1st January, 1930, granted to Palestine Potash, Ltd., for the extraction of salts and minerals in the Dead Sea in so far as it relates to Palestine and to lands situated therein.

Customs Tariff and Exemption Ordinance.—This Ordinance provides for import duty and exemption from import duty on commodities imported into Palestine and consolidates the existing legislation dealing with Customs duties.

Banking (Amendment and Further Provisions) Ordinance.—This Ordinance amends the principal Ordinance by making further provisions relating to banking business in Palestine.

Immigration (Amendment) Ordinance.—This Ordinance amends the principal Ordinance and it provides for a more limited definition of " dependant " than that which is given in the principal Ordinance. Secondly, it provides for powers to the Director of the Department of Immigration to decide in place of the High Commissioner whether a person is unsuitable for admission to Palestine. Thirdly, it empowers the High Commissioner to prescribe the maximum aggregate number of foreigners to be admitted to Palestine as immigrants during any specified period and to prescribe categories of immigrants and fix the maximum number of persons to be admitted in respect of any category.

Companies.

2. During the year under review 222 new companies were registered in Palestine, bringing the total number of companies registered to 1,563, of which 1,294 are Palestinian companies and 269 foreign companies. Of the 222 companies registered during the year 207 are Palestinian companies and 15 are foreign companies.

The principal Palestinian companies registered during the year are:—

Nakhshon Ltd.

Palroma Finance Ltd.

Monopol Trust and Agency Ltd.
each with a capital of £P.50,000.

Arab Union Cigarettes and Tobacco Ltd., with a capital of £P.40,000.

Naaman Ltd., with a capital of £P.35,000.

Talhami Brothers (Film and Cinemas) Ltd.

Mekoroth Water Ltd., with a capital of £P.30,000 each.

A number of companies increased their share-capital during the year:—The Palestine Electric Corporation increased its capital from £P.2,500,000 to £P.4,000,000; The Palestine Corporation Ltd. from £P.400,000 to £P.800,000; The Marine Trust Ltd. from £P.100,000 to £P.250,000; The Jerusalem Electric and Public Service Corporation Ltd. from £P.500,000 to £P.600,000; The Bay-side Land Corporation Ltd. from £P.1,000 to £P.100,000.

The total revenue collected during the year in respect of registration fees, etc., amounted to £P.23,154 as compared with £P.11,790 collected during the previous year. The total revenue collected in the Official Receiver's section during the year amounted to £P.1,739.617 mils, as compared with £P.493.737 mils during the last nine months of the year 1936.

Bankruptcy.

3. The year under review has been a year of economic stress in Palestine with the result that the number of bankruptcies and of companies in liquidation was considerably greater than in previous years. There were 57 bankruptcies during the year, with assets totalling £P.40,638.064 mils and liabilities totalling £P.104,272.838 mils. Seven companies, with assets totalling £P.93,519.605 mils and liabilities totalling £P.187,525.530 mils, went into compulsory liquidation during the same period. In the year 1935 there were 13 bankruptcies and one company went into liquidation, while in the year 1936 there were 31 bankruptcies and seven companies in liquidation. The number of

companies which went into voluntary liquidation during the year is 27. No information is available as to the assets and liabilities of these companies.

The total number of companies now in liquidation is 27.

Changes in Constitution and Jurisdiction of the Courts.

4. *The Establishment of Courts (Amendment) Order.*—This Order repeals the previous Order of 5th June, 1935, establishing Land Courts and defining their constitution, and provides that Land Courts for the areas served by the District Courts shall be constituted by the President or Relieving President and one or more judges of the District Court. The order gives power to the Chief Justice to direct the places at which such Land Courts should sit.

5. *The Establishment of Courts (Amendment) Order (No. 2)* is designed to bring Tiberias and Safad within the Nablus District and to remove these two Sub-Districts from the jurisdiction of the District Court of Haifa, thus giving some measure of relief to the latter Court and the Magistrates' Courts in Haifa, which have been overworked for some time. The Order further specifies the Sub-Districts in which Magistrates' Courts shall exercise jurisdiction. The Chief Justice is empowered to direct the places of sitting and every Magistrate is given jurisdiction over the whole of the district within which his Court is situated.

6. *Order under Section 88 (3) of the Bankruptcy Ordinance.*—This Order was made by the Chief Justice to vest jurisdiction in all Chief Magistrates to entertain cases where the Official Receiver has reported that the assets of the bankrupt do not exceed £P.300. Previous Orders confined the jurisdiction in bankruptcy matters to the Courts of Chief Magistrates in Jerusalem, Haifa and Jaffa. At the date of the previous Order no Chief Magistrates sat in the Districts of Nablus and Tel-Aviv.

7. In Rehovoth and Petah Tiqva Judicial facilities have been provided by the establishment of Magistrates' Courts.

Rules of Court.

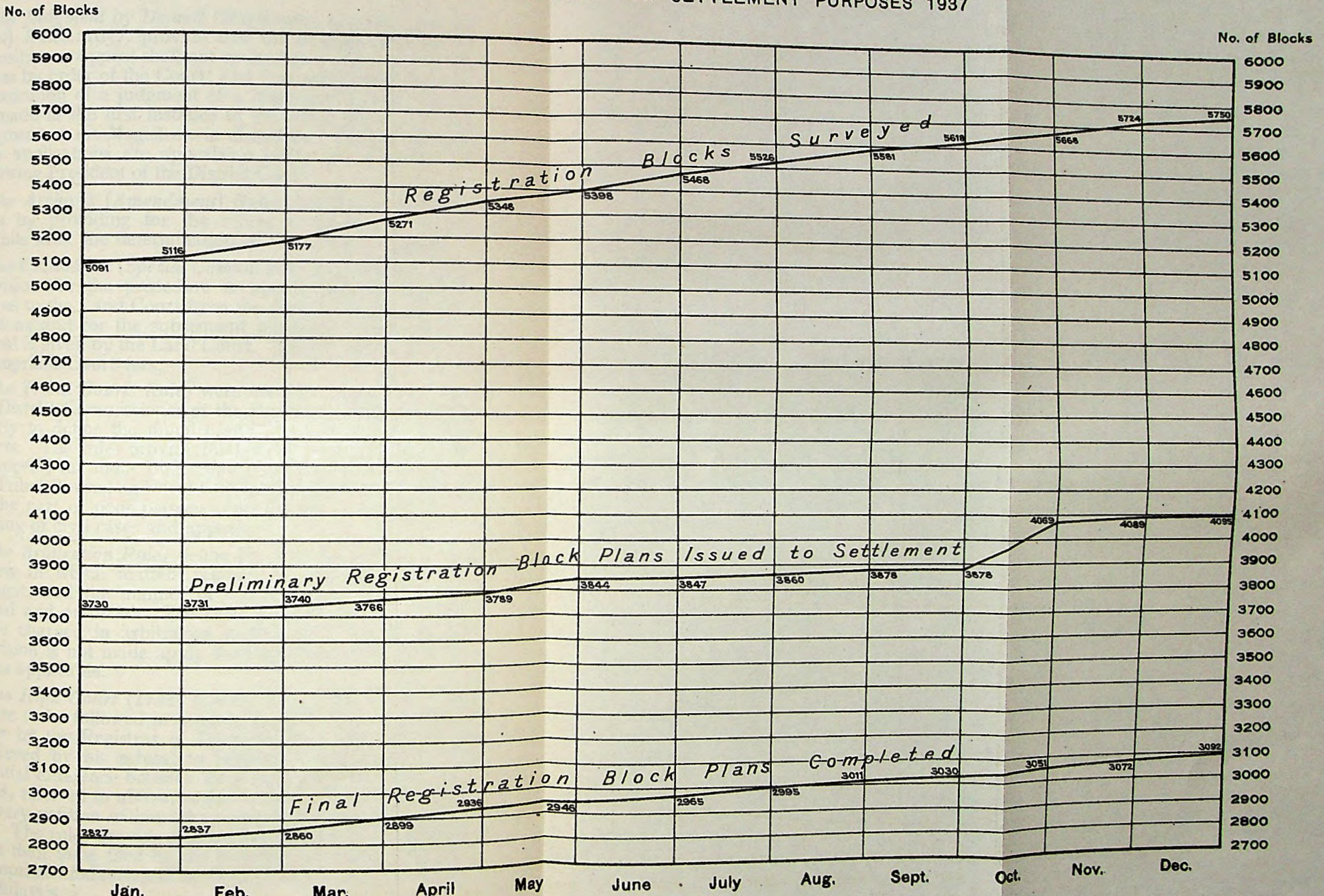
8. The following Rules of Court were made by the Chief Justice during the year:—

The High Court Rules.—No procedure had hitherto been prescribed as to the manner in which petitions should be brought in the High Court, and these rules are designed to bring the practice into line with English procedure adapted to local circumstances.

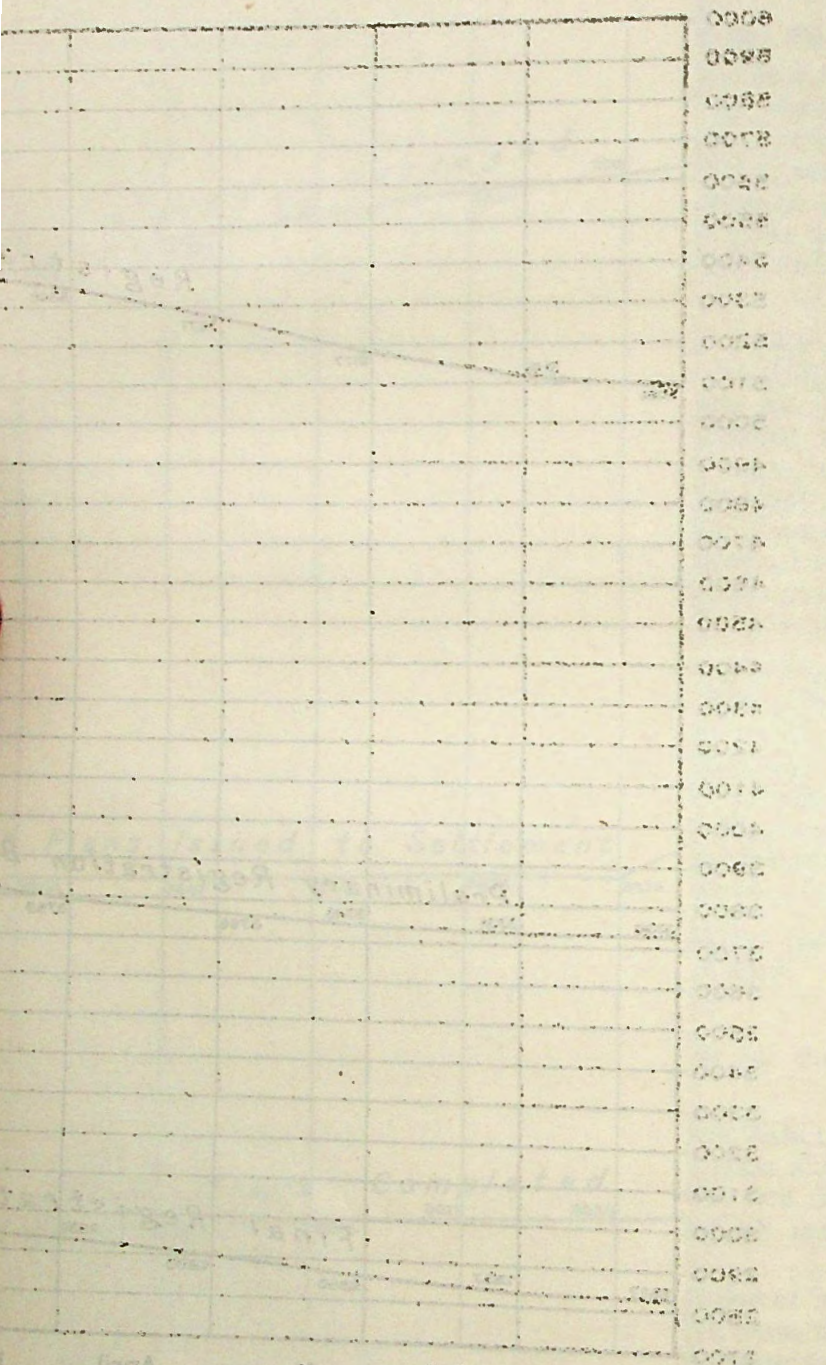
The rules, *inter alia,* provide for the joinder of issue by filing an affidavit in reply within eight days from the date of service of the rule nisi and for the cross-examination of a deponent to an affidavit, by the other side.

CADASTRAL SURVEY

PROGRESS OF SURVEY FOR SETTLEMENT PURPOSES 1937



Survey of Palestine, Jaffa 1937



The schedule to the rules provides specimens of petitions and gives forms of affidavits and of orders nisi and orders absolute.

The Judgment by Default (Magistrates' Courts) (Amendment) Rules, 1937, provide that the lodging of notice of opposition or appeal shall not operate as a stay of execution unless by order of the Court; and that applications for stay of execution of a judgment of a Magistrate's Court should be made in the first instance to the court which gave the judgment or the Magistrate in chambers. Orders made on such applications are appealable before the President or Relieving President of the District Court.

The Archives (Amendment) Rules amplify the principal rules by providing for the return to parties of certain exhibits after the determination of an action or appeal.

The Cultivators (Special Commission) Appeal Rules make provision for the procedure in applications for leave to appeal to the Land Court from the decision of special commissions and for the subsequent procedure when leave to appeal is given by the Land Court. The rules also prescribe appropriate Court fees.

The Tribal Courts Rules were made in consultation with the District Commissioner of the Southern District in order clearly to define the practice and procedure in the Tribal Courts. The rules provide for appeals to the Tribal Court of Appeal, the mode of levying execution of judgments of the Tribal Courts, and deal with exemption from Court fees on the part of poor persons, and the fees payable on the hearing of civil cases and appeals.

The Arbitration Rules define the local jurisdiction of the Courts in which matters relating to arbitration may be brought, and the manner in which awards may be confirmed and enforced. The rules provide also for the fees to be charged in arbitration matters and, where specific provision is not made apply the Civil Procedure Rules, so far as applicable.

The High Court (Trade Marks) Rules prescribe the procedure to be followed in bringing matters before the Court either by the Registrar of Trade Marks or by any person aggrieved by his refusal to register a trade mark. The essential difference between these rules and the High Court Rules, referred to above, is that a date is fixed for hearing of every petition without the necessity for issuing an order nisi. The rules provide also for the verification of petitions other than those filed by the Registrar of Trade Marks by appropriate affidavits and for the joinder of issue by affidavit or affidavits.

The Courts Vacation Rules gave effect to the Secretary of State's approval of three vacations of the Supreme, District and Land Courts.

The Court Fees (Amendment) Rules amplify the schedule to the principal rules by adding fees not otherwise prescribed and amend the schedule by providing for a fee to be paid on any application to the District, Land or Supreme Courts, to have any act, order or ruling of a Registrar set aside.

The Bankruptcy (Amendment) Rules amend Table " A " of the second schedule to the principal rules by authorizing a person, empowered by law to take an affidavit from a debtor in bankruptcy, to remit the fee prescribed therefor on being satisfied that the debtor is unable to pay it.

The Civil Procedure Rules are a comprehensive codification of Rules of Court relating to the procedure in the Supreme Court, the District and Land Courts and the Special Tribunal. They were published early in 1938.

The Magistrates' Courts Procedure Rules have also been drafted in comprehensive form, and they will be brought into operation early in 1938.

Regulations.

The Defence (Amendment) Regulations (No. 10) amend the principal regulations by removing certain offences committed under the Emergency Regulations, 1936, from the jurisdiction of the Civil Courts to that of Military Courts constituted by the Defence (Military Courts) Regulations, 1937.

Work of the Courts.

9. Registrars were appointed to the District Courts as from 1st September, and the Registrars Ordinance, 1936, came into operation on the 14th October, 1937. Much of the routine work of the Courts has now been assigned to the Registrars, leaving the Presidents of the Courts and the Members free to perform purely judicial work.

10. At its thirty-second (Extraordinary) session the Permanent Mandates Commission during the examination of the Report for 1936 desired to be informed of the measures taken by Government in regard to certain recommendations by the Royal Commission concerning reforms of an urgent character in the Judicial and Legal Departments of Government.

As recommended in paragraph 46 of Chapter VI of the Royal Commission's Report an additional British Puisne Judge has been appointed and the Court of Appeal has normally been constituted of three judges, with a British majority when so requested. Special efforts were made during the year to bring the work of the Court up to date and favourable conditions have enabled this to be done.

11. To give effect to the recommendations in paragraph 54 of Chapter VI of the Royal Commission's Report the appointment of Government Advocate has been abolished and the duties formerly performed by the holder of that office are now undertaken by two British Crown Counsel who have recently been appointed. The prosecuting section now consists of the two British Counsel, two Arab and two Jewish Advocates.

12. For financial reasons it has not been possible to set up separate Land Courts as recommended in paragraph 37 of Chapter IX of the Royal Commission's Report. Special efforts have however been made during the year under review to reduce the arrears of land cases and, as illustrated by Table "F" herein, pending land cases inclusive of those entered during the year have been reduced from 1,017 to 528.

Legislation is about to be enacted with a view to providing that a Land Court should consist of one British Judge, and that appeals on a point of law should go to the Supreme Court.

13. *Criminal Assizes.*—It has been possible to organize regular assizes of the Court of Criminal Assize as follows:—

March.
June.
September.
December.

14. *Monthly Cause-Lists.*—In the Supreme Court a Warned List and monthly Cause-List is published. District Courts have, as far as practicable, adopted the same system as in the Supreme Court, and all monthly cause-lists of the District Courts are now posted on the Supreme Court notice board, in order that the advocates and the public may be made aware of the dates on which the District Courts are likely to hear both civil and criminal cases, so that they may arrange their appointments accordingly.

15. *Municipal Courts.*—These Courts exist only in Tel-Aviv, Gaza and Acre, and only sit as criminal courts. 5,436 cases were entered in these courts and 5,884 were decided, and 100 cases were pending at the close of the year. Of these no cases were heard by the Municipal Court of Acre and only 27 cases were entered in Gaza, of which three only are pending.

16. *Magistrates' Courts.*—51,932 civil cases were entered in these Courts, and 51,882 decided; 4,402 were pending at the end of the year.

The number of criminal cases entered was 67,147; 66,500 were decided, and there were 1,245 pending at the end of the year.

17. *District Courts.*—The total number of cases entered in the District Courts shows an increase of 554 over the previous year.

The following table shows the total number of civil and criminal cases entered in the last five years:—

Year.	*Civil Entered.*	*Criminal Entered.*
1933	2,117	2,341
1934	2,403	2,338
1935	2,300	1,769
1936	1,586	1,683
1937	2,140	1,803

The following table sets out the number of civil and criminal cases decided and pending in the last five years:—

Year.	*Civil Decided.*	*Civil Pending.*	*Criminal Decided.*	*Criminal Pending.*
1933	2,286	494	2,379	131
1934	2,385	512	2,339	130
1935	2,169	643	1,788	111
1936	1,607	622	1,686	108
1937	2,339	595	1,737*	190

* Includes 573 appeals and 1,164 original trials.

These statistics show an increase in the number of civil and criminal cases decided. It has been possible to reduce the number of pending civil cases by the end of 1937, but the criminal cases show a slight increase, which it is hoped to reduce in the Courts during the first month or two of 1938. The number of cases pending is normal.

Since 1st April, 1937, a separate division of the District Court of Jaffa has been sitting in Tel-Aviv, having a separate establishment of Judges under their own President. The following table shows the work in the District Court at Tel-Aviv Registry for the period from 1st April to 31st December. The figures shown are included in the above tables, with the exception of cases shown as pending at 1st April.

	Cases transferred from Jaffa District Court on 1.4.37. Pending.	*Entered.*	*Decided.*	*Pending.*
Civil ...	172	595	509	258
Criminal ...	16	123	108	31
	188	718	617	289

18. *Land Courts.*—Cases entered in these Courts during the year numbered 495; 1,017 were pending at the end of the previous year; 984 were decided, and there were 528 pending at the end of the year.

19. *Supreme Court.*—Civil appeals to the number of 298 were pending at the beginning of the year; 274 were filed during the year; 525 were decided; and the number of pending appeals at the end of the year was 47.

Twenty-four criminal appeals were pending at the beginning of the year; 157 were lodged during the year; 170 decided; and at the end of the year there were 11 appeals pending.

20. *Court of Criminal Assize.*—Nine cases were pending from the previous year; 42 cases were entered during the year; 40 cases were decided; and eight cases were pending at the end of the year; one case was stayed and two were referred for trial to the District Courts.

21. *High Court.*—Seventy-four cases were entered in this Court, and 28 pending cases were carried forward from the previous year. Ninety-three cases were decided, and at the end of the year nine cases were pending.

The 93 cases which were decided may be classified as follows:—

(1) Petitions in the nature of Habeas Corpus proceedings, under Section 6 (*a*) of the Courts Ordinance, Cap. 28 ...	3
(2) Petitions under Section 6 (*b*) of the said Ordinance in execution matters	51
(3) Other petitions under sub-section (*b*) for orders directed to public bodies or officers	19
(4) Petitions under Section 6 (*c*) relating to change of venue of trials	3
(5) Other petitions not coming within the above sub-sections	17
Total	93

22. *Special Tribunal.*—No cases were entered in this Tribunal during the year under review.

23. *Revenue.*—The revenue of the Courts for the year under review was £P.165,904, as compared with £P.145,075 for 1936.

24. *Advocates.*—No complaints of such a nature as to move the Chief Justice to constitute a Court of Discipline have been received against any practising advocate during the year under review.

Religious Courts.

25. *Moslem Community.*—In the Moslem Religious Courts 17,930 cases were decided during the year, including 180 appeals. The Sharia judges issued 8,187 deeds of marriage and 1,146 decrees of divorce. £P.6,743 was collected in fees.

26. *Orthodox Community.*—The Ecclesiastical Courts of the Orthodox Patriarchate in Jerusalem sat in that town and also in Acre, Haifa, Jaffa, Nazareth and Gaza. The revenue from

fees during the year amounted to £P.210. The cases disposed of numbered 538, of which 12 were heard on appeal. The majority of the cases were concerned with matrimonial matters and the administration of estates. Thirty-eight cases affected change of religion.

27. *Jewish Community.*—The Jewish Rabbinical Courts heard the number of cases shown in brackets:—Jerusalem (including a Court of Appeal) (335), Jaffa-Tel-Aviv (599), Haifa (236), Tiberias (46), Safad (42), Petah-Tiqva (252), Hedera (32), Raanana (28), Bnei-Brak (219), Mazkeret Batya (10), Zikron Yaakov (6), Ramat Gan (150), Kiryat Yosef (2), Affuleh (6), Rehovoth (15), Pardess-Hanna (12), Nes-Ziona (33). The classification of suits was: divorces, guardianship, trusts, wills, and confirmation of documents.

28. *Syrian Orthodox Community.*—The Court of this community disposed of 10 cases: seven cases were concerned with matrimonial affairs, and three with the administration of estates.

29. *Armenian Patriarchate.*—The tribunal of this Patriarchate heard 19 cases during the year, concerning divorces, guardianship and succession.

30. *Latin Community.*—During the year 111 cases were heard by the Latin Ecclesiastical Courts, concerning succession, wills and matrimonial matters.

Cases Pending, Entered and Decided During 1937.

A — *Supreme Court.*

	Pending 1.1.37.	*Entered during year.*	*Decided during year.*	*Pending 31.12.37.*
Civil	298	274	525	47
Criminal	24	157	170	11
Total	322	431	695	58

B — *High Court.*

	Pending 1.1.37.	*Entered during year.*	*Decided during year.*	*Pending 31.12.37.*
Total	28	74	93	9

C — *Court of Criminal Assize.*

	Pending 1.1.37.	*Entered during year.*	*Decided during year.*	*Pending 31.12.37.*
Total	9	42	40*	8

* Does not include one case in which proceedings were stayed and two which were referred for trial to the District Court.

D

Special Tribunal.

	Pending 1.1.37.	*Entered during year.*	*Decided during year.*	*Pending 31.12.37.*
Total	—	—	—	—

E

District Courts.

	Pending 1.1.37.	*Entered during year.*	*Decided during year.*	*Pending 31.12.37.*
Civil	794	2,140	2,339	595
Criminal	124	1,803	1,737*	190
Total	918	3,943	4,076	785

* Includes 573 appeals and 1,164 original trials.

F

Land Courts.

	Pending 1.1.37.	*Entered during year.*	*Decided during year.*	*Pending 31.12.37.*
Total	1,017	495	984	528

G

Magistrates' Courts.

Cases Summarily Dealt with.

	Pending 1.1.37.	*Entered during year.*	*Decided during year.*	*Pending 31.12.37.*
Civil	4,352	51,932	51,882	4,402
Criminal	598	67,147	66,500	1,245
Total	4,950	119,079	118,382	5,647

H

Magistrates' Courts.

Cases Presented by Police and Individuals for Preliminary Investigation.

Now included in " G ".

I

Municipal Courts.

Tel-Aviv, Acre and Gaza.

	Pending 1.1.37.	*Entered during year.*	*Decided during year.*	*Pending 31.12.37.*
Total	548	5,436	5,884	100

J *Cases Entered. Including Appeals in all Courts in Palestine other than Religious Courts.*

—	1933.		1934.		1935.		1936.		1937.	
	Civil.	*Criminal.*	*Civil.*	*Criminal.*	*Civil.*	*Criminal.*	*Civil.*	*Criminal.*	*Civil.*	*Criminal.*
Supreme Court	281	163	306	137	297	119	211	247	274	157
High Court	86	—	105	—	118	—	111	—	74	—
Court of Criminal Assize...	—	33	—	27	—	30	—	51	—	42
Special Tribunal	—	—	—	—	1	—	—	—	—	—
District Courts	2,117	2,341	2,403	2,338	2,300	1,769	1,586	1,683	2,140	1,803
Land Courts	610	—	942	—	1,302	—	543	—	495	—
Magistrates' Courts ...	45,146	35,384	49,948	44,444	54,117	50,310	41,883	38,029	51,932	67,147
Municipal Courts ...	—	19,415	—	24,416	—	26,306	—	12,405	—	5,436
Persons charged before Magistrates holding special warrants ...	—	18,627	—	15,303	—	13,647	—	4,972	—	4,879
Total	48,275	75,930	53,704	86,665	58,135	92,181	44,334	57,387	54,915	79,464

K *Cases Decided. Including Appeals in all Courts in Palestine other than Religious Courts.*

—	1933.		1934.		1935.		1936.		1937.	
	Civil.	*Criminal.*	*Civil.*	*Criminal.*	*Civil.*	*Criminal.*	*Civil.*	*Criminal.*	*Civil.*	*Criminal.*
Supreme Court	245	168	306	137	318	110	226	247	525	170
High Court	91	—	105	—	125	—	103	—	93	—
Court of Criminal Assize...	—	35	—	27	—	37	—	46	—	40
Special Tribunal	—	—	—	—	—	—	2	—	—	—
District Courts	2,286	2,379	2,403	2,338	2,169	1,788	1,607	1,686	2,339	1,737*
Land Courts	600	—	942	—	1,044	—	544	—	984	—
Magistrates' Courts ...	44,240	35,137	49,948	44,444	52,261	49,809	41,225	38,446	51,882	66,500
Municipal Courts ...	—	19,416	—	24,416	—	26,241	—	12,099	—	5,884
Persons charged before Magistrates holding special warrants ...	—	18,627	—	15,303	—	13,647	—	4,972	—	4,879
Total	47,466	75,762	53,704	86,665	55,917	91,632	43,707	57,496	55,823	79,210

* Includes 1,164 original trials and 573 appeals.

VIII.—ECONOMIC EQUALITY.

1. The safeguarding of the economic interests of the community is constantly the pre-occupation of Government as follows:—

(*a*) The railways, posts, telegraphs, telephones, ports and roads are in public ownership and administered by Government Departments.

(*b*) Haifa Harbour and the Oil Dock were constructed by a Government Department.

(*c*) All water supplies are administered by the Municipalities or by the Local Councils concerned.

Note.—The Jerusalem water supply from Ras el Ain was completed early in 1936 by a Government Department, employing a special staff. It is now operated by the Public Works Department and the distribution within the city is administered by the Jerusalem Municipality. As a result of this new supply, the price of water to the consumer has been reduced from 80 mils to 45 mils per metre cube.

(*d*) The Turkish tobacco monopoly has been abolished.

(*e*) All mineral resources are Government property and may only be exploited by private persons in accordance with the provisions of the Mining Ordinance.

(*f*) Other Palestine Ordinances cover the control of:—

(1) Fisheries, forests and game.

(2) The cultivation, manufacture and sale of tobacco or liquor.

(3) The manufacture and sale of salt and matches.

(4) The export of fruit.

(5) *Mewat* (waste) lands.

(6) Companies.

(*g*) Measures are being taken to carry out a cadastral survey and a settlement of title to land.

2. It has not been found necessary to arrange with the Jewish Agency to construct or operate any public works, services and utilities. The Jewish Agency is, however, a large shareholder in the Palestine Electric Corporation; and the Palestine Economic Corporation of New York, the Directors of which are non-Zionist Jews co-operating with the Jewish Agency, has a considerable interest in the Dead Sea Concession.

3. A complete list of concessions and the names of the concession-holders is appended to this report (Appendix III).

4. The latest balance sheets of the several companies holding concessions are furnished as an appendix to this report (Appendix I).

5. Provisions are made to secure economic equality under different headings as follows:—

(*a*) *Concessions*—

(1) All concessions granted by Government for the exploitation or development of the natural resources of Palestine or public services include time-limit clauses, in the interests of genuine and expeditious development, affecting the commencement of the work and the expiry of the concession.

(2) Concession rights may not be assigned without the consent of Government which may also take over undertakings in the event of war or of other similar emergency.

(3) At the end of the term of the concession, the undertakings and all their assets and effects revert to Government.

(4) The concessionaires' accounts are, by right, open to the inspection of Government which may also invest in the capital of the Company.

(5) All leases of State Domain Lands specify the right of Government to resume possession of the area —wholly or in part—for public utility purposes.

(6) The employment of local labour by concessionaires is adequately safeguarded.

(*b*) *Land Tenure.*—The Palestine Government has removed the Ottoman prohibition against a foreign corporation holding land and has abolished the special Ottoman tax upon immovable property owned by corporate bodies. All foreign bodies, whether individual or corporate, may hold land in Palestine upon the same terms as any Palestinian individual or corporate person.

(*c*) *Mining Rights* (*in particular, Rules in regard to Prospecting*).—Economic equality is secured by the provisions of the Mining Ordinance, 1925, which, *inter alia,* prevents speculative " tying-up " of undeveloped mineralised areas by prospectors.

(*d*) *Fiscal Regime.* (*Direct and Indirect Taxation.*)

(*e*) *Customs Regulations* (*Imports, Exports, Transit*).

Note.—For reasons of convenience these two headings are taken together.

There is no economic discrimination either in the Fiscal Regime or in the Customs Regulations of Palestine.

Prior to the War, certain foreign charitable, religious and educational institutions enjoyed, under the Ottoman Law of Silhi 1281 A.H. and various firmans, special privileges in respect of import duty, State and municipal taxation and titles.

These privileges have been maintained *in toto* by the Palestine Government, but no fresh privileges of this nature have been granted.

Otherwise foreign nationals are liable to the same taxation, State or municipal, as are Palestine citizens.

Save for slight exceptions, which will disappear in the course of time, taxation on immovable property is now of two kinds only:—

(1) The Urban Property Tax, which is a rate on net annual value in all towns and is assessed by committees on which the public and the Government are represented in equal proportion.

(2) The Rural Property Tax, which is a tax per dunum of land in all rural areas.

The Ottoman Law of Professional Tax (*Temettu*), which was assessed only upon Ottoman subjects and not upon foreigners, has not been applied by the Palestine Government.

6. The Palestine Government has agreed to extend certain facilities, including the landing, warehousing and transhipment of goods and a certain degree of manipulation, in free zones which will be set up in the port of Haifa. These free zones will, of course, be under general Governmental control and subject to such prohibitions or restrictions as to importation into Palestine as are required by international conventions or local needs.

Officials of the foreign Government concerned will be allowed to take charge of all processes within the zones and will be granted reasonable concessions in respect of local taxation.

The Government of 'Iraq is specially interested in these developments.

7. A special customs agreement with 'Iraq was concluded and came into force in February, 1937.

Notes:—

(1) Owing to the unsettled conditions there was little development in mining during the year.

(2) The Jerusalem water supply from Ras el Ain was completed in 1936 and has been working satisfactorily.

(3) Consideration continues to be given to the provision of water supplies in the following towns in Palestine:—

Jaffa.	Beit Jala.
Tel-Aviv.	Ramallah.
Haifa.	Bireh.
Bethlehem.	

(4) The concession period of the popular El Hamme mineral springs was increased from 31 to 45 years, with effect from the 20th December, 1930, and the Company increased its capital by £P.20,000 and has considerably improved and developed its accommodation.

(5) During the year an agreement was made with the contractors of the Tiberias Hot Springs under which the springs were leased to them for a period of 60 years.

(6) A topographic and hydrographic survey of Lake Huleh basin was carried out last year.

(7) The development of the Dead Sea Concession has proceeded satisfactorily.

(8) The Palestine Sulphur Quarries, Ltd., continued work during the year without interruption. A mechanical drying plant was installed on their leased area south of Gaza, which enables the product to be classified into four grades. A Dorr-Oliver classifier plant was also erected.

(9) The Palestine Electric Corporation operated the new station in the Haifa—Acre Bay near Haifa, which was completed in 1936, and a diesel driven station at Tel-Aviv. The Corporation has commenced the construction of a 30,000 kw. steam-driven station at Tel-Aviv, which is due for completion in 1938.

The construction of an extra high tension line from the Jordan Power Station to Tel-Aviv has been completed and is already in use. During the year the Corporation have extended their supply mains and constructed a number of small sub-stations to meet the increasing demand.

(10) The Jerusalem Electric and Public Service Corporation have completed the erection of a second generator in order to meet the growing demand for electrical energy.

A number of small sub-stations have also been constructed and the supply mains extended.

IX.—HOLY PLACES.

Basilica of the Nativity, Bethlehem.

1. The roof of the Basilica of the Nativity at Bethlehem has been repaired by Government in order to make it waterproof. The Orthodox, Latin and Armenian Communities have been requested to contribute in equal shares to the cost of the repairs. The Latin and Armenian Communities have paid their respective shares, while the Orthodox have protested, claiming the right to pay the whole cost.

The annual cleaning of the Basilica was carried out without incident on 29th December, 1937, in the presence of a British Assistant District Commissioner.

A dispute between the Latin and Orthodox Communities is pending in regard to the use of certain parts of the Grotto of the Nativity on the occasion of the Latin Epiphany.

Basilica of the Holy Sepulchre, Jerusalem.

2. The Easter ceremonies were celebrated as usual and no untoward incident occurred. It is noteworthy that by agreement between the three principal Communities electric light was used for the first time during the respective Easter celebrations in the Rotunda of the Basilica.

A dispute that has arisen between the two hereditary Moslem janitors of the Basilica, in regard to their respective claims to the exclusive right of sealing the Tomb at the Orthodox ceremony of the Holy Fire, is under consideration by Government.

The restoration of the mosaics in the Calvary Chapel, which was approved in 1931 by the Archaeological Advisory Board, is in process of execution by the Latin Community.

The Armenian Patriarchate installed an electric lamp and wires in the Chapel of St. Nicodemus. Protests having been received from other Communities on the ground that this installation constituted a contravention of the *status quo*, the lamp and wires were subsequently removed on the instruction of Government.

3. The period of two years, for which the temporary consolidation of the Basilicas of the Holy Sepulchre at Jerusalem and of the Nativity at Bethlehem was designed, has now expired; and although there are no signs of immediate and serious collapse, the expert advice which Government has received leaves no doubt that the continued stability of the Basilicas cannot safely be presumed. Accordingly the Heads of the principal Christian Communities concerned have again been invited by Government to co-operate in the promulgation

of a public appeal for funds for the permanent restoration of the Basilicas, and they have been warned that, unless funds are forthcoming in the reasonably near future, Government may find it necessary, in the interest of the public safety, to close the Basilicas to the public before the Western Holy Week, 1938. The whole question is receiving the Government's closest attention.

El Haram as Sherif.

4. The Supreme Moslem Council repaired the mosaics of the roof, and removed for replacement the deteriorated porcelain tiles from the western frontage of the octagon of the Dome of the Rock.

Wailing Wall and Rachel's Tomb.

5. There has been greater co-operation between the Vaad Leumi, the Chief Rabbinate and the Agudath-Israel throughout the period under review in the matter of the preservation of Jewish interests at the Wailing Wall and Rachel's Tomb.

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6. The following is a summary of the Christian and Moslem religious services which were broadcast by the Palestine Broadcasting Service during the year:—

6th January.—Orthodox Eastern Service (from the Basilica of the Nativity, Bethlehem).

7th January.—Reading from the Gospel in Arabic, Coptic, Syriac and Amharic by Representatives of the Coptic, Syriac and Abyssinian Churches.

18th January.—Armenian Service (from the Basilica of the Nativity, Bethlehem).

25th March.—A Roman Catholic Service in Latin and Arabic (from the Latin Church in the Garden of Gethsemane, Jerusalem).

28th March.—Roman Catholic Service (from the Basilica of the Holy Sepulchre, Jerusalem).

Anglican Service (from St. George's Cathedral, Jerusalem).

Anglican Service (in Arabic) (from St. Paul's Church, Jerusalem).

1st May.—Orthodox Eastern Service (from the Basilica of the Holy Sepulchre, Jerusalem).

2nd May.—Armenian Service (from the Basilica of the Holy Sepulchre, Jerusalem).

Readings from the Gospel in Arabic, Coptic, Syriac and Amharic by Representatives of the Coptic, Syrian Orthodox and Abyssinian Churches.

2nd May.—Mawlad Ceremony (Birth of the Prophet) with commentary and description of the Mosque (from the El Aqsa Mosque).

9th June.—Byzantine Mass (from St. Anne's Church, Jerusalem).

24th December.—A Carol Service in English (from the Courtyard of the Basilica of the Nativity, Bethlehem).

Roman Catholic Service (from the Basilica of the Nativity, Bethlehem).

25th December.—Anglican Service (from St. George's Cathedral, Jerusalem).

Anglican Service (in Arabic) (from St. Paul's Church, Jerusalem).

26th December.—A descriptive programme entitled "Christmas in Bethlehem" arranged at the request of the British Broadcasting Corporation, and broadcast from the Basilica of the Nativity, Bethlehem.

X.—FREEDOM OF CONSCIENCE.

There is complete liberty of conscience and of religious observance throughout Palestine.

The Palestine Government is bound to carry out the prescriptions of Article 83 of the Palestine Order in Council, 1922, which reads as follows:—

> "All persons in Palestine shall enjoy full liberty of conscience, and the free exercise of their forms of worship subject only to the maintenance of public order and morals. Every religious community recognized by the Government shall enjoy autonomy for the internal affairs of the community subject to the provisions of any Ordinance or Order issued by the High Commissioner."

The intervention of the Government in matters of change of religious community is regulated by the Religious Community (Change) Ordinance and is directed to secure that there will be public notification of the change of legal status which is involved.

An Ordinance was enacted in 1926 giving power to the High Commissioner, with the approval of the Secretary of State, to make regulations for the organization of any religious community which applies therefor. Separate regulations are to be made in each case suited to the special circumstances and organization of the community concerned. The regulations may provide for the constitution of councils or boards of the community, which shall have juristic personality, and may confer on them power to impose contributions and fees for communal purposes which shall be recoverable in the same way as municipal taxes and fees.

The only regulations of this kind which have so far been made are those of 1927 in respect of the Jewish community, which contain provisions assuring freedom of conscience and religion to Jews who wish to hold aloof from the established community.

Municipal and public works are arranged, as far as possible, so as to allow every labourer to enjoy, in freedom of conscience, that weekly day of rest which he elects to keep, subject to technical exigencies or considerations of emergency; and a six-day working week is general in such works. The precise method of securing this end depends on the kind of work to be done, the period fixed for its completion, the locality in which it is to be carried out, and the different racial and religious elements of the labour employed on it. The matter is usually susceptible of adjustment by the District Commissioner concerned, in consultation with the undertaker or contractor responsible for the work and, if need be, with the religious head of the community affected.

There is no difficulty in respect of skilled individual craftsmen, who can do their work in their own time.

As regards public works (roads, buildings, etc.) undertaken by Departments or under contract, the Government endeavours to avoid such conditions as might make Sabbath labour unavoidable to Jews employed upon the works, or such conditions as might encourage or facilitate Sabbath labour by Jews. All Government officers are granted the weekly day of rest observed by the religious community to which they belong. But in the case of certain departments, such as the Railways, Post and Telegraphs, and Police, the difficulty of duplicating staff, the racial distribution of technical skill, and the essential continuity, for example, of watch and ward duties, entail the consequence, in some centres, that some employees shall perform essential services on their weekly day of rest.

2. The acts which may be done and which may not be done by Jews and Moslems at the Wailing Wall are defined in the Wailing Wall Order in Council, which was printed in Appendix I to the Report for 1931.*

3. The registration of schools is required by the Department of Education and granted subject only to compliance with sanitary requirements of the Department of Health. The establishment of schools in Palestine by communities or private organisations or individuals is, apart from this, unrestricted.

The Education Ordinance ensures the rights of communities to maintain their own schools for the education of their own members. All teachers are required to register their names and certain particulars with the Education Department, but except for this formality there is no restriction on the free exercise of the educational profession in a private school, that is, a school not receiving assistance from public funds. Private schools, other than those private schools exempted by the High Commissioner on the ground that only religious instruction is given, are subject to inspection by certain officers of the Departments of Education and Health. No changes in the curriculum or internal management of a private school established or maintained by a religious association may be required by the Department of Education.

The full text of the Education Ordinance was given in Appendix I to the 1932 Report.†

4. A draft Ordinance to amend the existing Fundamental Law of the Orthodox Patriarchate of Jerusalem is now under the consideration of Government.

XI.—MILITARY CLAUSES.

The estimated cost of the Palestine Police Force and Prisons Service in 1937 was £P.867,295.

* Non-Parliamentary publication, Colonial No. 75, 1932.

† Non-Parliamentary publication, Colonial No. 82, 1933.

The strength on the 31st December, 1937, was as under:—

	Officers.						*Inspectors.*						*Other Ranks.*						
	Christians.						*Christians.*						*Christians.*						
	British.	*Palestinian.*	*Moslems.*	*Jews.*	*Others.*	*Total Officers.*	*British.*	*Palestinian.*	*Moslems.*	*Jews.*	*Others.*	*Total Inspectors.*	*British.*	*Palestinian.*	*Moslems.*	*Jews.*	*Others.*	*Total Other Ranks.*	*Grand Total.*
The Police Force ...	43	7	4	5	—	59	24	18	43	29	2	116	1,104	312	1,254	724	9	3,403	3,578
The Prisons Service ...	4	—	—	—	—	4	5	—	4	4	—	13	12	26	248	5	1	292	309
Totals	47	7	4	5	—	63	29	18	47	33	2	129	1,116	338	1,502	729	10	3,695	3,887

2. Compared with the previous year the establishment of the Police Force was increased by the following officers and other ranks:—

District Superintendent	1
Deputy Superintendents	2
Assistant Superintendent	1
British Inspectors	3
Palestinian Inspectors	3
First British Sergeants	42
Second British Sergeants	13
Palestinian Sergeants...	5
Palestinian Corporals...	11
Constables (British)	250
Constables (Palestinian)	288

The increases were mainly due to the formation of a special Police Division to control the Palestine—Syria frontier from Ras an Nakura in the west, to Samakh in the east, and the establishment of British Police Reserve Forces in the towns of Jerusalem, Jaffa and Haifa.

3. With the exception of a few cases of typhoid which occurred among the British Police, the health of the Force has been uniformly good throughout the year.

4. A new Police District was established with headquarters at Safad, and styled the Frontier Police District. Two new police stations and twelve new police posts were opened during the year.

5. Two hundred and twelve British and one hundred and thirty-nine Palestinian non-Commissioned officers passed the proficiency pay examination. Five British and seven Palestinian personnel were awarded special proficiency pay in recognition of outstanding service.

6. There were seventy-two British and Palestinian recruits in training at the beginning of the year. Seven hundred and ninety British and Palestinian recruits were accepted during the year, and six hundred and twenty-five were posted to Districts.

A Promotional Course was assembled in December, 1936, and was completed in 1937 and a further promotional course was held during the year. Seven British and twelve Palestinian other ranks were promoted to the inspectorate.

7. In the higher language examinations eighty-one British personnel passed in Arabic and nineteen in Hebrew; and in the lower language examination two hundred and forty-three passed in Arabic and eighty-seven in Hebrew. One British policeman passed the Government elementary examination in Arabic.

8. There are now thirty-six wireless telegraphy stations operating throughout the country, eleven of which were put into service during the year. In addition, eight vehicles of the Police Force fleet were equipped with wireless telephony receiving sets.

9. The expansion of the wireless telegraphic communication scheme has been of great value and messages amounting to well over three million words were handled during the year. The particular utility of the mobile wireless units has not been fully explored as these have not been long enough in service. They are, however, proving of great advantage in the larger towns both for traffic work and for public security purposes. Transmitting and receiving apparatus is now being fitted to eighteen additional vehicles of the Police Force fleet.

10. Of the First Aid Division Police, eighty-four members qualified in First Aid tests held by the Order of St. John of Jerusalem. There are now in the Force six hundred and ninety-two officers and men competent to render first aid to the injured, and one hundred and two officers and other ranks have passed the proficiency tests for life saving and have been awarded certificates by the Royal Life Saving Society.

11. *Road Traffic.*—There was an increase in vehicular traffic during the year.

The intensive measures which were taken by Government during the previous year with regard to the control of vehicular traffic and licensing have produced gratifying results in the way of reducing both general and road accidents. The following table of accidents will be of interest, particularly when it is remembered that during 1936 road traffic was reduced to approximately 25 per cent. of its proportions owing to the continuance of disorders for a period of six months:—

	1934.	*1935.*	*1936.*	*1937.*
Fatal road accidents ...	154	153	129	105
General accidents ...	1,202	1,527	1,109	1,126

12. *Prisons.*—The health of the prisoners was satisfactory.

At the end of the year there were twenty-seven inmates in the criminal lunatic section, and seventeen prisoners under treatment in the tubercular ward of the Central Prison, Acre.

Fifty-four prisoners escaped from the central prisons, jail labour companies and lock-ups. Of these, seven escaped from the precincts of the prison, six from lock-ups, thirty when on outside labour, one from a Government hospital, three when under escort and seven were honour prisoners on work outside the prisons.

Twenty-nine prisoners were recaptured.

Eighty-two inmates escaped from the reformatory schools at Tulkarm and Acre, of whom sixty-six were recaptured or returned voluntarily.

Under the Penal Labour Ordinance 5,475 prisoners were released and employed on services of public utility. No wages were paid to them for this work. This figure shows an increase of 1,246 on the previous year.

A daily average of 798 convicted prisoners in jail labour companies was employed on road making, quarrying and agricultural work.

The convicts in the central prisons are employed on carpentry, weaving, basket-making, tailoring, blacksmithy, printing, shoemaking and on the repair of mail bags. The prisoners receive no payment for their work.

The number of prisoners in custody on the 31st December was as follows:—

	Convicted.	*Awaiting trial.*
Central Prison, Jerusalem	333	139
Central Prison, Acre	465	234
Jail Labour Company No. 1 ...	364	—
Jail Labour Company No. 2 ...	372	—
Farm Labour Camp, Acre	119	338
Women's Prison, Bethlehem... ...	53	21
Jerusalem District Lock-ups... ...	26	110
Southern " "	46	87
Gaza " "	15	25
Northern " "	10	66
Nazareth " "	16	52
Nablus " "	46	85
	1,865	1,157

The distribution of sentences was as follows:—debtors 46; up to 3 months 339; 3-12 months 464; 1-5 years 500; 5-15 years 437; over 15 years 24; life 46; capital punishment 9.

At the end of the year there were 225 convicted offenders in the boys' reformatory schools. The average age on admission was thirteen years and eleven months.

During the year, 1,258 debtors were imprisoned as compared with 843 in 1936.

In addition to 526 prisoners awaiting trial at the end of the year, 631 were detained under the Regulations made under the Palestine (Defence) Order in Council, 1931.

13. *Crime.*—The Criminal Investigation Department is under the command of a Deputy Inspector-General, and the staff consists of one District Superintendent, one Deputy District Superintendent, four Assistant Superintendents, five Inspectors, five Sergeants, four corporals, twenty-three detectives and twenty-one clerks.

The duties of the Criminal Investigation Department are to prevent and detect crime by the collection of information and evidence and by investigation in collaboration with the district

police, to watch and report upon political movements, to repress seditious activities, to maintain criminal records, finger prints, and photographs, to examine the regular organs of the Press and occasional pamphlets with a view to action in case of seditious, inflammatory, or pornographic articles, to prevent the smuggling of arms, drugs and entry of illegal immigrants (and for this purpose Criminal Investigation Department men are posted to the ports), to scrutinize applications for naturalization, to arrange deportations and extraditions, and to maintain liaison with appropriate departments and authorities in Egypt, Syria, Trans-Jordan, India, 'Iraq, Cyprus and Europe; to maintain the closest appreciation of the state of public security from the political and criminal points of view.

The following are comparative tables of crime statistics for each of the years 1933 to 1937 inclusive:—

—	*1933.*	*1934.*	*1935.*	*1936.*	*1937.*
Indictable offences	2,881	2,172	1,753	3,971	2,653
Non-indictable offences ...	9,721	8,454	10,525	11,502	14,399
Crime:—					
Murder	108	109	115	254	192
Attempted murder ...	97	122	115	508	250
Highway robbery ...	34	32	32	122	221
Theft by breaking into premises	493	337	858	1,194	935
Animal theft	312	499	393	463	543
Agrarian offences... ...	829	425	443	688	439

Police dogs continued to give valuable service in the detection of crime. The demand for the services of the dogs was so great and the strain thrown upon them was so considerable that two additional trained dogs were immediately purchased during the year and two more are now on their way to Palestine. Out of a total number of 221 cases in which the dogs were employed during the year, they were successful in 80 cases.

Eleven persons were extradited from Palestine to Syria, twenty to Trans-Jordan. Twelve were extradited from Syria and twenty from Trans-Jordan.

14. *Criminal Records Office.*—The Criminal Records and Fingerprint Bureau now holds 47,734 dossiers of convicted criminals; 7,644 were opened during 1937. Fingerprint identification slips received for search numbered 14,209 and in 3,791 cases previous convictions were traced. In three cases criminals were directly identified from fingerprints which they left on the scenes of their operations.

Eight hundred and sixteen Arabs and eighty-seven Jews were detained under the Emergency Regulations or the Prevention of Crime Ordinance for various periods.

15. *Communism.*—Communist activity continues to demand a good deal of attention and police surveillance. Of twenty-five Communists prosecuted, twelve were acquitted and thirteen convicted. Ninety-four Communists were bound over under the Prevention of Crime Ordinance and the Defence Regulations. Forty-six Communists were deported, a further fifty-five left of their own accord and were prohibited from returning, and forty-three orders of exclusion of undesirables were made during the year.

Trans-Jordan Frontier Force.

16. The strength of the Trans-Jordan Frontier Force including the Reserve at the 31st December, 1937, was 1,056 made up as follows:—

	British.	*Moslem Arabs.*	*Christian Arabs.*	*Circassians.*	*Jews.*	*Sudanese and Egyptians.*	*Druzes.*	*Total.*
Officers	24	9	9	7	3	—	1	53
Warrant Officers	9	—	—	—	—	—	—	9
N.C.Os. and Troopers	—	397	214	125	24	43	21	824
Total	33	406	223	132	27	43	22	886
Reserve N.C.Os. and Men ...	—	113	23	28	—	—	6	170
Grand Total ...	33	519	246	160	27	43	28	1,056

17. Recruits enlisted during the year numbered 70, of whom 19 were Arab Moslems; 23 Arab Christians; 11 Circassians; 1 Druze; 4 Egyptians and Sudanese, and 12 Jews.

18. Sixty-six men were discharged on termination of contract or on other grounds, and 16 of these were enrolled in the Reserve. One hundred and ninety-three other ranks, time-expired, were re-engaged for a further period.

19. The discipline of the Force continues to be satisfactory. There were no desertions nor were any men tried by Court Martial.

20. The general health of the Force was very good. Four hundred and eighty-eight cases were treated in the Frontier Force hospitals and 11 cases in Government and other hospitals. There were 132 cases of malaria, a decrease of 175 over the number of cases in 1936: 29 of these were primary cases.

21. No active operations took place in Palestine or Trans-Jordan, but all units of the Force have been called out in aid of the Civil Power throughout the year.

22. Individual and collective training and co-operational training with the Royal Air Force were carried out in accordance with the programme laid down. In only two cases was the programme curtailed on account of units being called out in aid of the Civil Power.

23. The annual courses for rifles, machine guns, and light automatics revealed a satisfactory standard in weapon training.

24. The progress of educational classes was satisfactory throughout the year. Forty-seven candidates passed the examinations held for first, second and third class certificates.

A class in English has been formed at Ma'an for other ranks.

25. The approved estimates of expenditure of the Force for the financial year 1937-8 amount to £P.200,094, including £P.13,033 for extraordinary works, and the approved grant-in-aid from the Imperial Government amounts to £P.147,035.

26. *Horse Breeding Scheme.*—The Force now possesses—

4 thoroughbred Arab Stallions;

4 countrybred Arab Stallions purchased in Trans-Jordan (as remounts);

9 specially selected mares purchased in Trans-Jordan (as remounts).

As in previous years, the countrybred stud stallions and mares have been with squadrons doing ordinary troop work.

The Breeding Scheme has become popular, and constant demands are being made by the Mukhtars of villages for horses to stand at stud.

XII.—INTERNATIONAL AGREEMENTS, CONVENTIONS AND TREATIES.

(A) Agreements and Conventions concluded in the name of Palestine.

(i) Extradition Agreements.

Country.	*Name.*	*Date of Signature.*
Egypt	Provisional Agreement	7.8.22, Ramleh.
Syria	Provisional Agreement	11.7.21, Palestine. 15.7.21, Syria.
	Addendum	10.1.24, Palestine. 28.1.24, Syria.
	Amendment	11.9.33, Palestine. 23.9.33, Syria.

(A) Agreements and Conventions concluded in the name of Palestine—*contd.*

(ii) Commercial Agreements.

Country.	*Name.*	*Date of Signature.*
Egypt	Agreement to facilitate commercial relations between Egypt and Palestine.	18.8.36 (Effective date).
	Exchange of Notes	18.8.36.
'Iraq	Special Customs Agreement to facilitate commercial relations between 'Iraq and Palestine, Exchange of Notes 14.12.36.	14.2.37 (Effective date).
Syria	Customs Agreement	4.5.29, Jerusalem. 18.5.29, Beirut.
Syria	Amendment	22.10.35, Jerusalem.
Trans-Jordan ...	Transit Agreement	26.9.28, Jerusalem. Amended— 18.12.28, Jerusalem. 27.12.28, Amman.

(iii) Other Agreements.

Egypt	Convention concerning the Reciprocal Enforcement of Judgments.	12.1.29, Cairo.
Egypt	Agreement concerning the Measures to be applied for the Control of Dengue Fever.	29.1.31, Cairo.
Egypt	Arrangements for the Transit of Palestinian Pilgrims through Egyptian Territory.	28.12.33, Cairo. (Effective date).
France	Convention of Good Neighbourly Relations concluded by Great Britain on behalf of Palestine on the one part and by France on behalf of Syria and Great Lebanon on the other part.	2.2.26, Jerusalem. Amended— 14.3.27, Jerusalem. 21.3.27, Beirut.
France	Parcel Post Agreement	31.3.36/19.6.36
Great Britain ...	Agreement between the Post Office of the United Kingdom of Great Britain and Ireland and the Post Office of Palestine for the Exchange of Money Orders.	10.1.22, London. 23.1.22, Jerusalem.
Greece	Parcel Post Agreement	13.3.36/28.3.36.
'Iraq	Parcel Post Agreement	29.5.26/4.8.27.
Switzerland ...	Parcel Post Agreement	6.5.28/15.5.28.
Syria	Agreement concerning the Importation of Antiquities.	13.3.26, Beirut.
Syria	Agreement to provide for the Distribution of certain Receipts from Animal Tax.	30.3.27.
Syria	Parcel Post Agreement	28.10.29/7.11.29. Amended—
Syria	Money Orders Agreement ...	30.6.30/7.7.30. 17.1.30/25.2.30.
Syria	Agreement regarding Measures to combat Cattle Plague.	30.3.27.

(A) Agreements and Conventions concluded in the name of Palestine—*contd.*

(iii) Other Agreements—*contd.*

Country.	*Name.*	*Date of Signature.*
Syria and the Lebanon.	Agreement for the Reciprocal Grant of Gratis Visas.	20.8.32, Jerusalem. 5.9.32, Beirut.
Syria	Agreement relating to the Circulation of Motor Vehicles.	18.9.35, Jerusalem.
Trans-Jordan ...	Agreement for the Taking of Evidence on Commission for the purpose of any Criminal or Civil Matter.	25.2.29, Jerusalem. 6.3.29, Amman.
Trans-Jordan ...	Agreement as to the Circulation of Motor Vehicles.	14.11.29, Jerusalem.
Trans-Jordan ...	Agreement regarding the Interchange of Judicial Documents.	25.2.29, Jerusalem. 6.3.29, Amman.
Trans-Jordan ...	Agreement regarding the Conveyance of Corpses from Palestine for Burial in Trans-Jordan and from Trans-Jordan for Burial in Palestine.	1.10.29.
Trans-Jordan ...	Extradition Agreement	16.7.34 (Amended 24.8.35/1.9.35).
Trans-Jordan ...	Agreement to Regulate the Service of Judicial Documents between Palestine and Trans-Jordan.	23.11.34, Amman. 13.12.34, Jerusalem.
United States of America.	Convention regarding the Rights of the Government and Nationals of the United States of America in Palestine.	3.12.24.
	Agreements concluded in 1937.	
Syria	Agreement to facilitate the movement of certain animals from one territory into the other for purposes of grazing and watering.	2.10.37, Jerusalem.

(B) Multilateral Agreements and Conventions.

Name.	*Date of Signature.*	*Date of Accession.*
International Convention prohibiting the Use of White (Yellow) Phosphorus in the Manufacture of Matches.	26.9.06, Berne.	17.9.25.
International Convention relative to the Protection of Literary and Artistic Works.	13.11.08, Berlin.	21.3.24.
International Opium Convention and subsequent relative papers.	23.1.12, The Hague.	21.8.24.
Additional Protocol to the International Copyright Convention signed at Berlin on the 13.11.08.	20.3.14, Berne.	21.3.24.
Convention and Statute on Freedom of Transit	20.4.21, Barcelona.	28.1.24.
Convention and Statute on the Regime of Navigable Waterways of International Concern.	20.4.21, Barcelona.	28.1.24.
Additional Protocol to the Convention on the Regime of Navigable Waterways of International Concern.	20.4.21, Barcelona.	28.1.24.

(B) Multilateral Agreements and Conventions—*contd.*

Name.	*Date of Signature.*	*Date of Accession.*
Declaration recognizing the Right to a Flag of States having no Sea Coast.	20.4.21, Barcelona.	9.10.22. (Ratification).
International Convention for the Suppression of the Circulation of and Traffic in Obscene Publications.	12.9.23, Geneva.	23.5.27.
Protocol on Arbitration Clauses (in commercial matters).	24.9.23, Geneva.	12.3.26.
International Convention relating to the Simplification of Customs Formalities.	3.11.23, Geneva.	29.8.24. (Ratification).
Convention relating to the Development of Hydraulic Power affecting more than one State, and Protocol of Signature.	9.12.23, Geneva.	22.9.25.
Convention and Statute of the International Regime of Railways and Protocol of Signature	9.12.23, Geneva.	22.9.25.
Convention and Statute of the International Regime of Maritime Ports and Protocol of Signature.	9.12.23, Geneva.	22.9.25.
Convention relating to the Transmission in Transit of Electric Power and Protocol of Signature.	9.12.23, Geneva.	22.9.25.
International Agreement as to Contagious Disease of Animals.	25.1.24, Paris.	13.7.27.
International Sanitary Convention	21.6.26, Paris.	9.10.28.
International Commission for the Scientific Exploration of the Mediterranean Sea.	26.4.29, Malaga.	19.12.29.
International Convention for the unification of certain rules relating to Bills of Lading.	25.8.24, Brussels.	2.6.31. (Effective date).
Convention relating to the International Circulation of Motor Vehicles.	24.4.26, Paris.	4.12.30 (Effective date).
Convention relating to the Regulation of Aerial Navigation and Additional Protocol of May, 1920.	13.10.19.	11.7.22 (Effective date).
International Convention relating to International Exhibitions.	22.11.28, Paris.	17.12.30.
International Convention relating to Dangerous Drugs.	19.2.25, Geneva.	25.9.28 (Effective date).
International Convention with the object of securing the Abolition of Slavery and the Slave Trade.	25.9.26, Geneva.	18.6.27 (Ratification).
International Convention relative to the Protection of Literary and Artistic Works.	2.6.28, Rome.	1.10.31.
International Convention for the Execution of Foreign Arbitral Awards.	26.9.27, Geneva.	26.5.31.
International Convention for the Amelioration of the Condition of the Wounded and Sick in Armies in the Field.	27.7.29, Geneva.	23.6.31. (Ratification) (Effective date 23.12.31).
International Agreement for the Suppression of the White Slave Traffic.	18.5.04, Paris.	6.5.32 (Effective date).
International Convention for the Suppression of the White Slave Traffic.	4.5.10, Paris.	

(B) Multilateral Agreements and Conventions—*cont.*

Name.	*Date of Signature.*	*Date of Accession.*
International Convention for the Suppression of the Traffic in Women and Children.	30.9.21/31.3.22, Geneva.	2.11.31.
International Agreement regarding False Indications of Origin on Goods.	6.11.25	12.9.33 (Effective date).
International Convention for the Protection of Industrial Property.	6.11.25, The Hague.	12.9.33 (Effective date).
European Broadcasting Convention	19.6.33, Lucerne.	15.1.34 (Effective date).
International Convention for Mutual Protection against Dengue Fever.	25.7.34, Athens.	3.5.35.
International Convention for Sanitary Control of Aerial Navigation.	12.4.33, The Hague.	1.8.35.
International Telecommunications Convention	9.12.32, Madrid.	24.5.35.
Universal Postal Convention	20.3.34, Cairo.	1.1.35.
Agreement concerning Insured Letters and Boxes.	20.3.34, Cairo.	1.1.35.
Convention for the Unification of certain rules relating to International Carriage by Air.	12.10.29, Warsaw.	3.3.35.
International Convention relating to Stamp Laws in connection with Bills of Exchange and Promissory Notes.	7.6.30.	16.10.36. (Effective date).
International Convention relating to Stamp Laws in connexion with Cheques.	19.3.31.	16.10.36. (Effective date).
International Convention relating to Taxation of Foreign Motor Cars.	30.3.31.	29.4.36.
International Convention for the Regulation of Whaling.	24.9.31, Geneva.	17.2.37

(C) Extradition Treaties between the United Kingdom and Foreign Countries which apply to Palestine.

Country.	*Date of Signature.*	*Date of Application.*
Between United Kingdom and Albania.	22.7.26	29.1.27 (Ratification).
Austria	3.12.1873 30.7.35.	23.1.28.
Belgium	26.6.1901	1.8.28 (Effective date).
	29.10.01	
Belgian Congo ...	5.3.07, ...	
Ruanda-Urundi ...	3.3.11, ...	
	8.8.23 and	
	2.7.28	
Bolivia	22.2.1892	18.2.28.
Chile	26.1.1897	13.1.28.
Colombia	27.10.1888	5.12.30 (Effective date).
Cuba	2.12.29. 3.10.1904	12.12.31 (Effective date)
	17.4.1930.	

(C) Extradition Treaties between the United Kingdom and Foreign Countries which apply to Palestine—*contd.*

Country.	*Date of Signature.*	*Date of Application.*
Czechoslovakia ...	11.11.24, Protocol 4.6.26.	15.7.27.
Denmark	31.3.1873	10.2.28.
Ecuador	20.9.1880	19.1.28.
Estonia	18.11.25	10.3.27.
Finland...	30.5.24	25.11.26.
Germany	14.5.1872 and 10.12.1928.	17.8.30 (Effective date).
Greece	24.9.10	19.4.28.
Guatemala	4.7.1885	11.9.29.
Hayti	7.12.1874	13.1.28.
Hungary	3.12.1873 and 26.6.1901. 18.9.1936.	25.4.28.
'Iraq	2.5.1932	15.6.33 (Effective date).
Latvia	16.7.24	7.6.26.
Liberia	15.12.1892	16.10.28.
Lithuania	18.5.26	29.3.27 (Ratification).
Monaco	17.12.91 and 27.11.30.	5.7.31 (Effective date).
Netherlands	26.9.1898	27.1.28.
Nicaragua	19.4.1905	12.1.28.
Norway	26.6.1873 18.2.1907.	13.12.29.
Panama	25.8.1906	24.1.28.
Paraguay	12.9.1908	16.1.28.
Peru	26.1.1904	16.1.28.
Poland	11.1.1932	12.3.34 (Effective date).
Portugal	17.10.1892 20.1.1932.	23.6.34 (Effective date).
Roumania	21.3.1893	11.1.29.
San Marino	16.10.1899	19.7.34 (Effective date).
San Salvador	23.6.1881	8.8.30 (Effective date).
Siam	4.3.1911	27.2.28.
Spain	4.6.1878 and 19.2.1889.	13.2.28.
Switzerland	26.11.1880 29.6.1904. 19.12.34.	19.9.29.
United States of America.	22.12.31	24.6.35.
Yugoslavia	6.12.1900	1.11.28.

In addition to the countries set out in the foregoing list and to those in list (A) (i), the Palestine Extradition Law has been applied to the following countries :—

Argentine.
France.
Italy.
Mexico.
Tunis.
Uruguay.

(D) Commercial Treaties between the United Kingdom and Foreign Countries which have been applied to Palestine.

Country.	*Name.*	*Date of Application.*
Between the United Kingdom and		
Austria	Treaty of Commerce and Navigation, 22.5.24, London.	5.6.26.
	Notes on Trade Marks	2.12.27. 13.4.28.
Bulgaria ...	Notes on Commerce and Navigation, 12.11.25.	25.2.29.
Czechoslovakia ...	Treaty of Commerce, 14.7.23	5.6.25.
Egypt	Commercial Modus Vivendi, 5/7.6.30, Cairo.	11.6.30.
	Prolongation until 16.2.34 by Notes of...	16/19.2.33.
	Prolongation until 16.2.38 by Notes of ...	13/14.2.37.
Finland	Treaty of Commerce and Navigation, 14.12.33.	13.2.26.
Finland	Convention regarding the Suppression of Illicit Importation of Alcoholic Liquors into Finland, 13.10.33, London.	13.10.33.
Germany ...	Treaty of Commerce and Navigation, 2.12.24, London.	2.12.26.
Greece	Notes on Consular Fees on Certificates of Origin, 21.6.29.	21.6.29, 5.7.29 (Effective date).
Greece	Treaty of Commerce and Navigation, 16.7.26.	23.3.27.
Hungary... ...	Treaty of Commerce and Navigation, 23.7.26.	9.7.29.
Japan	Treaty of Commerce and Navigation, 3.4.11, and Supplementary Convention of 30.7.25.	1.6.30.
Latvia	Treaty of Commerce and Navigation, 22.6.23, London.	25.5.24.
Lithuania ...	Agreement respecting Commercial Relations 6.5.22, Riga and Kovno.	24.4.23.
	Exchange of Notes 28.11/10.12, 1929, modifying this Agreement.	10.12.29.
Netherlands ...	Trade Agreement, Exchange of Notes, 18.11.35, London.	1.1.36.
Panama	Treaty of Commerce and Navigation, 25.9.28.	2/19.9.32.
Poland	Treaty of Commerce and Navigation, 26.11.23.	19.6.24.
	Trade Agreement, 27.2.1935	24.7.35.
Portugal ...	Notes on Flag Discrimination in Portuguese Ports, 14.10.33, Lisbon.	14.10.33.
Spain	Agreement regulating the Treatment of Companies, 27.6.24, Madrid.	6.8.31.
Spain	Treaty of Commerce and Navigation, 31.10.22, Revised 5.4.27, and 31.5.28.	1.12.28.
Union of South Africa.	Commercial Agreement, 30.8.35, Pretoria Supplementary Agreement, 10.3.36, Capetown.	1.7.35.
Yugoslavia ...	Treaty of Commerce and Navigation, 12.5.27.	4.4.28.

(E) Other Treaties between the United Kingdom and Foreign Countries which apply to Palestine.

Country.	*Name.*	*Date of Application.*
Austria	Convention regarding Legal Proceedings in Civil and Commercial Matters, 31.3.31, London.	1.4.32 (Effective date).
Belgium	Convention respecting Legal Proceedings in Civil and Commercial Matters, 21.6.22, London.	13.3.25 (Effective date).
Belgium	Supplementary Convention regarding Legal Proceedings in Civil and Commercial Matters, 4.11.32, Brussels.	27.6.35 (Effective date).
Czechoslovakia ...	Convention respecting Legal Proceedings in Civil and Commercial Matters, 11.11.24.	17.2.27 (Effective date).
Denmark ...	Convention regarding Legal Proceedings in Civil and Commercial Matters, 29.11.32, London.	27.3.34 (Effective date).
Estonia	Convention regarding Legal Proceedings in Civil and Commercial Matters, 22.12.31, London.	11.10.33 (Effective date).
Finland	Convention regarding Legal Proceedings in Civil and Commercial Matters, 11.8.33, London.	27.6.35 (Effective date).
France	Convention respecting Legal Proceedings in Civil and Commercial Matters, 2.2.22, London.	22.3.23 (Effective date).
	Extension to French Colonies and Territories under Mandate, 1.1.33 and 1.8.33.	20.10.33 (Effective date).
Germany ...	Convention respecting Legal Proceedings in Civil and Commercial Matters, 20.3.28.	25.11.29 (Effective date).
Italy	Agreement concerning the Reciprocal Recognition of Passenger Ship Certificates and Emigrant Ship Regulations, 25.1.29.	11/25.8.30.
Italy	Convention regarding Legal Proceedings in Civil and Commercial Matters, 17.12.30, London.	25.8.32 (Effective date).
Italy	Notes respecting Documents of Identity for Aircraft Personnel, 13.4.31, London.	13.4.31.
Netherlands ...	Extension to Overseas Territories of the Agreement for the Abolition of Visas, 1.12.29.	1.12.29 (Applicable to British subjects only).
Netherlands ...	Convention regarding Legal Proceedings in Civil and Commercial Matters, 31.5.32, London.	23.5.34 (Effective date).
Norway	Convention regarding Legal Proceedings in Civil and Commercial Matters, 30.1.31, London.	14.11.31 (Effective date).
Poland	Convention regarding Legal Proceedings in Civil and Commercial Matters, 26.8.31, Warsaw.	17.10.32 (Effective date).

(E) Other Treaties between the United Kingdom and Foreign Countries which apply to Palestine—*cont.*

Country.	*Name.*	*Date of Application.*
Portugal ...	Convention regarding Legal Proceedings in Civil and Commercial Matters, 9.7.31 London.	30.4.33 (Effective date).
Spain	Convention regarding Legal Proceedings in Civil and Commercial Matters, 27.6.29, London.	23.2.31 (Effective date).
Sweden	Convention regarding Legal Proceedings in Civil and Commercial Matters, 28.8.20, London.	23.2.31 (Effective date).

Other Treaties concluded in 1937 which apply to Palestine.

Lithuania ...	Convention regarding Legal Proceedings in Civil and Commercial Matters, 24.4.34, Kovno.	29.6.37 (Effective Date).
Hungary ...	Convention regarding Legal Proceedings in Civil and Commercial Matters, 25.9.35, Budapest.	25.6.37 (Effective Date).
Czechoslovakia ...	Convention regarding Legal Proceedings in Civil and Commercial Matters, 15.2,35, Prague.	5.1.37 (Effective Date).

XIII.—ANTIQUITIES.

1. During the year licences were issued for archaeological excavations, soundings or clearances at the following sites:—

(*a*) *Et-Tell,* by Monsieur le Pasteur Parrot, for Les Musées Nationaux at l'Ecole du Louvre, Paris.

(*b*) *Tell al-Mutasallem* (Megiddo), by Mr. Gordon Loud, for the Oriental Institute of the University of Chicago.

(*c*) *Mount Scopus, Jerusalem,* by Dr. E. L. Sukenik, for the Hebrew University, Jerusalem.

(*d*) *Balata,* near Nablus, by Professor E. Sellin and Dr. Steckeweh, for the German State Institute of Archaeology.

(*e*) *Sheikh Abreik,* by Dr. B. Maisler, for the Jewish Palestine Exploration Society.

(*f*) *Tell Duweir,* by the late Mr. J. L. Starkey, for the Wellcome Archaeological Research Expedition to the Near East.

(*g*) *Jisr Banat Ya'qub,* by Dr. M. Stekelis, for the Hebrew University, Jerusalem.

(*h*) *Abda,* near Beersheba, by Mr. T. J. Colin Baly, for the British School of Archaeology in Jerusalem.

(*i*) *'Auja el Hafir,* by Mr. H. Dunscombe Colt, for the British School of Archaeology in Jerusalem.

(*j*) *Isbeita*, by Mr. H. Dunscombe Colt, for the British School of Archaeology in Jerusalem.

(*k*) *Affuleh*, by Dr. E. L. Sukenik, for the Hebrew University, Jerusalem.

(*l*) *Khirbet Minyeh*, by Dr. Puttrich-Reignard, for the Goerres-Gesellschaft, Freiburg, and the Islamic Department of the Berlin State Museum.

(*m*) *Bethlehem, Ard el Baten*, by Miss E. W. Gardner, for the Wellcome Archaeological Research Expedition to the Near East.

(*n*) *Tell esh Shuni*, by Dr. E. L. Sukenik, for the Hebrew University, Jerusalem.

2. The Inspectorate of the Government Department has been occupied in preventing damage to historical sites and monuments and in investigating, by systematic excavation and other means, discoveries of antiquities made either by the Department or in the course of agricultural, industrial and other works.

Excavations by the Department have been continued at the Citadel in Jerusalem and at Khirbet el Mefjir, near Jericho.

3. *Library*.—During the year, 186 books (excluding periodicals), comprising 351 volumes, have been acquired by purchase; 28 books have been presented.

The authors' catalogue has been amplified by the addition of joint-authors' cards, and now contains about 7,000 entries.

The subject-catalogue has also been much expanded, and now contains approximately 10,000 entries.

A duplicate subject-catalogue on the visible-index system has been prepared for use in the stack-room.

A short copy of the authors' catalogue on the loose-leaf system has been prepared in triplicate, and copies distributed to the three principal archaeological libraries in Jerusalem, which will also receive cards of all further acquisitions for incorporation in their respective catalogues.

Records.—Work on the records collection has been continued, including new entries on sites discovered in 1937 and new material on sites already known. Eleven volumes have been added to the collection, which now consists of 98 volumes on Palestine and eight on Trans-Jordan.

The work on a general bibliography for all Palestinian sites is well in hand. A systematic subject-index to the material contained in records is being prepared.

Quarterly.—Volume VII (1937), complete with index, is in press and will be published early in 1938. The copy for Volume VIII is being prepared.

4. *Museum*.—During 1937 1,200 new acquisitions were registered in the inventories.

The detailed cataloguing was continued, but was held up very considerably by the work of writing and translating the Gallery Book, referred to below. A new Subject Catalogue was started, for which some 10,000 cards were typed.

Six divisions with excavators were made.

The Catalogue of Scarabs was published, and also the short Guide to the Exhibition illustrating the Stone and Bronze Ages in Palestine.

The arrangements for opening the South Gallery, South Octagon and South Room to the public were completed.* The South Students' Gallery was also arranged and put into use.

The Gallery Book, a description of all the antiquities on show in the South Gallery, was written and translated into Arabic and Hebrew. These three versions were then reproduced by roneograph to the number of about 1,300 in all, involving some 150,000 quarto pages, and bound, for use in the Gallery. The translation into Arabic and Hebrew of this and other explanatory material introduced an element unusual in museum administration, and occupied much of the time of the two Assistant Keepers for the second half of the year.

Some hundred of ivories found in the excavations at Megiddo by the Oriental Institute of the University of Chicago were treated and repaired in the laboratory, preparatory to being divided.

XIV.—OFFICIAL LANGUAGES.

1. The practice of the Palestine Government is in accordance with Article 82 of the Palestine Order in Council, 1922, which reads as follows:—

> "All Ordinances, official notices, and official forms of the Government and all official notices of local authorities and municipalities in areas to be prescribed by order of the High Commissioner, shall be published in English, Arabic and Hebrew. The three languages may be used in debates and discussions in the Legislative Council, and, subject to any regulations to be made from time to time, in the Government offices and the Law Courts."

As part of the complete recognition of three official languages which was announced by the first High Commissioner on his arrival in Palestine in July, 1920, the practice with regard to the use of English, Arabic, and Hebrew in the Law Courts was more exactly defined by a Public Notice as follows:—

> "In the Courts of Law and Land Registries of a trilingual area, every process, every official copy of a judgment, and every official document shall be issued in the language of the person to whom it is addressed, and written

* The Museum was opened to the public on the 13th January, 1938.

and oral pleadings shall be conducted in any of the three official languages. The Legal Secretary may from time to time issue rules* restricting the languages of pleading in any Court or class of Courts outside the trilingual areas.

"In a trilingual area the public notary of the Court shall, and in other area may, accept a declaration and register a document in any of the three official languages."

2. The trilingual areas in which English, Arabic and Hebrew may be used comprise the three principal towns, Jerusalem, Haifa and Jaffa, and also the District of Jaffa and the Sub-Districts of Tiberias and Safad. The recognition of the three languages in the Courts involves some complication in the hearing of cases, and occasionally trials are protracted. The rules have, however, on the whole worked smoothly.

Under the Magistrates' Courts Jurisdiction (Amendment) Ordinance, cases occurring in certain Hebrew-speaking colonies may be transferred to Courts where there are Hebrew-speaking magistrates.

3. The Palestine Gazette, reports of official commissions and committees, and departmental publications are published in English, Arabic and Hebrew.

4. For the use of Arabic and Hebrew characters in transmitting inland telegrams see Chapter XXIV—paragraph 15.

XV.—HOLY DAYS.

A list of the days which are recognized as holy days by the various communities of Palestine will be found in Appendix II to this Report.

XVI.—TRANS-JORDAN.

See separate section on Trans-Jordan, page 297.

XVII.—LABOUR.

The international labour conventions applied to Palestine are set out in paragraph 2 of Section XVII of the Report for 1933.

2. The Government Statistician is instituting a system for the collection of employment statistics among the principal employing departments of Government, the municipalities, the large local councils and the large employers of labour. Monthly returns of employment by Government departments and municipalities are now being submitted to the Government Statistician, and at the beginning of 1938 the large individual employers will be invited to furnish a monthly return of the number of their employees and the amount of their pay rolls.

* These rules are now issued by the Chief Justice.

On analysis these statistics will furnish a sample survey of employment throughout the country and will afford valuable information regarding the commercial and industrial situation in the several districts and in the principal towns. The Government Statistician will also be enabled thereby to establish a monthly index number of employment.

A family budget inquiry is under consideration. After this inquiry has been completed, reliable index numbers of the cost of living will be compiled and it will be possible to determine the trend of real wages prevailing in the country.

3. For the reasons stated in paragraphs 3 and 4 on page 136 of the Report for 1936, little progress was made in the organization of statistics of unemployment.

The following systems of periodical reports on the numbers of unemployed workers are in operation:—

(i) As in previous years, District Officers report at the end of each quarter the estimated numbers of unemployed urban Arab workers in seven towns and the estimated numbers of villagers coming to these towns in search of work.

(ii) Five Jewish labour organizations supply monthly returns of the numbers of unemployed workers registered in their labour offices.

4. The unemployment figures of Arabs furnished by District Officers were either the result of their own estimation, or of the estimation of mukhtars, the municipal authorities or the labour unions, or a combination of two or more of these estimates. These figures have proved to be defective and unreliable.

It is hoped that, with the co-operation of the district administration, more reliable figures may be obtained in 1938. It is, however, evident that as a result of the decline in residential building, the decrease of the purchasing power of the people and the hesitancy of investors, the number of unemployed has increased as compared with previous years. The increase in Arab unemployment has been primarily due to inactivity at the Jaffa port and secondarily to the decline in the building activity of the Arabs in Haifa.

5. The unemployment reports of the Jewish labour organizations have been furnished regularly only during the latter part of 1937. This system is still under trial, and some time will elapse before the trade union statistics of unemployment are finally included in the system of social statistics dealt with by the Office of Statistics.

6. Unemployment was considerable both among Arabs and Jews throughout the year, except in the early spring, when a large number of labourers were engaged in the picking, sorting, packing and transportation of citrus fruit and in other seasonal work in the groves.

At the end of the year and before the orange picking was in full swing, the number of Jewish workers wholly unemployed or provided with casual work was roughly estimated at 8,000-9,000. This number includes workers changing jobs but does not include persons who have no sufficient means of livelihood but who do not belong to the working class and cannot be considered as unemployed workers. In addition, there was a large number of workers in part-time employment who were classified as partially unemployed. Their number was roughly estimated at 5,000-6,000. The total number of unemployed " units " (after the conversion of part-time employees into full " units ") was nearly 13 per cent. of the total number of Jewish wage and salary earners in Palestine. At the end of 1936 the percentage of unemployed " units " of the total number of Jewish workers in Palestine was estimated at 8 per cent.

7. During the last quarter of 1937 unemployment in towns increased. The situation was aggravated by the decline in earnings and also by the fact that many of the unemployed workers had been out of work for a long time. There was a marked decrease in the purchasing power of the working classes.

8. The net income of the Unemployment Fund of the General Federation of Jewish Labour, which was principally derived from contributions by members of that organization, was stated to have reached £P.104,822 at the end of 1936 and £P.137,640 at the end of November, 1937. Only a small part of the Fund was allotted for direct financial aid to unemployed workers. The main purpose of the Fund is to increase the sources of employment by supporting constructive and other works undertaken by workers' institutions and by various public bodies.

A sum of £P.56,750 is reported to have been invested by the Unemployment Fund in this way since January, 1933, while £P.232,100 is reported to have been invested by institutions which co-operated with the Unemployment Fund.

9. There has been a decrease in building activities since 1935, which is illustrated by the following figures of average monthly floor areas of building for which permits were issued by the municipalities of Jerusalem, Tel-Aviv, Jaffa and Haifa.

	Square metres
1933	65,221
1934	88,672
1935	101,192
1936	61,507
1937	48,115

The number of Jews employed in building in 1937 was not more than two-thirds of the corresponding number in 1935.

10. No reliable information is available regarding the changes in the volume of employment in the manufacturing industries, but it appears that no improvement took place in the course of the year under review. In many industrial undertakings the practice of part-time work was maintained.

11. The number of Jewish workers in the villages of the Maritime Plain remained practically unchanged. There were sharp fluctuations in the state of employment in the villages. The unsatisfactory condition in the citrus trade caused a tendency among the orange-growers to economize in the cultivation of the groves. Attempts to cut down the wages of agricultural labour were made at the beginning of the orange-picking season. Negotiations regarding standard wage rates were in progress between the orange-growers and the workers' organization, but at the end of 1937 no agreement had yet been reached.

12. The number of additional Jewish labourers absorbed in 1937 was less than in the three preceding years. A census of Jewish Labour was carried out by the General Federation of Jewish Labour in March, 1937. This census was taken at the busiest time of the year, when an appreciable number of persons who are not usually working on the basis of contract might have been employed in the picking, sorting and packing of oranges. On the other hand, a certain number of workers were not enumerated during the census.

The following comparative table illustrates the growth of the number of Jewish workers in Palestine and its distribution by towns and villages during the last 11 years:—

Number of Jewish wage and salary earners in Palestine.

Class of labour.	*1926*		*1930*		*1937*	
	Number.	*Per cent. of total.*	*Number.*	*Per cent. of total.*	*Number.*	*Per cent. of total.*
Total	22,509	100	23,554	100	90,063	100
In towns	18,067	80	16,545	70	63,283	70
In rural areas ...	4,442	20	7,009	30	26,780	30

In addition, 14,059 working men and women were enumerated in smallholders' settlements and in communal settlements established by Jewish workers. In 1926 the number of the members of the settlements of this type was 2,678.

13. A number of the members of the collective settlements accept outside work. The increase in unemployment and the decrease in the prices of milk and vegetables may have affected the income of these settlements.

Seventeen new workers' settlements were established in 1936 and 1937.

14. Since the end of 1935 there has been a constant decline in the wage-rates both of Arab and Jewish labour. The downward movement of wage-rates has continued in 1937.

During the year under review the weighted index number* of wage-rates of Arab labour showed a decrease of 5·4 per cent., while the weighted index number of wage-rates of Jewish labour showed a decrease of 4·8 per cent.

In the Arab industries wage-rates declined in building, woodworks, in the manufacture of building material and in the soap and oil industry. The wage-rates of Arab agricultural workers also appear to have declined.

In the Jewish industries wage-rates declined in all branches except printing and stationery. An appreciable decrease in the wage-rates was observed in the manufacturing industries connected with construction, wood-working, metal-working and the manufacture of building material.

The wage-rates paid in the building industry declined appreciably between October, 1936, and March, 1937, but showed only a slight decrease in the second half of 1937. The activities of the trade unions and the fact that many building undertakings are maintained by the workers' contracting offices and co-operative groups probably account for the relatively slow decline of wage-rates in construction.

Wage-rates of Jewish agricultural workers remained stationary during the first ten months of 1937, but by the end of the year there was a tendency towards a decrease in the wage-rates of unskilled agricultural labourers, in spite of the resistance of the trades unions.

It is believed that actual earnings decreased more than is shown by the index numbers of the daily wage-rates, on account of periods of unemployment and curtailed hours of work.

15. While the practice of part-time employment and of curtailed hours of work which had been introduced in 1936, was continued in 1937, no change occurred in the normal hours of work and in other conditions of work, except wages.

In September, 1937, by-laws were enacted by the municipal council of Tel-Aviv concerning opening and closing hours of shops and restaurants. These by-laws provided for all shops, industrial undertakings and offices and restaurants to be closed on Saturdays and Jewish holidays; the opening and closing hours of shops, offices, etc., are fixed at 5 a.m. and 7 p.m. respectively; restaurants are as a rule to be closed between the hours of 1 a.m. and 5 a.m.; the general regulations regarding opening and closing hours are modified in respect of various types of shops, such as groceries, shops in specified

* General weighted index numbers of daily wage rates for eight industries constructed by the Office of Statistics.

markets, etc.; restaurants are allowed to be opened and to serve meals during certain fixed hours on holidays and on the eve of holidays.

16. An important change occurred in the system of recruitment of labour at Tel-Aviv. In previous years many disputes arose out of the problem of the distribution of work between the various labour organizations. In 1937 a Central Labour Office was established at Tel-Aviv for the purpose of distributing work in building and public works between the participating labour organizations. The registration of persons seeking employment is not effected by the Central Labour Office, but by each labour organization separately. Under the new arrangement the work available is distributed by the Central Labour Office between the labour organizations according to a fixed " key " which was determined a few years ago in connection with the distribution of work in municipal building undertakings. The labour organizations supporting the Central Labour Office propose to undertake a census of building labour in Tel-Aviv with a view to revising the " key ".

17. No change has been observed in the principles of organization or in the activities of the Arab labour unions. Most of these societies are at an early stage of organization. Some of the existing Arab labour unions include not only wage-earners but also artisans working independently.

18. No mixed Arab-Jewish unions have been established during 1937 and those which were active in the past practically ceased to function because of the strained inter-racial relations still existing in Palestine.

19. Fifty-three labour disputes caused by demands of an economic nature came into notice during the year, including nine disputes in which there was no actual stoppage of work.

The particulars of the labour disputes as compared with the previous years are shown in the following table:—

	1933.	*1934.*	*1935.*	*1936.*	*1937.*
1. Total number of labour disputes which came under notice ...	57	49	60	20	53
2. Causes of disputes :					
(*a*) Disputes over wages, hours of work and conditions of work	25	23	36	10	19
(*b*) Disputes over discharge of workers	4	4	8	1	12
(*c*) Disputes over employment of union labour	5	8	7	6	13
(*d*) Disputes caused by irregular payment of wages	4	1	3	2	4
(*e*) Disputes arising out of the race of the workers employed	16	12	4	1	3
(*f*) Other causes	3	1	2	—	2

	1933.	1934.	1935.	1936.	1937.
3. Settlements of disputes which were concluded each year :—					
(a) Number of instances where the workers were successful	32	27	33	13	16
(b) Number of instances where the workers failed	13	15	12	5	12
(c) Number of compromise settlements	11	6	13	2	21
4. Number of strikes and lockouts in progress	45	41	57	15	44
5. Number of workers involved in strikes and lockouts	2,049	2,051	3,648	956	6,305
6. Number of man-days lost in strikes and lockouts	19,354	17,273	28,415	11,625	21,167
7. Number of disputes where no stoppage of work was caused by the workers employed at the establishment under dispute	12	8	3	5	9

20. The number of disputes which occurred in 1937, as well as the number of workers involved and man-days lost in 1937 exceeded the corresponding figures for 1936.

Of the total number of 6,305 workers involved in strikes and lockouts, 3,135 were Arabs who lost 12,700 man-days, and 3,170 were Jews who lost 8,467 man-days. The number of disputes over discharge of workers and over employment of union labour showed an increase as compared with the preceding four years. The number of instances where workers were successful in securing their demands was proportionally less than in any of the preceding four years.

21. Among the disputes which involved Jewish labour in 1937 there were two cases, one in a cardboard boxes factory and another in a large bakery, where modern machinery was introduced and the displacement of manual labour by machines was intended. In both cases a compromise settlement was arrived at, and no immediate discharge of labour took place.

22. In three cases stoppage of work for a short time was declared simultaneously in a large number of building undertakings at Tel-Aviv.

The aim of the labour unions and artisans' organizations who declared the suspension of work was to organize the labour market. In two cases carpenters and tinsmiths, whose earnings had fallen considerably, stopped working in order to introduce uniform tariffs. In a third case about 2,000 building workers struck for one day in order to support the union's demand to abolish work on a contract basis and to return to the system of employment on the basis of daily wage-rates.

23. Most of the Arab workers who struck during the year were road labourers who demanded an increase in wage-rates. A large strike also occurred in a cigarette factory where a reduction of the personnel took place; a compromise settlement was reached.

24. The Ordinances which were published as bills in 1935 and 1936 entitled the Masters and Servants Ordinance, the amended Employment of Women and Children Ordinance and the amended Workmen's Compensation Ordinance respectively are still under consideration by Government. No labour legislation was enacted or published in the form of bills in 1937. The principles of the proposed labour legislation were set out in paragraphs 24, 25, 27 and 28 of Section XVII in the Report for the year 1936.

25. As in previous years factory inspection has been carried out chiefly by the Welfare Inspector, whose duties were described in detail in paragraph 30 of Section XVII in the Report for 1936. Inspection was hampered by the state of unrest in the country.

XVIII.—TRADE IN AND MANUFACTURE OF DRUGS, ARMS AND LIQUORS.

Arms.

Increased activity during the year by the Military and Police Forces in search for firearms resulted in larger seizures than the very considerable seizures made during the previous year. The following is a comparative table of seizures of firearms and ammunition effected during 1936 and 1937:—

Type.	*1936.*		*1937.*	
	Service-able.	*Unservice-able.*	*Service-able.*	*Unservice-able.*
Rifles	317	11	1,239	15
Pistols and revolvers ...	307	12	1,461	29
Shotguns	73	8	144	8
Bombs and grenades ...	420	23	105	14
Rifle ammunition, rounds	13,903	—	19,216	—
Pistol and revolver ammunition, rounds	3,087	—	5,141	—

2. The following is a table of seizures effected on or near the Palestine-Trans-Jordan Frontier:—

Date.	*Police Division.*	*Firearms seized.*	*Circumstances of seizure.*
28th May ...	Nablus	Six rifles and one revolver (with 94 rounds of ammunition).	From a party who were challenged by the police when crossing the Jordan into Palestine. The accused re-crossed the Jordan back leaving the arms behind them.
13th June ...	Tiberias	Two revolvers, one shotgun.	From smugglers at Adassia Ford on the Jordan.
21st June ...	Tiberias	One automatic pistol.	Seized by Police Beisan at Jisr Sheikh Hussein.
26th June ...	Tiberias	One revolver and two rifles.	From Arab Bashatweh lands.

Date.	Police Division.	Firearms seized.	Circumstances of seizure.
4th July ...	Jerusalem	One revolver.	At Mundasi Ford on the Jordan. Owner escaped.
8th July ...	Tiberias	Two rifles.	Seized in a tent at Arab Bashatweh.
27th December	Tiberias	One revolver.	Found by police patrol near Jisr Sheikh Hussein.

Licensed Firearms.

3. The following table gives details of licences issued during 1936 and 1937:—

Police District.	1936.			1937.		
	Rifles.	Pistols and Revolvers.	Shotguns.	Rifles.	Pistols and Revolvers.	Shotguns.
Jerusalem ...	30	165	769	37	300	705
Northern ...	36	160	1,237	27	647	1,950
Southern ...	48	53	927	6	40	1,144
Nablus ...	23	30	850	20	49	437
Nazareth ...	13	42	533	16	143	456
Gaza ...	39	6	164	48	10	173
Totals ...	189	456	4,480	154	1,189	4,865
				Decrease 35	*Increase* 733	*Increase* 385

The increase in the number of firearms licensed during 1937 was mainly due to the issue of provisional licences to carry firearms for self-protection during the abnormal conditions which prevailed in the country during the year.

4. During the year under review 610 persons were convicted for the possession of firearms and ammunition under the Firearms Ordinance, 1922, and the Defence Regulations, as compared with 522 persons during the year 1936.

Liquors.

5. The variation in the number of factories licensed to manufacture intoxicating liquors and spirits during the past five years was as follows:—

	1932	1933	1934	1935	1936	1937
Spirits	23	16	15	16	16	17
Wine	15	15	15	14	14	15
Beer	—	—	—	1	1	1
Total ...	38	31	30	31	31	33

Their output was as follows:—

Year.	Wine. Litres.	Arak. Litres.	Beer. Litres.	Cognac. Litres.	Other Spirits. Litres.
1932 ...	3,155,928	52,944	—	160,720	420,912
1933 ...	1,629,125	38,307	—	121,292	686,989
1934 ...	2,378,922	41,855	—	203,495	853,681
1935 ...	2,619,980	51,611	242,600	295,539	1,012,598
1936 ...	2,257,556	58,540	1,954,786	187,593	1,070,234
1937 ...	3,393,569	58,985	1,830,245	364,876	948,298

Imports and Exports.

Commodity.	Imports. Litres.	Exports. Litres.
Beer	1,154,839	7,920
Wine	124,619	687,815
Arak	52	1,031
Cognac and Brandy	15,342	14,643
Other Spirits	91,280	2,618

6. During the examination of the Annual Reports for 1935 and 1936 the Permanent Mandates Commission raised the question of the prevention of the unauthorized use of trade marks for wines and spirits. The use of any mark or label with the intention of passing off the goods sold thereunder as those of another person is covered by the provisions of the Merchandize Marks Ordinance, which was promulgated in 1929, and applies, *inter alia*, to wines and spirits.

That Ordinance, which is strictly enforced by the Department of Customs, Excise and Trade, provides against the application to goods of any such figures, words or marks, or arrangement or combination thereof, whether including a trade mark or not, as are reasonably calculated to lead persons to believe that the goods are the manufacture or merchandize of some person other than the person whose manufacture or merchandize they really are.

7. *Incidence of Drunkenness during* 1936 *and* 1937.

	1936.				1937.			
	Number of persons convicted.				Number of persons convicted.			
	Once.	On two occasions.	On three occasions.	On four or more occasions.	Once.	On two occasions.	On three occasions.	On four or more occasions.
Moslems	319	30	6	2	355	12	4	3
Christians	69	5	1	—	68	1	—	—
Jews ...	27	7	—	—	53	1	—	—
Total ...	415	42	7	2	476	14	4	3

8. The distribution of cases of drunkenness among the various police divisions is shown hereunder:—

Division.	*Once.*	*On two occasions.*	*On three occasions.*	*On four or more occasions.*
Jerusalem Urban ...	76	2	—	—
Jerusalem Rural ...	4	—	—	—
Hebron	—	—	—	—
Haifa Urban ...	204	8	2	3
Haifa Rural ...	2	—	—	—
Acre	8	1	—	—
Jaffa	129	3	2	—
Ramat Gan	2	—	—	—
Tel-Aviv	21	—	—	—
Ramleh	3	—	—	—
Nablus	12	—	—	—
Jenin, ...	—	—	—	—
Tulkarm	1	—	—	—
Nazareth	3	—	—	—
Safad	2	—	—	—
Tiberias	7	—	—	—
Gaza	2	—	—	—
Beersheba	—	—	—	—
Total ...	476	14	4	3

Drugs.

9. The traffic in opium and other dangerous drugs is governed by the Dangerous Drugs Ordinance enacted during the year 1936 (see paragraph 12 on page 147 of the Report for 1936).

International Opium Convention.

10. The number of import certificates for dangerous drugs granted during the year was 135.

Actual imports were as follows:—

	Kgs.
Medicinal Opium	11·100
Opium in the form of preparations	16·390
Indian Hemp in the form of galenical preparations (Tinctures and extracts)	0·770
Morphine	2·948
Diacetylmorphine	0·233
Cocaine	6·238
Eucodal	0·178
Dicodide	0·1105
Dilaudide	0·061
Acedicone	0·018
Codeine	24·750
Dionin...	1·498

11. The Permanent Mandates Commission at its Thirty-second (Extraordinary) Session raised the question of the significance of the increased seizures of opium effected during the year 1936. Whilst there is no definite information as to the intended destination of opium seized, the indications that Palestine is becoming a

market for the consumption of narcotic drugs are still few. There are on the other hand strong indications that Palestine is being used as a dumping and distributing centre of this pernicious trade.

12. Seizures of narcotic drugs effected during the year are indicative of increased activity on the part of drug dealers.

13. The following table shows seizures of narcotic drugs during the last three years:—

Year.	*Hashish. Kilos.*	*Opium. Kilos.*	*Cocaine. Grammes.*	*Others.*
1935	42·597	33·507	93	Nil
1936	45·624	91·007	7	Nil
1937	75·190	186·406	471	Nil

Of the 186 kilogrammes of opium seized more than 90 kilogrammes were seized in Gaza, 51 in Jaffa, 11 in Hebron and the remaining amount was confiscated at the frontier customs stations.

One hundred and seventy-two persons were prosecuted in connexion with illicit drug traffic, of whom 124 were convicted and 21 were awaiting trial at the end of the year. Fines ranged from £P.1.500 mils to £P.30 and terms of imprisonment from seven days to two years. The fines imposed amounted in the aggregate to £P.236 and the terms of imprisonment to nineteen years and ten months.

Anti-Narcotic Measures.

14. The measures taken by the Police for the suppression of traffic in narcotic drugs include supervision of the movements of known drug dealers, employment of agents to collect information, exchange of information with other Governments, patrolling of frontiers, and searches of vehicles and animals en route for Egypt.

With a view to preventing the smuggling of narcotic drugs into Palestine by ocean-going steamers, Customs guards and members of the Port and Marine police are posted on all ships entering the ports of Jaffa and Haifa during their period of stay. Lighters, motor launches, and fishing vessels are closely examined and lightermen, stevedores, other port workmen, and crews of visiting craft are carefully searched on coming ashore. The baggage of incoming passengers is examined by the Customs authorities. Prompt advance information in regard to suspect ships or individuals coming to Palestine is passed to the Customs authorities by the Criminal Investigation Department of the Palestine Police.

XIX.—EDUCATION.

Conditions during the first term of the school year 1936-7 were not normal. The Arab general strike was not ended till 12th October, 1936, whereas the Government school session normally begins in the middle of September. Many school buildings remained occupied by the military authorities till the end of December. For these reasons work in Government schools suffered considerably during the first term. Thereafter, however, it continued without interruption.

Owing to the decrease in Government funds available for the purpose, the continuation of the normal programme of expansion of Arab elementary education initiated in 1933 was temporarily suspended. Its continuation was however resumed in the school year 1937-8.

The Hebrew public system, on the other hand, expanded considerably in 1936-7, notwithstanding the disturbances of 1936 and the unfavourable economic situation. The following is a comparative table for two years:—

	1935–36.		*1936–37.*	
	Schools.	*Pupils.*	*Schools.*	*Pupils.*
Arab Schools:—				
Arab Public System (Government) Schools	384	42,765	382	42,713
Other schools:—				
Moslem schools	183	12,275	175	12,537
Christian schools	187	21,720	181	22,897
Total—Arab Schools ...	754	76,760	738	78,147
Jewish Schools:—				
Hebrew Public System (Va'ad Leumi) Schools	354	41,147	373	47,288
Other schools	200	19,064	208	19,985
Total—Jewish Schools ...	554	60,211	581	67,273
Grand Total	1,308	136,971	1,319	145,420

Under the term Christian Arab schools are included all those maintained by foreign missionary bodies.

The 78,147 pupils in Arab schools (55,361 boys and 22,786 girls) comprise 54,051 or 69·2 per cent. Moslems (42,219 boys and 11,838 girls), 22,393 or 28·6 per cent. Christians (12,139

boys and 10,254 girls), 935 or 1·2 per cent. Jews (403 boys and 532 girls), and 762 or 1 per cent. others (600 boys and 162 girls).

The 67,273 pupils in Jewish schools (34,698 boys and 32,575 girls) include 9 Moslems and 17 Christians.

2. No fresh legislation was enacted during the year under review.

3. The number of classified officers employed by the Department in December, 1937, was 1,072, against 1,007 in December, 1936, of whom 13 were British and the rest, with very few exceptions, Palestinians.

4. The expenditure by the Department of Education in the school year 1936-7 on education services was approximately as follows:—

	£P.	£P.
(a) *Administration and Inspectorate (Arab and Hebrew).*		
Overhead Charges :—		
Salaries	18,203	
Other Charges	401	
		18,604
(b) *Schools* :—		
(i) Government (Arab) :—		
Salaries	151,894	
Grants to local authorities for school buildings	—	
Books, furniture and equipment	10,073	
Scholarships, maintenance, allowances, etc....	6,703	
		168,670
(ii) Non-Government :—		
Block Grant to Hebrew Public System ...	45,000	
Per capita grant to other schools :—		
Jewish...	2,496	
Moslem	1,463	
Christian (including foreign)	1,439	
		50,398
(c) *Miscellaneous* :—		
Grant to Board of Higher Studies	500	
Transport and Travelling	3,986	
Other minor charges	855	
		5,341
		£P.243,013

The revenue from the sale of books and school materials in Government schools during the school year 1936-7 amounted to £P.1,650 and that from school fees to £P.2,701, a total of £P.4,351.

5. The distribution of educational benefits between Arabs and Jews was based on the proportion of school age population, and educational expenditure incurred by other Government Departments was included in the calculation.

The actual expenditure by the Department under "schools" was apportioned as follows:—

	£P.	£P.
Arab Schools:—		
Government	168,670	
Non-Government	2,902	
		171,572
Hebrew Schools:—		
Hebrew Public System	45,000	
Others	2,496	
		47,496

The benefits to Arab schools are gross, and should be reduced by £P.4,351, the amount of the revenue from sales and fees shown above.

6. The following additional amounts were expended in 1936-7 by other Government Departments upon educational services:—

Department.	*Object.*	*Approximate amount.*
		£P.
Agriculture ...	Supply of trees	345
Health	Hygiene and Medical Care of Pupils ...	2,000
Secretariat ...	Printing and Stationery	460
Public Works (Recurrent) ...	Rent, repairs, office furniture, etc. ...	11,668

These figures exclude any share of overhead charges for salaries and other administrative expenditure by the Departments concerned.

In addition, the following sums were expended during the year by the Public Works Department on new Government (Arab) schools or on additions to existing Government (Arab) schools:—

	£P.
From the Public Works Extraordinary budget ...	8,243
From Loan Works budget	50,908
	£P.59,151

The net expenditure of all Government Departments was distributed as follows:—

	£P.
Arab education	245,702
Jewish education	52,770
Administration—Department of Education (Arab and Jewish)	18,604
	£P.317,076

If the expenditure on Administration and all Special expenditure (including the expenditure by Public Works from its Extraordinary and Loan Fund budgets) are excluded, the net expenditure was distributed as follows:—

	£P.
Arab education	186,060
Jewish education	48,418
	£P.234,478

The ratio of the expenditure on Jewish to Arab education was therefore 26 per cent.

7. There are no exact figures of the total educational expenditure of private bodies. In particular no reliable estimate can be made of the expenditure of foreign organisations.

The figures of the Jewish Public System are given in paragraphs 21 and 22 below.

8. The numbers of children in the age group 5-15 on 1st October, 1936, was approximately as follows:—

Arabs :—		
Moslems and others ...	237,221	
Christians	22,941	
		260,162
Jews		64,415

The ratio of Jews to Arabs in the age group 5-15 was therefore 24·76 per cent. on 1st October, 1936.

On the 1st October, 1937, the estimated figures were as follows:—

Arabs and other non-Jews (excluding foreign Christians) :—		
Moslems and others ...	241,167	
Christians	24,753	
		265,920
Jews		66,546

Thus the proportion of Jewish to non-Jewish children was 25·02 per cent. on 1st October, 1937, an increase of 0·36 over the previous year's figure.

The pupils attending schools in July, 1937, were as follows. The age range is 3-20, but the very large majority are in the range 5-15:—

	Boys.	*Girls.*	*Total.*
Arabs and other non-Jews :—			
Moslems	42,227	11,839	54,066
Christians	12,147	10,263	22,410
Other denominations ...	600	162	762
Total	54,974	22,264	77,238
Jews	35,085	33,097	68,182
Grand Total ...	90,059	55,361	145,420

These figures do not include pupils in a small number of Christian schools which have rendered no statistical returns; but otherwise they cover the whole population, settled and nomad.

9. Education in Palestine is not compulsory and is by no means universal. The extent of education varies considerably among the various religious communities. Thus in the Jewish and Christian communities, almost 100 per cent. of the children receive education of some kind or other; the period of schooling varies from about five years to ten years or more, the average being about 8-9 years. In the Moslem community the extent of education is smaller and the demand for greater educational facilities still outstrips the efforts of the Government within the limits of its available resources, to make good the deficiency. Further, the demand for the education of girls in Moslem villages, though increasing, has been relatively small, while at the same time there have been great difficulties to contend with in the supply of women teachers to villages. The approximate percentages of Moslem children who receive education for some period or other, however insufficient, have been estimated as follows:—

	Boys. *Per cent.*	*Girls.* *Per cent.*
In towns	75	45
In villages	40	1

The period of schooling averages about six years in Government town schools and four to five years in Government village schools. The average in Moslem non-Government schools is believed to be less.

School Fees.

10. *Arab Public System.*—In the Government kindergartens and elementary schools education is free. In the lower secondary classes day-pupils are required to pay £P.3 a year, and in the higher secondary classes £P.6 a year. Boarders at the Government Arab College and the Women's Training College pay £P.24 and £P.21 a year respectively. At the Government Trade School, Haifa, boarders are charged £P.12 a year. A number of pupils in the secondary schools are exempted from payment of any fees when poverty is established.

In the Kadoorie Agricultural Schools (Arab and Jewish) the students pay £P.24 a year for tuition and board. The boarding fees for pupils in the hostels at Tulkarm and Jenin are £P.10 a year. At Beersheba Beduin Hostel no fee is charged.

Non-Government Moslem Schools.—In the villages the fees paid rarely exceed £P.1 a year, and are usually less than 500 mils; in some places the practice of paying fees in kind persists.

In the town elementary schools the fees are usually about £P.2.500 mils a year. In the Raudat al-Maaref College at Jerusalem the tuition fees in the elementary classes are £P.6 a year and in the secondary classes they rise to £P.8. Boarders pay £P.36 a year for board, lodging and tuition.

Jewish Schools.—The education rates and other revenues which support the Hebrew public schools are, in many localities, supplemented by school fees assessed according to the means of the parents and the grade of the class. Total exemptions as well as part remissions of fees are frequent.

In the kindergartens, all of which are either private or maintained by local authorities, the fees range from £P.6 to £P.12 a year. In the elementary schools they vary from £P.2 to £P.12 and in the higher classes of the secondary schools rise as high as £P.26 per annum.

In the bulk of the purely private schools the fees charged are lower than in public schools, but in a few are appreciably higher.

At the boarding section of the Reali Secondary School at Haifa, pupils are charged £P.110 a year.

At the agricultural boarding schools the fees charged vary from £P.30 to £P.72 a year.

In the religious elementary schools, known as Talmud Toras, the fees, if any, are generally small.

Christian Schools.—No information is available regarding the fees charged in the schools controlled by the Latin Patriarch, the Greek Catholic Archbishop of Galilee and the Consulates of certain foreign states.

In some of the German secondary schools the maximum fee is £P.5 a year in the elementary classes and £P.12 in the secondary classes. In the Syrian Orphanages the maximum fee paid by a boarder is £P.20 a year inclusive.

In the European and American missionary town schools the maximum annual fee charged in the elementary classes is £P.12, but in the large majority of these schools the fees are very much lower. In the secondary classes the fees range from £P.6 to £P.15 a year. In addition to tuition fees, boarders pay boarding fees which do not usually amount to more than £P.35 a year. £P.75 a year is charged for a boarder in the British Community School in Jerusalem, which is open to British children only.

Generally speaking no fees are charged in the village missionary schools nor any in the schools of the Orthodox and Latin Patriarchates.

Arabic (Government) Public System of Education.

11. During the school year 1936-7, as in the preceding year, 965 classified teachers were employed in Government schools. Of these six were British and the rest Arabs. There were in

addition 192 unclassified teachers, mainly in villages, paid by Government, and 17 paid by local authorities. Thus the total number of teachers in Government schools was 1,174 as against 1,163 in 1935-6. Seventeen women teachers resigned on marriage, and two for other reasons. Two men teachers were retired on pension, and ten were retired on other grounds.

12. *Elementary Education.*—In the third term of the school year 1936-7 there were 380 Government elementary schools with 42,568 pupils (382 and 42,630 in the previous school year).

The following table gives the numbers and percentages of applications for admission to Government schools accepted and deferred in the first working term of 1936-7, and in September, 1937:—

—	*1936–37*				*September, 1937.*			
	Towns.		*Villages.*		*Towns.*		*Villages.*	
	No.	%	*No.*	%	*No.*	%	*No.*	%
Applied ...	7,339	—	10,349	—	9,458	—	13,572	—
Accepted ...	3,031	41	5,348	52	4,647	49	7,723	57
Deferred ...	4,308	59	5,001	48	4,811	51	5,849	43

Lack of accommodation still retards progress in the grading of classes by age. Entries are deferred for one, two, or three years: thus the age range of the lowest class is excessively wide and the average age of entry too high.

The number of pupils who repeat the lowest class has been further reduced, but " repeaters " for the lower elementary course are still somewhat numerous. The average length of school life is now over four years, even in rural schools.

13. *Town Schools.*—The following table gives figures for town schools in the school years 1935-6 and 1936-7:—

—	*1935–36.*		*1936–37.*	
	Schools.	*Pupils.*	*Schools.*	*Pupils.*
Boys	39	11,529	37	11,649
Girls	30	8,249	30	7,993
Total	69	19,778	67	19,642

Over 1,500 village boys and 100 village girls attended town schools. Two small hostels attached to Tulkarm and Jenin Boys' Schools exist for the benefit of these village boys, but in

general villagers attending town schools are badly lodged under their own arrangements. The boarding school for the children of Bedu Sheikhs at Beersheba accommodated 56 boys.

In July, 1937, a seventh (top) elementary class existed in 19 boys' and 11 girls' schools in towns, with 585 boys and 200 girls. The majority of children do not proceed beyond the lower elementary cycle, a self-contained unit of five classes in towns and four in villages.

The commercial class (third secondary) opened in September, 1935, at the Jaffa elementary-secondary school for boys, contained 13 boys in 1936-7, as against four in 1935-6. Instruction is given through the medium of English and Arabic, and French is also taught.

A new Government girls' school building was erected in Jerusalem and completed in April, 1937. The new boys' school building erected the previous year remained in military occupation throughout the year under review. The new buildings for the Government Trade School at Haifa could not be prepared to receive pupils until October, 1937, owing to the military occupation earlier in the year.

14. *Rural Schools.*—The following table gives figures for village schools in 1935-6 and 1936-7:—

—	*1935–36.*		*1936–37.*	
	Schools.	*Pupils.*	*Schools.*	*Pupils.*
For Boys	295	21,524	295	21,554
For Girls	20	1,463	20	1,517
Totals	315	22,987	315	23,071

No village schools were opened or closed in 1936-7.

Fourteen villages erected new buildings or made additions to existing buildings. The villagers paid about £P.1,914 and Government contributed £P.1,030. This amount was paid out in 1935-6 but owing to the situation in the country the buildings were not erected until 1936-7. No grants-in-aid to local bodies for school buildings were issued during the year.

Out of the 315 village schools, 257 included the full four years of the elementary course, or more. Higher elementary classes existed in 59 villages.

Practically every village school has now a small library for the use of its teachers, pupils, old pupils and adults generally.

Evening classes for illiterate adults were conducted in eleven villages.

15. *Secondary Schools.*—There were 626 pupils in the secondary classes of 13 Government schools, as against 496 the previous year. These figures include the students at the two Colleges in Jerusalem.

16. *Government Arab College.*—The building was occupied early in the summer of 1936 by the military, and was not released till February, 1937. The number of students was 85 during the rest of the year (67 Moslems and 18 Christians), and there was no post-matriculation class for teacher training. Twenty of the 1936 fourth class, who had refrained from taking the matriculation examination in 1936 owing to the strike, took it in 1937 together with the 1937 fourth class.

17. *Training of Teachers.*—(*a*) A Diploma examination was held in July, 1937, for the students of the Government Arab College training class of 1936. All eight candidates passed.

(*b*) Fifteen new students were admitted in December, 1936, to the Women's Training College, making a total of 60, of whom 17 were Christians and 43 Moslems.

In the Diploma examination held in July, 1937, 13 out of 15 passed.

(*c*) The Kadoorie Agricultural School at Tulkarm, which was closed in April, 1936, remained closed throughout the year under review. Consequently the Men's Rural Training Centre, which is attached to the Agricultural School, also remained closed.

(*d*) The Women's Rural Training Centre, opened in Ramallah in November, 1935, had 25 students, all Moslems. The 13 students of the second class completed the course in July, 1937, and have now been appointed to village schools.

18. *Scholarships.*—Eight Government scholars were maintained in British universities and colleges. Three of them completed their courses in the summer of 1937 and were subsequently appointed to teaching posts. Three other selected candidates were thereupon sent to England to fill the vacancies thus created. Six scholars were maintained at the American University of Beirut; two graduated in the summer and were replaced by two others. Three scholars were maintained in trade schools in Egypt; a fourth was sent in September. Twelve scholars were maintained in non-Government secondary schools in Palestine. All these scholars are Arabs.

Hebrew Public System.

19. The Executive Education Committee, consisting of representatives of the Jewish Agency, the Va'ad Leumi, the Tel-Aviv Municipality and the Jewish settlements, remained in control of the Hebrew public system. A representative of the Government Department of Education attended the meetings of the Committee.

20. By a decision of the Va'ad Leumi in June, 1937, the "Labour" schools which previously received grants-in-aid were recognised as fully maintained schools. The decision is to be fully implemented only in the school-year 1938-9.

21. The actual recurrent expenditure and revenue of the Jewish central authority for 1936-7 are shown below. Expenditure showed an increase of £P.11,728 over the previous year.

Revenue—	£P.	£P.
1. Central Authorities—		
Jewish Agency	23,000	
Government	42,800	
Palestine Jewish Colonial Association ...	2,740	
		68,540
2. Local Sources		
Tel-Aviv Municipality	25,882	
Other local authorities	15,180	
School fees	18,937	
		59,999
3. Miscellaneous		1,706
4. Deficit, 1936–37		1,256
Total		£P.131,501

Expenditure—	£P.	£P.
1. Administration and Inspectorate—		
Salaries	5,615	
Collection Office	1,831	
Other charges	1,408	
		8,854
2. Schools—		
(i) *Maintained schools.*		
Salaries	99,888	
Rent and maintenance	3,338	
Furniture and equipment ...	2,130	
		105,356
(ii) *Assisted schools.*		
Grants to Labour schools ...	7,000	
Grants to other schools	3,688	
		10,688
3. Miscellaneous—		
Contribution to pension fund	4,187	
Pensions and gratuities	1,617	
Substitutes in cases of sickness, life insurance, etc.	799	
		6,603
Total		£P.131,501

The Government grant for the financial year April, 1936, to March, 1937, was £P.42,000 for recurrent charges as against £P.36,000 in the previous year, the increase of £P.6,000 being due partly to the increase of Government expenditure on Arab education, partly to the increase of the ratio of Jews to Arabs in the child-population. No part of the increase in the grant is normally applied to the first half of the financial year but to expanded services in the new school year starting at mid-financial year. A sum of £P.2,200 was, however, used to cover the deficit from the school year ending September, 1936, and £P.800 was carried over to the succeeding school year ending September, 1937. The total recurrent grant for the school year 1936-7 was therefore £P.42,800.

A grant of £P.4,352 was also made by Government to the Va'ad Leumi as a first instalment in respect of non-recurrent expenditure on buildings and equipment.

22. The receipts and expenditure shown in paragraph 21 are only in respect of the services maintained directly by the Va'ad Leumi. Most of the expanded and new services are provided by the local authorities. The following table gives the actual cost of maintaining the schools in the Hebrew public system, mention being made of the sources of revenue:—

Grade or Type of School.	*Sources of Revenue.*						*Total Revenue.*
	Central.		*Local.*				
	£P.	*Per cent.*	*Local Bodies.* £P.	*Fees.* £P.	*Total.* £P.	*Per cent.*	£P.
Kindergartens	591	1	42,303	9,572	51,875	99	52,466
Elementary ...	50,668	22	137,061*	43,986	181,047	78	231,715
Training Colleges	5,762	49	1,194	4,779	5,973	51	11,735
Secondary ...	780	1	3,873	68,858	72,731	99	73,511
Trade	73	2	2,349	1,106	3,455	98	3,528
Administration (Central) ...	12,351	100	—				12,351
Total ...	70,225†	18·2	186,780	128,301	315,081	81·8	385,306

*Inclusive of administration expenses incurred by Local Authorities direct.

† Comprises: £P.42,800 (or 61 per cent.) from Government.
£P.23,000 (or 32·7 per cent.) from Jewish Agency.
£P.4,425 (or 6·3 per cent.) from the Palestine Jewish Colonisation Association.

23. The following tables give comparative figures regarding schools and pupils:—

Table I.—Administrative Groups.

—	1935–36.		1936–37.	
	Schools.	*Pupils.*	*Schools.*	*Pupils.*
General	155	24,239	164	27,841
Mizrahi	64	10,053	67	11,323
Labour	135	6,855	142	8,124
Totals ...	354	41,147	373	47,288

Table II.—Types of Schools.

—	1935–36.		1936–37.	
	Schools.	*Pupils.*	*Schools.*	*Pupils.*
Kindergartens ...	179	6,524	187	7,067
Elementary ...	157	30,312	163	34,481
Secondary	11	3,621	12	4,583
Training Colleges ...	4	511	4	667
Trade	2	61	5	237
Agriculture ...	1	118	2	253
Totals ...	354	41,147	373	47,288

The secondary schools also include elementary classes, and the purely secondary classes number about 2,633 pupils.

24. The schools, especially the elementary schools, have continued to show improvement. The adverse economic conditions of the country have, however, been felt by local authorities, and schools have suffered in consequence.

The Secondary School Leaving Examination was conducted by the Va'ad Leumi Department of Education and nine schools submitted 247 candidates. One hundred and ninety-seven students passed the examination and 50 failed.

Eighty-five out of ninety-five students of the top classes of three teachers' colleges were awarded diplomas. An external examination was held by the Va'ad Leumi Department for uncertificated teachers; out of 36 only 21 passed.

Much was done for adult education by local authorities and by semi-public bodies.

A loan of £P.72,000 for new schools was obtained by the Tel-Aviv Municipal Council from Barclays Bank, and the erection of four school buildings was begun in the summer.

The Va'ad Leumi was authorised to contract a loan for the acquisition of land and erection of school buildings in towns other than Tel-Aviv.

Other Schools.

25. I.—*Moslem Schools.*—During the year 175 Moslem schools were maintained, with an enrolment of 12,537 pupils, of whom 2,096 were girls. Two of these schools have secondary classes and a number are comparable with Government elementary schools. The very great majority, however, are old-fashioned and inefficient.

26. II.—*Christian Schools.*—The following table gives comparative figures for two years. The figures are only approximately correct, as some groups of Catholic schools, not always the same groups, have for some years past failed to render statistical returns.

	1935–6.		*1936–7.*	
	Schools.	*Pupils.*	*Schools.*	*Pupils.*
Catholic	111	13,645	105	14,375
Protestant ...	42	4,819	41	4,994
Orthodox	26	2,700	26	2,874
Others	8	556	9	654
Total ...	187	21,720	181	22,897

The following tables give particulars of the Christian schools maintained by local and foreign bodies.

	1935–6.		*1936–7.*	
	Schools.	*Pupils.*	*Schools.*	*Pupils.*
(*a*) *Palestinian* :				
Latin Partriarchate	31	1,599	31	1,636
Orthodox Patriarchate	15	843	14	800
Armenian Orthodox Patriarchate ...	3	609	4	856
Syrian Orthodox Patriarchate ...	2	211	2	255
Syrian Catholic Patriarchate ...	1	25	—	—
Armenian Catholic Patriarchate ...	1	60	1	109
Orthodox Societies	6	1,037	6	963
Custodia di Terra Santa	17	3,073	16	3,052
Greek Catholic Archbishopric ...	8	857	8	857
Others	13	750	12	793
	97	9,064	94	9,321
(*b*) *Foreign* :				
French	33	5,544	32	6,239
British	19	2,374	19	2,622
German	21	2,395	20	2,301
Italian	12	1,701	12	1,701
United States	4	434	3	465
Swedish	1	208	1	248
	90	12,656	87	13,576

27. III.—*Jewish Schools* (not included in the Hebrew Public System).—The following table gives comparative figures for two years:—

	1935–6.		1936–7.	
	Schools.	*Pupils.*	*Schools.*	*Pupils.*
Alliance Israélite Universelle	9	4,222	9	4,387
Anglo-Jewish Association	1	433	1	416
Women's International Zionist Organisation	2	151	5	287
Agudat Israel Organisation	18	1,783	20	2,079
Ben Shemen Orphanage*	1	242	—	—
Pekidim and Amarkalim of Palestine	1	285	1	290
Under Private Control	168	11,948	172	12,526
Total	200	19,064	208	19,985

* Included this year in the Hebrew Public System.

It will be seen that there has been an appreciable increase in the number of pupils attending the Agudat Israel schools, which have an orthodox and religious character. Some of the Agudat schools are, however, now combining a religious curriculum with more secular studies.

Secondary and Post-Secondary Education and Examinations.

28. The following summaries show the numbers of schools in which secondary education was given:—

	1935–6.				1936–7.			
	Schools.	*Secondary Classes.*	*Boys.*	*Girls.*	*Schools.*	*Secondary Classes.*	*Boys.*	*Girls.*
Arab Public System:								
Training Colleges ...	2	7	72	63	2	8	85	60
Secondary Schools ...	11	18	371	—	11	20	481	—
	13	25	443	63	13	28	566	60
Moslem Schools ...	2	6	92	—	2	6	118	—
Christian Schools:								
Teaching in English...	14	46	430	321	17	52	486	422
,, ,, French ...	8	30	274	115	9	31	282	202
,, ,, German	9	13	68	50	5	6	57	25
,, ,, Greek ...	1	2	22	4	1	2	12	—
	32	91	794	490	32	91	837	649
Hebrew Public System:								
Training Colleges ...	4	17	153	358	4	18	219	448
Secondary Schools ...	11	39	1,034	865	12	48	1,302	1,331
	15	56	1,187	1,223	16	66	1,521	1,779
Private Jewish Schools	10	39	475	503	9	34	337	540
Grand total ...	72	217	2,991	2,279	72	225	3,379	3,028

29. Students are admitted to the Government Law Classes in Jerusalem in alternate years only and, since candidates were admitted in the previous year, there were no new admissions in 1936-7.

30. Out of 153 candidates who entered, 145 sat for the Palestine Matriculation Examination in July, 1937. Of these 92 obtained the Matriculation Certificate and 23 qualified for the School Certificate.

31. *Hebrew University.*—At the end of the academic year 1936-7 there were 112 members on the staff of the Hebrew University, including 30 professors and 26 lecturers.

The number of students enrolled was 779 (of whom one-third were women), as against 620 in the preceding year. Undergraduates numbered 731, of whom 517 were in the Faculty of Humanities, 214 in the Faculty of Science, and 48 were research students. About 20 per cent. of the students received their secondary education in Palestinian schools and about 80 per cent. in other countries, notably Poland, Lithuania and Germany. Seventeen candidates presented themselves for the University entrance examination, of whom 11 passed.

Two students in the Faculty of Humanities graduated with the degree of M.A., and the degree of M.Sc. was granted to 14 students in the Faculty of Science.

In the Faculty of Humanities, a provisional post for the teaching of the History of Halacha (Jewish Law) was established. A lecturer was appointed to the vacant position of lecturer in Arabic Language and Literature, and a teacher in Arabic was appointed. New Professorships were established in Social Philosophy and Principles of Education. Elementary instruction in the English Language was introduced, and special courses were given in Educational Psychology and in the Sociology and Economics of the Modern Near East. The University received a large bequest from South Africa for the establishment of a Museum of Jewish Antiquities.

In the Faculty of Science, Assistantships in Geometry and in the Physiology of Plants were established. Further progress was made in the equipment of the Institute of Physics. Instruction in Chemistry was extended so as to enable beginners to be admitted to the University in this subject.

In addition to the scientific publications of the University staff, the Hebrew University press continued its series of Hebrew translations from classical philosophical texts. The series now comprises 17 volumes.

Construction was begun on the Nathan Ratnoff Medical School Building, which is to contain the medical laboratories of the University.

A refectory was installed in the Club House.

The aggregate expenditure for the financial year 1936-7 amounted to about £P.107,000. Government continued its grant of about £P.500 towards research in anti-malarial and agricultural-veterinary work.

32. *Language Examinations for Government Officers.*—Five out of 12 candidates passed the lower standard Arabic, and six out of eight the lower standard Hebrew examination; while in the higher standard examination, one out of two passed in Arabic and five out of six in Hebrew. The Arabic examinations were taken by eight Jewish and six British officials, while the Hebrew examinations were taken by 14 officials, all of whom were Arabs.

33. *Government (Arab) Teachers' Examinations.*—At the Teachers' Lower Certificate Examination, 27 out of 57 passed in Part I (Pedagogy), and 10 out of 33 in Part II (School Subjects). At the Secondary Teachers' Certificate Examination, four out of nine candidates passed in Part I (Pedagogy), and 7 out of 24 in Part II (School Subjects). An Elementary Teachers' Higher Certificate examination, designed for older teachers barred in their grade, was also held: five out of six passed in Part I, and seven out of nine passed in Part II.

34. *Foreign Examinations.*—Thirty candidates entered for London University Examinations conducted in Jerusalem, of whom thirteen passed. Twenty-three candidates also presented themselves for other British examinations, namely those for the London Association of Certified Accountants, and the Chartered Surveyors' Institution. Of those entering 12 passed.

Agricultural Education.

35. Agricultural education of an elementary nature is provided in many of the general schools, both Arab and Jewish. There are also a number of special institutions with various standards and aims:—

(*a*) In the *Arab Public (Government) School System* there were 209 gardens in general elementary or secondary schools, with a total area of 2,166 dunums (about 540 acres). Of these gardens 88 were supervised by trained agricultural teachers.

The school nurseries raised over 21,600 fruit trees during the year, and distributed 2,820 seedlings, either free or at a low price. Over 16,500 forest tree seedlings were also raised, and over 2,440 were similarly distributed. Two hundred and eighty-four dunums were planted with vegetables, and 123 dunums with cereals. Twenty-one thousand seedlings of improved vegetable varieties were distributed.

In January, 1937, about 23,000 forest trees, 2,700 fruit trees, and 5,500 grape vines were planted by Government school pupils.

Twenty schools kept bees, with a total of 160 hives; poultry was raised in twenty schools, and rabbits in three schools. Experiments were made with preserving orange juice, extracting scent, and preservation of eggs.

Twenty-four demonstration plots for Arab farmers were worked by the schools in co-operation with the Agricultural Department.

(*b*) Agricultural studies are as yet a less prominent part of the *Jewish School System* but are being steadily developed.

36. The two Kadoorie schools, maintained partly from the Kadoorie bequest but largely by Government, are, with Mikveh Israel, the principal special institutions for vocational training in agriculture:—

(*a*) *The Kadoorie Agricultural Arab School,* Tulkarm, which was closed owing to the general Arab strike of 1936, remained closed throughout the whole of the school year 1936-7.

(*b*) *The Kadoorie Agricultural Jewish School,* Mount Tabor, reopened in December, 1936, with 59 students in three classes. The first class to complete the course left the school in April, 1937.

(*c*) *Mikveh Israel.*—The total number of pupils in the three classes was 260, all boys and boarders. The accommodation available at the school was enlarged by means of the Government special grant of £P.4,500, and it is hoped that in 1937-8 the number of pupils may be increased to 300.

37. Other agricultural institutions, which are mainly of a more elementary and practical type, are as follows:—

	Number of pupils (approximate).		
	Boys.	*Girls.*	*Total.*
(a) *Jewish*:			
Children's Village, Ben-Shemen	81	55	136
Children's Village, Meir Shefeya	62	55	117
Agricultural School, Pardess Hanna ...	43	4	47
Girls' Agricultural School, Nahalal ...	—	94	94
Wizo Girls' School for Domestic Science and Agriculture, Nahalat Yitzhaq ...	—	60	60
Five Training Farms for Girls (Wizo and Women Workers' Council)	—	185	185
Girls' Agricultural Farm School, Talpiyot-Jerusalem	—	37	37
(b) *Non-Jewish*:			
Trappists' Agricultural School, Latrun ...	16	—	16
Salesian Agricultural School, Beit Jamal...	47	—	47
Latin Agricultural School, Rafat	30	—	30

Improvements were effected in some of the girls' agricultural school farms. The boarding section of the Pardess Hanna school, which is secondary with an agricultural bias, moved into its own buildings.

Manual Training and Technical Education.

38. Manual work as part of the general curriculum was further developed in Government schools and more vocational training in few special centres has been continued. Rug and blanket weaving has been introduced at Dura village school. From the small weaving section at Bethlehem Government Boys' School have sprung two small weaving industries using modern power looms.

39. The Government Trade School for Arabs at Haifa was equipped and furnished during the summer. It was opened in October, 1937, with 50 pupils. Of these 40, selected from the higher elementary classes, constitute a first year class in general carpentry and mechanics prior to specialization in various trades. The remaining ten pupils are a special class selected from the second Secondary Class of technical sections of Jaffa and Nazareth, for a year's continuation course. They are being trained as teachers of drawing and manual work in general schools.

40. A second storey was added to the Max Pine Trade School at Tel-Aviv to accommodate the carpentry section in addition to the existing mechanics section.

A new trade school was opened in Yajur settlement, near Haifa, for immigrant Jewish youth, mostly from Germany.

41. Higher technical education is provided at the Hebrew Technical Institute, Haifa, which trains civil engineers, architects, and mechanic-electrical engineers. Thirty-eight students took the final diploma examination, controlled by Government, of whom 31 passed in the " Project " part and 22 in the Written part. The laboratories and workshops were considerably extended with the help of a Government grant. To the Institute are attached a Trade School and a Technical Secondary School, comprising 117 and 100 pupils respectively.

The Technical Schools and Institutions in Palestine are as follows:—

	Pupils.		
	Boys.	*Girls.*	*Total.*
Arab Public System:			
Government Trade School for Arabs, Haifa * ...	50	—	50
Moslem Schools:			
Moslem Orphanage, Jerusalem*	236	45	281

* Includes a boarding section.

	Pupils.		
	Boys.	*Girls.*	*Total.*
Christian Schools:			
Syrian Orphanage, Jerusalem (Trade Section) * ...	54	7	61
Salesian School, Bethlehem *	112	—	112
Ratisbonne School, Jerusalem	205	—	205
Hebrew Public System:			
New Bezalel School of Arts and Crafts, Jerusalem...	11	12	23
Rebecca Somekh Trade School for Girls, Jerusalem	—	46	46
Max Pine Trade School, Tel-Aviv	84	—	84
Mizrahi Trade School, Tel-Aviv	19	—	19
Trade School for Yemenite Girls, Shekhunat Marmorek	—	84	84
Hebrew Technical Institute, Haifa:			
i. Trade School	122	—	122
ii. Vocational High School	59	21	80
ii. Engineering College	399	21	420
Ludwig Tietz Trade School, Yajur*	65	—	65
Jewish Private:			
Belilios Trade School, Jerusalem	20	—	20

* Includes a boarding section.

Education of Defectives.

42. There has been no appreciable change in the number of blind and of deaf and dumb persons cared for in special schools. The following are the figures for the year:—

	Blind.	*Deaf and dumb.*
Arabs:		
Syrian Orphanage Jerusalem	8 in school (boys) 5 in workshops (boys)	—
Moslem Orphanage, Jerusalem	14 in workshops, including 4 girls	—
Sisters of St. Vincent de Paul, Jerusalem ...	21 in school, including 4 boys	13 in school including 3 boys
The "Thankful Hearts' League" School for the Deaf (Miss Chapman's), Jerusalem	—	12 in school all boys
Jewish:		
Institute of the Blind, Jerusalem	23	—
Alliance Israélite School for the Deaf and Dumb, Jerusalem	—	25

The municipal school for mentally defective children at Tel-Aviv was transferred to better premises and was enlarged; it had 100 pupils. A similar school in Petah Tiqva also continued to exist. A Jewish school for the mentally defective children exists in Jerusalem.

Physical Training, Athletics, Scouting, etc.

43. Progress was made with courses for teachers of Physical Training in Government schools, and the general level of athletics was raised.

Scouting and guiding suffered seriously from the disturbances. There was a total only of 813 Scouters, Scouts, Cubs and Rovers in the Boy Scouts (Arab) Association as against 3,358 in 1936, and approximately 700 Guides and Guiders as against 800 in the preceding year.

The new Association of Jewish Scouts (boys and girls) established in the preceding year under the aegis of the Va'ad Leumi Department of Education continued to make progress. The number of Scouts and Guides was 1,600 as against 1,450 in 1935-6.

Probation Service.

During the year considerable progress has been made in the development of the Probation System. Full-time and part-time Probation Officers have replaced the honorary officers in the principal towns and it is now possible more accurately to determine the causes and treatment of juvenile delinquency.

In 1936, 1,437 boys were dealt with by the Courts; in 1937 the number was 1,830, of whom 1,376 were Moslems, 353 Jews, 101 Christians. Last year 314 cases out of the total number were dealt with under the Emergency Regulations or for offences directly connected with the political situation; this year only 86 boys were charged with political offences, so that the increase in the number of actual delinquents dealt with was 621.

The practice of hearing all juvenile cases *in camera*, or, more usually, in chambers is now firmly established. The Juvenile Offenders Ordinance which was enacted on 18th February, 1937, will legalise this practice and all Courts hearing cases against children or young persons will be known as Juvenile Courts and will conform to Rules already prepared under the Ordinance. The date when the Ordinance will come into force has been postponed until arrangements are completed for segregating young offenders from adult prisoners while detained in custody awaiting trial. Plans for the provision of a Remand Home are now in hand.

The essential co-operation between police and Probation Officers has been maintained and strengthened by the development of the Probation System. In those districts where full-time Probation Officers are working the willing help and assistance given to the newly appointed Probation Officers by the Police has been much appreciated.

Quarterly statistical returns of juvenile offenders are submitted from each police district to the Probation Office.

The Probation Staff kept in close touch with the Boys' Reformatory School, Tulkarm, and with the Adolescent Camp on the Government Stock Farm, Acre. It has not been possible to proceed with the building of the Cottage Home for younger

boys, but the site has been purchased. A scheme for the after-care of boys released on licence from the Boys' Reformatory School has been introduced and will be developed in the future.

The number of boys committed to the Reformatory School was 177, compared with 129 in 1936. This represents 9·6 per cent. of the total cases dealt with, as compared with 8·9 per cent. in 1936.

There has been a marked increase in the use of probation. Boys to the number of 369 were placed on probation for periods varying from 12 months to 3 years.

Apart from the regular staff there are 25 honorary Probation Officers, both Arab and Jewish. The Arab honorary Probation Officers for the most part are headmasters of Government Secondary Schools, and the Jewish honorary Probation Officers are the trained social workers of the Department of Social Service of the Va'ad Leumi and the Social Service Department of the Municipality of Tel-Aviv. Their willing help and co-operation is invaluable.

XX.—PUBLIC HEALTH.

1. *Epidemic Diseases.*—During the year 1937 there were 11,694 cases of notifiable disease reported with 1,388 deaths, as compared with 7,130 cases with 883 deaths during 1936.

The diseases showing the greatest increase were typhoid fever with 2,049 cases in 1937 as compared with 1,148 in the previous year, and measles with 7,594 cases in 1937 whereas 3,489 cases were notified in 1936.

Owing to the disturbed condition of the country during the year 1936, the movement of the general population between villages was greatly restricted. There is reason to believe that this had the effect of limiting the spread of infection, and further there is evidence that, on account of the risks, medical aid was not sought in mild forms, and consequently a number of cases escaped notification. These two factors would explain also the apparent increase in certain other notifiable diseases in the year under review.

The incidence of measles was fairly constant for the first three months of the year, but a sudden increase occurred in the month of April, with a gradual decline to the month of September, when the incidence showed a gradual increase to the end of the year.

There was a decrease in the notifications received during the year of both dysentery and scarlet fever, the former with 373 cases in 1937 compared with 583 in 1936, and the latter with 116 cases compared with 197 in 1936.

Twenty-two cases only of influenza were notified in 1937. The distribution of these was scattered and no localized outbreak occurred as in 1936, when 234 cases were reported.

No case of smallpox occurred in 1937. Protective vaccination was proceeded with steadily, especial attention in this connection being maintained in relation to new immigrants to the country.

2. *Ankylostomiasis.*—The campaign for the investigation and treatment of hookworm disease was continued during the year. This work consists in the investigation of new areas, treatment and re-treatment of infested individuals, and re-survey of previously treated cases.

The campaign is coupled with the introduction of rural sanitary measures, and most villages in infested localities have now been supplied with latrines. During the year, 3,988 individuals were examined for hookworm and other helminths, of whom 1,026 were included in a re-survey and the remaining 2,962 in new uninvestigated localities.

The incidence of hookworm infestation in the whole group averaged 46 per cent.

Treatment was carried out in 1,687 new cases and a second treatment in 498 cases, making a total of 2,185 individuals treated.

3. *Schistosomiasis.*—The survey of the incidence and extent of schistosomiasis infestation was continued throughout the year. This work comprises field investigations regarding the localities infested by molluscan hosts, the incidence of infested molluscs, and the incidence of human infestation.

During the year 3,442 individuals were examined, of whom 393 or 11·42 per cent. were found to be infested with Schistosomum haematobium. Only nine cases of mansoni were recorded. The principal foci in Palestine, so far as present investigations go, appear to be the Rubin River and the lower reaches of the Auja River (Jaffa District). The former must be considered the most important focus of dissemination of this disease, by reason of the annual Moslem festival which draws many thousands from all districts to this particular infested area.

An attempt was made with some degree of success to secure control during the period of the festival. Treatment of water with copper sulphate and intensive collection of snails appeared to have considerable effect, and the same measures will be repeated annually.

4. *Tuberculosis.*—At the various tuberculosis clinics of Government, there were recorded 3,786 attendances during the year. Of these, 304 were new cases, of whom 237 were pulmonary and 67 extra pulmonary.

Notified deaths from tuberculosis (all forms) during 1937 were 234, as compared with 201 in 1936.

5. *Venereal Diseases.*—The main treatment centres in Jerusalem, Jaffa, Haifa, Nablus and Hebron worked satisfactorily throughout the year, and there is now evidence that the public is beginning to understand the value of early treatment in this group of diseases, which is given free at all Government clinics. During the year, 1,164 new cases of venereal diseases were treated at Government clinics. The campaign against endemic syphilis prevalent in the Hebron district was continued. The work of the Women Medical Officers amongst the female section of the population has also made favourable progress, and there was an increasing attendance at women's clinics.

6. *Malaria.*—Routine antimalarial measures were maintained in all districts during the year, and both towns and rural areas have been kept under satisfactory control.

The spleen rates both in urban and rural areas are lower than in 1936.

The urban rate based on the examination of 38,792 school children was 1·51 per cent. as compared with 1·77 per cent. in the previous year.

The rural rate taken on 43,883 children produced a figure of 4·74 per cent. as compared with 5 per cent. in 1936.

A few cases of malaria occurred amongst the military forces and Trans-Jordan Frontier Force, which must be expected owing to movements of patrols in uncontrolled areas at night.

7. Considerable progress was made with drainage schemes.

The drainage of the Birket Ramadan Scheme near Tulkarm was finally completed, and is functioning satisfactorily.

At Rubin, complete regrading and sloping of all the drainage channels of the main swamp was carried out early in the year.

Temporary clearing and regulation of the Ras-el-Ain spring area with subsequent anti-larval control gave most satisfactory results, not a single case of malaria having been reported from this area, as compared with a small epidemic in 1936.

Filling work at Wadi Amud on the northern shore of Lake Tiberias was completed by the end of the year, a permanent work of considerable importance from an anti-malarial standpoint.

A survey of the Naamein River Basin (Haifa Bay) was carried out, and a complete permanent drainage and reclamation scheme was prepared and is under consideration by Government. It is hoped that work will be commenced on this important work in 1938.

8. *Infectious Diseases.*

Diseases.	*1936.*		*1937.*	
	Cases.	*Deaths.*	*Cases.*	*Deaths.*
Acute Poliomyelitis ...	21	5	18	4
Anthrax	31	4	25	4
Cerebro-Spinal Meningitis	107	52	44	25
Diphtheria	257	26	373	32
Dysentery	585	39	373	27
Encephalitis Lethargica ...	2	1	3	2
Influenza	234	3	22	3
Measles	3,489	199	7,594	669
Paratyphoid	170	3	201	7
Pneumonia	531	386	513	390
Puerperal Fever	45	18	45	24
Relapsing Fever	23	—	40	—
Scarlet Fever	197	—	116	—
Typhoid	1,148	143	2,049	193
Typhus	280	2	262	3
Undulant Fever	7	—	7	—
Blackwater Fever	1	—	2	1
Kala Azar	2	2	7	4
Total ...	7,130	883	11,694	1,388

9. *Births, Deaths and Infant Mortality,* 1933-7.

Year.	*Birth-rate per 1,000 living.*	*Number of births registered.*	*Estimated population Mid-Year.*	*Number of deaths registered.*	*Death-rate per 1,000 living.*	*Infant deaths.*	*Infant mortality.*
1933 ...	44·38	46,089	1,038,331	20,866	20·09	6,656	144·41
1934 ...	41·59	45,942	1,104,605	24,136	21·85	7,245	157·69
1935 ...	45·16	53,940	1,194,529	22,249	18·62	7,092	131·48
1936 ...	44·88	56,993	1,269,952	20,465	16·11	6,929	121·57
1937 ...	41·58	54,749	1,316,767	24,882	18·90	8,369	152·86

10. *Births, Deaths and Infant Mortality,* 1937.

	Christians.	*Moslems.*	*Jews.*	*Others.*	*Totals.*
Estimated population on 30th June, 1937 ...	109,769	809,394	386,084	11,520	1,316,767
Deaths	1,527	20,088	3,004	263	24,882
Death-rate per 1,000 of population	13·91	24·82	7·78	22·74	18·90
Births	3,683	40,261	10,297	508	54,749
Birth-rate per 1,000 of population	33·55	49·74	26·67	44·10	41·58
Deaths—Infants under one year	469	7,220	589	91	8,369
Infant mortality-rate per 1,000 births	127·34	179·33	57·20	179·13	152·86
Natural Increase per 1,000 of population ...	19·64	24·92	18·89	21·35	22·68

11. The estimated mid-year population is based on the Census of 1931 after allowing for the natural increase of population and that due to migration. His Majesty's Forces and nomadic Bedouin tribes, the latter numbering 66,553 in 1931, are not included in this figure.

12. *Regulation of Trades and Industries.*—Establishments licensed under the Trades and Industries (Regulation) Ordinance increased from 14,975 in 1936 to 20,296 in 1937, the reason for the increase being that many establishments were closed during the disturbances in 1936 and not re-licensed until early in the year under review.

During the year 1937, the following additions were made to the Schedule of Controlled Trades and Industries: —

(*a*) Factories for the manufacture of Artificial or Imitation Vinegar.

(*b*) Shops for the repair or sale of Bicycles (for purpose of Police Supervision).

The Public Health (Rules as to Food) Ordinance and rules thereunder were made more effective during the year by more rigid and systematic inspection.

Particular attention has been given to the Standard of Foodstuffs Rules, especially to the enforcement of the standard requirements for butter, edible fats and oils, imported condensed milk and dried milk, while the local native butter (*samneh*), frequently the subject of adulteration in the past, is now under more rigid control.

A standard for and a definition of " honey " was added to the Standard of Foodstuffs Rules, to secure control of a product also a common subject for adulteration in past years.

During the year under review, 7,215 samples of foodstuffs, including milk, were taken for analysis and examination, and in 689 cases samples were found to be either adulterated or below standard, suitable action being taken in each instance.

13. *Drainage.*—Progress was made with the construction of main sewers and connecting laterals in the city of Jerusalem. The Consulting Engineers appointed by Government in connection with main drainage schemes for Jaffa and Tel-Aviv have submitted their reports and their recommendations are now engaging the attention of Government.

Provisional and temporary schemes are being carried out for local areas in those towns where conditions necessitated immediate drainage and sewage disposal in advance of the main scheme. Improvement of drainage arrangements in both Tel-Aviv and Jaffa port areas were put in hand. The Sanitary Engineers of the Department of Health advised on sewer extensions for execution in Nablus, Jenin, Safad, Tulkarm and Qalqilieh.

14. *Village Sanitation.*—During the year, 1,965 bore-hole latrines were installed in 36 villages.

Of the tar-barrel variety, 1,149 were installed in the Southern District.

Village sanitation is now complete in the Southern District.

15. *Water Suppy: Towns.*—The water supply problems in Jerusalem have been satisfactorily and adequately met by the new Ras-el-Ain supply, which was brought into operation in the previous year.

The Consulting Engineers' investigations in regard to a source of supply of water for Haifa resulted in a satisfactory and abundant source being found in Wadi Fallah.

The Department co-operated in the analysis of water samples obtained in the course of the hydrographic survey of Beersheba district.

Hygienic supervision of all main supplies in towns has been continued and advice has been given on schemes for industrial purposes, schools and villages.

Villages.—The Village Water Supplies Committee continued to function during the year, but on account of the disturbed conditions of the country and curtailment of funds only little progress has been made. Improvement has, however, been made to the water supplies in thirteen villages, at a cost of £P.9,366. In addition, work was progressing towards completion of the improvement of sources in fourteen villages that had been recommended by the Committee.

Since its inception in October, 1933, 222 schemes have been approved by the Committee, of which 191 have been completed.

16. *Port Quarantine Work and Moslem Pilgrimage.*—The proposed development of Tel-Aviv port to deal with all classes of traffic has entailed the organisation of a quarantine service. The Department has also advised on the buildings required for dealing with passenger and immigrant traffic and the provision of a port disinfecting plant and equipment. During the year 535 steamships and 11 sailing vesseds called at Tel-Aviv port, 835 steamships and 649 sailing vessels at Jaffa port, and 1,839 steamships and 587 sailing vessels at Haifa port, 2 steamships and 308 sailing vessels at Acre port, and 7 steamships and 60 sailing vessels at Gaza port.

Quarantine surveillance of air traffic was maintained at the various ports. The number of aeroplanes and seaplanes dealt with were as follows: Gaza, 236; Lydda, 1,181; Haifa, 281; and Tiberias, 37 (seaplanes).

The usual sanitary measures for the health control of the Hejaz pilgrimage were carried out. 424 Palestinian and 24 Trans-Jordan pilgrims proceeded to Mecca under the official arrangements. Fifteen foreign pilgrims passed through Palestine on

their way to the Hejaz and 685 on the return journey after the pilgrimage had been completed. The health of the pilgrimage was satisfactory and no infectious diseases occurred amongst returning pilgrims.

17. *The Practice of Medicine, Dentistry, etc.*—The registers of persons licensed to practice in the various professions were revised during the year and resulted in the cancellation of 81 doctors' licences and 40 dentists' licences of persons who had ceased to practice in Palestine. There were 85 new licences to practice medicine, 59 new licences for dentistry, 33 pharmacists' and 32 midwives' licences granted during the year. The number of persons holding licences at the end of the year are shown in the following table:—

Licences of Doctors, Dentists, Pharmacists and Midwives, 1937.

—	*Licensed until end of 1936.*	*Licensed during 1937.*	*Cancelled during 1937.*	*Cancellations withdrawn during 1937.*	*Licensed until end of 1937.*
Doctors ...	2,202	85	81	—	2,206
Dentists ...	573	59	40	1	593
Dental Practitioners ...	28	—	—	—	28
Pharmacists ...	362	33	2	—	393
Asst. Pharmacists	45	—	—	—	45
Midwives ...	484	32	3	—	513

18. *Hospitals and Dispensaries.*—Satisfactory progress was made in the construction of the new Government Hospital in Haifa and the building programme is well up to the time table of work arranged. The opening of the Hospital should be possible by the end of 1938 as originally planned.

Extension of the Government Hospital, Jerusalem, and the construction of an Infectious Diseases Hospital, Jerusalem, will be undertaken next year.

There were no new developments of Municipal or Voluntary Institutions, though plans were prepared for the construction of an additional wing to the Tel-Aviv Municipal Hospital by the Corporation so as to bring the approved accommodation to 300 beds. This addition is necessitated by the deferment of the scheme to construct a new general hospital for the town.

There was a marked increase of the total work done by public medical institutions. Admissions to Government and Municipal hospitals totalled 20,091, compared with 18,574 in 1936, and those to voluntary general hospitals were 35,025, compared with

28,341 in 1936. Outpatients attending as new cases at all institutions, Government, Municipal or Voluntary, were 879,907, compared with 764,931 in 1936.

19. The following is a classified summary of new patients admitted to hospitals or attending dispensaries and clinics during the year:—

—	*Moslems.*	*Christians.*	*Jews.*	*Unclassified and others.*	*Totals.*
In-patients:					
Government and Municipal Hospitals	9,126	2,506	8,389	70	20,091
Voluntary Hospitals	9,087	5,019	18,827	2,092	35,025
Out-patients:					
Government and Municipal Dispensaries	133,988	20,141	26,906	318	181,353
Voluntary Organizations	108,394	39,351	547,150	3,659	698,554

20. The following tables provide more detailed information of the activities of:

A. Government and Municipal Hospitals.

B. Voluntary General Hospitals.

C. Special Hospitals:

(*a*) Voluntary.

(*b*) Government.

(A) GOVERNMENT AND MUNICIPAL HOSPITALS—1937.

Hospitals.	*Nominal Bed-Strength.*				*Admissions.*					*Deaths.*	*Discharges.*	*Daily average number of beds occupied.*	*Number of beds occupied at end of year.*
	General.	*Isolation.*	*British.*	*Maternity.*	*Moslems.*	*Christians.*	*Jews.*	*Others.*	*Totals.*				
Jerusalem, Government ...	73	11	16	16	1,086	1,030	194	2	3,032	143	2,900	93·1	93
Haifa, Government	74	70	9	18	1,836	847	541	67	3,291	201	3,059	133·3	171
Safad, Government	—	28	—	—	586	115	76	—	777	26	747	23·9	23
Jaffa, Government	67	73	7	3	1,935	432	24	—	2,391	153	2,240	82·1	79
Nablus, Government ...	59	19	4	3	2,211	54	1	—	2,266	183	2,055	92·7	98
Beersheba, Government ...	8	—	—	—	241	3	—	—	244	14	228	10·0	10
Gaza, Government	24	4	2	2	508	21	1	1	531	44	482	14·6	14
Tel-Aviv, Municipal ...	211	—	—	23	3	4	6,947	—	6,954	453	6,467	284·0	286
Bnei Brak, Government ...	—	32	—	—	—	—	605	—	605	16	581	20·0	25
Totals ...	516	237	38	65	9,126	2,506	8,389	70	20,091	1,233	18,759	753·7	799

	Nationality.	Locations.	Nominal bed-strength.	Admissions.					Deaths.	Discharges.	Daily average No. of beds occupied.	No. of beds occupied at end of year.
				Moslems.	Christians.	Jews.	Unclassified and other religions.	Totals.				
Hadassah Women's Zionist Organization of America	American	Jerusalem	190	—	—	4,809	—	4,809	248	4,564	165·1	169
,, ,, ,, ...	,,	Safad	58	1	3	113	—	117	8	105	55·4	54
Church Missionary Society ...	British	Jaffa	57	—	—	—	656	656	23	621	17·4	24
,, ,, ,, ...	,,	Gaza	63	—	—	—	1,416	1,416	52	1,356	33·7	28
,, ,, ,, ...	,,	Nablus	45	741	58	—	—	799	23	769	17·5	26
British Mission to Jews	,,	Jerusalem	70	12	46	871	—	929	14	909	41·6	48
Jerusalem and the East Mission ...	,,	Hebron	32	628	2	—	—	630	54	580	16·1	16
Edinburgh Medical Mission Society	,,	Nazareth	70	1,380	253	5	—	1,638	85	1,550	51·1	51
Church of Scotland	,,	Tiberias	60	814	100	162	7	1,083	59	1,008	50·9	54
Misgab Ladach (Private donations, local and abroad)	Palestinian	Jerusalem	34	—	—	241	—	241	15	225	12·5	14
New Bicur Cholim (local funds and abroad, mostly United Kingdom and U.S.A.)	,,	,,	120	4	1	1,519	—	1,524	115	1,354	59·8	55
Old Bicur Cholim (local funds and abroad, mostly United Kingdom and U.S.A.)	,,	,,	20	—	—	22	—	22	16	6	19·6	20
Sick Fund of General Federation of Jewish Labour in Palestine ...	,,	Motza	84	—	—	1,773	—	1,773	—	1,828	73·8	—
,, ,, ,, ...	,,	Affula	72	1	1	1,853	—	1,855	32	1,823	52·4	62
,, ,, ,, ...	,,	Tiberias	32	6	4	874	—	884	33	857	27·3	26

(B) VOLUNTARY HOSPITALS—1937—*contd.*

	Nationality.	*Locations.*	*Nominal bed-strength.*	*Admissions.*					*Deaths.*	*Discharges.*	*Daily average No. of beds occupied.*	*No. of beds occupied at end of year.*
				Moslems.	*Christians.*	*Jews.*	*Unclassified and other religions.*	*Totals.*				
Sick Fund of General Federation of Jewish Labour in Palestine...	Palestinian	Petah Tiqva	66	1	1	3,309	—	3,311	69	3,221	94·7	101
Jewish Community of Haifa ...	,,	Haifa	53	2	4	1,647	—	1,653	61	1,597	53·4	55
French Hospital	French	Jerusalem	150	1,054	750	30	—	1,834	54	1,774	53·2	46
,, ,, ...	,,	Bethlehem	80	262	553	—	—	815	16	795	32·2	30
,, ,, ...	,,	Jaffa	90	1,155	320	25	—	1,500	68	1,423	48·6	46
,, ,, ...	,,	Nazareth	56	678	365	—	—	1,043	23	1,004	24·4	20
Shaare Zedek, Tutors and Protectors of the Jewish Community in the Holy Land, Amsterdam...	German	Jerusalem	53	3	10	1,229	—	1,242	52	1,201	35·8	23
Rheinisch Westphalischer Diakonessen Verein Der Kaiserwerth am Rhein	,,	,,	80	1,213	1,034	29	—	2,276	93	2,223	72·5	40
Temple Society	,,	Jaffa	20	35	165	4	—	204	1	201	5·7	3
Order of Sisters of St. Charles ...	,,	Haifa	40	496	385	151	7	1,039	33	1,011	28·1	26
Associazione Nationale Italiana di Torino	Italian	Jerusalem	60	378	761	36	—	1,175	34	1,142	31·1	22
,, ,, ,, ...	,,	Haifa	50	223	203	125	6	557	10	537	23·5	10
Totals			1,805	9,087	5,019	18,827	2,092	35,025	1,291	33,684	1,197·4	1,089

Hospital Organisation.	*International.*	*Location.*	*Nominal bed-strength.*	*Admissions.*					*Deaths.*	*Discharges.*	*Daily average No. of beds occupied.*	*No. of beds occupied at end of year.*
				Moslems.	*Christians.*	*Jews.*	*Others.*	*Totals.*				
(*a*) Voluntary Special Hospitals, Ophthalmic Hospital of the Order of St. John of Jerusalem in England	British	Jerusalem	45	730	166	11	—	907	—	915	32·8	33
Leper Hospital, International Moravian Society, London ...	International.	Jerusalem	60	3	—	1	—	4	6	5	21·5	19
Ezrath Nashim Society, Home for Insane and Incurables ...	Palestinian	Jerusalem	60	—	—	33	—	33	1	29	59·4	61
			165	733	166	45	—	944	7	949	113·7	113
(*b*) Government Special Hospitals— Mental Hospital No. 1	Government.	Bethlehem	105	—	6	3	—	9	2	8	103·2	104
Mental Hospital No. 2	Government.	Bethlehem	52	—	3	1	—	4	3	1	51·8	52
			157	—	9	4	—	13	5	9	155·0	156

21. *Ophthalmic Service.*—The proposed expansion of the ophthalmic service to deal with acute epidemic conjunctivitis in the villages of the Southern District was again deferred for reasons of economy, but the normal services worked satisfactorily throughout the year. Ophthalmic clinics functioned during the season in ten towns and First Aid clinics in twenty-one villages, while special First Aid clinics were opened in three additional villages for short periods to deal with localized epidemics.

The Mobile Ophthalmic Unit operated from May to October in thirteen villages not served by permanent clinics.

The following cases were treated:—

	New cases.	*Total Attendances.*
Ophthalmic Clinics	39,572	573,789
Subsidiary Village First-Aid Ophthalmic Posts	32,590	408,010

In schools, the school medical service as part of its normal routine dealt with 5,414 new cases of ophthalmic disease and a total of 1,246,272 and 1,670,162 attendances were recorded in town and village schools respectively. At general outpatient clinics of the Government Department, 9,722 new cases of eye disease were treated.

The Ophthalmic Hospital of the Order of St. John in Jerusalem dealt with 907 patients and 21,369 outpatients.

22. *Grants-in-Aid from Government to Jewish Medical Services and Institutions.*—The annual recurrent grants were:—

	£P.
School Hygiene and Ophthalmic Service	2,041
Infant Welfare Services	1,771
Contribution to Tuberculosis Hospital, Safad	1,700
Contribution to Tel-Aviv Municipal Hospital	6,841
Total	£P.12,353

Non-recurrent grants were:—

	£P.
Hebrew University for Malarial Research Investigations	180
Hebrew University Hospital	3,100
Total	£P.3,280

23. *Maternity and Infant Welfare Services.*—Three new village infant welfare centres were opened during the year. There are now 35 Government and Municipal infant welfare centres in towns and villages, with 10,582 infants on the registers. There are also 42 Centres maintained by Jewish and other voluntary organizations, with 6,885 children on the

registers. As stated above, annual grants are given to the Jewish centres by Government through the Council of the Jewish Community.

The number of pupils graduating at the Government Training School for Midwives, Jerusalem, was sixteen.

The work of practising midwives and village dayas is supervised by Superintendents of Midwifery in six districts, namely, Jerusalem, Jaffa, Nablus, Haifa, Gaza and Hebron. The Superintendents at these centres undertake also the supervision of the work of the Government infant welfare centres in the towns and villages of their districts.

Prenatal and gynaecological work has developed satisfactorily with the assistance of the two women medical officers appointed last year. Antenatal clinics are held in Jerusalem, Jaffa, Ramleh, Nablus, Acre and Haifa, and gynaecological clinics at Jerusalem, Jaffa, Nablus, Acre and Haifa. The attendances at the gynaecological clinics numbered 26,867 and cases referred to the medical women for special antenatal examination numbered 5,500. These clinics are mainly attended by Moslem women and are performing most useful work amongst this class of the community.

24. *Laboratory Services.*—The Department of Health continues to provide, as in previous years, all facilities for the laboratory diagnosis and for the investigation of epidemiological conditions. Its laboratory service also carries out the chemical analysis of foods, waters, drugs and the like and undertakes chemico-legal and medico-legal examinations, agricultural analysis and the verification of weights and measures. The Central Laboratories also prepare calf-lymph, anti-rabies vaccine and other prophylactic and curative vaccines, including anti-typhoid, anti-cholera, and anti-plague; in addition, they undertake the histo-pathological examination of morbid material and all kinds of bio-chemical investigations. The Central Laboratories, situated in Jerusalem, comprise bacteriological, chemical, entomological, agricultural, forensic and physical laboratories, together with the central anti-rabies manufacturing institute and the calf-lymph establishment. Port and quarantine laboratories are provided at Haifa and Jaffa and these also cater for the diagnostic needs of the adjacent towns and districts. The Department exercises supervisory control over other laboratories and scientific institutes maintained by private funds and approves the issue of annually renewable licences to persons considered qualified to conduct public pathological and bacteriological laboratories. Standards for the preparation and issue of therapeutic substances have been prepared and rigidly enforced.

During 1937 bacteriological examinations and investigations have totalled 261,505, an increase of 41,325 over the 1936 figure.

In addition, the Bacteriological Division of the Central Laboratories has prepared 376,400 doses of calf-lymph, 215,190 c.c. of killed carbolised antirabic vaccine, 132,720 c.c. of anti-enterica and 7,620 c.c. of anti-plague prophylactics, a total unit dosage of 731,930. Vaccine issues have included 187,745 doses of calf-lymph, 241,505 c.c. of antirabic vaccine, 78,120 c.c. of T.A.B., 47,880 of T., 1,505 c.c. of anti-cholera and 196 of anti-plague vaccines. Record issues of anti-enterica and carbolised virus have been made as a result of the enhanced incidence of the typhoid-paratyphoid group of fevers and of the increased activity of biting animals respectively. Antirabic vaccine has been issued to 39 different provincial treatment centres where 2,630 bitten persons-at-risk have received advice and specific treatment. As in previous years the success rate of vaccine virus insertions has exceeded 95 per cent. among the primary vaccinations. Research into improvement of anti-enterica vaccines has continued, while other activities include the bi-weekly control of the Jerusalem Water Supply and the Y.M.C.A. swimming pool, the routine examination of raw milks for tuberculosis and the performance of nearly 10,000 Wassermann reactions, with Kahn Test control series, in conjunction with the intense anti-syphilis campaign now being waged by the Department.

In the Entomological Division, the identification and classification of insects of medical importance and interest has been undertaken. The work has comprised the routine examination of mosquitoes and sand-flies and of fleas parasitic on the rats trapped at the ports of Jaffa and Haifa.

In the Chemical Division, 11,900 samples of all kinds have been dealt with during the year. These have included some 3,700 samples of milk examined in the 12 provincial centres equipped for the purpose; 300 of these milks have proved to be below standard. The control provided by the Public Health (Rules as to Food) Ordinance 1935, is being applied progressively and in addition to the sampling of milk mentioned above, some 3,400 samples of other foodstuffs have been examined. The extended period of time for compliance with regulations granted to importers of condensed milk expired on 1st October. Since that date 62 samples of condensed milk have been taken, of which 41 have been below standard or improperly labelled. When possible, re-labelling in Customs has been allowed. The bio-chemical branch has dealt with 1,900 specimens from official and private sources. In the agricultural branch, 1,015 samples of soil, water, fertilizer and agricultural products have been examined and investigations into local soil problems have been undertaken. Three contributions to local and foreign scientific journals have been made during the year. Exhibits concerned in criminal investigations have numbered 380.

25. *Town Planning and Housing.*—During the year under review town planning progressed satisfactorily in its decentralized form. The working of the Town Planning Ordinance, 1936, was thoroughly tested and in general the approval and publication of schemes and other matters was considerably accelerated. At the end of the year the position was as follows with regard to the number of town planning areas:—

	Year declared.
Northern District.	
Haifa	1921
Nablus	1921
Tiberias	1922
Beisan	1924
Affuleh	1926
Tulkarem	1929
Nathanya	1934
Acre	1936
Hadera	1937
Jerusalem District.	
Jerusalem	1921
Hebron	1936
Ramallah	1937
Al Bireh	1937
Jericho	1937
Southern District.	
Jaffa	1921
Tel-Aviv	1921
Lydda	1922
Ramleh	1922
Beersheba	1922
Gaza	1923
Petah Tiqva	1937
Lydda Air Port	1937

26. It will be seen that during the year new areas were declared for Hadera in the Northern District, Ramallah, al Bireh and Jericho in the Jerusalem District and Petah Tiqva and Lydda Air Port in the Southern District.

27. The co-ordinating link provided by the membership of the Legal Draftsman and the Town Planning Adviser on the Town Planning Commission in each of the three Districts was of great importance in ensuring a unified policy in matters relating to building by-laws and major town planning principles. Without this very necessary link the tendency in each District would have been to legislate and plan in such a manner as to take into consideration local requirements only.

28. In the Southern District a system of urban and rural areas was instituted for places like Ramleh, Lydda, Petah Tiqva, etc. It has been found that, whereas it is essential to obtain some form of town planning control over as large an area as possible, such control should be less intensified in relation to the distance from the built-up sections of the town. By the institution of

dual areas it is hoped to provide stricter supervision for urban town planning areas with boundaries which coincide with those of the municipality, and a looser control for rural areas.

29. Rural areas coincide in extent with the boundaries of the village land of which the town forms the nucleus. In such rural areas it is anticipated that a modified form of control will be sufficient to ensure the working of the Ordinance in such matters as the alignment of roads, the erection of buildings, zoning, etc.

30. Draft schemes for various areas were in course of preparation during the year. In the majority of instances such areas were entirely lacking in respect of local technical staff. In all cases schemes were prepared as a result of numerous visits to the area by the Town Planning Adviser, when the general principles of town planning were explained on the spot to local officials.

31. The town planning sections of the three District Commissions were set up at the end of 1936 in the offices of the three District Commissioners, and during the year were working well. As provided for in the Ordinance, objections to schemes were carefully considered by all Commissions. In every case detailed objections are separately discussed both by the local and District Commissions and are disallowed only when they conflict with the greater interests of the public at large.

32. Twelve District Town Planning meetings were held in the Jerusalem District, 10 in the Northern District and 11 in the Southern District. In addition to these, monthly meetings of the Local Commissioners were held in Jerusalem, Haifa, Jaffa, Tel-Aviv and other centres.

33. Consideration was given to the housing of displaced inhabitants of Jaffa and the Government housing scheme in the neighbourhood of Sheikh Darwish village in the Southern District was completed during the year. Provision has been made in the fully developed plan of this area for the housing of 76 families in 19 blocks of four dwellings each. Sufficient open spaces have been planned in the centre of the settlement. A connecting road, water supply and sanitation have also been provided. The site covers an area of approximately 30 dunums on slightly undulating sand dunes commanding a view of the sea to the west. The individual houses with verandahs have a floor area of approximately 43 square metres. They are one-storey dwellings with a verandah and private courtyard and separate latrine to each dwelling. A children's playground has been included as an essential feature of this layout. When fully developed the site will accommodate a total number of 380 persons, taking an average of five persons to a family.

34. Considerable building activity was displayed in all important centres during the year, but there was a noticeable slowing down in comparison with previous years, owing, it is believed, to the uncertainty as to the ultimate future of Palestine.

XXI.—PUBLIC FINANCE.

1. The totals of the annual revenue and expenditure from 1st July, 1920 (the date of the formation of the Civil Government) to the 31st March, 1937, are set out below:—

	Revenue. £P.	*Expenditure.* £P.
1st July, 1920, to 31st March, 1921...	1,136,951	1,259,587
1921–1922	2,371,531	1,929,341
1922–1923	1,809,831	1,884,280
1923–1924	1,675,788	1,675,105
1924–1925	2,154,946	1,852,985
1925–1926	2,809,324	2,092,647
1926–1927	2,451,365	2,123,568
1927 (April to December)	1,739,380	1,944,397
1928	2,584,317	3,381,993
1929	2,323,572	2,140,032
1930	2,389,546	2,536,504
1931	2,333,895	2,374,867
1932 (January to March)	657,289	511,656
1932–1933	3,015,917	2,516,394
1933–1934	3,985,492	2,704,856
1934–1935	5,452,633	3,230,010
1935–1936	5,770,457	4,236,202
1936–1937	4,640,821	6,073,502
	£P.49,303,055	44,467,926
Surplus Balance at 31st March, 1937		4,835,129
		£P.49,303,055

Revenue.

2. Summaries of the Revenue and Expenditure under Heads for the years 1932-3 to 1936-7 inclusive are contained in Appendices I and II of this Section.*

3. The revenue for the financial year 1936-7 aggregated £P.4,640,821 and the expenditure amounted to £P.6,073,502, or an excess of expenditure over revenue of £P.1,432,681.

The revenue under Head I, Customs, amounted to £P.2,019,479 as compared with £P.2,751,246 in 1935-6 or a decrease of £P.731,767 in the year under review. The adverse effect on trade of the strike and disturbances in the first six months of the financial year is reflected in a fall in the total value of imports in the first six months from £P.8,744,916 in 1935-6 to £P.5,868,755 in 1936-7, whereas the respective figures

* Pages 204 and 205.

for the last six months of these years were £P.8,588,235 and £P.8,579,989. The commodities showing the greatest decline in import duty were wheat, sugar, beer, tobacco, cement, wood, and iron bars for building purposes, benzine, motor cars and parts, wearing apparel, machinery, cotton piece goods and silk tissues. The most important change in Customs Duties in 1936-7 was the exemption of hard wheat from import duty in February, 1937. A Customs agreement with the Government of 'Iraq concluded in December, 1936, included exemptions from and reductions in the rates of import duty on certain commodities of 'Iraqi origin imported into Palestine by the Baghdad-Haifa land route including barley, ghee and rice. Exports with the exception of antiquities are not subject to export duty but it is interesting to note that the value of exports or home products in 1936-7 was £P.4,425,000 as compared with £P.3,758,700 in 1935-6. The main increases were in oranges, potash, bromine, hides and skins and edible oils.

The revenue under Head II, Port and Marine, amounted to £P.110,206 and shows an increase of £P.2,609 over the revenue collected under this Head in 1935-6. The port at the open roadstead of Jaffa was closed during the disturbances. This resulted in a diversion of shipping to Haifa Port with consequential increases in berthage and wharfage dues. The Oil Dock was not completed during the year and consequently the minimum payment of £P.30,000 per annum under the contract with the 'Iraq Petroleum Company did not become operative, but a sum of £P.16,000 was received from dues levied on oil loaded into the company's vessels from sea-lines.

The revenue from Head III, Licences, Taxes, etc., amounted to £P.852,948 as compared with £P.1,082,427 in 1935-6, or a decrease of £P.229,479.

The main decreases occurred under the following sub-heads:—Road Transport Licence Fees (£P.11,851), due to a decrease in the number of vehicles and to variations in the rates of fees; Animal Tax (£P.20,093); House and Land Tax (£P.28,548); Tithes (£P.19,998); Rural Property Tax (£P.15,783); Urban Property Tax (£P.46,192). Collection of these taxes was rendered very difficult in certain urban and nearly all rural areas during the period of the disturbances and collections thereafter were low owing to the poverty of the taxpayers—remissions of £P.938 and £P.16,500 being granted in respect of Animal Tax and Rural Property Tax respectively. Other decreases occurred under Stamp Duties (£P.35,538); Tobacco Excise (£P.33,305) and Fines and Forfeitures (£P.18,084). On the other hand there was an increase of £P.11,508 from Wines and Spirits Excise on account of increased consumption of locally-brewed beer, the production of which increased from 242,028 litres in 1935-6 to 2,204,742 litres in 1936-7.

The revenue from Head IV, Fees of Court or Office, etc., amounted to £P.703,129 as compared with £P.913,027 in 1935-6, or a decrease of £P.209,898. The most important decreases occurred under the following sub-heads:—Court Fees (£P.27,244), the number of cases entered falling from 107,669 in 1935 to 84,132 in 1936; Registration of Companies and Partnerships Fees (£P.14,600); Registration of Immigrants Fees (£P.21,784), the number of immigrants being 25,709 in 1936-7 as compared with 56,549 in 1935-6; Registration of Land Fees (£P.202,586); Veterinary Receipts (£P.5,051) due to a reduction in the importation of cattle for slaughter; Miscellaneous (£P.4,366) and Warehouse Rents (£P.13,322) which were affected by a general decrease in the volume of imports using storage accommodation and by the closing of Jaffa Port for six months of the year.

Land Registration transactions in 1936-7 numbered 34,271 as compared with 50,873 in 1935-6. The assessed value for registration purposes of the properties transferred in 1936-7 was £P.4,234,919, as compared with £P.10,029,456 in 1935-6.

Increases occurred under:—Citrus Fruit Advertisement Fees (£P.15,403), due to increased exportation and to an increase in the rate of the fee; Fruit Inspection Fees (£P.5,585); Porterage Charges—Haifa Harbour (£P.21,231); owing to collections in 1935-6 being for nine months only and to an increase in the rates in 1936; Quarantine Fees (£P.3,189) and Sale of Water to Jerusalem Municipality (£P.34,719), the latter being a new sub-head. The Municipal Corporation of Jerusalem pay 25 mils per cubic metre to Government for water pumped from Ras el Ain to the Municipal Reservoir on the outskirts of Jerusalem. Operation costs are charged to Expenditure under Head XXIV, Public Works Department.

The revenue from Head V, Posts and Telegraphs, amounted to £P.477,493 and was £P.58,597 in excess of the receipts in 1935-6. The main increases occurred under:—Sale of Stamps (£P.13,867); Telegraphs (£P.7,631); Telephones (£P.28,259), and Broadcast Licence Fees (£P.4,372). The increases under Telegraphs and Telephones were to a considerable extent due to payments by the Military Authorities for these services. The number of licences for Broadcast Receiving Sets increased from 14,295 at 31st March, 1936, to 22,568 at 31st March, 1937. The total revenue earned by this Department in 1936-7 was less by a sum of £P.25,609 than the total expenditure incurred by or on account of the Department, exclusive of debt charges in respect of capital expenditure—amounting to £P.188,126 and met from Loan Funds—or interest on capital works executed in the past under the votes of Public Works Extraordinary.

The revenue under Head VI, Revenue from Government Property, amounted to £P.50,317 as compared with £P.23,952 in

1935-6. The increase of £P.26,365 is mainly accounted for by an increase in revenue from rents in the Haifa Harbour Reclaimed Area, the annual revenue from which is now approximately £P.34,000.

The revenue from Head VII, Interest, amounted to £P.150,730 as compared with £P.141,279 in 1935-6, an increase of £P.9,451. The sum of £P.149,765 was earned on the investment of surplus balances as compared with £P.135,440 in 1935-6. On the 31st March, 1937, a sum of £P.675,000 was due to the Joint Colonial Fund while a sum of £P.4,415,993 was invested in stock. At the 31st March, 1936, a sum of £P.657,500 was held in the Joint Colonial Fund on behalf of the Palestine Government and a sum of £P.4,526,329 invested in stock. There was a decrease of £P.5,144 in the interest receipts on various loans made by Government, mainly to cultivators, which, owing to the disturbances and resultant poverty, it was impracticable to collect.

The revenue from Head VIII, Miscellaneous, amounted to £P.128,020 as compared with £P.154,021 in 1935-6, a reduction of £P.26,001. A decrease of £P.15,000 occurred under Profits from Currency owing to a decrease in the currency in circulation and to the depreciation of investments held by the Currency Board; and while, in 1935-6, there was an appreciation of investments which realized £P.30,717 there was a depreciation in 1936-7 amounting to £P.165,704. Adjustments in respect of appreciation and depreciation of investment on account of surplus balances are based on the middle market price of investments held at 31st March as compared with the price on the same day in the previous year. Overpayments recovered in respect of expenditure incurred in previous years realized £P.22,565 more than in 1935-6 owing mainly to a refund of £P.22,000 by the Jerusalem Municipal Corporation of grants paid to them in previous years towards the cost of works which for various reasons had not been carried out at the 31st March, 1937.

The revenue from Head IX, Land Sales, amounted to £P.2,441 as compared with £P.18,874 in 1935-6. The sub-head, Sale of Beisan Lands, shows a reduction of £P.16,341 as, owing to the disturbances, practically no sales were effected during the year.

The revenue from Head X, Grants-in-Aid, consisted of:—

	£P.
Three-quarters of the Expenditure under Head XXI, Trans-Jordan Frontier Force, during the year 1936–7 (£P.179,257) ...	134,443
Whole Expenditure on capital works in Trans-Jordan under Head XXIX, Trans-Jordan Frontier Force Extraordinary, during the year, 1936–7	5,243
	£P.139,686

The total receipts amounted to £P.142,578, being £P.138,000 from the Parliamentary Grant-in-Aid for the year 1936-7, and £P.4,578 from sundry adjustments in respect of payments made in previous years. The actual amount due was £P.139,686 and the unexpended balance together with local receipts amounting to £P.3,333, was transferred to the Grant-in-Aid Deposit Account for adjustment of the grant in 1937-8.

The receipts under Head XI, amounting to £P.6,371, represent assistance given by the Colonial Development Fund in respect of interest charges on the capital cost of certain schemes. A fixed grant of £P.5,000 was received in respect of the Jerusalem Water Supply Scheme; and interest at bank rate on actual expenditure was granted in respect of the Hebron Water Supply and Village Water Supply Schemes in the amounts of £P.192 and £P.1,144 respectively.

Expenditure.

4. The variations in expenditure in 1936-7 as compared with the expenditure in 1935-6 are due to the following causes:—

I. *Pensions.*—Expenditure: 1935-6 £P.34,243, 1936-7 £P.37,040. The main excess occurs under Pensions and Gratuities (£P.3,182), due to the payment of new pensions and gratuities to officers retiring on reaching the age limit and pensions to members of the Police Force on termination of appointment after fifteen years service.

III. *His Excellency the High Commissioner.*—Expenditure: 1935-6 £P.9,103, 1936-7 £P.10,254. The increase is due to the appointment of an additional Aide-de-Camp and the purchase of a car.

IV. *Secretariat.*—Expenditure: 1935-6 £P.39,487, 1936-7 £P.69,463. The principal increases occur under Personal Emoluments (£P.13,077); Telegrams, Telephones and Postage (£P.6,329); Stationery (£P.2,107) and Paper and Materials for the Printing Press (£P.6,963). The increase under Personal Emoluments resulted mainly from the payment for a full year in 1936-7 of the salaries of the Printing and Stationery Office which was opened in December, 1935, but there was an increase in the staff of the Translation Bureau which accounted for part of the increase.

It should be recorded here that provision for the payment of Cost of Living Allowances was transferred from the "Miscellaneous" Head to the Departments concerned, and the Personal Emoluments votes of all Departments show considerable increases on this account.

The increase under Secretariat votes for Telegrams, Telephones and Postage was caused mainly by the increased use of the telegraph on account of the disturbances. In 1935-6 the

expenditure on Stationery, Paper and Materials was provided as to £P.14,160 from the Miscellaneous vote and as to £P.7,465 from the Secretariat vote whereas of the total expenditure of £P.18,479 in 1936-7 £P.16,535 was provided from the latter vote and only £P.1,944 from the Miscellaneous vote.

V. *District Administration.*—Expenditure: 1935-6 £P.154,840, 1936-7 £P.156,931. There was an increase in expenditure amounting to £P.13,112 under Personal Emoluments in 1936-7, owing mainly to the fact that the collection of the rural property tax was transferred from the Mukhtars to tax collectors, thereby necessitating the employment of 64 additional tax collectors. The introduction of this tax and the increase in the volume of work in District Offices also accounted for considerable increases in clerical staff and the transfer of the charge for Cost of Living Allowances from the Miscellaneous Head to the Departmental Head increased the Personal Emoluments vote by £P.5,444. On the other hand the cost of the application of the Rural Property Tax fell from £P.13,477 in 1935-6 to £P.1,457 in 1936-7, expenditure being required for re-assessment and revision proceedings only.

VI. *Legal Department.*—Expenditure: 1935-6 £P.11,000, 1936-7 £P.14,011, an increase of £P.3,011. The Town Planning Ordinance, 1935, necessitated the institution of Town Planning Headquarters and Regional Administrations, the cost of which in 1936-7 amounted to £P.2,111. The transfer of Cost of Living Allowances from Head XXVI, Miscellaneous, to the Departmental vote accounts for a further £P.728.

VII. *Judicial Department.*—Expenditure: 1935-6 £P.94,151, 1936-7 £P.100,882. The increase of £P.6,731 resulted mainly from the transfer of Cost of Living Allowances from the Miscellaneous to the Departmental Head.

X. *Customs, Excise and Trade.*—Expenditure: 1935-6 £P.243,449, 1936-7 £P.277,477. The increase is £P.34,028. The increase of £P.18,291 under Personal Emoluments resulted from the increased cost of labourers employed at Haifa Harbour under the Government Porterage Service, to cope with the increase in the volume of imports arising from the diversion of shipping to that port from Jaffa during the disturbances, and to the inclusion of provision for Cost of Living Allowances. The item "Drawbacks of Customs Duty" shows an increase of £P.47,573 owing to an increased share of these drawbacks being paid to the Trans-Jordan Government and to refunds of import duty paid to contractors in respect of goods supplied to His Majesty's Forces. On the other hand refunds in respect of revenue collected in previous years fell by £P.5,251 and Special Expenditure was less by £P.26,215 owing to the purchase in 1935-6 of a new tug (£P.20,553) and the conversion of two other tugs into oil-burning vessels (£P.7,363).

XI. *Department of Health.*—Expenditure: 1935-6 £P.194,632, 1936-7 £P.204,350, an increase of £P.9,718. There was an increase of £P.18,090 in Personal Emoluments, of which £P.8,236 resulted from the transfer of Cost of Living Allowances from Head XXVI, Miscellaneous, to the Departmental Head. During the year the Government took over the entire control and maintenance of the Jaffa Municipal Hospital and it was also found necessary, owing to the lack of epidemic hospital facilities in the Southern District, to open a 25-bed epidemic hospital in the Jewish Settlement of Bnei-Braq near Petah-Tiqva. The demand for increased accommodation at Government Hospitals and commitments arising from the extension in 1935-6 of gynaecological and infant welfare services also involved the appointment of additional probation and midwife nurses and hospital servants in 1936-7. A contribution of £P.15,199 was made to Jewish Health Services in respect of the following:—

	£P.
Grant to Municipal Hospital, Tel-Aviv ...	6,841
Maintenance grant to Tuberculosis Hospital, Safad	1,700
School Hygiene and Ophthalmic Services ...	1,765
Infant Welfare Work	1,193
Petah-Tiqva Hospital, Construction Grant	3,700
	£P.15,199

XII. *Department of Education.*—Expenditure: 1935-6, £P.221,087; 1936-7, £P.243,244. Increase £P.22,157. The principal increases occur under Personal Emoluments (£P.24,096, of which P.14,100 is due to Cost of Living Allowances); Grant-in-Aid to Schools of the Va'ad Leumi (£P.6,000); and, under Special Expenditure, Grant-in-Aid to Schools of the Va'ad Leumi (£P.4,352) in respect of an adjustment of arrears of the share capital expenditure on Arab schools. On the other hand there was a decrease of £P.6,725 under Grants to Local Authorities for school buildings. These grants are given to Local Authorities who provide sites for and contribute towards the cost of construction of village schools under approved schemes. No applications were received in 1936-7. Educational conditions were abnormal in 1936-7 as, owing to the disturbances, schools were closed during the greater part of the year and when they re-opened the services were restricted generally to those approved in 1935-6. The increase under Personal Emoluments of approximately £P.10,000, exclusive of Cost of Living Allowances, resulted from the payment for a full year in 1936-7 of additional teachers appointed in the latter part of 1935-6, and normal increments.

XIII. *Department of Agriculture and Fisheries.*—Expenditure: 1935-6, £P.181,003; 1936-7, £P.177,387; being a decrease of £P.3,616. The title of the Department of Agriculture and Forests was changed in 1936-7 to Department of Agriculture and Fisheries, consequent on the establishment of a separate Department of Forests. The cost of the separate Department of Forests was P.24,322, of which £P.10,088 was for Personal Emoluments. In effect, therefore, there was an increase of approximately £P.20,000 in the expenditure on the Department of Agriculture and Fisheries. The main increases occur under Personal Emoluments (£P.10,213) including Cost of Living Allowances (£P.3,322); Citrus Advertising Fund (£P.15,404) and Fruit Inspection Service (£P.2,503). On the other hand the fumigation service, on which £P.5,260 was expended in 1935-6, could not be carried out in 1936-7 and no expenditure was incurred.

The citrus advertising campaign was extended and a sum of £P.34,325 was expended as compared with £P.18,921 in 1935-6. A grant was given to the Beit Jamal Agricultural School for olive oil experiments and the extension of dairies and stables, and campaigns against the Mediterranean Fruit Fly and bovine tuberculosis were instituted.

During the year the following grants were made to Jewish Institutions for research and experimental work:—

	£P.
Grants for Citrus Research by the Experimental Station of the Jewish Agency	3,000
Grant to Jewish Agency Experimental Fruit growing at at Hillside Station, Kirvat Anavim	300
Grant to Jewish Agency for Intensive Farming Experiments	300
Grant to Jewish Agency for Research	2,950
Grant to Hebrew University for Field Mice Investigations	200
Grant to Hebrew University for Spirochaetosis Research	180
	£P.6,930

XVII. *Department of Development.* — Expenditure: 1935-6, £P.8,304; 1936-7, £P.17,244. Increase £P.8,940. It was found necessary to carry out a contour and hydrographic survey of the whole of the Huleh Basin in connection with the concession of a part of that area to the Company formed for the operation of the Concession. The survey was carried out in collaboration with this Company, who paid the share appertaining to the area conceded to Jewish interests. The Government share in the cost amounted to £P.6,709.

XVIII. *Police and Prisons.* — Expenditure: 1935-6, £P.527,467; 1936-7 £P.744,619. Increase of £P217,152. The major increases are divisible into two categories, namely (*a*) additional expenditure incurred as a direct result of the

disturbances, and (*b*) expansion of normal services. The expenditure incurred under (*a*) above amounted to £P.145,095, the principal increases being under Supernumerary Police £P.49,340), Emergency Subsistence Allowances (£P.16,089), Transport and Travelling (£P.41,577), Uniforms, Clothing and Equipment (£P.10,700), Upkeep of Mechanical Transport (£P.4,374) and Ford Cars (£P.9,425). Approximately 3,000 Supernumerary Police were enlisted during the year. Apart from increased expenditure on travelling allowances, other expenditure totalling £P.39,500 was incurred on the hire of motor vehicles, as the existing Police vehicles were unable to meet unaided the full demands for regular and continuous patrolling of all routes and for transport in connection with Police movements. The hire of transport was, however, practically dispensed with after the purchase of 65 Ford cars at a cost of £P.9,425 in the latter part of the year. As regards (*b*), the expansion of normal services, there was a considerable increase in Police Personnel for the expansion of the Criminal Investigation Department and the traffic and mechanical transport sections and for the strengthening of the establishments in the Districts.

XXII. *Defence.* — Expenditure: 1935-6, £P.145,289; 1936-7, £P.1,297,000. Increase £P1,151,711. The details of the actual expenditure of £P.1,297,000 are made up as under:—

	£P.
Excess of Army Troops	951,000
One-half of excess cost of Royal Air Force in Palestine and Trans-Jordan	45,000
Army Works Services in Palestine	283,000
Royal Air Force Works Services in Palestine	22,000
	1,301,000
Less	
Overpayment in 1935–6	4,000
	£P.1,297,000

(See also paragraph 10 below.)

XXIII. *Posts and Telegraphs.* — Expenditure: 1935-6, £P.310,778; 1936-7, £P.351,943. The increase is £P.41,165. The original estimate of the Department provided for increases in Personal Emoluments amounting to £P.41,686 in excess of the estimated expenditure in 1935-6. The actual increase of expenditure on Personal Emoluments in 1936-7 over the actual expenditure in 1935-6 was £P.35,558. The increase in personnel was necessitated by the marked increase in the quantity of postal matter handled by the Department, the extended use of the telegraph service and the very heavy demand for new telephones.

Additional expenditure directly attributable to the disturbances amounted to approximately £P.8,700, mainly to provide for labour and for overtime allowances (£P.3,400) and additional requirements in maintenance stores (£P.4,200) for the repairs of routes damaged by acts of sabotage. Other increases occurred under the Renewals Fund (£P.8,780), due to a revision of the basis of calculation, and Broadcasting Programmes (£P.7,498), due to the fact that the service was only inaugurated during the year 1935-6.

On the other hand, the payments in respect of Conveyance of Mails amounted to £P.50,541 only, as compared with £P.71,925 in 1935-6, the decrease being due to delay in the rendition and consequently the settlement of the international accounts.

XXIV. *Public Works Department.*—Expenditure: 1935-6 £P.58,694, 1936-7 £P.76,397. The increase is £P.17,703. The major increase occurred under Personal Emoluments (£P.16,283) owing to staff expansion to deal with the extended building programme and the new Jerusalem Water Supply (£P.4,310). The provision under the latter service, which was inaugurated in 1935-6, represents the cost of personnel and other charges involved in the administration by the Department of the section of the scheme for Ras el Ain to the reservoir at Jerusalem.

XXV. *Public Works Recurrent.*—Expenditure: 1935-6 £P.288,086, 1936-7 £P.320,350. The increase is £P.32,264.

The following is an estimate of the expenditure under this Head directly attributable to the disturbances:—

	£P.
Loss of Stores in Transit	100
Workmen's Compensation, Hospital Treatment of Employees, etc.	350
Lydda Air Port Fire (M.T. Vehicles and Instruments) ...	2,000
Housing Accommodation (Married Police Billets) ...	8,000
Jerusalem Water Supply—Repairs to Damages, Protection Works, etc.	8,000
Maintenance of Roads and Bridges	10,000
Extra Cost of Road and Other Works carried out under abnormal conditions, approximately	7,000
	£P.35,450

This expenditure diverted funds that in normal times might have been applied to more productive works.

The main increases occurred under Maintenance of Jerusalem Water Supply (£P.17,918), the new scheme for which was opened early in 1936; Maintenance of Roads and Bridges

(£P.16,905) and Maintenance of Mechanical Transport (£P.4,209). On the other hand a decrease of £P.9,827 occurred under Rent of Offices and Quarters, the expenditure in 1935-6 being abnormal owing to payment of rent in respect of certain buildings for two Muharrams falling within that financial year.

XXVI. *Miscellaneous.*—Expenditure: 1935-6 £P.297,473, 1936-7 £P.502,160. The increase is £P.204,687. The principal increases occur under the following items:—

(*a*) *Emergency Relief Measures* (£P.22,095). During the disturbances Jewish refugees were evacuated from Jaffa, Hebron and Beisan to Tel-Aviv, Jerusalem and Tiberias respectively. The maintenance and ultimate rehabilitation of indigent refugees was undertaken by the Vaad Leumi and other Jewish bodies with the assistance of contributions from Government in agreed proportions of actual expenditure (in most cases Government contributing a moiety of the cost). The bulk of the refugees were from Jaffa to Tel-Aviv, where eventually some 4,000 had to be rehabilitated.

(*b*) *Compensation for Loss of Property caused by demolitions at Jaffa* (£P.6,230). It was found essential during the disturbances to demolish a part of the slum area in Jaffa and to pay compensation for disturbance and loss of property to the persons ejected from the area.

(*c*) *Depreciation on Investments* (£P.165,704). The value at middle market prices of the securities held by the Crown Agents for the Colonies on account of surplus funds was £P.4,415,993 at 31st March, 1937, as compared with their book value of £P.4,581,697, or a depreciation in value of £P.165,704.

(*d*) *Write-off of Agricultural, Seed, Fodder and Earthquake Reconstruction Loans* (£P.119,788). At the 31st March, 1935, the total amount which had been issued during previous years in the form of loans to cultivators and to persons in need of assistance after the 1927 earthquake was £P.810,646. Of this total £P.608,019 had been repaid at the 31st March, 1937, while sums aggregating £P.24,481 had been written off. The total outstanding at the 31st March, 1937, was, therefore, £P.178,146 on which interest had accrued to the extent of £P.12,676. The write-off of these loans was approved in cases where there was no prospect of effecting recoveries or where the individuals would be financially crippled if Government were to press for recovery or to seize the properties which formed the security for the loans.

The write-off amounted to £P.119,788 as under:—

	£P.
Agricultural Loans, 1919–23	3,097
Seed Loans, 1928	2,365
Agricultural Loans, 1930	15,672
Agricultural Loans, 1931	4,571
Agricultural Loans, 1932–3...	30,536
Agricultural Loans, 1933–4...	30,309
Fodder Loans, 1933–4	17,274
Agricultural Loans, 1934–5...	4,285
Earthquake Reconstruction Loans	11,679
	£P.119,788

Decreases of note occurred under the following items:—

(*a*) *Grants to Municipalities* (£P.13,573). The grants to Municipalities in 1935-6 were considerably increased to provide for essential improvement works, which, owing to the limited financial resources of the Municiplities concerned, had had to be postponed. The grants in the last three years were as under:—

	£P.
1934–5	45,186
1935–6	91,480
1936–7	77,907

The details of the actual grants paid in 1936-7 were:—

Northern District:	£P.
Haifa	29,700
Acre	577
Beisan	356
Jenin	250
Nablus	3,250
Nazareth	808
Shefa Amr	250
Safad	350
Tulkarm	—
Tiberias	496
	36,037

Southern District:	£P.
Jaffa	12,500
Tel-Aviv	20,000
Ramle	1,500
Gaza	12
Beersheba	350
Majdal	200
Khan Younis	1,250
	35,812

Jerusalem District:	£P.
Jerusalem	3,438
Hebron	1,000
Ramallah	1,060
Bethlehem	60
Beit Jala	500
	6,058
Total ...	£P.77,907

(*b*) Flood Relief Works, Tiberias (£P.7,580); Payment of Tithes assigned to Private Waqfs (£P.9,054); Contribution towards the construction of the Mafrak-Jisr Majamie Road (£P.16,948). These services carried out in 1935-6 at a total cost of £P.36,453 only required expenditure of £P.2,871 for completion in 1936-7.

(*c*) Cost of Living Allowances (£P.60,762). Provision for these allowances was transferred in 1936-7 to the appropriate departmental Heads.

XXVII. *Posts and Telegraphs Extraordinary*.—Expenditure: 1935-6 £P.132,301, 1936-7 £P.129,002. The decrease is £P.3,299. The expenditure may be summarised as under:—

	£P.
(*a*) Additional Trunk Lines, Reconstruction of Routes, Trunk and Distribution cables and Underground Cables	46,973
(*b*) Additional Subscribers Circuits and additional Exchange Switchboards	36,346
(*c*) Development of Underground Cables and Ducts, Jerusalem, Haifa, Jaffa and Tel-Aviv	28,130
(*d*) Installations of Automatic Exchanges and Conversion of Subscribers to Automatic Apparatus	12,594
(*e*) Broadcasting Station, Jerusalem	3,305
(*f*) Other Works	1,654
	£P.129,002

The development of underground cables and ducts in the four principal urban areas under (*c*) above had become necessary because there is a limit (about 500 pairs) to the weight of cables which can be carried by overhead routes; and with the growth of urban networks the limit had been reached in certain cases. Underground circuits also have the advantage of being less susceptible than overhead wires to climatic changes, storms and sabotage.

Expenditure under (*e*) was required owing to an underestimation of the cost of the building and land for the Broadcasting Station, Jerusalem. The total expenditure on this station to the end of 1936-7 was £P.33,799.

XXVIII. *Public Works Extraordinary.* — Expenditure: 1935-6 £P.645,044, 1936-7 £P.705,094. The increase is £P.60,050. The approved provision for 1936-7 aggregated £P.766,545 and this was supplemented by further provision under Special Warrants to the amount of £P.28,743, thus raising the total provision to £P.795,288, of which the sum of £P.705,094 was expended. The under-expenditure is due to the non-completion of works in progress (£P.77,590), the non-commencement of works for which provision had been made (£P.1,730), works abandoned (£P.2,143), works postponed (£P.2,168) and savings on works completed (£P.6,563).

The expenditure for the year falls into the following categories:—

	£P.
(1) Works and Buildings	87,222
(2) Construction of Roads and Bridges ...	233,708
(3) Miscellaneous	384,164
	£P.705,094

The increase of £P.60,050 in the expenditure under this Head in 1936-7 as compared with the expenditure in 1935-6 is as follows:—Works and Buildings (decrease of £P.3,742); Construction of Roads and Bridges (increase of £P.23,068) and Miscellaneous (increase of £P.40,724). The major services carried out under Works and Buildings were the construction of Tel-Aviv Post Office (£P.18,148), additions and improvements to the Animal Quarantine Station, Haifa (£P.2,878), additions to British Police Camp and purchase of land, Mount Scopus, Jerusalem (£P.9,101), Camp for Farm Labour and Juvenile Delinquents, Acre (£P.5,376) and Detention Camp, Sarafand (£P.7,952). The major road works carried out were the construction of Rehovoth-Gaza Road (£P.20,997), Tulkarm-Nathanya Road (£P.13,948), Jaffa-Salama-Wilhelma Road (£P.15,008), Section of Affuleh-Beisan Road (£P.16,137), Jaffa-Haifa Road (£P.87,202), Secondary Roads (£P.9,660), reconstruction of a section of the road from the Haifa-Nazareth Road to Jinujar through Nahalal (£P.11,645) and reconstruction, re-alignment and widening of roads, etc. (£P.11,137).

Under Miscellaneous, the continuation of the construction of the Airports at Lydda and Haifa accounted for £P.118,432, Jaffa Port Improvements for £P.62,870, the Cargo Jetty and Ancillary Works at Haifa Harbour for £P.70,337 and Haifa Oil Dock and East Reclamation Area for £P.25,273. These works are being continued in 1937-8. Other works of interest are Demolition Works at Jaffa (£P.11,287), a Housing Scheme at Jaffa (£P.10,112), which is being continued in 1937-8, the preparation of plans by the Consulting Engineers for the extension of Haifa Harbour (£P.10,000) and a charge against this Head

of £P.18,479 for that part of the cost of the Jerusalem Water Supply Scheme which is in excess of the amount provided under Loan Funds.

Of the total expenditure of £P.705,094 under this Head it is estimated that expenditure amounting to £P.103,908 may be ascribed directly to the disturbances. This includes Detention Camps (£P.9,350), Demolition Works, Jaffa (£P.11,287), Housing Scheme arising from demolitions (£P.10,112), construction and acceleration of construction of roads of strategic importance (£P.65,970).

XXIX. *Trans-Jordan Frontier Force Extraordinary*: Expenditure: 1935-6 £P.18,477, 1936-7 £P.9,944. The decrease is £P.8,533. Apart from the continuation of the reconstruction of Zerka Camp (£P.3,971) the expenditure was incurred on minor works of improvement both in Palestine and Trans-Jordan.

Railways.

5. The Railway deficit charged to Government expenditure in 1936-7 was £P.69,631 as compared with £P.124,159 in 1935-6.

The final results in 1936-7 of the four Railway systems, operated by the General Manager, Palestine Railways, were as under:—

	Revenue.	*Expenditure.*	*Surplus.*	*Deficit.*
	£P.	£P.	£P.	£P.
Palestine Railway ...	716,754	766,590	—	49,836
Kantara-Rafa Railway...	180,945	114,601	36,344	—
Hejaz Railway	101,400	121,195	—	19,795
Petah-Tiqva Railway ...	6,414	840	5,574	—

In order to arrive at the deficit charged to Revenue the accounts of the Kantara-Rafa Railway and the Petah-Tiqva Railway are excluded, as the surpluses are subject to special arrangement. In the case of the latter Railway there is an obligation to pay interest to the colonists and to Government on their respective advances for the construction of the line. The surpluses in previous years have been insufficient to pay the interest in full and at 31st March, 1937, after distribution of the year's surplus, there was an outstanding debt of £P.10,313 due to the Petah-Tiqva colonists.

The agreement provides for the repayment to the colonists of the amount advanced (£E.20,000) with interest at the rate of 6 per cent. per annum, but a prior charge exists in favour of the Government of Palestine in respect of interest on the excess cost of the line met by Government over the contribution by the colonists. That excess was £P.33,846. Any deficiency in the payment of interest to Government, together with interest at 5 per cent. thereon, has first to be met before the claim of the

colonists is due for payment and any deficiency in respect of such payment also bears interest at the rate of 5 per cent. per annum. The agreement further provides that after meeting the charges for interest the net surplus shall be set aside to repay the loan of £E.20,000 made by the colonists. In 1923-4 £P.568 was repaid to the colonists and £P.267 in the year 1924-5. An amount of £P.2,868 of the net surplus of £P.5,574 in 1936-7 was absorbed in the repayment of interest to Government and is included in the revenue of the Palestine Railway.

Special arrangements were entered into regarding the Kantara-Rafa Railway with effect from 1st April, 1933. Prior to this date a moiety of the profits of this Railway was credited to the Special (Renewals) Fund and a moiety of the profits was divided between His Majesty's Government and the Palestine Railway in proportion to their respective capital interests in the Railway. This method of division gave way to a commuted payment on a rental basis with effect from the 1st April, 1933, and a sum of £P.4,000 has been agreed upon as the annual rent to be paid by the Palestine Railway for the use of the line, but this is subject to reconsideration at the end of 1937-8. A moiety of the profits (£P.36,344) resulting from the operation of the Kantara-Rafa Railway was contributed to the Kantara-Rafa Railway Special Fund, and the remainder (£P.36,344) was included in the Palestine Railway Revenue. Expenditure includes a rental payment of £P.4,000 on this account.

The net deficit charged to Government expenditure under this Head was, therefore, £P.69,631 consisting of the deficits on the Palestine and Hejaz Railways which were £P.49,836 and £P.19,795 respectively.

The following comparison is afforded between the revenue of the four sections of the line in 1935-6 and 1936-7:—

	Palestine Railway.	*Kantara-Rafa Railway.*	*Hejaz Railway.*	*Petah-Tiqva Railway.*	*Total.*
	£P.	£P.	£P.	£P.	£P.
Coaching:					
1935–6 ...	210,940	80,388	34,635	—	325,963
1936–7 ...	201,872	79,103	37,138	—	318,113
Goods:					
1935–6 ...	336,166	35,637	61,560	2,400	435,763
1936–7 ...	434,507	99,437	56,732	6,209	596,885
Miscellaneous:					
1935–6 ...	41,710	3,027	6,556	67	51,360
1936–7 ...	80,375	2,405	7,530	205	90,515
Total:					
1935–6 ...	£P.588,816	119,052	102,751	2,467	813,086
1936–7 ...	£P.716,754	180,945	101,400	6,414	1,005,513

Tourist traffic receipts showed a decline of approximately 31 per cent. as compared with 1935-6. In ordinary passenger travelling, it is estimated that revenue declined by some £P.36,000 on the Palestine and Kantara-Rafa Railways owing to the disturbances, but this was compensated to the extent of about £P.27,000 by additional military traffic.

The increase under goods transport is mainly due to an increase of £P.100,000 on account of military transport and partly to the diversion of Jaffa cargoes to Haifa. Of the total increase £P41,335 is represented by increased orange traffic.

The following table affords a comparison between the expenditure of the Railways on all sections in 1935-6 and 1936-7:—

	Palestine Railway.	*Kantara-Rafa Railway.*	*Hejaz Railway.*	*Petah-Tiqva Railway.*	*Total.*
	£P.	£P.	£P.	£P.	£P.
Maintenance and Renewals of Ways and Works :					
1935–6 ...	83,955	31,049	22,179	214	137,397
1936–7 ...	79,980	34,573	27,175	214	141,942
Maintenance and Renewals of Locomotives and Rolling Stock :					
1935–6 ...	75,536	18,888	22,624	140	117,188
1936–7 ...	87,217	18,250	31,140	140	136,711
Transportation Expenses :—					
1935–6 ...	151,659	26,827	46,031	377	224,894
1936–7 ...	153,973	26,086	39,309	377	219,745
General Charges :					
1935–6 ...	50,672	25,286	17,418	109	93,485
1936–7 ...	61,288	29,348	15,555	109	106,300
Debt Charges :					
1935–6 ...	157,140	—	63	—	157,203
1936–7 ...	157,140	—	63	—	157,203
Extraordinary Expenditure :					
1935–6 ...	123,966	—	4,483	—	128,449
1936–7 ...	152,992	—	7,989	—	160,981
Contribution to Palestine Railway Renewals Fund :					
1935–6 ...	60,000	—	—	—	60,000
1936–7 ...	74,000	—	—	—	74,000
Contribution to Kantara-Rafa Railway Special Fund :					
1935–6 ...	—	8,501	—	—	8,501
1936–7 ...	—	36,344	—	—	36,344
Total :—					
1935–6	£P.702,928	110,551	112,798	840	927,117
1936–7	£P.766,590	144,601	121,195	840	1,033,226

Operating expenditure increased principally owing to increased protection of the railway, repairs due to damage caused by sabotage during the disturbances in 1936 and an increased contribution to the renewals fund from £P.60,000 to £P.74,000.

The financial position of the four sections of the Railway for the two years under review is summarised below:—

	1935–6. Surplus (+) Deficit (–) £P.	*1936–7. Surplus (+) Deficit (–)* £P.
Palestine Railway	–114,112	– 49,836
Kantara-Rafa Railway	+ 8,501	+ 36,344
Hejaz Railway	– 10,047	– 19,795
Petah Tiqva Railway	+ 1,627	+ 5,574

The revenue and expenditure of the Palestine Railway proper for the period 1st April, 1936, to 31st March, 1937, were as under:—

	£P.	£P.
Revenue.		
Coaching and Goods	636,379	
Miscellaneous	80,375	
		716,754
Expenditure.		
Operation Expenses	382,458	
Debt Charges	157,140	
Capital Improvements	152,992	
Renewals	74,000	
		766,590
Deficit		£P.49,836

It will be observed from the comparative table of the Railway expenditure that there has been an increase of £P.63,662 in Palestine Railway expenditure in 1936-7 as compared with that of the previous year. The increase is made up as under:—

	£P.
Operating Costs	20,636
Extraordinary Expenditure	29,026
Renewals Fund	14,000
	£P.63,662

The increase in operating costs is chiefly attributable to the increased traffic, mainly military, and to unforeseen expenditure incurred as the result of the disturbances in 1936.

There is an increase of £P.29,026 in capital expenditure, and the main works and services carried out in 1936-7 were:—

	£P.
(*a*) Purchase of and Improvements to Locomotives and Rolling Stock	83,300
(*b*) Construction of Sheds and Station Alterations and Improvements	25,034
(*c*) Acquisition of land for Railway Purposes	13,026
(*d*) Extension of dual gauge to Kiryat Motzkin	7,144
(*e*) New Station, Haifa	11,412
(*f*) Machinery for mechanical workshops...	3,773
(*g*) Minor New Works	3,733
(*h*) Other Works and Services	5,570
	£P.152,992

In addition to the above expenditure the following amounts were disbursed from the Renewals Fund:—

	£P.
(*a*) Permanent Way Renewals (Sleepers, etc.)	21,481
(*b*) Renewals of Locomotives and Boilers	41,038
(*c*) Revote from previous years	504
	£P.63,023

6. The capital expenditure on the Palestine Railway proper to 31st March, 1937, is appended:—

	£P.	£P.
From Loan Funds.		
Purchase of Assets from His Majesty's Government (included in Item II of Appendix VI)	784,854	
Other Expenditure (see Item I of Appendix VI)	1,639,021	
		2,423,875
From Revenue.		
Capital Improvements to 31st March, 1936 ...	785,800	
Capital Improvements in 1936–7	152,992	
		938,792
		£P.3,362,667

7. The revenue and expenditure of the Kantara-Rafa Railway for the year ended the 31st March, 1937 were as under:—

	£P.	£P.
Revenue.		
Coaching and Goods	178,540	
Miscellaneous	2,405	
		180,945
Expenditure.		
Operation Expenses		108,257
Net Earnings		£P.72,688

These earnings were apportioned as under in accordance with the special arrangement regarding this Railway of which mention has already been made:—

	£P.
Renewals Fund	36,344
Palestine Railway	36,344
	£P.72,688

There has been an increase of £P.55,686 in the net earnings over the previous year's figure due mainly to the increased military traffic on this section of the Railways.

8. The revenue and expenditure of the Hejaz Railway for the year 1936-7 were as under:—

	£P.	£P.
Revenue.		
Coaching and Goods	93,870	
Miscellaneous	7,530	
		101,400
Expenditure.		
Operation Expenses	113,143	
Capital Improvements	7,989	
Debt Charges	63	
		121,195
Deficit		£P.19,795

The increase in the operation expenses of this Railway is principally due to measures necessitated by the disturbances in 1936.

The main items of capital expenditure, which totalled £P.7,989 for the year, were the purchase of three new boilers for locomotives (£P.3,082) and two 105 c/m gauge rail inspection cars (£P.1,601) and the reconstruction of two derelict under-frames 105 c/m gauge as third class coaches (£P.1,870).

9. The revenue and expenditure of the Petah-Tiqva Railway for the year under review were as under:—

	£P.	£P.
Revenue.		
Goods	6,209	
Miscellaneous	205	
		6,414
Expenditure.		
Operation Expenses		840
Net Earnings...		£P.5,574

Defence.

10. A sum of £P.1,333,000 was provided in the Estimates for 1936-7 to cover the contribution to His Majesty's Government towards the excess cost of the Royal Air Force Units and Army Units stationed in Palestine and Trans-Jordan and the cost of Army and Royal Air Force Works Services in Palestine. The amount due is paid quarterly on the basis of one-fourth of the sum provided in the United Kingdom Estimates in respect of Palestine's contribution towards the cost of Defence. The amount due for the last quarter, however, is adjusted so as to allow for the latest estimate of excess cost received from the War Office and Air Ministry, and such contribution is then demanded as is sufficient to cover the balance of the excess according to those Estimates. The sum paid in respect of the year 1936-7 amounted to £P.1,297,000, but a sum of £P.4,000 was deducted in respect of the amount overpaid in 1935-6 in excess of Palestine's actual liability for that year and carried forward as part of the contribution for the year 1936-7. The total payments made, therefore, in respect of 1936-7 amounted to £P.1,301,000.

The following contributions have been made:—

Financial period in which payment was made.	*Amount.*	*Financial year in which liability is incurred.*	*Amount.*
	£P.		£P.
1928	53,500	1927–28 (1 year)	31,000
		1928–29 (9 months)	22,500
1929	30,375	1928–29 (3 months)	7,500
		1929–30 (9 months)	22,875
1930	24,375	1929–30 (3 months)	7,625
		1930–31 (payment for 6 months at the original rate of £P.33,500 p.a., which was subsequently revised to £P.75,250 p.a.)	16,750
1931	86,000	1930–31 (payment of balance of contribution for the year at the revised rate of £P.75,250 p.a.) ...	58,500
		1931–32 (6 months)	27,500
1932 (January to March) ...	27,500	1931–32 (6 months)	27,500
1932–33 ...	90,000	1932–33 (1 year)	90,000
1933–34 ...	101,000	1933–34 (1 year)	101,000
1934–35 ...	103,875	1934–35 (1 year)	103,875
1935–36 ...	145,289	1935–36 (1 year)	145,289
1936–37 ...	1,297,000	1936–37 (1 year)	1,297,000
Total	£P.1,958,914		

Assets and Liabilities.

11. The Assets and Liabilities are set out in Appendix III.* At the 31st March, 1937, the surplus balance amounted to £P.4,835,129, as under:—

	£P.	£P.
Surplus Balance at 1st April, 1936		6,267,810
Revenue for the period 1st April, 1936, to 31st March, 1937	4,640,821	
Expenditure for the period 1st April, 1936, to 31st March, 1937	6,073,502	
Deficit for the period 1st April, 1936, to 31st March, 1937		1,432,681
Surplus Balance at 31st March, 1937 ...		£P.4,835,129

Assets.

Municipalities.

12. The outstanding advances due by Municipalities at the 31st March, 1937, are summarized as under:—

	£P.
Jerusalem—New Abattoir and Incinerator	12,526
Haifa—Oil Storage Area	9,143
Tiberias—Construction of Roads	6,267
Other Municipalities—For Works and Services	348
	£P.28,284

In addition, the sums of £P.51,875 and £P.29,116 have been advanced to the Jerusalem Municipality in connection with the City Drainage Scheme and the Jerusalem Water Supply, respectively. These amounts appear in the Statement of Assets and Liabilities under " Advances in Anticipation of the New Loan."

Agricultural Loans.

13. The outstanding balances due by cultivators in respect of loans are summarized as under:—

	£P.	£P.	£P.
(*a*) Agricultural Loans (1919–23) £P.576,319 (Northern, Southern and Jerusalem Districts)—			
Outstanding at 31st March, 1936		12,860	
Repayments during the year 1936–37	24		
Amounts written-off during the year	3,097	3,121	
			9,739
(Percentage of arrears to the total loans 1·7 per cent.).			

* Page 206.

	£P.	£P.	£P.
(*b*) Agricultural Loans (1928) £P.19,366 (Northern District)—			
Outstanding at 31st March, 1936		5,027	
Repayments during the year 1936–37	12		
Amounts written-off during the year	2,365	2,377	
			2,650
(Percentage of arrears to the total loans 13·7 per cent.).			
(*c*) Agricultural Loans (1930–31) £P.29,979 (Northern and Southern Districts)—			
Outstanding at 31st March, 1936		22,287	
Repayments during the year 1936–37	60		
Amounts written-off during the year	15,671	15,731	
			6,556
(Percentage of arrears to the total loans 21·9 per cent.).			
(*d*) Agricultural Loans (1931–32) £P.17,136 (Southern District)—			
Outstanding at 31st March, 1936		5,067	
Repayments during the year 1936–37	19		
Amounts written-off during the year	4,571	4,590	
			477
(Percentage of arrears to the total loans 2·8 per cent.)			
(*e*) Agricultural Loans (1932–33) £P.53,537 (Northern, Southern and Jerusalem Districts)—			
Outstanding at 31st March, 1936		36,121	
Repayments during the year 1936–37	88		
Amounts written-off during the year	30,536	30,624	
			5,497
(Percentage of arrears to the total loans 10·3 per cent.)			
(*f*) Agricultural Loans (1933–34) £P.57,259 (Northern, Southern and Jerusalem Districts)—			
Outstanding at 31st March, 1936		54,195	
Repayments during the year 1936–37	138		
Amounts written-off during the year	30,310	30,448	
			23,747
(Percentage of arrears to the total loans 41·5 per cent.)			

	£P.	£P.	£P.
(*g*) Fodder Loans (1933–34) £P.20,720 (Northern, Southern and Jerusalem Districts)—			
Outstanding at 31st March, 1936		20,314	
Repayments during the year 1936–37	113		
Amounts written-off during the year	17,274	17,387	
(Percentage of arrears to the total loans 14·1 per cent.)			2,927
(*h*) Agricultural Loans (1934–35) £P.6,313 (Northern and Jerusalem Districts)—			
Outstanding at 31st March, 1936		6,296	
Repayments during the year 1936–37	5		
Amounts written-off during the year	4,285	4,290	
(Percentage of arrears to the total instalments due 31·2 per cent.)			2,006
(*i*) Agricultural Loans (1935–6) £P.4,988 (Jerusalem and Southern Districts)—			
Total loans issued to 31st March, 1936		4,988	
Repayments during the year 1936–37		11	
(Percentage of arrears to the total loans 99·8 per cent.)			4,977
(*j*) Seed Loans (1936–37)			32,868
(*k*) Bee-hive Loans (Northern, Southern and Jerusalem Districts)—			
Outstanding at 31st March, 1936	1,788		
Total loans issued during the year 1936–37	495	2,283	
Repayments during the year 1936–37		78	
(Percentage of arrears to the total instalments due 85·3 per cent.)			2,205
			£P.93,649

With the exception of £P.55 under (*h*), the instalments comprising the outstanding balances of (*a*) to (*i*) are now overdue. The loans under (*j*) are repayable in one or two instalments and the loans under (*k*) are repayable in three equal instalments.

Earthquake Reconstruction Loans.

14. The position with regard to advances made on account of Earthquake Reconstruction Loans is summarized as under:—

	£P.	£P.
Advances outstanding at 31st March, 1936 ...		16,764
Repayments during the year 1936–37 ...	330	
Amounts written-off during the year ...	11,679	
		12,009
Amounts outstanding at 31st March, 1937 ...		£P.4,755

These loans were made principally to persons residing in Lydda, Ramle, Nablus and Nazareth. The arrears of due instalments at the 31st March, 1937, amounted to £P.3,891.

Investments.

15. The cost price of stocks held on Government account in respect of available balances and loan funds at the 1st April, 1936, was £P.4,437,333 and during the year further surplus funds were invested to the extent of £P.55,787, making a total investment of £4,493,120. The value of these stocks, based on the middle market price prevailing on the 31st March, 1937, was £P.4,415,993 as shown in Appendix V. Investments held on behalf of funds in the custody of Government consist of stocks forming the Endowment Fund of the Palestine Archaeological Museum, valued at £P.263,754; and the investment of the surplus balances of the Police Fines Fund, valued at £P.3,460. The total investments, therefore, at the mean market value at the 31st March, 1937, amount to £P.4,683,207, as compared with total investments amounting to £P.4,808,538 held on the 31st March, 1936.

Advances in Anticipation of the New Loans.

16. The Palestine Loan Ordinance, 1934, authorised the raising of a loan of £P.2 million for the following purposes:—

	£P.
(1) Resettlement of Displaced Arabs	250,000
(2) Water Supply and Drainage Schemes for Jerusalem and Haifa, Water Supply for Hebron and various villages, and Survey of Water Resources	933,000
(3) Agricultural Credits	200,000
(4) Construction of Oil Berth and Reclamation Scheme at Haifa	210,000
(5) Public Buildings, including Jerusalem Post Office and various Educational Buildings, and purposes incidental to, or connected with, any of the purposes mentioned in this Schedule, including the raising of the Loan	407,000
	£P.2,000,000

The bulk of the Loan is to meet the cost of municipal water supplies and drainage schemes which will ultimately be revenue-earning. His Majesty's Government have approved free grants from the Colonial Development Fund of the interest payable on the Loan in respect of the capital cost of schemes as under:—

Jerusalem Water Supply ...	£P. 9,000 in 1934–35. £P.12,000 in 1935–36. £P. 5,000 in 1936–37. £P. 5,000 in 1937–38.
Jerusalem Drainage Scheme	£P.5,250 in 1934–35 and the four succeeding years.
Hebron Water Supply ...	5 years at full rate and 5 years at half rate.
Village Water Supply ...	5 years at full rate.

The fixed grants in respect of the first scheme, as well as full interest calculated at bank rate on expediture incurred to the 31st March, 1937, in respect of the latter two schemes, aggregating in all £P.6,336, were received during the year from the Colonial Development Fund and carried to Revenue under Head XI.

The provision of £P.250,000 for the Resettlement of Arabs is in conformity with an undertaking given by His Majesty's Government in 1930 that provision would be made for the resettlement of those Arabs who might be found, after inquiry, to have been displaced from the lands which they occupied in consequence of the lands passing into Jewish hands, and who had not obtained other holdings on which they could establish themselves or other equally satisfactory occupation.

17. The work on the majority of the schemes enumerated in paragraph 16 has been started, and the expenditure thereon has been met from surplus balances pending the issue of the new loan. The expenditure on this account during the year amounted to £P.119,917 and was incurred on the following works:—

	£P.
Resettlement of Displaced Arabs	828
Water Supply and Drainage Schemes, etc.	41,488
Public Buildings, etc.	77,601
	£P.119,917

The total expenditure on these services amounted at 31st March, 1937, to £P.1,172,841, and a statement is appended showing the expenditure to the 31st March, 1936; the expenditure in 1936-7; the expenditure to 31st March, 1937; and the unexpended balance at that date:—

Work.	*Total Provision in proposed Loan Schedule.* £P.	*Expenditure to 31st March, 1936.* £P.	*Expenditure in 1936–37.* £P.	*Total Expenditure to 31st March, 1937.* £P.	*Unexpended Balance.* £P.
1. Resettlement of Displaced Arabs ...	250,000	83,787	828	84,615	165,385
2. Water Supply and Drainage Schemes, etc. :—					
(i) Jerusalem Water Supply ...	370,000	351,928	18,072	370,000	—
(ii) Jerusalem Drainage Scheme ...	150,000	43,288	8,587	51,875	98,125
(iii) Haifa Drainage Scheme ...	130,000	2,783	1,655	4,438	125,562
(iv) Haifa Water Supply	200,000	1,304	2,394	3,698	196,302
(v) Hebron Water Supply ...	10,000	9,436	564	10,000	—
(vi) Water Resources Survey ...	6,000	4,130	1,263	5,393	607
(vii) Underground Water Investigations	22,000	14,370	2,992	17,362	4,638
(viii) Improvements of Village Water Supplies ...	45,000	32,273	5,961	38,234	6,766
3. Agricultural Credits :—					
(i) Investment in Land Mortgage Company	150,000	150,000	—	150,000	—
(ii) Long-Term Loans for Hill Areas ...	50,000	—	—	—	50,000
4. Construction of Oil Berth and Reclamation Scheme at Haifa :—					
(i) Haifa Oil Dock ...	150,000	155,565	—	155,565	—
(ii) Haifa East Reclamation Area	60,000	54,435	—	54,435	—
5. Public Buildings, including Jerusalem Post Office and various Educational Buildings and purposes incidental to, or connected with, any of the purposes mentioned in this Schedule, including the raising of the Loan :—					
(i) Government Arab College ...	27,000	23,570	526	24,096	2,904
(ii) Government Schools in Towns ...	106,000	31,892	27,639	59,531	46,469
(iii) Government Technical and Trade School ...	40,000	17,004	20,708	37,712	2,288
(iv) Capital Grants to Jewish Institutions	20,000	10,206	6,419	16,625	3,375
(v) Jerusalem Post Office	156,000	66,953	22,309	89,262	66,738
(vi) Cost of Raising of Loan	56,000	—	—	—	56,000
(vii) Unallocated ...	2,000	—	—	—	2,000
	£P.2,000,000	1,052,924	119,917	1,172,841	827,159

Liabilities.

Deposits.

18. *Citrus Fruit Advertisement Fund.*—The balance in this account represents the difference between the amount received by way of fees on exported citrus fruit and the amount expended on advertising. The gross amounts appearing in the account during the year were as under:—

	£P.	£P.
Fees collected during 1936–37		34,326
Debit Balance brought forward from 1935–36 ...	553	
Advertising Expenditure during 1936–7	19,454	
		20,007
Credit Balance at 31st March, 1937		£P.14,319

19. *Palestine Archaeological Museum Endowment Fund.*—The balance of the account is now made up as under:—

	£P.
Amount of the Fund at 31st March, 1936	278,622
Less:—	
Depreciation of Investments held at the 31st March, 1937, based on the mean market value ruling at that date	14,868
	£P.263,754

20. *Palestine Archaeological Museum Construction Fund.*—When Mr. John Rockefeller, Junior, undertook to provide $2,000,000 for the cost of construction and endowment of this Museum, it was estimated that the building would be completed in 1930, and the gift was promised on the understanding that the last payment would be called for not later than the 1st January, 1931. Owing, however, to unforeseen difficulties, construction has not proceeded according to schedule and the building had not been completed at the 31st March, 1935. Nevertheless, a sum of $1,000,000 was received in November, 1929, and an endowment fund created. Subsequent building grants, on a dollar basis, were also made from time to time with an extension of the period of call to the 1st January, 1933.

Owing, however, to the fall in the value of sterling, the dollar values of the building grants were considerably in excess of the original sterling equivalents, while the enactment of the United States Gift Tax Law in June, 1932, increased by almost 100 per cent. the cost to Mr. Rockefeller of his benefaction. Moreover, the delay in construction of the Museum had postponed the necessity for maintenance, and interest thereby accrued on the Endowment Fund, although certain expenditure was inevitably incurred on staff and research work in connection with the classification and arrangement of archaeological material, records, and library.

In view of these changes, it was suggested that the original pledge should be replaced by a new arrangement which ultimately took the following form:—

(*a*) The cost of construction of the Museum estimated at £P.200,000 should be reduced to £P.193,000. This was made possible by economies on certain items of equipment and fittings.

(*b*) £P.14,000 of the unexpended balance of income derived from the Endowment Fund at 31st March, 1934, should be transferred to the construction account.

(*c*) The Endowment Fund should be reduced by the amount required to complete construction (this reduction was effected in 1934-5) after taking into account the sum of £P.149,308 already paid by Mr. Rockefeller and the transfer of £P.14,000 from the balance of the current account.

The amount of £P.4,296 shown in the Statement of Assets and Liabilities is made up as under:—

	£P.
Amounts received from Mr. Rockefeller to 31st March, 1935	149,308
Amount transferred from accumulated interest in current account	14,000
Amount transferred from the Endowment Fund ...	29,692
	193,000
Less	
Amount expended to 31st March, 1937	188,704
Balance in hand at 31st March, 1937	£P.4,296

21. *Moslem University of Palestine.*—In March, 1935, His Highness the Nizam of Hyderabad donated a sum of £P.7,543 to form an Endowment Fund for the maintenance of a Moslem University in Palestine. This sum is now on sight deposit with Barclays Bank (D.C. & O.), Jerusalem, bearing interest at ½ per cent. per annum.

22. *Sir Ellis Kadoorie Bequest.*—The bequest was made to His Majesty's Government, who appointed the Officer Administering the Government of Palestine to be the local representative for the administration of the trust.

The bequest is for the construction and the endowment of Agricultural Training Schools at Tulkarm and Mt. Tabor. The total amount received was £P.121,551, but the bequest was enhanced in value by transactions on investments and by accumulation of interest to a total of £P.179,321. Of this total the sum of £P.93,084 had been remitted by the Crown Agents for the Colonies at the 31st March, 1937, for the construction and equipment of the schools, leaving an amount of £P.86,237 in the fund, which was held partly on investment in the Joint Colonial Fund (£P.18,900) and partly in Trustee Securities (£P.67,335), the remainder (£P.2) being held in cash by the Crown Agents for the Colonies.

Prior to the year 1934-5 interest from the Endowment Fund, together with school and farm receipts supplemented by a

Government grant-in-aid, were utilised both for construction and maintenance. With effect, however, from the 1st April, 1934, these receipts were credited to Revenue, and recurrent expenditure on the schools was provided for in the Estimates of the Department of Agriculture and Forests. There remained, however, a balance of £P.4,756 in the current account at the 1st April, 1935, which was utilised during 1935-6 and 1936-7 for capital work on school construction, with the result that a balance of £P.1,458 only remained in the account at the 31st March, 1937. The estimated cost of construction and equipment of the two schools is £P.80,148, of which the sum of £P.78,265 had been expended to the 31st March, 1937. A further sum of £P.1,883 is, therefore, required to complete the work. Of this sum a balance of £P.1,458 remains in the current account, and it will be necessary, therefore, to draw on the Endowment Fund in the hands of the Crown Agents for the Colonies to the extent of £P.425 in order to complete the construction and equipment of the schools.

Loan Expenditure.

23. The expenditure from Loan Funds is shown in Appendix VI.* The Palestine 5 per cent. Guaranteed Loan of £4,475,000, issued at £100 10s. per cent., realized £P.4,497,375.

The expenditure during the year amounted to £P.511 and was incurred on the following works:—

	£P.	
Jaffa Port Improvements	499	
Haifa Harbour Construction	1,474	(Credits)
Construction of Government Printing Office	1,486	
	£P. 511	

24. The total expenditure from Loan Funds at the 31st March, 1937, amounted to £P.4,422,421, leaving a balance of £P.74,954.

Currency.

(See paragraphs 29 and 30 on pages 28 and 29 of the Annual Report for 1929.)

25. During the year under review the Currency Board paid a contribution of £P.80,000 to the revenues of the Government of Palestine in respect of the year ended the 31st March, 1936.

26. It will be seen from the particulars appended that the total value of currency in circulation at the 31st March, 1937, amounted to £P.5,626,134, or a decrease of £P.610,000 as compared with the value of currency in circulation at the 31st March, 1936:—

* Pages 212, 213

Denomination.	Coins and Notes in Circulation at 31st March, 1936. £P.	31st March, 1937. £P.
Coins :—		
Silver coins :—		
100 mils	248,500	232,400
50 mils	231,500	213,000
Face value of silver coins	£P.480,000	445,400
Nickel-bronze coins :—		
20 mils	27,320	24,100
10 mils	35,080	33,300
5 mils	21,600	21,700
Face value of nickel-bronze coins ...	£P. 84,000	79,100
Bronze coins :—		
2 mils	2,576	2,896
1 mil	4,624	5,104
Face value of bronze coins	£P. 7,200	8,000
Face value of all coins	£P.571,200	532,500
Notes :—		
£P.100	44,700	20,600
£P.50	136,700	76,200
£P.10	1,188,340	962,340
£P.5	1,974,355	1,701,355
£P.1	2,025,230	2,031,230
£P.½ (500 mils)	295,609	301,909
Face value of notes	...£P.5,664,934	5,093,634
Face value of coins and notes	...£P.6,236,134	5,626,134

Monopolies.

27. (See paragraphs 33 and 34 on page 31 of the Annual Report for 1929 and paragraph 29 on page 165 of the Annual Report for 1933.)

Banks.

As forecast on page 221 of the Annual Report for 1936, further measures of control over Banks were enacted in 1937. The Banking (Amendment and Further Provisions) Ordinance, 1937, promulgated in October, provides *inter alia* that no banking business shall be transacted except by a company with a minimum subscribed capital of £P.50,000 of which not less than £P.25,000 has been paid up in cash. Companies already authorised to transact banking business, and whose present capital structure does not meet these requirements, are given two years in which to comply. In the case of foreign banks the minimum paid-up capital must be £P.100,000 or its equivalent. The High Commissioner is given powers to restrict the use of the name " bank " and the transaction of banking business. Provision is also made for the appointment of an Advisory Committee to advise Government on banking matters.

In Appendices IX and X appear tables relating to all banks operating in Palestine compiled from the statutory statements submitted to Government.

APPENDIX I.

Summary of Revenue for the years 1932–33 to 1936–37.

Heads of Revenue.	*1932–33 (1st April, 1932 to 31st March, 1933).*	*1933–34 (1st April, 1933 to 31st March, 1934).*	*1934–35 (1st April, 1934 to 31st March, 1935).*	*1935–36 (1st April, 1935 to 31st March, 1936).*	*1936–37 (1st April, 1936 to 31st March, 1937.)*
	£P.	£P.	£P.	£P.	£P.
1. Customs	1,286,945	1,868,598	2,600,370	2,751,246	2,019,479
2. Port and Marine ...	15,822	56,488	90,701	107,597	110,206
3. Licences, Taxes, etc. ...	824,443	857,180	1,075,295	1,082,427	852,948
4. Fees of Court or Office, etc.	332,488	534,355	845,923	913,027	703,129
5. Posts and Telegraphs ...	229,819	287,843	355,817	418,896	477,943
6. Revenue from Government Property ...	16,217	14,420	21,618	23,952	50,317
7. Interest	83,775	56,896	97,102	141,279	150,730
8. Miscellaneous	79,938	121,337	177,886	154,021	128,021
9. Land Sales	18,682	26,609	31,640	18,874	2,441
10. Grant-in-Aid	127,788	137,760	141,368	140,345	139,686
11. Colonial Development Grants	—	24,006	14,913	18,793	6,371
£P.	3,015,917	3,985,492	5,452,633	5,770,457	4,640,821

APPENDIX II.

Summary of Expenditure for the years 1932–33 to 1936–37.

Heads of Expenditure.	*1932–33 (1st April, 1932 to 31st March, 1933).*	*1933–34 (1st April, 1933 to 31st March, 1934).*	*1934–35 (1st April, 1934 to 31st March, 1935).*	*1935–36 (1st April, 1935 to 31st March, 1936).*	*1936–37 (1st April, 1936 to 31st March, 1937).*
	£P.	£P.	£P.	£P.	£P.
1. Pensions	32,070	24,193	28,747	34,243	37,040
2. Public Debt and Loan Charges	124,355	127,198	126,904	126,449	126,449
3. His Excellency the High Commissioner ...	9,199	9,313	10,694	9,103	10,254
4. Secretariat	23,437	25,433	24,735	39,487	69,463
5. District Administration	84,755	97,712	108,790	154,840	156,931
6. Legal Department ...	10,155	10,451	10,294	11,000	14,011
7. Judicial Department ...	84,459	89,534	91,545	94,151	100,882
8. Treasury	14,550	15,746	16,553	17,095	20,495
9. Audit Department ...	11,096	12,181	12,793	13,628	17,998
10. Customs, Excise and Trade	76,767	94,395	147,620	243,449	277,477
11. Department of Health	111,052	135,838	166,311	194,632	204,350
12. Department of Education	159,520	179,635	201,498	221,087	243,243
13. Department of Agriculture and Fisheries...	—	—	—	—	177,387
Department of Agriculture and Forests ...	86,515	115,076	147,286	181,003	—
14. Department of Forests...	—	—	—	—	24,322
15. Antiquities Department	7,064	8,359	17,197	18,340	23,920
16. Department of Lands and Surveys	—	—	—	115,823	124,878
Land Settlement ...	22,772	27,298	26,541	—	—
Lands Department ...	18,283	20,024	21,455	—	—
Survey Department ...	48,571	60,007	62,810	—	—
17. Department of Development	6,618	7,822	6,901	8,304	17,244
18. Police and Prisons ...	475,042	486,605	506,712	527,467	744,619
19. Department of Migration	18,737	21,392	29,437	32,424	36,965
20. Office of Statistics ...	—	—	—	1,499	4,765
21. Trans-Jordan Frontier Force	169,701	172,318	165,165	171,187	179,257
22. Defence	105,922	110,125	144,118	145,289	1,297,000
23. Posts and Telegraphs ...	154,989	167,245	225,048	310,778	351,943
24. Public Works Department	45,193	49,496	48,944	58,694	76,396
25. Public Works Recurrent	178,018	189,369	228,875	288,086	320,350
26. Miscellaneous	206,835	189,908	257,868	297,473	502,160
27. Posts and Telegraphs Extraordinary ...	14,672	27,487	71,623	132,301	129,002
28. Public Works Extraordinary	94,240	134,359	262,878	645,044	705,094
29. Trans - Jordan Frontier Force Extraordinary ...	5,134	13,075	26,592	18,477	9,944
30. Railways (excess of Expenditure over Revenue)	116,673	59,259	33,805	124,159	69,631
31. Colonial Development ...	—	24,003	271	690	32
£P.	2,516,394	2,704,856	3,230,010	4,236,202	6,073,502

Statement of Assets and

Liabilities.	£P. Mils.	£P. Mils.
JOINT COLONIAL FUND		675,000.—
DEPOSITS—		
Citrus Fruit Advertisement Fund	14,318.911	
Contractors' Deposits	7,669.103	
Court Deposits	75,100.270	
Customs Deposits	9,096.021	
Haifa Harbour Reclaimed Area, Buildings Deposits	4,575.000	
Haim Nathaniel (Trans-desert route, Palestine-Iraq)	10,000.000	
His Majesty's Government	1,792.732	
Immigrants' Guarantees	11,966.428	
Insurance Companies' Guarantees	22,212.009	
Land Registry Deposits	12,768.729	
Local Education Committees	16,311.739	
Mecca Pilgrims' Deposits	706.890	
Moslem University of Palestine (Contribution by His Highness The Nizam of Hyderabad)	7,542.593	
Municipalities	3,008.849	
Orthodox Patriarchate	1,248.692	
Ottoman Agricultural Bank	25,376.235	
Palestine Archaeological Museum Endowment Fund	263,753.575	
Palestine Archaeological Museum Construction Fund	4,295.736	
Police Fines Fund	4,264.516	
Posts and Telegraphs Deposits Account ...	67,019.630	
Posts and Telegraphs Renewals Fund ...	48,780.000	
Private Waqfs	417.542	
Russian State Property	7,967.210	
Sir Ellis Kadoorie Bequest	1,457.741	
Special Police Posts	2,676.004	
Supreme Moslem Sharia Council	1,302.390	
Trans-Jordan Frontier Force Grant-in-Aid Account	3,333.025	
Unclaimed Property	935.685	
Village Water Supplies and Roads	6,109.622	
Sundry Accounts	10,547.028	
		646,553.905
DRAFTS AND REMITTANCES		174.220
LOAN ACCOUNT		74,953.552
EXCESS OF ASSETS OVER LIABILITIES (Surplus Balance) ...		4,835,129.154

FUNDED DEBT.

	£
Palestine Loan-Stockholders ...	4,475,000

The Amount of the Sinking Fund at the 31st March, 1937, for the redemption of this Stock was 408,353.10.9d.

£P.6,231,810.831

III.

Liabilities at 31st March, 1937.

Assets.

	£P. Mils.	£P. Mils.
CASH		52,322.745
ADVANCES—		
Agricultural Loans to Cultivators	93,649.041	
Earthquake Reconstruction Loans	4,755.126	
Flood Reconstruction Loans	2,244.000	
Ghaffir Forces	13,036.443	
Government Officers	5,544.055	
Haim Nathaniel (Trans-desert route, Palestine-Iraq)	10,000.000	
Insurance Companies' Guarantees	22,212.009	
Moslem University of Palestine (Contribution by His Highness The Nizam of Hyderabad)...	7,542.593	
Municipalities	28,283.736	
Other Governments	5,316.707	
Postmaster General	5,735.399	
Posts and Telegraphs Advance Accounts ...	14,449.969	
Police Horse Accounts	1,686.632	
Railways	50,812.438	
Sundry Accounts...	5,849.423	
		271,117.571
ADVANCES IN ANTICIPATION OF NEW LOAN ...		1,172,840.649(*a*)
IMPRESTS		10,613.006
INVESTMENTS—		
Available Balances and Loan Funds	4,415,993.358	
Palestine Archaeological Museum Endowment Fund	263,753.575	
Police Fines Fund	3,459.988	
		4,683,206.921
UNALLOCATED STORES—		
Public Works General Stores	20,598.574	
Public Works Quarry Account	2,331.139	
Posts and Telegraphs	18,780.226	
		41,709.939
		£P.6,231,810.831

(*a*) Includes recoverable advances to the Jerusalem Municipal Corporation as under:

	£P.
(i) Jerusalem Water Supply Scheme ...	29,116
(ii) Jerusalem Drainage Scheme ...	51,875
	£P.80,991

APPENDIX IV.

GOVERNMENT OF PALESTINE

Statement of the Assets and Liabilities of the Railways operated by the Palestine Government at 31st March, 1937.

Liabilities.	£P. mils
1. Palestine Railway Renewals Fund	13,728.496
2. Sinai (Kantara-Rafa) Railway Renewals Fund	97,856.814
3. Petah Tiqva Colony—Loan Account	19,677.981
4. Deposits	16,669.398
5. Fines Fund	1,966.035
6. Treasurer's Account	49,943.952
	£P.199,842.676

Assets.	£P. mils
1. Cash	6,891.675
2. Egyptian State Railways	15,987.533
3. Advances	38,442.053
4. Unallocated Stores and Materials	138,521.415
	£P.119,842.676

Reconciliation of Treasurer's Account in the Railway Accounts with the General Manager's Advance Account in the Treasury.

	£P. mils
Treasurer's Account as shown in Statement above	49,943.952
Add: Credit Items not yet adjusted	868.486
Balance of General Manager's Advance Account as shown in the Statement of Assets and Liabilities (Appendix III)	£P.50,812.438

APPENDIX V.

Statement of Investments.

SECURITIES HELD BY CROWN AGENTS.

	Nominal Value.	*Average Cost Price.*	*Middle Market Price on 31st March, 1937.*
	£ s. d.	£P. mils.	£P. mils.
(1) *Available Balances and Loan Funds—*			
British Guiana 1959/69 3 per cent. Stock	23,000 0 0	22,253.500	22,540.000
Ceylon 1959 3¼ per cent. Stock ...	131,894 8 5	133,081.712	130,575.477
Ceylon 1959/64 3 per cent. Stock	75,000 0 0	75,000.000	72,750.000
Ceylon 1940 3 per cent. Stock ...	29,956 10 6	30,093.800	30,555.655
Federated Malay States 1960/70 3 per cent. Stock	250,000 0 0	250,000.000	242,500.000
Jamaica 1958 3½ per cent. Stock ...	5,000 0 0	4,975.000	5,150.000
Kenya 1957/67 3½ per cent. Stock...	15,000 0 0	14,850.000	15,450.000
Nigeria 1955 3 per cent. Stock ...	41,523 15 2	40,488.267	40,278.045
Northern Rhodesia 1955/65 3½ per cent. Stock	20,000 0 0	19,600.000	20,600.000
Straits Settlements 1937/67 3½ per cent. Stock	122,358 3 0	124,316.592	123,581.732
Trinidad 1958/68 3½ per cent. Stock	45,000 0 0	44,700.000	47,250.000
Trinidad 1965/70 3 per cent. Stock	50,000 0 0	50,000.000	48,500.000
Uganda 1955/65 3½ per cent. Stock	19,727 7 8	21,017.350	20,516.478
Commonwealth of Australia 1939/41 3 per cent. Stock	121,579 3 1	122,867.657	121,579.154
Commonwealth of Australia 1955/58 3 per cent. Stock	82,581 3 11	77,655.964	75,148.888
Commonwealth of Australia 1945/75 5 per cent. Stock	5,397 17 0	5,816.408	5,829.678
Commonwealth of Australia 1943/48 4 per cent. Stock	17,000 0 0	17,486.538	17,340.000
Commonwealth of Australia 1946/49 3¾ per cent. Stock	21,184 13 9	21,666.125	21,396.535
Commonwealth of Australia 1941/43 2¾ per cent. Stock	12,500 0 0	12,625.000	12,250.000
Bradford 1940/60 4¾ per cent. Stock	14,126 10 2	15,492.996	14,903.466
Brighton 1940/60 4½ per cent. Stock	7,007 6 9	7,543.634	7,392.742
Burton-on-Trent 1953 3 per cent. Stock	35,000 0 0	33,445.192	34,300.000
Canada 1940/60 4 per cent. Stock...	92,266 8 1	96,103.380	95,034 396
Canada 1953/58 4 per cent. Stock...	34,541 9 11	34,288.272	36,959.400
Canada 1930/50 3½ per cent. Stock	118,470 12 5	119,630.250	119,655.327
Canada C.P.R. 1938 Land Grant 3½ per cent. Stock	34,951 10 10	35,531.751	35,301.057
Canada 1950/55 3¼ per cent. Stock	107,062 19 0	103,946.980	108,133.579
Canadian N. Ontario Rly. 1961 3½ per cent. Stock	5,037 13 5	5,173.703	4,886.541
Cardiff 1914/54 3 per cent. Stock ...	34,000 0 0	34,383.471	32,980.000
Cardiff 1952/55 3 per cent. Stock...	10,238 16 7	10,268.149	9,931.664
Colwyn Bay 1953/55 3 per cent. Stock	24,000 0 0	23,640.000	22,920.000
Conversion 1944/64 5 per cent. Stock	40,828 15 1	47,667.570	46,238.564
Conversion 1948/53 3 per cent. Stock	222,482 2 7	236,388.035	223,038.334
Conversion 1944/49 2½ per cent. Stock	553,616 6 10	550,887.712	537,007.852
Edinburgh 1940/60 4½ per cent. Stock	18,800 0 0	20,233.500	19,834.000
Funding 1956/61 2½ per cent. Stock	121,327 2 11	112,812.633	106,767.888

APPENDIX V—*contd.*

Statement of Investments—*contd.*

SECURITIES HELD BY CROWN AGENTS—*contd.*

	Nominal Value. £	s.	d.	*Average Cost Price.* £P. *mils.*	*Middle Market Price on 31st March, 1937.* £P. *mils.*
Hertfordshire 1948/53 3 per cent. Stock	12,061	3	5	12,450.458	11,940.559
Hull 1941/61 5 per cent. Stock ...	50,000	0	0	55,039.100	53,500.000
Hull 1921/51 3 per cent. Stock ...	700	0	0	702.725	679.000
India 1942/47 5 per cent. Stock ...	27,000	0	0	27,064.863	30,375.000
India 1954/59 3½ per cent. Stock...	37,065	13	0	39,197.258	37,992.291
India 1949/52 3 per cent. Stock ...	305,776	19	0	297,458.795	299,661.411
India 1948/53 4 per cent. Stock ...	20,337	10	0	20,836.725	21,659.437
Liverpool 1955/58 5 per cent. Stock	45,200	0	0	44,974.000	43,844.000
London Electric Transport Finance Corporation Guaranteed 2½ per cent. Stock 1950/55	118,200	0	0	114,654.000	105,789.000
Middlesex 1948/53 3 per cent. Stock	66,846	17	9	68,594.755	65,509.950
Natal 1929/49 3 per cent. Stock ...	89,202	17	10	90,301.296	88,310.863
Newfoundland 1952 3½ per cent. Stock	31,500	0	0	31,441.450	32,445.000
Newfoundland 1950 3½ per cent. Stock	32,000	0	0	31,997.800	32,640.000
New South Wales 1930/50 3½ per cent. Stock	118,337	11	11	117,043.750	118,337.596
New Zealand 1945 4½ per cent. Stock	4,446	8	7	4,768.796	4,668.750
New Zealand 1955/60 3½ per cent. Stock	1,506	17	10	1,537.029	1,491.823
New Zealand 1943/63 4 per cent. Stock	10,000	0	0	10,325.600	10,100.000
New Zealand 1940 3½ per cent. Stock	33,211	6	4	32,963.940	33,875.543
New Zealand 1945 3 per cent. Stock	142,639	18	7	140,084.534	136,934.332
New Zealand 1949/54 3½ per cent. Stock	72,159	2	3	71,609.318	71,437.521
New Zealand 1952/55 3 per cent. Stock	193,881	3	10	191,988.774	178,370.697
Nuneaton 1953/56 3 per cent. Stock	51,259	13	8	50,499.459	49,465.594
Palestine 1942/67 Guaranteed 5 per cent. Stock	9,518	17	7	11,268.571	10,470.767
Plymouth (Devonport) 1920/60 3 per cent. Stock...	8,500	0	0	8,574.875	8,202.500
Queensland 1945 3½ per cent. Stock	38,028	13	1	36,745.748	38,028.654
Queensland 1922/47 3 per cent. Stock	36,568	18	11	34,160.984	35,106.188
Salford 1954/56 3 per cent. Stock...	35,680	18	7	35,432.375	34,788.906
St. Helen's 1915/55 3 per cent. Stock	600	0	9	604.608	588.037
Stoke 1955/65 3¼ per cent. Stock...	18,681	15	1	19,150.248	18,588.345
Stretford 1955/65 3¼ per cent. Stock	10,000	0	0	10,031.450	10,100.000
Swansea 1955 3 per cent. Stock ...	4,117	3	11	4,107.200	4,014.266
Ulster 1943 3½ per cent. Stock ...	39,606	4	2	39,876.547	40,200.301
Union of South Africa 1945/75 5 per cent. Stock	1,052	10	2	1,159.163	1,178.809
Union of South Africa 1955/75 4½ per cent. Stock	26,664	9	6	29,264.263	30,130.857
Union of South Africa 1954/64 3 per cent. Stock	140,000	0	0	140,417.871	137,200.000
Victoria 1929/49 3½ per cent. Stock	6,000	0	0	6,056.004	5,940.000
Victoria 1929/49 3 per cent. Stock...	12,880	6	4	12,466.256	12,365.104
Wakefield 1955 3 per cent. Stock...	23,262	18	7	23,645.030	22,797.670

APPENDIX V—*contd.*

Statement of Investments—*contd.*

SECURITIES HELD BY CROWN AGENTS—*contd.*

	Nominal Value.			*Average Cost Price.*	*Middle Market Price on 31st March, 1937.*
	£	*s.*	*d.*	£P. *mils.*	£P. *mils.*
Western Australia 1935/55 3½ per cent. Stock	15,701	2	11	15,937.046	15,544.135
Western Australia 1927/47 3½ per cent. Stock	25,000	0	0	25,129.117	25,000.000
West Ham 1945 3 per cent. Stock...	7,800	0	0	7,627.738	7,644.000
Total	4,485,458	0	8	4,493,120.660	4,415,993.358
(2) *Palestine Archaeological Museum Endowment Fund*—					
Birmingham 1946 or after 3½ per cent. Stock	50,075	0	0	53,132.354	49,824.625
British Guiana Demerara Railway Perpetual 4 per cent. Stock ...	1,967	0	0	2,050.859	2,026.010
Bristol Perpetual Debenture 3½ per cent. Stock	7,079	2	6	7,124.738	6,866.751
Canada 1953/58 4 per cent. Stock...	10,000	0	0	10,518.812	10,700.000
Commonwealth of Australia 1948/53 3¾ per cent. Stock	10,000	0	0	9,921.975	10,100.000
Consolidated 1957 or after 4 per cent. Stock	22,177	0	9	18,462.827	24,172.971
Conversion 1961 or after 3½ per cent. Stock	6,347	6	3	6,363.487	6,410.785
Croydon Irredeemable 3½ per cent. Stock	2,355	12	4	2,466.242	2,367.395
Glasgow Irredeemable 3½ per cent. Stock	21,550	0	0	22,880.506	21,765.500
Hull Irredeemable 3½ per cent. Stock	7,803	10	9	8,298.430	7,881.573
India 1931 or after 3½ per cent. Stock	32,149	10	7	27,858.025	28,452.333
Liverpool Irredeemable 3½ per cent. Stock	51,083	5	1	53,535.436	51,083.254
Manchester Irredeemable 4 per cent. Stock	12,125	6	3	14,197.516	13,277.217
Swansea Irredeemable 3½ per cent. Stock	13,817	17	8	14,631.226	13,817.883
West Australia 1935/55 3½ per cent. Stock	15,158	17	4	15,386.621	15,007.278
Total ...	263,689	9	6	266,829.054	263,753.575
(3) *Police Fines Fund*—					
Commonwealth of Australia 1946/49 3¾ per cent. Stock	1,800	0	0	1,755.000	1,818.000
Commonwealth of Australia 1964/74 3½ per cent. Stock	497	8	1	504.770	472.534
New Zealand 1955/60 3½ per cent. Stock	1,181	5	4	1,204.892	1,169.454
Total ...	3,478	13	5	3,464.662	3,459.988

APPENDIX

Loan Account Statement

Date.	*Receipts.*			*Amount.* £P. Mils.
1937 31st March	Proceeds of 5 per cent. Loan of £4,475,000 Stock, issued at £100 10s. 0d. per cent.			4,497,375.000
	Revised Allocation of Loan as approved by the Secretary of State.			
		£P.	£P.	
	Item I.			
	Railways :—			
	1. Railway Workshops	245,277		
	2. Other Railway Works	1,394,634		
	3. Unallocated	89	1,640,000	
	Item II.			
	Purchase of Railway and other capital assets from His Majesty's Government		1,000,000	
	Item III.			
	Harbour Construction and Port Improvements :—			
	1. Jaffa Port Improvements	204,000		
	2. Haifa Harbour Construction	1,284,000	1,488,000	
	Item IV.			
	Telegraphs and Telephones	188,231		
	Government Offices and Construction and Equipment of Printing Office	60,642		
	Cost of raising Loan ...	120,303		
	Unallocated	199		
			369,375	
			£P.4,497,375	
				£P.4,497,375.000

VI.

at 31st March, 1937.

Date.	*Expenditure.*	£P. Mils.	*Amount.* £P. Mils
1937	Item I. Railways :—		
	1. Railway Workshops	245,041.458	
	2. Other Railway Works (completed)...	1,393,979.057	1,639,020.515
	Item II. Purchase of Railway and other capital assets from His Majesty's Government		1,000,000.000
	Item III. Harbour Construction and Port Improvements :—		
	1. Jaffa Port Improvements ...	204,000.000	
	2. Haifa Harbour Construction	1,210,921.053	
			1,414,921.053
	Item IV. Telegraphs and Telephones	188,126.494	
	Government Buildings :—		
	Acquisition of site	21,300.000	
	Government Printing Press ...	38,750.928	
	Cost of raising Loan	120,302,458	
			368,479.880
			4,422,421.448
	Balance		74,953.552
			£P. 4,497,375.000

APPENDIX VII.

Statement of Loan Balances at 31st March, 1937.

Works.	*Schedule to Palestine and East Africa Loans Act, 1926.*	*Re-allocation approved by the Secretary of State.*	*Allocation of actual proceeds of Loan.*	*Actual Expenditure at 31st March, 1937.*	*Unexpended Balance.*
	£	£P.	£P.	£P.	£P.
1. Railways	1,640,000	1,640,000	1,640,000	1,639,021	979
2. Purchase of railway and other capital assets from His Majesty's Government	1,000,000	1,000,000	1,000,000	1,000,000	—
3. Harbour Construction and Port Improvements	1,115,000	1,488,000	1,488,000	1,414,921	73,079
4. Public buildings, telegraphs and telephones, surveys, minor works of development, and purposes incidental to or connected with any of the purposes mentioned in this Schedule, including the raising of the loan	745,000	372,000	369,375(*a*)	368,479(*a*)	896
	4,500,000	4,500,000	4,497,375	4,422,421	74,954

(*a*) Made up as under :—	£P.	£P.
Telegraphs and Telephones	188,231	188,126
Government Offices and Construction and Equipment of Printing Office	60,642	60,050
Unallocated	199	—
Cost of raising Loan	120,303	120,303
	£P.369,375	£P.368,479

Special Statistics.

Financial or Administrative year.	Public Debt (latest figures).	Revenue from External Sources.		Revenue other than from external sources.	Amount spent on			
		Loans and Advances.	Non-recoverable Grants.		Education.	Agriculture Fisheries and Forests	Public Health.	Public Works.
	£P.	£P.	£P.	£P.	£P.	£P.	£P.	£P.
1st July, 1920, to 31st March, 1921	—	—	—	1,135,884	50,079	31,046	121,272	157,600
1921–22	—	—	—	2,371,531	90,418	46,337	146,596	104,394
1922–23	—	—	295,000	1,809,831	91,520	38,610	117,074	219,385
1923–24	—	—	240,622	1,675,788	99,772	36,530	93,698	147,566
1924–25	—	—	195,126	1,959,820	102,666	35,691	84,440	154,354
1925–26	—	—	204,878	2,604,446	103,992	37,089	85,411	217,074
1926–27	—	—	86,476	2,364,889	116,810	65,312	91,676	311,131
April to December, 1927	4,475,000	—	30,345	1,709,035	100,039	52,490	73,858	502,628(*a*)
1928	4,475,000	—	35,797	2,548,520	137,115	72,360	98,581	342,714
1929	4,475,000	—	24,523	2,299,049	139,789	76,714	101,864	300,947
1930	4,475,000	—	41,286	2,348,260	143,555	102,518	105,481	382,982
1931	4,475,000	—	222,909	2,110,986	146,988	81,227	105,918	334,352
January to March, 1932	4,475,000	—	27,734	629,555	30,322	20,463	26,161	65,031
1932–33	4,475,000	—	127,788	2,888,129	159,520	86,515	111,052	317,451
1933–34	4,475,000	—	161,766(*b*)	3,823,727	179,635	115,076	135,838	373,224
1934–35	4,475,000	—	156,281(*c*)	5,296,352	201,498	147,286	166,311	540,696
1935–36	4,475,000	—	159,138(*d*)	5,611,319	221,087	181,003	194,632	991,824
1936–37	4,475,000	—	146,057(*e*)	4,494,764	243,243	201,709	204,350	1,101,840

(*a*) Includes an adjustment of £P.202,921 in respect of various works undertaken in previous years and charged to Loan Funds.

(*b*) Includes £P.24,006 grant plus interest from the Colonial Development Fund to cover the cost of an aerial survey, by a party of Royal Engineers, of a possible railway route between Haifa and Baghdad.

(*c*) Includes £P.14,522 assistance grants from the Colonial Development Fund in respect of the Jerusalem Water Supply and Drainage Schemes and the Hebron and Village Water Supplies Schemes.

(*d*) Includes £P.18,793 assistance grants from the Colonial Development Fund in respect of the Jerusalem Water Supply and Drainage Schemes and the Hebron and Village Water Supplies Schemes and Survey, Zerka Valley.

(*e*) Includes £P.6,371 assistance grants from the Colonial Development Fund in respect of the Jerusalem, Hebron and Village Water Supplies Schemes and Survey, Zerka Valley.

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APPENDIX IX.

Summary of Assets and Liabilities of Foreign and Local Banks carrying on business in Palestine as at the 30th September, 1936, and the 30th September, 1937.

Liabilities.	30th September, 1936.	30th September, 1937.	Assets.	30th September, 1936.	30th September, 1937.
	£P.	£P.		£P.	£P.
Capital paid up*	1,453,438	1,172,332	Currency and bullion on hand ...	648,465	664,769
Reserve Fund*	171,242	186,606	Balances held with Banks	4,540,213	3,772,757
Debentures*	105,969	142,783	Bills Discounted	2,463,801	2,744,645
Balances held for Banks	3,301,075	4,134,346	Advances	7,213,044	7,740,336
Demand Deposits	11,428,561	10,446,373	Investments	5,258,384	5,186,477
Time Deposits	2,980,002	3,464,708	Bank Premises	169,784	220,872
Total Deposits	14,408,563	13,911,081	Liabilities of Customers for acceptances (as per contra)	3,463	22,187
Bills Payable	243,287	234,789	Liabilities of Customers for Guarantees, Endorsements and other obligations		
Advances from Banks or other parties ...	263,635	207,962	(as per contra)	1,111,767	1,407,987
Acceptances on account of customers ...	3,463	22,187	Other Accounts	242,958	254,879
Guarantees, Endorsements and other obligations on account of customers...	1,111,767	1,407,987			
Other Accounts	589,440	594,836			
	21,651,879	22,014,909		21,651,879	22,014,909

* Local Banks only.

APPENDIX X.

Distribution of Bank Loans (Bills Discounted and Advances to Customers) as at 30th September, 1936, and 30th September, 1937.

	30th September, 1936.			30th September, 1937.		
	Number of Customers.	Amount.	Per cent. of Total.	Number of Customers.	Amount.	Per cent. of Total.
		£P.			£P.	
To Municipalities, Local Councils and Village Authorities	56	151,785	1·6	63	264,711	2·5
To gas, electricity, water, harbour, dock and other general utility bodies	80	80,392	0·9	89	41,961	0·4
For Agriculture						
On or for the citrus grove or its fruit	2,223	1,658,761	17·1	2,617	1,641,173	15·6
On or for live stock	522	45,694	0·5	461	34,432	0·3
On or for agricultural holdings	21,180	811,341	8·4	18,684	1,015,767	9·7
For Manufacture of						
Food, drink and tobacco products	593	215,454	2·2	927	287,814	2·7
Textiles and clothing	824	145,862	1·5	952	144,580	1·4
Wood and paper products (including furniture factories) ...	825	102,598	1·1	946	105,783	1·0
Soap and oils	95	75,561	0·8	148	83,690	0·8
Printed matter	422	78,375	0·8	420	65,145	0·6
Metal products (including machinery)	640	244,946	2·5	650	173,447	1·7
Chemical products	142	31,863	0·3	187	32,817	0·3
Stone, cement and bricks	523	148,574	1·5	609	142,088	1·4
Other manufactured products	551	114,209	1·2	829	120,143	1·1

Distribution of Bank Loans (Bills Discounted and Advances to Customers) as at 30th September, 1936, and 30th September, 1937.—*contd.*

	30th September, 1936.			30th September, 1937.		
	Number of Customers.	Amount.	Per cent. of Total.	Number of Customers.	Amount.	Per cent. of Total.
		£P.			£P.	
Construction						
For buildings in course of erection	928	360,834	3·7	1,197	418,840	4·0
General Commerce						
To wholesale merchants	3,399	1,543,329	16·0	4,324	1,684,631	16·1
To retail merchants	5,912	617,742	6·4	6,444	538,275	5·1
Miscellaneous: to or for						
Motor vehicles and transport services	782	254,272	2·6	1,153	263,001	2·5
Hotels, restaurants and boarding houses	522	63,076	0·6	759	59,260	0·6
Religious and charitable institutions	141	57,271	0·6	149	71,104	0·7
Financial concerns, including insurance companies, banks, credit co-operative societies, etc.	353	541,771	5·6	500	572,971	5·5
Professional and private individuals	17,891	997,785	10·3	24,196	1,086,685	10·4
Entertainment concerns	54	18,149	0·2	295	22,789	0·2
Purchase of Land	1,014	515,171	5·3	958	576,524	5·5
Buildings (mortgages)	—	—	—	818	448,113	4·3
Other items	5,785	802,030	8·3	4,985	589,237	5·6
	65,457	9,676,845		73,360	10,484,981	

XXII.—DEMOGRAPHIC, VITAL AND MIGRATION STATISTICS AND OFFICE OF STATISTICS.

Demographic Statistics.

NOTE.—*For the latest full account of the population, its development up to* 1931 *and its geographical distribution, reference should be made to Chapters I and II of Volume I of the Census of Palestine,* 1931.

The *de facto* population of Palestine, exclusive of members of His Majesty's Forces, was estimated to be 1,383,320 at 30th June, 1937, the division by religions being as follows:—

Moslems	875,947
Jews	386,084
Christians	109,769
Others	11,520
Total	1,383,320

The classification by religion has been adhered to in population statistics since the beginning of the British Occupation. This classification of vital occurrences is socially necessary because the law of personal status in Palestine is the law of the particular religious community to which a person belongs.

2. It was recognized at the census of 1931 that classification by " race " or " nationality " into the broad groups, Arabs, Jews and Others, is a political necessity. Statistics of migration were put on a " racial " basis in 1935, and in 1938 the classification of vital occurrences will be two-fold, namely, by religious confession and by " race " or " nationality ". The re-introduction of a classification of migration by religious confession will enable population records to be kept in future both by religion and by " race ".

At the 1931 census, persons were asked to state to which of the three groups (Arabs, Jews and Others) they belonged. The following table shows the inter-connection between the religious communities and the " racial " groups that the census revealed among the settled population. Nomads, who

numbered 66,553 at the census and were practically all Moslems, are omitted:—

Race.	*Religion.*				
	All Religions.	*Moslems.*	*Jews.*	*Christians.*	*Others.*
All Races ...	969,268	693,159	174,610	91,398	10,101
Arabs... ...	772,904	690,420	87	73,281	9,116
Jews	174,809	21	174,378	25	385
Others ...	21,555	2,718	145	18,092	600

Out of a total of 693,159 Moslems, 690,420 or 99·6 per cent. described themselves as Arabs. The remainder were principally Egyptians and Turks. Out of a total of 91,398 Christians, 73,281 or 80·2 per cent. were Arabs, while the remainder were principally members of European races and Armenians. The members of other non-Jewish religions in the population, who are principally Druze by religion, numbered 10,101 of whom 9,116 described themselves as Arabs.

3. If it be assumed that now, as in 1931, the Arab population is made up of 99·6 per cent. of all settled Moslems, 80·2 per cent. of all Christians, 90 per cent. of all other settled non-Jews, and the whole Beduin population, the following rough estimate of the population at 30th June, 1937, classified by "race", is reached:—

Arabs	...	971,000
Jews ...	...	386,000
Others	...	26,000
Total	...	1,383,000

4. A census of population was taken on 23rd October, 1922, and again on 18th November, 1931. In the intervening years statistics of births and deaths and of migration were used to estimate mid-year populations. A discrepancy appeared between the expected population and the actual population enumerated in 1931, the discrepancy being due to incomplete recording of births and deaths and of migration, and possibly to faulty enumeration of suspicious and primitive people. In the case of Jews the discrepancy was about 2,000. The discrepancy has been distributed over the inter-censal years and

the adjusted series of estimated populations for inter-censal and post-censal years are as follows:—

POPULATION OF PALESTINE (EXCLUDING MEMBERS OF HIS MAJESTY'S FORCES) AT THE CENSUS OF 1922, AND AS ESTIMATED AT 30TH JUNE IN EACH OF THE YEARS 1923-37, BY RELIGIONS.

Year.	*All Religions.*	*Moslems.*	*Jews.*	*Christians.*	*Others.*
1922	752,048	589,177	83,790	71,464	7,617
1923	778,989	609,331	89,660	72,090	7,908
1924	804,962	627,660	94,945	74,094	8,263
1925	847,238	641,494	121,725	75,512	8,507
1926	898,362	663,613	149,500	76,467	8,782
1927	917,315	680,725	149,789	77,880	8,921
1928	935,951	695,280	151,656	79,812	9,203
1929	960,043	712,343	156,481	81,776	9,443
1930	992,559	733,149	164,796	84,986	9,628
1931	1,023,734	753,812	172,028	87,870	10,024
1932	1,052,872	771,174	180,793	90,624	10,281
1933	1,104,884	789,980	209,207	95,165	10,532
1934	1,171,158	807,180	253,700	99,532	10,746
1935	1,261,082	826,457	320,358	103,371	10,896
1936	1,336,518	848,342	370,483	106,474	11,219
1937	1,383,320	875,947	386,084	109,769	11,520

5. There has been unrecorded illegal immigration both of Jews and of Arabs in the period since the census of 1931, but no estimate of its volume will be possible until the next census is taken.

6. The estimated total population has increased in the 15 years from 1922 to the middle of 1937, by 631,272 persons. The increase is due to immigration and to the excess of births over deaths, the allocation of the total increases between these two factors being estimated to be as follows:—

	All Religions.	*Moslems.*	*Jews.*	*Christians.*	*Others.*
Total increase of population ...	631,272	286,770	302,294	38,305	3,903
Increase by migration ...	281,339	25,168	245,433	10,414	324
Natural increase	349,933	261,602	56,861	27,891	3,579

7. The precision of these figures is not great, but they indicate that all three religions have gained by migration, the smallest proportional gain being among the Moslems. It is of interest that the Jewish increase by migration in the 15-year period was rather less than the Moslem natural increase in the same period and that the total increase of the Jewish population was only slightly larger than the total increase of the Moslem population.

The figures of increase by migration include about 10,000 people, who were added to Palestine by an alteration of the boundary with Syria in 1923. The Jewish settlements of Tel Hai, Kfar Giladi and Metulla are in this area and had a total Jewish population of about 300, the remaining inhabitants of the area being Moslems.

Vital Statistics.

8. Records of vital occurrences are compiled for the settled population, statistics being available, classified by religion, from the year 1922.

The nomadic population, among which vital occurrences are not recorded, numbered 66,553 at the census of 1931.

A re-calculation of birth and death rates was made in 1936, based upon a revised series of estimates of the settled population in the years between the census of 1922 and the census of 1931 and mid-year estimates of settled population in the subsequent years. The accompanying tables give the average number of births and deaths, as well as the average crude birth and death rates and infant mortality rates, in the quinquennial periods since 1922 and in the individual years 1934, 1935, 1936 and 1937.

Year.	*Births.*				
	All Religions.	*Moslems.*	*Jews.*	*Christians.*	*Others.*
1922–25 average	32,338	25,976	3,388	3,669	406*
1926–30 average	41,831	33,023	5,296	3,089	423
1931–35 average	47,096	36,319	6,893	3,413	471
1934	45,944	34,489	7,666	3,340	449
1935	53,940	39,918	9,867	3,688	467
1936	56,993	41,543	11,009	3,869	572
1937	54,749	40,261	10,297	3,683	508
	Deaths.				
1922–25 average	16,612	13,950	1,340	1,185	183*
1926–30 average	20,930	17,472	1,796	1,433	229
1931–35 average	22,066	18,306	2,101	1,433	226
1934	24,136	19,765	2,420	1,618	333
1935	22,249	17,823	2,748	1,449	229
1936	20,465	15,624	3,271	1,345	225
1937	24,882	20,088	3,004	1,527	263

ANNUAL RATE OF BIRTHS AND DEATHS PER THOUSAND OF SETTLED POPULATION BY COMMUNITIES, 1922-37.

Year.	Birth rate.				
	All Religions.	*Moslems.*	*Jews.*	*Christians.*	*Others.*
1922–25 average	46·34	50·09	34·81	36·37	49·36*
1926–30 average	48·58	53·45	34·29	38·55	46·17
1931–35 average	44·66	50·24	30·33	35·84	44·92
1934	41·59	46·56	30·21	33·55	41·78
1935	45·16	52·54	30·80	35·61	42·86
1936	44·89	53·14	29·74	36·34	50·98
1937	41·58	49·74	26·67	33·55	44·10
	Death rate.				
1922–25 average	23·73	26·83	13·62	16·13	22·10*
1926–30 average	24·34	28·31	11·66	17·91	25·06
1931–35 average	20·98	25·34	9·32	15·04	21·48
1934	21·84	26·68	9·53	16·25	30·89
1935	18·63	23·46	8·58	13·99	21·02
1936	16·10	19·97	8·82	12·63	20·05
1937	18·90	24·82	7·78	13·91	22·83

* Average 1923–25.

INFANT MORTALITY: DEATHS OF INFANTS UNDER ONE YEAR OF AGE PER THOUSAND LIVE BIRTHS, 1922-37.

Year.	*All Religions.*	*Moslems.*	*Jews.*	*Christians.*	*Others.*
1922–25 average	178·70	190·39	122·90	144·35	115·92*
1926–30 average	178·09	193·46	95·83	158·56	146·73
1931–35 average	151·35	166·41	77·99	136·28	161·05
1934	157·58	175·15	78·13	152·39	202·67
1935	131·48	148·10	64·15	125·81	177·72
1936	121·54	136·15	68·70	113·72	131·12
1937	153·86	179·33	57·20	127·34	179·13

* Average 1923–25.

9. The very high birth-rate of Palestine is established by the preponderance of the Moslems, who show the highest birth-rate of all the religions. The Moslem settled population rose by natural increase at an average rate of 18,000 per annum, or

about 2½ per cent. per annum in the five years 1931-5. The Jewish birth-rate is considerably lower than the Moslem, but it was higher for the same quinquennium than in any European country except Rumania.

10. A very great disproportion is evident between the Moslem and Jewish death-rates and has been accentuated by a steady decline in the Jewish death-rate over the period under review. While it is undoubted that the difference reflects a greater expectation of life, particularly in infancy, among Jews than among Moslems, it must be noted that the Jewish population is made up largely of young adult immigrants who are in those years of life when the risk of dying is at its lowest, and the smaller proportion of infants and old people which this immigration has produced is itself a cause of a low crude death-rate.

Migration.

11. *De facto* population records are kept, the increase by migration being taken as the excess of arrivals over departures. However, no person is allowed to stay indefinitely in Palestine unless he falls into one of the categories of immigrants, and over a long period the excess of authorized immigrants over emigrants gives approximately the same result as the *de facto* excess of arrivals over departures, which takes account of the movements of travellers and of residents making trips abroad.

The following table shows the recorded immigration and emigration of Jews and non-Jews in the years since 1920:—

Year.	*Recorded Immigration.*		*Recorded Emigration.*	
	Jews.	*Non-Jews.*	*Jews.*	*Non-Jews.*
1920 (part) ...	5,514	202	—	—
1921–25	71,071	2,581	7,575*	5,382*
1926–30	28,165	5,425	18,029	7,338
1931–35	148,168	8,921	1,062	1,067
1931	4,075	1,458	666	680
1932	9,553	1,736	—	—
1933	30,327	1,650	—	—
1934	42,359	1,784	—	—
1935	61,854	2,293	396	387
1936	29,727	1,944	773	405
1937	10,536	1,939	889	639

* Incomplete.

Emigration statistics by race were not compiled prior to 1922 nor in the years 1932-4 inclusive. In 1935, 1936 and 1937 the figures of emigrants are those of " residents departing for a period of more than one year ".

12. According to the records of the Department of Migration —supplemented by figures supplied by the Jewish Agency in

respect of early post-war migration and the classification of migrants by citizenship in the years prior to 1935—the total number of Jewish immigrants authorized to enter and to remain in Palestine in the years 1919-37, inclusive, was 300,162. Of these immigrants, 127,689 were of Polish citizenship, 30,642 of Russian, 15,028 of Rumanian, 9,493 of Lithuanian, 8,864 of Yemenite and 7,826 of United States citizenship. The number of German citizens was 31,458. Many persons migrating to Palestine from Germany are of other citizenship than German. In the same period the total number of Jewish migrants whose previous residence was in Germany was 39,471.

Office of Statistics.

13. The Office of Statistics, set up in accordance with the Statistics Ordinance of 1935, began active operations in February, 1936. It is a separate office, under the general supervision of the Commissioner for Migration and Statistics, but directly administered by the Government Statistician.

14. The duties of the office are defined in the Statistics Ordinance as follows:—

(*a*) to collect, complete, abstract and publish statistical information relative to the commercial, industrial, social, economic and general activities and condition of the people;

(*b*) to collaborate with all other departments of the Government in the compilation and publication of statistical records of administration according to the rules;

(*c*) to take any census in Palestine.

Thus the principle of statistical centralization has been accepted in Palestine, as in the British Dominions and in various other countries.

15. With the collaboration of the other departments of the Government, statistics are now being compiled and published on a wide variety of subjects. In particular, trade statistics, migration statistics and judicial statistics have been compiled for 1937 on the card-punching, sorting and tabulating machines installed in the office, with the result that the publication of these statistics has been accelerated and the making of useful cross-classification facilitated. Summary trade statistics, for example, are now being made available within 25 days from the end of the month to which they relate. It is now proposed to extend the application of mechanical tabulation to the birth and death statistics of 1938, thus making possible the detailed study of the vital statistics of Palestine.

16. In certain spheres of operation, notably that of wholesale and retail prices and cost of living, the Office collects statistics directly. In the collection of data on prices the Office has received cordial co-operation from leading wholesale and retail merchants, both Arabs and Jews, and issues detailed monthly bulletins showing wholesale and retail prices of extended lists of commodities in leading towns. The Office is also working upon a system of monthly statistics of employment, under which

leading employers will report each month the number of their employees and the amount of their pay rolls. The Government employing departments and the municipalities have already begun to supply the Office with monthly returns of employment.

17. In certain other branches of its work the Office of Statistics publishes statistics secured by other Departments in the regular course of administration. Thus, with the collaboration of the Treasury and the Registrar of Co-operative Societies, it issues monthly statistics of banks and credit co-operative societies. Again, in its general monthly bulletin are published statistics of the monthly production of the fisheries, compiled from material furnished by the Department of Agriculture and Fisheries, and statistics of land transfers and registered mortgages obtained from the Department of Land Registration, together with shipping statistics, railway statistics, postal, telephone and wireless receiving stations statistics and statistics of " true " offences furnished by the appropriate departments.

18. The first official statistical abstract of Palestine was published in June, 1937, containing some 140 tables summarizing the available information on the development of various phases of Palestinian social and economic life, and work upon a second improved and enlarged edition was actively in progress at the end of the year. The Office has also assumed the responsibility for the preparation of the annual Palestine Blue Book, to which a much-needed general index has been added. The Blue Book for 1936, containing valuable information on the general activities of the Government and detailed trade statistics for the year, has now been issued.

19. Other publications of the Office, issued in mimeographed form for reasons of economy and up-to-dateness, include a general monthly bulletin of current statistics and more specialized monthly bulletins on external trade, wholesale prices, retail prices and cost of living, operations of banks and credit co-operative societies, citrus exports and security prices. Quarterly bulletins are issued on vital statistics, judicial statistics and labour disputes, and a half-yearly bulletin on wage rates. Annual bulletins are published on industrial accidents and " real " wages, i.e., the purchasing power of money wages.

20. The library of the Office is an essential part of its equipment, not only on account of the valuable information which it contains but also because of its usefulness as a guide to statistical methodology. Though at present small, it is steadily growing, mainly as the result of the exchange of publications with corresponding institutions and scientific societies in other countries. Its resources are at the disposal of all departments of the Government.

XXIII.—CUSTOMS, EXCISE AND TRADE.

1. There was considerable increase in the volume and value of imports into, and exports from, Palestine during the year

1937, as compared with the year 1936. Imports of merchandise during 1937 were valued at approximately £P.15,905,000, an increase of £P.1,926,000 over 1936; exports were valued at £P.5,820,000, an increase of £P.2,195,000.

2. The early part of the year showed signs of revival from the effects of the disturbances of 1936, but the renewed restlessness throughout the country prevented a return to normal. This was reflected in the net revenue of the Department, which amounted to £P.2,720,719, thus showing an increase of £P.131,175, as compared with 1936, but a decline of £P.738,445, as compared with 1935.

3. The Jaffa Port improvement works were completed during the year, and consequently, all rented storage areas were given up. The discharge of all classes of heavy goods was resumed in the early part of the year.

4. Constructional work is still continuing on the Tel-Aviv jetty and lighter basin. The quay and storage accommodation have been increased, and all categories of goods, other than cattle, may now be discharged at this point.

5. An Ordinance was enacted during the year consolidating the law relating to customs tariffs and exemptions thereform, and making possible a great increase in the amount of information on trade available each month to the producers and traders of Palestine.

6. The tonnage of import and export cargo handled at the ports of Jaffa, Tel-Aviv jetty and lighter basin and Haifa during 1933-7 was:—

Year.	*Jaffa.*		*Tel-Aviv jetty and lighter basin.*		*Haifa.*	
	Discharged.	*Loaded.*	*Discharged.*	*Loaded.*	*Discharged**	*Loaded.**
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
1933 ...	348,797	96,888	—	—	401,410	71,632
1934 ...	486,974	120,967	—	—	589,203	99,756
1935 ...	402,263	171,819	—	—	787,307	138,427
1936 ...	135,493	115,302	27,514	1,854	756,723	165,029
1937 ...	126,842	152,427	97,304	26,795	698,430	296,492

* Exclusive of crude oil.

7. The net revenue of the Department for the last five years was:—1933, £P.2,071,370; 1934, £P.2,936,513; 1935, £P.3,459,164; 1936, £P.2,589,544; 1937, £P.2,720,719.

8. The principal articles imported, from which the bulk of the import duty is derived, and the amount of import duty received from each in 1937 are set out below:—

Article.	Unit.	Total Imports.*		Present Rate of Duty.	Duty Collected.
		Quantity.	Value.		
			£P.		£P.
Benzine	Litre	56,506,275	231,529	11 mils per litre	617,595
Sugar	Kilo	24,123,184	201,552	5 mils per kilo	119,390
Kerosene	Litre	60,841,449	189,409	1·75 mils per litre	106,482
Wheat flour	Kilo	27,316,666	416,376	Various rates	54,851
Cotton piece goods	Kilo	3,023,346	444,110	Various rates	93,629
Wearing apparel (all sorts)	—	—	521,767	Various rates	71,924
Tobacco leaves, unmanufactured	Kilo	110,434	37,079	400 mils per kilo	44,175
Cigarettes	Kilo	83,432	56,489	1,000 mils per kilo	46,007
Motor cars and motor trucks	No.	1,564	321,529	40 mils per kilo	65,876
Butter	Kilo	2,422,069	234,731	20 mils per kilo	47,253
Cement	Kilo	69,876,556	145,753	0·85 mils per kilo	12,745
Silk tissues (excluding pongee)	Kilo	565,592	245,697	Various rates	41,558
Fish in brine, dry, salted, fresh and tinned	Kilo	5,249,519	178,425	5 and 10 mils per kilo	30,578
Wood for building	M^3	138,988	403,111	300 mils per M^3	41,092
Rice	Kilo	20,104,202	202,088	0·5 and 1·5 mils per kilo	21,242
Iron bars, angles, rods, and girders	Kilo	40,499,510	384,985	0·5 and 0·8 mils per kilo	28,984
Fruit, fresh	Kilo	13,961,277	184,514	1 and 3 mils per kilo	15,480
Electrical goods, other than radios and refrigerators	—	—	333,443	Various rates	21,402
Woollen tissues	Kilo	411,649	266,011	12 per cent. *ad valorem*	31,009
Wood prepared for citrus cases	M^3	105,988	462,578	250 mils per M^3	26,443
Parts and accessories of motor cars and motor trucks	—	—	95,130	Various rates	14,768
Rubber tyres and tubes	Kilo	699,069	104,263	35 mils per kilo	21,061
Coffee beans	Kilo	1,719,607	82,354	10 mils per kilo	17,183
Potatoes	Kilo	17,695,449	85,411	1 and 3 mils per kilo	12,312
Beer	Litre	1,153,510	27,235	Various rates	14,060

Sanitary ware	—	—	127,168	Various rates	17,574
Rye	Kilo	6,148,660	48,197	Various rates	6,151
Refrigerators	Kilo	287,552	54,545	12 per cent. *ad valorem*... ...	6,502
Lubricating oil	Kilo	4,021,281	71,236	Various rates	10,909
Rye flour	Kilo	2,035,691	26,743	Various rates	7,121
Eggs	No.	92,909,193	182,529	0·2 and 1 mil each	5,945
Poultry	No.	1,261,922	89,153	25 mils per bird...	9,958
Cheese, other than cheese in brine	Kilo	618,683	41,843	20 mils per kilo	12,014
Whisky	Litre	61,630	15,252	Various rates	8,595
Tea	Kilo	295,233	43,901	20 and 30 mils per kilo... ...	6,550
Tombac leaves, unmanufactured...	Kilo	69,206	8,586	100 mils per kilo	6,919
Tiles for paving and walls...	M^2	334,958	70,394	30 mils per M^2	7,952
Iron sheets, black and galvanised	Kilo	6,211,259	120,369	1 and 2 mils per kilo	9,478
Paper, not specially prepared, in sheets not less than M^2 0·15	Kilo	6,879,652	137,936	8 per cent. *ad valorem*	11,008
Stationery	—	—	65,238	12 per cent. *ad valorem*... ...	5,820
Perfumery and toilet preparations	—	—	30,362	Various rates	6,592

* Includes imports by Government; Military; Navy, Army, and Air Force Institutes; 'Iraq Petroleum Company and other institutions entitled to exemption.

9. Excise duties are leviable on tobacco, intoxicating liquors, methylated spirits, salt and matches. The receipts during the last five years were:—

	1933. £P.	1934. £P.	1935. £P.	1936. £P.	1937. £P.
Tobacco:					
Duty	222,864	255,588	246,677	230,582	223,367
Licence Fees	6,672	7,420	8,437	8,707	8,893
Intoxicating Liquors:					
Duty	38,853	42,260	49,586	66,337	61,734
Licence Fees	3,723	3,753	3,819	3,797	4,009
Methylated Spirits, Duty	5,132	7,406	8,900	9,066	7,980
Salt, Duty	12,550	14,300	15,550	13,500	14,900
Matches:					
Duty	14,625	21,785	29,173	27,459	30,604
Licence Fees	50	50	50	50	50
Total	£P.304,469	352,562	362,192	359,498	351,537

10. The number of licensed tobacco, tombac and snuff factories during 1933-7 was:—

	1933.	1934.	1935.	1936.	1937.
Tobacco and Cigarettes	10	10	10	12	12
Cigars	—	2	2	2	2
Tombac	1	1	1	1	1
Snuff	2	1	1	1	1
Total	13	14	14	16	16

Their output was:—

Year.	*Cigars.*	*Cut Tobacco.*	*Cigarettes.*	*Tombac.*	*Snuff.*	*Heisheh.*	
						Tobacco.	*Cigarettes.*
	Kilos.	*Kilos.*	*Kilos.*	*Kilos.*	*Kilos.*	*Kilos.*	*Kilos.*
1933 ...	—	17,666	537,348	71,930	6,310	2,039	1,644
1934 ...	1,032	15,852	636,832	75,294	6,848	4,021	7,766
1935 ...	1,748	18,095	791,264	89,392	7,819	672	694
1936 ...	2,142	16,480	815,196	77,883	8,471	102	205
1937 ...	1,937	14,192	756,907	74,671	8,612	—	30

The number of tobacco growers in Palestine in 1937 was 4,198, as compared with 2,473 in the previous year.

The annual crops for 1932-6, in kilogrammes, were:—

	Tobacco.	*Tombac.*
1932	565,617	5,771
1933	402,623	17,905
1934	958,344	52,829
1935	956,248	43,594
1936	1,232,689	4,178

11. The production of salt at Athlit (by sea evaporation) and at Jebel Usdum (rock formation) and of methylated spirits and matches during the last five years was as follows:—

	Unit.	*1933.*	*1934.*	*1935.*	*1936.*	*1937.*
Salt ...	Kilos	8,404,400	9,389,040	10,375,700	9,148,399	9,855,780
Methylated Spirits.	,,	342,156	493,712	593,307	604,398	532,032
Matches ...	Gross of boxes.	127,761	175,758	221,275	217,433	237,220

12. The value of exemptions granted during the year 1937 was:—

	Exemptions under the Customs Tariff and Exemption Ordinance.	*Exemptions under the Syria-Palestine Customs Agreement.*	*Total.*
	£P.	£P.	£P.
Food, drink and tobacco ...	1,347,563	515,273	1,862,836
Goods mainly unmanufactured	1,095,646	5,610	1,101,256
Goods mainly manufactured ...	3,672,626	644,771	4,317,397
Animals living, not for food ...	58,077	—	58,077
Total ...	£P.6,173,912	1,165,654	7,339,566

These exemptions do not include benzine and other oils supplied free of duty from bonded installations in Palestine to certain undertakings.

13. The value of goods imported by charitable and religious institutions, consuls and archæological societies during the past five years is shown below:—

Year.	*Under the Ottoman Law Religious Orders.*	*Under the Customs Tariff and Exemption Ordinance.*		*Total.*
		Charitable and other Institutions.	*Consuls.**	
	£P.	£P.	£P.	£P.
1933 ...	31,152	19,309	7,629	58,090
1934 ...	30,779	16,331	6,574	53,684
1935 ...	31,492	23,330	8,167	63,439
1936 ...	27,905	26,409	4,910	59,224
1937 ...	27,198	25,675	9,467	62,340

* Including benzine, etc., delivered to consuls from bonded oil installations.

14. In addition to the importation duty free of all articles consigned to them direct, the following goods were also supplied from bonded oil installations to His Majesty's Forces, the

Navy, Army and Air Force Institutes, the 'Iraq Petroleum Company, and other institutions entitled to exemption:—

Supplied in 1937 free of duty to:

	Benzine. Litres.	*Kerosene. Litres.*	*Amount of duty involved. £P.*
His Majesty's Forces ...	4,112,913	466,938	46,059
Navy, Army and Air Force Institutes	402,237	143,609	4,676
'Iraq Petroleum Company ...	1,116,611	180,574	12,599
Other institutions	1,066,444	4,641	11,739

15. The following are analyses of Customs Taxation and of Imports into Palestine for the years 1933-7.

Analysis of Customs Taxation.

Imports into Palestine are subject either to specific or *ad valorem* rates of duty, or are exempt from duty. In the case of exempted goods, there are three main groups:—

A. Government; Military; Navy, Army and Air Force Institutes and 'Iraq Petroleum Company Stores.

B. Goods exempted under the Customs Tariff and Exemption Ordinance, other than imports at A.

C. Goods, otherwise dutiable, exempted under the Syria-Palestine Customs Agreement.

Taking the total import duty collected for each of the last five years as a basis, the equivalent *ad valorem* rates of duty, calculated in respect of the value of the total imports for home consumption less the value of goods imported free of duty under the three groups A, B and C, are shown in the following table:—

	1933.	1934.	1935.	1936.	1937.
	£P.	£P.	£P.	£P.	£P.
Import duty collected	1,688,000	2,430,000	2,870,000	2,012,000	2,133,000
Value of total imports for home consumption...	11,123,000	15,153,000	17,853,000	13,979,000	15,904,000
A. Value of Government, Military, N.A.A.F.I., and 'Iraq Petroleum Company stores	1,479,000	1,193,000	1,289,000	1,661,000	1,247,000
(i) Value of total imports for home consumption less A ...	9,644,000	13,960,000	16,564,000	12,318,000	14,657,000
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
Equivalent *ad valorem* rate of duty for imports at (i) ...	17·5	17·5	17·3	16·3	14·6
B. Value of goods exempted under the Customs Tariff and Exemption Ordinance, other than imports at A	2,559,000	3,854,000	4,739,000	4,034,000	4,927,000
(ii) Value of total imports for home consumption less A and B	7,085,000	10,106,000	11,825,000	8,284,000	9,730,000
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
Equivalent *ad valorem* rate of duty for imports at (ii) ...	24	24	24·3	24·3	21·9
C. Value of goods, otherwise dutiable, exempted under the Syria-Palestine Customs Agreement	718,000	921,000	1,101,000	1,274,000	1,166,000
*(iii) Value of total imports for home consumption less A, B and C	6,367,000	9,185,000	10,724,000	7,010,000	8,564,000
	Per cent.	Per cent.	Per cent.	Per cent.	Per cent.
Equivalent *ad valorem* rate of duty for imports at (iii) ...	26·5	26·5	26·6	28·7	24·9

* Note.—This represents the value of all imports on which duty was levied.

Analysis of Imports into Palestine.

	1933.	1934.	1935.	1936.	1937.
A. *Value of imports for home consumption*	£P. 11,123,000	£P. 15,153,000	£P. 17,853,000	£P. 13,979,000	£P. 15,904,000
I. Value of all goods exempted under the Customs Tariff and Exemption Ordinance	4,038,000	5,047,000	6,028,000	5,695,000	6,174,000
Percentage of A represented by I	36·5	33·5	33·8	40·7	38·8
II. Value of goods, otherwise dutiable, exempted under the Palestine-Syria Customs Agreement	718,000	921,000	1,101,000	1,274,000	1,166,000
Percentage of A represented by II	6·5	6	6·2	9·1	7·3
III. Value of all imports exempted from duty	4,756,000	5,968,000	7,129,000	6,969,000	7,340,000
Percentage of A represented by III	43	39·5	39·9	49·9	46·2
B. *Value of imports for home consumption less Government, Military, N.A.A.F.I., and 'Iraq Petroleum Company stores*	9,644,000	13,960,000	16,564,000	12,318,000	14,657,000
I. Value of goods exempted under the Customs Tariff and Exemption Ordinance, other than Government, Military, N.A.A.F.I., and 'Iraq Petroleum Company stores ...	2,559,000	3,854,000	4,739,000	4,034,000	4,927,000
Percentage of B represented by I	26·5	27·5	28·6	32·7	33·6
II. Value of goods, otherwise dutiable, exempted under the Palestine-Syria Customs Agreement	718,000	921,000	1,101,000	1,274,000	1,166,000
Percentage of B represented by II	7·5	6·5	6·6	10·3	8
III. Value of all imports exempted from duty at I and II ...	3,277,000	4,775,000	5,840,000	5,308,000	6,093,000
Percentage of B represented by III	34	34	35·2	43·1	41·6

Commerce and Industry.

16. A number of new undertakings were established during 1937 for the manufacture of celluloid toys, margarine, buttons, varnishes, citrus by-products, aluminium ware and flour.

During the year, 207 new companies were registered with an authorized capital of £P.968,794, and 44 companies increased their authorized share capital from £P.4,338,550 to £P.7,200,350, while 4 reduced their capital from £P.81,089 to £P.73,054. The net total new capital during 1937 was £P.3,822,559.

17. There was an expansion in the export trade resulting in increased production of rice, cotton yarn and thread, chocolate and confectionery, medicinal preparations, and iron wire netting. This was, however, offset by the decrease in the local trade; and on the whole, the economic and industrial development of Palestine received a set-back during the year under review.

During the year, the Palestine shipping service between Haifa and Trieste was suspended, and an Air Service was inaugurated.

18. The following table shows the increased imports of yarn in 1937, as compared with 1936:—

Imports.	*1936.*		*1937.*	
	Kilos.	*Value.*	*Kilos.*	*Value.*
		£P.		£P.
Silk and artificial silk yarn	103,570	40,747	165,641	60,741
Cotton yarn	430,302	55,470	558,317	80,833
Woollen yarn	63,401	32,253	118,971	63,505
Cotton, raw and waste...	535,215	27,581	820,075	44,501
Wool, raw and waste ...	4,720	319	24,137	1,525
Total	1,137,208	156,370	1,687,141	251,105

19. There was a considerable increase in the imports of raw materials used for the extraction of oil, as shown in the following comparative table for the years 1936 and 1937:—

Imports.	*1936.*		*1937.*	
	Tons.	£P.	*Tons.*	£P.
Copra	2,506	36,979	2,180	44,872
Sesame and gingelly seeds	1,338	20,715	1,452	24,407
Linseed	1,208	12,979	1,119	13,963
Sunflower seed ...	9,070	68,591	9,769	78,840
Groundnuts, shelled ...	8,488	108,647	15,783	226,382
Total ...	22,610	247,911	30,303	388,464

Building Activity.

20. There was a further decline in the building activity during 1937. The following table shows the approximate cost of private, commercial and industrial buildings in the four principal towns during the years 1936 and 1937:—

	1936. Value. £P.	*1937. Value.* £P.
Haifa	2,171,900	1,757,300
Jaffa	166,200	125,500
Jerusalem	1,384,900	844,000
Tel-Aviv	1,567,000	1,034,000

There were, however, considerably increased imports of building materials during 1937, as shown in the following comparative table for the last five years. These increases may be attributed to the replenishment of depleted traders' stocks and the accumulation of stocks in anticipation of price rises.

Imports.	*1933.*	*1934.*	*1935.*	*1936.*	*1937.*
	£P.	£P.	£P.	£P.	£P.
Timber and wood for building	253,767	460,410	500,137	202,569	403,111
Iron bars, angles, rods and girders	240,096	520,604	614,407	289,707	384,985
Sanitary ware	66,041	177,999	130,199	119,350	127,168
Electrical fittings and insulated tubes and pipes ...	59,559	100,609	133,457	91,581	114,903
Cement	88,328	267,624	288,968	133,328	145,753
Paints and colours	39,339	57,664	64,150	41,257	61,494
Plate glass and window glass	34,431	58,419	68,041	32,831	46,569
Tiles and bricks	34,443	88,334	125,483	61,752	83,334
Door and window fittings* ...	40,000	60,000	69,510	32,172	39,979

* Figures in respect of 1933 and 1934 are approximate.

Citrus Trade.

21. The date of the commencement of the export season 1937-8 for oranges was 20th November, 1937. During the year 1937, 10,156,078 cases of oranges and 1,747,790 cases of grapefruit were exported, as compared with 5,714,969 and 878,161 cases, respectively, during 1936.

Imports.

22. The total value of imports for home consumption in 1937 was £P.15,903,666, an increase of £P.1,924,643, as compared with the preceding year. Increased values of imports, shown for almost every commodity, can be accounted for by the replenishing of traders' stocks which had been depleted as a result of decreased purchasing during the disturbances of 1936; by appreciated commodity prices; by accumulation of stocks in anticipation of further price rises and partly by

distribution during 1937, according to commodities, of imports by Government, N.A.A.F.I., 'Iraq Petroleum Company and other institutions entitled to exemption.

There were increases amounting in each case to more than £P.100,000 in the imports of wheat, wood for building, seeds, beans and nuts for expressing oil, iron and cast iron pipes and fittings, electrical goods, industrial machinery, prepared wood for citrus cases, cotton piece goods, apparel of all sorts, motor cars and trucks, and paper for printing and packing. Other articles showing great increases are coal (£P.86,000), fuel oil (£P.80,000), iron bars, angles, rods and girders (£P.95,000), iron sheets, black and galvanised (£P.70,000), cotton, silk and woollen yarns (£P.77,000), woollen tissues (£P.86,000), and silk tissues (£P.92,000).

There were decreased imports of barley because of the heavy local crops, and of poultry and fresh fruits, indicative respectively of the development of the poultry industry and of horticulture.

23. The following table shows the principal commodities imported during 1936 and 1937:—

Commodity.	*Unit.*	*1936.*		*1937.**	
		Quantity.	*Value.*	*Quantity.*	*Value.*
			£P.		£P.
Barley	Ton	33,673	167,414	12,143	80,015
Rice	,,	17,946	162,369	20,104	202,088
Wheat	,,	21,536	205,454	37,164	364,844
Wheat flour	,,	30,630	352,727	27,317	416,376
Cattle for slaughtering (oxen, cows, and calves)	No.	32,660	332,763	26,443	329,574
Sheep and goats	,,	337,037	303,303	305,144	275,045
Eggs	1,000	91,225	190,081	92,909	182,529
Fish in brine, dry, salted, fresh, and tinned ...	Ton	4,894	164,902	5,250	178,425
Poultry, alive	1,000	1,920	161,741	1,261	89,070
Butter	Ton	2,492	224,579	2,422	234,731
Fruits, fresh	,,	14,067	246,169	13,961	184,514
Coffee	,,	1,238	55,869	1,745	83,274
Sugar	,,	26,423	194,500	24,123	201,552
Potatoes	,,	17,604	105,266	17,695	85,411
Coal	,,	38,949	55,112	96,123	141,368
Wood for building ...	M^3	90,036	202,569	138,988	403,111
Seeds, beans and nuts for expressing oils	Ton	22,660	248,420	30,313	388,629
Fuel oil	,,	81,958	178,836	87,922	258,699
Paving tiles	M^2	258,468	52,170	334,958	70,394
Sanitary ware	—	—	119,350	—	127,168
Cement	Ton	69,567	133,328	69,877	145,753
Iron bars, angles, rods, and girders	,,	36,188	289,707	40,500	384,985
Iron and cast iron pipes, and fittings thereof ...	,,	15,146	221,358	19,808	336,106

Commodity.	Unit.	1936.		1937.*	
		Quantity.	Value.	Quantity.	Value.
			£P.		£P.
Dental, medical, surgical, and optical instruments and appliances	—	—	86,343	—	76,615
Radios and parts thereof	—	—	64,957	—	79,348
Refrigerators and parts thereof	—	—	72,749	—	54,545
Electrical goods and fittings	—	—	207,921	—	333,443
Agricultural machinery ...	—	—	39,435	—	49,715
Industrial machinery ...	—	—	555,348	—	711,326
Wood prepared for citrus cases	M³	74,855	257,081	105,988	462,578
Plywood	Ton	3,195	60,389	3,283	65,679
Yarn, cotton, silk, and woollen	Kilo	597,273	128,470	842,929	205,079
Cotton piece goods ...	,,	2,497,170	305,896	3,023,346	444,110
Woollen tissues	,,	287,956	180,252	411,649	266,011
Silk tissues	,,	353,475	153,245	565,592	245,697
Apparel, all sorts... ...	—	—	408,183	—	521,767
Drugs	—	—	126,928	—	133,548
Benzine	Litre	45,400	209,265	56,506	231,529
Kerosene	1,000	59,602	189,230	60,841	189,409
Lubricating oil and grease	Ton	2,682	50,200	4,021	71,236
Upper leather	Kilo	148,269	68,240	185,816	96,517
Motor cars and motor trucks	No.	984	190,726	1,564	321,529
Parts and accessories of motor cars and motor trucks	—	—	64,649	—	95,130
Rubber tyres and tubes...	Kilo	408,182	56,384	699,069	104,263
Chemical fertilisers ...	Ton	9,687	71,815	14,698	128,719
Maize	,,	8,446	42,315	14,514	90,807
Asphalt	,,	9,737	56,805	15,187	91,938
Iron sheets, black and galvanised	,,	4,230	51,038	6,211	120,369
Paints, colours, varnishes, lacquers, and ochre ...	,,	1,228	41,257	1,731	61,494
Tanned hides and sole leather	Kilo	341,576	34,358	551,071	69,697
Paper for packing citrus fruit	Ton	1,607	30,684	3,387	91,018
Paper, printing, and packing	,,	6,607	91,987	9,721	196,583
Stationery...	—	—	45,414	—	65,238
Used personal effects ...	—	—	555,975	—	319,151
Government stores ...	—	—	793,029	Distributed according to commodities.	
Military stores	—	—	232,862		
N.A.A.F.I. stores... ...	—	—	58,955		
'Iraq Petroleum Company stores	—	—	203,196		

* Includes imports by Government, Military, N.A.A.F.I., I.P.C., and other institutions entitled to exemption.

Exports.

24. The value of exports of Palestine produce amounted to £P.5,819,779 in 1937, an increase of £P.2,194,546 over the preceding year, primarily due to increased exports of citrus fruit, which amounted to £P.4,329,703 in 1937, as compared with £P.2,853,946 in 1936, an increase of £P.1,475,757.

Large exports of local produce as a result of the good crops and increased exports of locally manufactured articles accounted for an increase in 1937 of approximately £P.600,000 over 1936. The principal commodities showing increases were barley, maize, sesame seed, rice, cake and meal for feeding animals, olive and other edible oils, hides and skins, confectionery, cotton yarn and thread, potash, and soap. In 1937, exports of metal scrap amounted to £P.95,349, an increase of £P.85,961 over 1936.

There were slightly decreased exports of melons and water melons, fresh vegetables, wines, and wearing apparel other than socks and stockings.

A table showing the principal exports of local produce and manufacture during the last five years is set out below:—

Commodity.	*1933.*	*1934.*	*1935.*	*1936.*	*1937.*
	£P.	£P.	£P.	£P.	£P.
Barley	570	19,270	421	1	56,650
Lentils...	1,556	744	3,384	566	5,954
Maize	2,376	4,734	14,792	6,448	53,317
Rice	—	—	—	4,288	57,573
Wheat	827	1,857	1,000	57	9,762
Cake and meal of meat, fish, etc., for feeding animals	7,654	14,637	9,630	2,205	37,937
Citrus fruit	2,090,334	2,672,603	3,550,735	2,853,946	4,329,703
Grapes...	2,538	2,346	1,368	697	2,098
Melons and watermelons	20,643	30,003	30,869	20,138	16,065
Almonds, unshelled ...	5,685	1,584	2,278	2,875	3,459
Vegetables, fresh ...	9,575	6,031	5,589	9,600	6,413
Fruit juices	6,793	6,751	9,145	8,589	9,924
Brandy and cognac ...	2,206	5,721	852	2,671	1,842
Wines	22,270	23,214	20,551	20,000	18,689
Biscuits and cakes ...	1,517	1,256	1,007	1,143	1,219
Passover bread ...	2,292	1,903	1,924	1,636	1,909
Chocolate	548	266	548	941	4,594
Fish, fresh and frozen	1,972	2,538	5,277	4,500	3,574
Olive oil, edible ...	20,786	18,687	32,787	26,223	91,067
Oils, edible, other ...	27,071	35,978	23,808	51,129	112,400
Olive oil, other than edible	—	—	570	3,482	8,501
Olives, fresh and preserved	640	555	2,008	1,208	1,870
Confectionery and sweets	2,118	1,489	7,117	15,147	21,895
Sulphur	—	8	377	1,582	2,585
Metalliferous ores and scrap	2,337	6,762	4,993	9,388	95,349
Wool, raw	1,241	1,088	1,961	6,323	12,767
Animal grease ...	339	221	696	2,417	3,325
Sesame seed	2,872	8,455	16,827	4,877	28,321

Commodity.	*1933.*	*1934.*	*1935.*	*1936.*	*1937.*
	£P.	£P.	£P.	£P.	£P.
Hides and skins, undressed	14,865	22,845	48,466	108,524	189,712
Bones and horns ...	87	76	178	255	1,563
Fenugreek (Hilbeh) ...	1,211	2,287	1,666	864	1,703
Animal hair	164	129	192	1,329	1,405
Intestines	8,125	13,326	24,531	17,943	24,031
Seeds, agricultural ...	425	466	396	346	1,171
Cement	14,063	1,700	2,650	765	1,640
Looking-glasses and mirrors	3,249	1,973	2,775	1,311	1,907
Iron wire, all kinds ...	—	267	103	464	3,176
Aluminium domestic ware...	—	2,053	2,665	3,186	4,820
Razor blades	—	23	21	—	977
Electrical goods and apparatus	245	510	384	202	1,152
Furniture	990	624	1,062	997	2,025
Olive wood manufactures	1,726	1,691	8,435	1,928	3,952
Cotton yarn and thread	2,333	1,931	1,678	19,298	40,574
Cotton piece goods ...	45	45	49	177	4,145
Artificial silk crepe and tissues	11	30	4,668	4,299	8,254
Socks and stockings ...	11,584	8,920	11,095	7,533	10,378
All other wearing apparel	26,959	38,124	63,459	47,449	34,460
Bromine	21,560	22,600	18,751	35,097	48,269
Potash...	54,693	56,724	80,231	132,857	174,672
Drugs	1,016	632	531	816	1,743
Chemicals, other ...	840	994	737	3,194	4,505
Flavouring essences and other essential oils	3,923	7,447	6,360	13,685	20,003
Soap	79,342	71,532	79,311	53,798	76,296
Leather handbags, purses, wallets, portfolios, and belts ...	7,249	6,035	6,731	4,006	5,724
Paper and cardboard, and manufactures thereof	1,668	4,142	5,011	4,430	26,810
Antiquities	2,566	701	1,240	492	1,660
Books	4,129	3,217	9,609	8,543	11,086
Buttons	—	162	187	1,126	2,308
Curios and articles of piety	3,936	5,742	6,993	5,852	5,602
Jewellery, all kinds ...	2,622	1,819	2,000	1,205	1,996
Mother of pearl goods	8,634	6,877	3,778	5,310	6,513
Pictures, albums, and postcards	799	645	833	1,442	3,414
Stationery	4,620	989	1,066	330	1,320
Straw mats	618	530	982	2,007	1,476
Artificial teeth ...	23,674	28,585	33,762	32,200	34,431
Dentifrices	—	46	390	277	1,008
Perfumery and toilet preparations ...	338	740	1,998	2,303	3,654
Works of art	296	654	398	403	1,360

25. Value of Total Imports and Exports, 1933-7.

Imports.		*1933.*	*1934.*	*1935.*	*1936.*	*1937.*	*Increase over 1936.*	*Decrease under 1936.*
		£P.	£P.	£P.	£P.	£P.	£P.	£P.
Imports for home consumption	...	11,123,489	15,152,781	17,853,493	13,979,023	15,903,666	1,924,643	—
Goods in transit*	...	187,883	239,558	823,088	513,252	828,149	314,897	—
Imports of specie	...	145,306	273,430	521,900	157,490	403,927	246,437	—
Total	£P.	11,456,678	15,665,769	19,198,481	14,649,765	17,135,742	2,485,977	—

Exports.		*1933.*	*1934.*	*1935.*	*1936.*	*1937.*	*Increase over 1936.*	*Decrease under 1936.*
		£P.	£P.	£P.	£P.	£P.	£P.	£P.
Exports of Palestine produce	...	2,591,617	3,127,562	4,215,486	3,625,233	5,819,779	2,194,546	—
Goods in transit*	...	187,883	239,558	823,088	513,252	828,149	314,897	—
Exports from bond	...	48,285	49,047	68,445	84,904	115,075	30,171	—
Re-exports of foreign goods	...	319,302	283,946	300,671	642,293	636,092	—	6,201
Exports of specie	...	841,878	850,260	466,504	251,207	429,757	178,550	—
Total	£P.	3,988,965	4,640,373	5,874,194	5,116,889	7,828,852	2,718,164	6,201

* The figures for the years 1935 to 1937 include goods in transit from 'Iraq by the Trans-desert Motor Route.

26. Value of Imports and Exports, by Classes, 1933-7.

Imports.	*1933.*	*1934.*	*1935.*	*1936.*	*1937.**	*Increase over 1936.*	*Decrease under 1936.*
	£P.	£P.	£P.	£P.	£P.	£P.	£P.
Class I: Food, drink, and tobacco	2,425,817	2,902,093	3,646,877	3,939,350	4,147,841	208,491	—
Class II: Raw materials and articles mainly unmanufactured	836,485	1,076,894	1,322,846	971,813	1,607,888	636,075	—
Class III: Articles wholly or mainly manufactured	5,743,394	9,168,281	10,789,934	6,551,489	10,089,860	3,538,371	—
Class IV*:—							
Previous to 1937:—							
Animals, living, not for food	83,139	93,982	94,471	103,129			
Miscellaneous and unclassified, other... ...	2,034,654	1,911,531	1,999,365	2,413,242	—	—	2,413,242
1937:—							
Animals, living, not for food					58,077	—	45,052
Total	11,123,489	15,152,781	17,853,493	13,979,023	15,903,666	4,382,937	2,458,294

* In 1937, imports by Government, Military, Iraq Petroleum Company, and other institutions entitled to exemption, previously included in Class IV, were re-distributed (within the other classes) according to commodities.

Exports.	*1933.*	*1934.*	*1935.*	*1936.*	*1937.*	*Increase over 1936.*	*Decrease under 1936.*
	£P.	£P.	£P.	£P.	£P.	£P.	£P.
CLASS I: Food, drink, and tobacco	2,246,039	2,865,314	3,741,439	3,047,831	4,875,277	1,827,446	—
CLASS II: Raw materials and articles mainly unmanufactured	31,915	55,405	101,014	158,541	377,283	218,742	—
CLASS III: Articles wholly or mainly manufactured	306,092	294,243	370,184	417,078	564,996	147,918	—
CLASS IV* :—							
Previous to 1937 :—							
Animals, living, not for food	2,303	2,321	1,875	1,753			
Miscellaneous and unclassified, other... ...	5,268	279	974	30	—	—	30
1937 :—							
Animals, living, not for food					2,223	470	—
Total	2,591,617	3,217,562	4,215,486	3,625,233	5,819,779	2,194,576	30

* In 1937, exports other than Animals, living, not for food, were re-distributed (within the other classes) according to commodities.

Area of Palestine : 10,429 sq. miles (27,009 km.²).

Calendar year.	Estimated Population at mid-year.	Imports.		Exports.		Re-exports.		Transit to Syria.		Transit from Syria.	
		Merchandise.	Specie.	Merchandise.	Specie.	Merchandise.	Specie.	Merchandise.	Specie.	Merchandise.	Specie.
		£P.	£P.	£P.	£P.	£P.	£P.	£P.	£P.	£P.	£P.
1932 ...	1,052,872	7,768,920	155,501	2,381,491	1,505,952	243,607	—	16,024	—	19,056	—
1933 ...	1,104,884	11,123,489	145,306	2,591,617	841,878	319,302	—	8,996	—	3,050	—
1934 ...	1,171,158	15,152,781	273,430	3,217,562	850,260	283,946	—	12,284	—	892	—
1935 ...	1,261,082	17,853,493	521,900	4,215,486	466,504	300,671	—	5,131	—	778	—
1936 ...	1,336,518	13,979,023	157,490	3,625,233	251,207	642,293	—	2,353	—	251	—
1937 ...	1,383,320	15,903,666	403,927	5,819,779	429,757	636,093	—	1,624	—	741	—

27. Imports, by Countries, during 1936 and 1937.

Country of Origin.	*1936.*		*1937.*	
	Value. £P.	*Percentage of total Imports, 1936.*	*Value.* £P.	*Percentage of total Imports, 1937.*
United Kingdom	2,775,912	19·85	2,518,669	15·84
British Possessions... ...	596,959	4·27	731,331	4·60
Austria	181,490	1·30	151,907	0·95
Belgium	381,909	2·73	495,372	3·11
Bulgaria	128,467	0·92	193,275	1·22
China	77,649	0·56	117,304	0·74
Czechoslovakia	421,385	3·01	473,527	2·98
Denmark	78,926	0·57	83,710	0·53
Dutch East Indies	70,322	0·50	90,556	0·57
Egypt	514,111	3·68	630,520	3·96
France	213,756	1·53	270,099	1·70
Germany	2,039,566	14·59	2,628,226	16·53
Holland	227,002	1·62	229,779	1·45
Hungary	126,651	0·91	116,438	0·73
Iran	177,749	1·27	223,358	1·40
'Iraq...	156,172	1·12	361,160	2·27
Italy...	85,763	0·61	320,503	2·01
Japan	418,706	2·99	494,013	3·11
*Lithuania			131,682	0·83
Poland	428,779	3·07	475,269	2·99
Roumania	1,067,859	7·64	1,372,044	8·63
Russia	126,897	0·92	98,921	0·62
Sweden	97,824	0·70	125,646	0·79
Switzerland...	146,766	1·05	148,674	0·93
Syria...	1,401,484	10·02	1,374,450	8·64
Turkey	267,764	1·91	254,159	1·60
United States of America...	1,007,973	7·21	1,099,061	6·91
Yugoslavia	155,950	1·12	189,074	1·19
Other Countries	605,232	4·33	504,939	3·17
Total	13,979,023	100·00	15,903,666	100·00

* In 1936, Lithuania was included within "Other Countries."

28. Exports, by Countries, during 1936 and 1937.

Country of Destination.	*1936.*		*1937.*	
	Value. £P.	*Percentage of total Exports, 1936.*	*Value.* £P.	*Percentage of total Exports, 1937.*
United Kingdom	1,970,359	54·35	3,149,423	54·12
British Possessions	68,329	1·88	105,670	1·81
Belgium	67,167	1·85	177,344	3·05
Czechoslovakia	52,612	1·45	76,825	1·32
Denmark	45,174	1·25	58,709	1·01
France	47,517	1·31	139,422	2·39
Germany	131,022	3·62	106,094	1·82
Holland	198,956	5·49	324,825	5·58
Italy	2,788	0·08	77,505	1·33
Norway	53,931	1·49	80,153	1·38
Poland	136,406	3·76	157,384	2·70
Roumania	72,022	1·99	112,784	1·94
Sweden	125,560	3·46	155,447	2·67
Egypt...	62,964	1·74	99,243	1·71
Japan...	59,626	1·64	35,847	0·62
Syria	310,248	8·56	625,258	10·74
Turkey	53,743	1·48	114,656	1·97
United States of America ...	22,107	0·61	35,223	0·61
Other Countries	144,702	3·99	187,967	3·23
Total	3,625,233	100·00	5,819,779	100·00

Re-exports.

29. The following table shows the principal commodities re-exported from Palestine during 1937:—

Serial No. of Customs Tariff.	*Commodity.*	*Unit.*	*Quantity.*	*Value.*
	CLASS I: FOOD, DRINK, AND TOBACCO.			£P.
1	Barley	Kilo	160,000	1,062
20	Wheat, hard (triticum durum) ...	,,	79,000	618
45	Sheep and lambs	No.	1,015	857
50	Eggs, in shell	,,	359,280	862
57	Apples	Kilo	125,926	3,767 —
71	Fruits, fresh, n.e.s.	,,	44,956	1,611
89	Ale, beer, and stout	Litre	63,582	2,039
197	Cigarettes	Kilo	12,600	9,822 —
	All other articles of CLASS I ...	—	—	12,008
	Total CLASS I	—	—	32,646
	CLASS II: RAW MATERIALS AND ARTICLES MAINLY UNMANUFACTURED.			
226	Wood and timber, other	M^3	1,012	4,211 —
262	Hides and skins of sheep and goats, raw and dried	Kilo	17,500	2,565
265	Fur skins, raw	,,	2,169	2,504
	All other articles of CLASS II ...	—	—	1,795
	Total CLASS II	—	—	11,075
	CLASS III: ARTICLES WHOLLY OR MAINLY MANUFACTURED.			
348	Iron pipes, other	Kilo	1,012,900	14,829 —
349	Iron pipe fittings and drawn tubes	,,	344,599	5,530 —
360	Iron and steel manufactures ...	—	—	3,390
366	Brass and copper sheets and bars ...	Kilo	17,812	1,126
404	Metals wrought and manufactured, other, n.e.s.	—	—	997
412	Cinema film, synchronised with sound on film	Kilo	5,533	11,100 —
419	Medical, optical, and veterinary instruments	—	—	7,116 —
420	Photographic apparatus and cameras and parts thereof, and materials and accessories	—	—	1,724
421	Scientific instruments and appliances, n.e.s.	—	—	884
423	Other tools and implements ...	—	—	3,486
433	Electric refrigerators and parts thereof	Kilo	14,720	2,260
434	Radios and parts thereof	,,	2,275	1,461
435	Electrical apparatus, n.e.s.	—	—	1,177
436	Electrical goods, other	—	—	4,013

Serial No. of Customs Tariff.	Commodity.	Unit.	Quantity.	Value.
	CLASS III—(*contd.*).			
437	Machinery, agricultural	—	—	2,048
438	Machinery, industrial and manufacturing	—	—	23,399
440	Machinery, electrical, for light and power	—	—	1,400
441	Machinery, marine	—	—	857
444	Machinery, pumping...	—	—	1,500
446	Component parts of exempted machinery	—	—	5,940
482	Cotton piece goods, grey, bleached, printed and dyed	—	19,537	3,052
488	Cotton manufactures, other, n.e.s....	—	—	694
490	Woollen tissues	Kilo	2,991	2,086
493/4	Silk and artificial silk yarn	,,	7,243	2,418
519	Other miscellaneous artificial silk tissues	,,	3,487	1,161
525	Other carpets of cotton, silk, wool or a mixture thereof	,,	3,064	1,772
544	Furs, prepared	—	—	2,244
559	Wearing apparel of wool, n.e.s. ...	—	—	1,562
564	Other wearing apparel of materials, n.e.s.	—	—	3,255
595	Drugs, raw and prepared	—	—	3,938
606	Lubricating oil and grease	Kilo	25,556	845
629	Upper leather, other...	,,	1,841	1,738
658	Aeroplanes and aerial gliders ...	—	—	1,505
666	Motor cars, omnibuses, lorries, and vans...	No.	66	11,847
668	Chassis and tractors	,,	9	3,023
669	Parts of motor vehicles and tractors	Kilo	38,692	9,449
671	Motor cycles and motor tricycles ...	—	—	1,914
675	Vehicles and parts, n.e.s.	—	—	1,140
679	Rubber tyres and tubes for mechanically-propelled vehicles	Kilo	15,786	2,750
694	Books	—	—	1,932
704	Used personal effects	—	—	72,409
740	Stationery	—	—	1,840
752	Goods manufactured, n.e.s. ...	—	—	326,620
	All other articles in CLASS III ...	—	—	30,847
	Total CLASS III	—	—	588,582
	CLASS IV: ANIMALS, LIVING, N.E.S.			
758	Horses...	No.	233	3,406
	All other animals, living, n.e.s. ...	,,	41	384
	Total CLASS IV	,,	274	3,790
	Total MERCHANDISE	—	—	636,093

30. During the year 1937, drawback was granted in respect of rough, raw or uncleaned rice, known as cargo rice or loonzain, used in the manufacture of cleaned rice and cleaned rice products exported from Palestine; and in respect of imported prepared wood or wood prepared in Palestine from imported boards or planks used in the manufacture of citrus cases exported from Palestine.

Price Movements.

31. Monthly index-numbers of wholesale prices and cost of living are shown below:—

1937.	*Wholesale prices. (Basis, corresponding month, 1935 = 100 per cent.)*	*Cost of living. (Basis, January, 1922 = 100 per cent.)*
January	118·3	62·4
February	117·0	61·0
March	115·9	59·7
April	115·7	61·4
May...	109·3	58·5
June	105·3	57·1
July...	103·8	57·7
August	101·4	58·5
September	101·3	58·4
October	101·5	58·2
November	100·0	58·5
December	98·1	57·7
Average	107·3	59·1

The average index-number of cost of living in 1937 was 59·1, as compared with 56·4 in 1936, an increase of 2·7 points, mainly due to the general increase in commodity prices.

48607

Changes in Rates of Import Duty during 1937.

32. The following are the changes in the rates of import duty made during 1937:—

Description of Article.	*Former Duty.*	*New Duty.*
Barley	3 mils per kilo	1 mil per kilo
Wheat, soft	Where the value per ton as determined by the Director of Customs, Excise and Trade under the powers vested in him, is :—	
	Rate of Duty.	
	£P. *Mils.* £P. *Mils.* £P. *Mils.* *Unit.*	
	8.000 or over ... 1.000 ton	
	7.750 or under 8.000 ... 1.250 ,,	
	7.500 ,, 7.750 ... 1.500 ,,	
	7.250 ,, 7.500 ... 1.750 ,,	
	7.000 ,, 7.250 ... 2.000 ,,	
	6.750 ,, 7.000 ... 2.250 ,,	Exempt
	6.500 ,, 6.750 ... 2.500 ,,	
	6.250 ,, 6.500 ... 2.750 ,,	
	6.000 ,, 6.250 ... 3.000 ,,	
	5.750 ,, 6.000 ... 3.250 ,,	
	Under £P 5.750 mils ... 3.500 ,,	
Wheat, hard	3 mils per kilo	Exempt
Maize	1 mil per kilo	Exempt
Cod liver oil	10 mils per kilo	Exempt
Barley	1 mil per kilo	Exempt

49807 Flour of wheat, crushed or ground wheat and semolina (including semoule).	Where the value per ton as determined by the Director of Customs, Excise and Trade under the powers vested in him, is :—	Where the value per ton as determined by the Director of Customs, Excise and Trade under the powers vested in him, is :—
	Rate of Duty.	*Rate of Duty.*
	£P. *Mils.* £P. *Mils.* £P. *Mils.* *Unit.*	£P. *Mils.* £P. *Mils.* £P. *Mils.* *Unit.*
	9.000 or over ... 3.500 ton	10.500 or over ... 2.000 ton
	8.750 or under 9.000 ... 3.750 ,,	10.250 or under 10.500 ... 2.250 ,,
	8.500 ,, 8.750 ... 4.000 ,,	10.000 ,, 10.250 ... 2.500 ,,
	8.250 ,, 8.500 ... 4.250 ,,	9.750 ,, 10.000 ... 2.750 ,,
	8.000 ,, 8.250 ... 4.500 ,,	9.500 ,, 9.750 ... 3.000 ,,
	7.750 ,, 8.000 ... 4.750 ,,	9.250 ,, 9.500 ... 3.250 ,,
	7.500 ,, 7.750 ... 5.000 ,,	9.000 ,, 9.250 ... 3.500 ,,
	7.250 ,, 7.500 ... 5.250 ,,	8.750 ,, 9.000 ... 3.750 ,,
	7.000 ,, 7.250 ... 5.500 ,,	8.500 ,, 8.750 ... 4.000 ,,
	6.750 ,, 7.000 ... 5.750 ,,	8.250 ,, 8.500 ... 4.250 ,,
	6.500 ,, 6.750 ... 6.000 ,,	8.000 ,, 8.250 ... 4.500 ,,
	6.250 ,, 6.500 ... 6.250 ,,	7.750 ,, 8.000 ... 4.750 ,,
	6.000 ,, 6.250 ... 6.500 ,,	7.500 ,, 7.750 ... 5.000 ,,
	5.750 ,, 6.000 ... 6.750 ,,	7.250 ,, 7.500 ... 5.250 ,,
	Under £P 5.750 mils ... 7.000 ,,	7.000 ,, 7.250 ... 5.500 ,,
		6.750 ,, 7.000 ... 5.750 ,,
		6.500 ,, 6.750 ... 6.000 ,,
		6.250 ,, 6.500 ... 6.250 ,,
		6.000 ,, 6.250 ... 6.500 ,,
		5.750 ,, 6.000 ... 6.750 ,,
		Under £P 5.750 mils ... 7.000 ,,
Millet	1 mil per kilo	Exempt
Sanitary fittings imported by local authorities for use in public latrines.	12 per cent. *ad valorem*	Exempt
Perfumery	25 per cent. *ad valorem*	500 mils per litre
14 Fire engines, other than those imported by municipalities, and motor vehicles forming part of fire engines.	12 per cent. *ad valorem*	Exempt

Description of Article.	*Former Duty.*	*New Duty.*
Fish landed in Palestine caught by fishing vessels other than of Palestinian ownership and register.	Exempt	5 mils per kilo
Ghee of Iraqui origin when imported by the direct Baghdad-Haifa trans-desert route.	10 mils per kilo	Exempt
Dates, fresh, of Iraqi origin imported by the direct Baghdad-Haifa trans-desert route.	1 mil per kilo	0·50 mils per kilo
Dates dried or compressed of Iraqi origin imported by the direct Baghdad-Haifa trans-desert route.	1·50 mils per kilo or 5 mils per kilo	0·50 mils per kilo
Rough rice (including paddy, loonzain and cargo rice) of Iraqi origin imported by the direct Baghdad-Haifa trans-desert route.	0·50 mils per kilo	0·25 mils per kilo
Clean rice, broken rice and rice flour of Iraqi origin imported by the direct Baghdad-Haifa trans-desert route.	1·50 mils per kilo	0·75 mils per kilo
Eggs	0·20 mil each	1st February to 30th June, 1 mil each 1st July to 31st January, 0·20 mil each.
Poultry, live and dressed	Exempt	25 mils per bird
Building material consigned to hospitals, asylums, etc.	Various rates	Exempt
Lentils, split	2·50 mils per kilo	3·50 mils per kilo
Shoes, wooden	150 mils per kilo	20 mils per pair
Calcium steerate	12 per cent. *ad valorem*	Exempt
Zambils	12 per cent. *ad valorem*	Exempt
Beer of Syrian or of Lebanese origin ...	Exempt	10 mils per litre

Wheat, soft and hard	Exempt	
Aeroplane engines; parts of aeroplanes, aerial gliders and aeroplane engines, when imported by the owner of an aeroplane or aerial glider in Palestine.	12 per cent. *ad valorem*	Exempt
Hard wheat (triticum durum)	Where the value per ton as determined by the Director of Customs, Excise and Trade under the powers vested in him, is :—	3 mils per kilo

Where the value per ton as determined by the Director of Customs, Excise and Trade under the powers vested in him is :—

£P. *Mils.*		£P. *Mils.*		*Rate of Duty.* £P. *Mils.*	*Unit.*
9.000 or over			...	Nil	Ton
8.750 or under		9.000	...	.250	,,
8.500	,,	8.750	...	.500	,,
8.250	,,	8.500	...	.750	,,
8.000	,,	8.250	...	1.000	,,
7.750	,,	8.000	...	1.250	,,
7.500	,,	7.750	...	1.500	,,
7.250	,,	7.500	...	1.750	,,
7.000	,,	7.250	...	2.000	,,
6.750	,,	7.000	...	2.250	,,
6.500	,,	6.750	...	2.500	,,
6.250	,,	6.500	...	2.750	,,
6.000	,,	6.250	...	3.000	,,
5.750	,,	6.000	...	3.250	,,
5.500	,,	5.750	...	3.500	,,
5.250	,,	5.500	...	3.750	,,
5.000	,,	5.250	...	4.000	,,
Under £P. 5.000 mils			...	4.250	,,

Description of Article.	*Former Duty.*			*New Duty.*
Hard wheat (triticum durum)—*continued*	£P. *Mils.*	£P. *Mils.*	£P. *Mils.* *Unit.*	
	9.000 or over	...	Nil Ton	
	8.750 or under	9.000 ...	.250 ,,	
	8.500 ,,	8.750 ...	.500 ,,	
	8.250 ,,	8.500 ...	.750 ,,	
	8.000 ,,	8.250 ...	1.000 ,,	
	7.750 ,,	8.000 ...	1.250 ,,	
	7.500 ,,	7.750 ...	1.500 ,,	
	7.250 ,,	7.500 ...	1.750 ,,	
	7.000 ,,	7.250 ...	2.000 ,,	
	6.750 ,,	7.000 ...	2.250 ,,	
	6.500 ,,	6.750 ...	2.500 ,,	
	6.250 ,,	6.500 ...	2.750 ,,	
	6.000 ,,	6.250 ...	3.000 ,,	
	5.750 ,,	6.000 ...	3.250 ,,	
	5.500 ,,	5.750 ...	3.500 ,,	
	5.250 ,,	5.500 ...	3.750 ,,	
	5.000 ,,	5.250 ...	4.000 ,,	
	Under £P. 5.000 mils	...	4,250 ,,	
White oil used in the preparation of a spray for the prevention or control of plant pests and diseases, provided that such oil is mixed under bond with such chemical denaturants as are approved by Government.	3 mils per kilo			Exempt 3 mils per kilo
Rubber latex	12 per cent. *ad valorem*			Exempt
Rubber, raw (including crepe)	12 per cent. *ad valorem*			Exempt
Palladium other than in coil	12 per cent. *ad valorem*			Exempt
Wooden hoops for cases	12 per cent. *ad valorem*			Exempt
Barley, where the value per ton is £P. 5.000 mils or under.	Exempt			1,000 mils per ton
Eggs in shell	1st February to 30th June, 1 mil each 1st July to 31st January, 0·20 mil each			1st December to 30th June, 1 *mil* each 1st July to 31st January, 0·20 *mil* each
Peas, canned, including inner containers	12 per cent. *ad valorem*			6 mils per kilo

Bassine (Palmyra fibre)	12 per cent. *ad valorem*	Exempt
Fittings and parts of fittings of metal, for wooden roller shutters.	12 per cent. *ad valorem*	30 per cent. *ad valorem*
Copper wire, plain or tinned	12 per cent. *ad valorem*	Exempt
Cinematograph films, synchronised with sound on special records.	500 mils per kilo	1,000 mils per kilo
Cinematograph films, synchronised with sound on films.	600 mils per kilo	1,200 mils per kilo
Artificial silk tissues :—		
Crepe :—		
(*a*) Unbleached, bleached or dyed in the yarn or the piece in one colour except with satin surface.	200 mils per kilo	200 mils per kilo*
(*b*) Other crepe	250 mils per kilo	250 mils per kilo*
(*c*) Remnants of (*a*) of less than two metres each piece in length.	140 mils per kilo	100 mils per kilo
(*d*) Remnants of (*b*) of less than two metres each piece in length.	175 mils per kilo	100 mils per kilo
Miscellaneous artificial silk tissues :—		
(*e*) Unbleached, bleached or dyed in the yarn or the piece in one colour except with satin surface.	120 mils per kilo	120 mils per kilo*
(*f*) Other miscellaneous artificial silk tissues.	130 mils per kilo	130 mils per kilo*
(*g*) Remnants of (*e*) of less than two metres each piece in length.	85 mils per kilo	100 mils per kilo
Acid citric	20 mils per kilo	Exempt
Rubber wells for fountain pens consigned to a manufacturer of fountain pens.	12 per cent. *ad valorem*	Exempt
Nibs for fountain pens consigned to a manufacturer of fountain pens.	Various rates	Exempt

* Or 35 per cent. *ad valorem*, whichever is the greater, in respect of these artificial silk tissues.

Shipping.

33. Number and tonnage of steam and sailing vessels entered and cleared in the foreign trade of Palestine during the years 1936 and 1937:—

		Entered.		*Cleared.*	
		1936.	*1937.*	*1936.*	*1937.*
Steam	Number	1,985	1,992	1,934	2,001
	Tonnage	4,976,026	4,817,329	4,754,455	4,849,637
Sailing	Number	1,053	1,545	1,050	1,509
	Tonnage	29,849	44,291	30,361	43,218
Total	Number	3,038	3,537	2,984	3,510
	Tonnage	5,005,875	4,862,120	4,784,816	4,892,855

		1936.	*1937.*
Total shipping dealt with	Number ...	6,022	7,047
	Tonnage ...	9,790,691	9,754,975

Business Names.

34. During 1937, 327 applications under the Registration of Business Names Ordinance, 1935, were received, thus bringing the total number of applications to 2,148. The sum of £P.137 was paid in fees.

Trade Marks.

35. Applications for registration of trade marks numbered 374 during 1937, bringing the total of applications filed to 4,850. The sum of £P.1,915 was paid in fees.

The following table shows the countries of origin of applications in the last five years:—

Country.	*Number of applications.*				
	1933.	*1934.*	*1935.*	*1936.*	*1937.*
Palestine	94	137	145	114	147
United Kingdom	37	144	255	107	63
Germany	56	44	206	68	66
United States of America ...	11	25	64	36	33
Switzerland	1	39	30	5	15
France	5	12	21	32	10
Holland	4	11	12	6	7
Hungary	5	11	4	1	4
Austria	3	9	13	4	1
Poland	1	6	9	4	1
Sweden	3	6	5	1	1
Italy	1	6	5	3	1
Egypt	8	5	46	10	2
Czechoslovakia	5	5	5	7	3
Portugal	—	4	1	2	1
India	—	4	1	—	—

Country.	Number of applications.				
	1933.	1934.	1935.	1936.	1937.
Japan	1	3	17	6	1
Denmark	2	2	5	2	1
Spain	1	2	—	1	—
Syria	—	2	8	2	3
Ceylon	—	2	—	—	—
Trans-Jordan...	—	2	—	—	1
Belgium	2	1	3	3	1
Australia	—	1	—	1	1
Lithuania	1	—	—	—	—
Roumania	1	—	—	—	—
Latvia...	—	—	2	1	—
South Africa	—	—	4	—	1
Finland	—	—	1	—	—
Trinidad	—	—	1	—	—
Norway	1	—	—	1	1
Canada	1	—	—	—	—
Tunis	—	—	—	3	—
Lebanon	—	—	—	—	4
Turkey	—	—	—	—	5
	244	483	863	420	374

Patents.

36. The number of patent applications in 1937 was 230 (of which 96 were from local residents), as compared with 264 in the previous year; and altogether 1,282 applications are now filed.

Receipts from fees amounted to £P.1,752. The main interest lies, as in the previous year, in the chemical and building industries.

Classification of Patents.

Subject Matter.	Number of applications received.
Chemical processes and apparatus...	29
Agriculture, farmyard, dairy appliances and manure	8
Machinery, gearing mechanisms, cocks and valves	7
Ammunition and firearms	2
Food preparation and preservation, filtering and purifying liquids	11
Cleaning, washing and ironing	2
Wearing apparel	1
Storage, containers, packing and wrapping	14
Building materials and elements; plastering; scaffolding ...	28
Distilling, separating and concentrating	6
Sanitary appliances	3
Cooking and baking	3
Cooling, refrigerators	4
Stone crushing	1
Electric machines and lamps	4
Radio and sound recording...	4
Electroplating	1
Dress fasteners	1

Classification of Patents—contd.

Subject Matter.	*Number of applications received.*
Ventilation	1
Manufacture of fuel	18
Furniture	5
Gas manufacture	2
Treatment of grain and seeds	2
Machine and hand tools	3
Heating apparatus, burners, lamp shades and lighters	14
Hollow ware and pipes	5
Hydraulic engineering, irrigation	10
Plastic compositions	9
Lifting and delivering machines	2
Road vehicles; railway	3
Medicine, surgery and dentistry	7
Scientific instruments	1
Paper manufacture	2
Photography, transparencies and cinema systems and films	5
Printing, typewriters, duplicators, stationery	8
Advertising	1
Toilet articles, perfumery	3
	230

Designs.

37. Forty-six applications for registration of designs were received during the year 1937, bringing the total number of applications to 174. Fees amounting to £P.25 were collected.

XXIV.—POSTS, TELEGRAPHS, AND TELEPHONES.

The increase in volume of business recorded in previous years continued in 1937 and despite disturbances and their adverse effect on trade and development in general the rate of growth was maintained.

2. *Revenue.*—Revenue amounted to £P.507,586 compared with £P.450,456 in 1936 and £P.409,173 in 1935.

The principal increases were as follows:—

	£P.
Telephones	40,320
Foreign Parcel Post	5,477
Telegrams	4,688
Wireless Receiving Licences	3,818
Miscellaneous	3,726

3. *Expenditure.*—Expenditure amounted to £P.394,936 compared with £P.342,580 in 1936.

The principal increases were:—

	£P.
Personal Emoluments	31,086
Conveyance of Mails	12,769
Maintenance Stores	2,219
Renewals Fund	5,158

The increase under Personal Emoluments was due to additional personnel having been engaged to cope with increased departmental activities and increments. In addition, the staff for the Broadcasting Service was required for the full year, whilst that service, having been inaugurated in March, 1936, was in operation for nine months only during that year.

The increase in the cost of the Conveyance of Mails was due to the fact that certain accounts for the carriage of mails in the international service were not received in time and payments due in respect of 1936 were as a consequence made in 1937.

4. The surplus of revenue over expenditure was £P.112,650 compared with a surplus of £P.107,876 in 1936.

The value of free services rendered to other Government Departments was £P.13,553 compared with £P.11,678 in 1936.

5. The total value of cash transactions was £P.1,859,297 compared with £P.1,783,113 in 1936.

Posts.

6. *Inland Mails.*—The inland mail services generally were maintained with regularity and in conformity with schedule.

There were seven services daily in each direction between Jaffa—Tel-Aviv and Jerusalem and three services daily between Haifa and the other three principal towns.

7. *Trans-Desert Mail.*—Bad weather in the opening and closing months of the year interfered on several occasions with the expeditious transport of the overland mails to 'Iraq.

8. *Overseas Mails.*—Increased use of the accelerated railway service from Syria *via* Anatolia afforded a quicker service to Europe and by the end of the year a considerable portion of the outgoing mails, more particularly for Eastern Europe but including Western Europe once weekly, was despatched by that route.

European mails arriving by the direct Trieste—Brindisi—Palestine service continued to be disembarked at Haifa throughout the year as the Company has not resumed the use of Jaffa as a port of call for its mail steamers.

9. *Air Mails.*—In addition to the existing air mail services the use of the Polish Air Service " Lot " for mails exchanged with Poland and the Italian air service " Ala Littoria " for mails with Italy three times weekly was commenced during the year.

The Dutch Air Service " K.L.M." augmented their flights from twice to three times weekly in October, while the " Lot ", which during the summer operated three services weekly, curtailed them in that month to once weekly. The additional services afforded the public the benefit of more frequent and expeditious services to most countries in Europe.

The summer air service to Cyprus by Misr Air Lines Company was in operation from the beginning of June to the end of September.

The total weight of air mails despatched to all destinations increased from 32,244 kilogrammes in 1936 to 34,674 kilogrammes in 1937, an increase of 7·5 per cent.

10. *Parcel Mails.*—The number of parcels received from overseas showed a slight increase compared with the previous year, and the number of parcels despatched showed a slight decrease.

11. *Registered and Insured correspondence.*—A sum of £P.37 was paid as compensation for loss or damage to registered and insured correspondence.

12. *Returned Letter Office.*—The number of undelivered items continued to decline substantially. Such items numbered 512,187 in 1936 and 125,008 in 1937. Over one-third were letters and postcards, and the remainder consisted of printed matter. Approximately 1,500 of the items were registered. The value of articles found in undeliverable correspondence was £P.2,194.913 of which £P.1,778.557 mils was represented by cheques and bills of exchange. The value of articles, other than cheques and bills of exchange, returned to the senders amounted to £P.326.189 mils, whilst the balance of £P.90.167 mils remained unclaimed and undelivered owing to inadequate address.

13. *New Post Offices and Postal Agencies.*—A Post Office was opened at Lydda Airport; a Postal Agency at Shekhunat Montefiori and the Postal Agencies at Khan Yunis and Kinnereth were converted into departmental Post Offices.

The number of licensed postage stamp vendors was 258 at the end of the year, an increase of 15 as compared with 1936.

Telegraphs.

14. *Traffic.*—There was a decrease of over 15 per cent. in the total number of telegrams transmitted during the year.

Notwithstanding this decrease, however, telegraph revenue increased from £P.27,446 in 1936 to £P.32,154 in 1937.

15. *Telegrams in Arabic and Hebrew script.*—The acceptance and delivery of telegrams written in Arabic characters was introduced at Roshpina last year, and the acceptance and delivery of telegrams in Hebrew characters was further extended to Shekhunat Borochov, Kiryat Haim, Magdiel, Tel-Mond and the branch Post Office at Herzl Street, Tel-Aviv (see paragraph 18, page 270 of the Report for 1936).

16. Teleprinters were installed in Jerusalem and Lydda Airport for traffic in connection with the newly-opened Marine and Aeronautical Wireless Stations. Working proved to be satisfactory.

A teleprinter multicommunication service consisting of a Telex exchange and 10 stations was installed for the Department of Police and Prisons in Jerusalem.

The primary batteries hitherto used for Jerusalem Central Telegraph Office were replaced by a Universal Battery of secondary cells.

Telephones.

17. During the first six months of the year, applications for telephone service were received at a high rate, averaging 160 per month. On account of uncertain trade conditions, this rate declined during the second half of the year to an average of 117 per month. Altogether 1,663 applications were received. This figure is the highest so far recorded in any one year.

18. Considerable progress was made in the larger towns in reducing the long waiting lists of applicants for telephones which have been a constant feature of the service since 1933. In the principal towns all arrears of applications were cleared, but in Tel-Aviv there were still some 600 applicants awaiting connection at the end of the year. The greater portion of these will be dealt with when the Tel-Aviv automatic exchange is brought into service early in February, 1938, whilst the remainder will be accommodated later in the year, when the first extension to the automatic exchange is ready.

There were 1,858 additional exchange lines installed and 482 recovered, representing a net increase of 1,376 lines. The number of telephone stations increased by 2,368. These increases are the largest yet recorded in any one year.

19. *Revenue and Traffic.*—Telephone revenue increased from £P.165,141 in 1936 to £P.205,461 in 1937.

Local calls amounted to 36,673,196, showing an increase of nearly 6,000,000 over the previous year's figure.

Trunk calls did not show an appreciable increase over the year 1936. Trunk traffic during the year 1936 was abnormal, due to the considerable use made of the trunk service by officers of Government and His Majesty's Forces during the disturbances. There was however an increase of 28 per cent. in the number of trunk calls during 1937 over 1935.

A number of additional trunk circuits was provided, notably three between Haifa and Beirut, thereby increasing the number of speech channels between those towns to six. Requirements generally, however, could not be met by additional physical circuits, owing to the already overloaded condition of overhead routes.

20. *New Exchanges.*—New exchanges were established at Givat Brenner, Lydda Airport and Ramatayim, with continuous service at the two last named.

21. *Conversions to Automatic Working.*—Automatic exchanges were provided in replacement of manual exchanges at Hertsliya, Kefar Saba and Jericho.

22. *Provision of Continuous Service.*—During the year continuous service was provided at Hebron and Ra'anana exchanges, where attendance had been previously limited to the day time. A similar extension of service was effected at Hertsliya and Jericho by conversion to automatic working. At Kinneret exchange service was extended from five hours to 12 hours daily.

23. *Telephone Kiosks.*—The number of street kiosks affording call office service at all hours of the day and night was increased from four to 17. The use made of the facilities justifies further extension, and sites for 20 additional kiosks have been selected.

24. *Commercial Transmitters and Receivers.*—Four commercial transmitters were installed at Ramallah and the erection of two 150-foot aerial towers was completed. Two of the transmitters are for Aeronautical Services, one for Marine service and one for the Police. The associated receivers for Aeronautical and Marine Services were installed at Lydda Airport and the transmitters are remotely controlled from there. The Police receiver was installed in Jerusalem, whence the transmitter is also remotely controlled.

Engineering.

25. *External Plant.*—Telegraph and telephone lines were maintained in a satisfactory working condition throughout the year. A great deal of work, however, was necessary to restore the trunk lines to full normal transmission quality owing to the extensive sabotage during the disturbances of 1936. Plant was wilfully damaged on several occasions during the year under review, but service was restored in all cases, with little delay.

Satisfactory progress was made in laying main local cables and ducts in the principal and a number of the smaller towns.

26. *Internal Plant.*—Extensions and alterations of a radical nature were carried out to Haifa and Jaffa Central Battery Exchanges to provide for additional trunk and subscribers' lines and junctions to Urban Automatic Exchanges. In Jaffa the equipment of three local positions was converted for coder call indicator (lamp display panel) working, for the accommodation of incoming junctions from the new Automatic Telephone Exchange in Tel-Aviv.

The equipment in 12 telephone exchanges was completely replaced by reconditioned magneto and Central Battery equipment which had formed part of the exchange in Jerusalem superseded by the present provisional exchange in 1936. The largest

of these exchanges, consisting of two trunk and two local positions completely redesigned and rebuilt, was installed in Tiberias and resulted in a marked improvement in the service there.

Main Automatic Exchanges were installed during the year in Jerusalem and Tel-Aviv. The installation of Tel-Aviv, together with junction equipment to Jaffa Manual Exchange, was completed before the end of the year and only the testing of equipment and actual change over remained to be carried out, while in Jerusalem the work of installation on an exchange initially equipped for 3,500 lines made satisfactory progress. The work in both exchanges was carried out by the Department's staff under the supervision of the contractor's representative.

Classes were formed in both Jerusalem and Tel-Aviv for the staff and lectures dealing with the principles and details of Automatic Telephony were given by officers of the Department.

Broadcasting.

27. The broadcasting service gave programmes for five hours daily, in English, Arabic and Hebrew.

The programmes of other Broadcasting organisations were relayed on 64 occasions. The most notable and successful rebroadcasts were those of the Coronation Ceremony on 12th May and His Majesty's address to the peoples of the Empire on Christmas Day. Other outstanding programmes included the reading of a brief summary of the principal recommendations of the Royal Commission on Palestine and religious services on the occasion of Moslem and Christian festivals. Musical and dramatic programmes were also arranged specially on behalf of the Palestine citrus industry.

Outside broadcasts were undertaken on 65 occasions, including outside broadcasts for the British Broadcasting Corporation, the Whitehall Broadcasting Corporation, the Canadian Broadcasting Corporation and the National Broadcasting Corporation.

Village receiving-sets were installed and maintained in 86 villages.

The number of licensed listeners increased from 20,400 in 1936 to 28,516 in 1937.

XXV.—AGRICULTURE, FORESTS AND FISHERIES.

1. The conditions of drought experienced in the preceding year were fortunately not repeated in 1937, and it is possible to describe the year as having been a distinctly good one for the agricultural community. Yields from cereal, forage and vegetable crops were on the whole much above the average over the greater portion of the country, with a fair though not a good return from leguminous crops.

2. Crops of maize, sesame and durra from all parts of the country gave the highest returns recorded for some years. The olive crop was the heaviest picked for some years and berries contained a high percentage of oil.

3. There were, however, exceptions in some sub-districts to the generally excellent winter crops. On the plains of the Acre sub-district, heavy flooding caused a loss; in the central regions of the Judean hills cold dry conditions in the spring kept cereals backward, and although early in the season there were excellent prospects of heavy yields in the eastern and southern parts of Beersheba, late rains failed to appear. The water-melon crop, which is of considerable importance to the country, was a heavy one.

4. The yields of the major crops of the country in 1937, compared with those of the preceding three years, are given in the following table:—

	1934.	*1935.*	*1936.*	*1937.*
	Tons.	*Tons.*	*Tons.*	*Tons.*
Wheat	85,171	104,353	76,059	127,420
Barley	70,308	68,905	55,169	75,417
Melons and Water Melons ...	36,447	68,799	81,335	102,859
Lentils	2,176	2,698	2,379	3,830
Durra	46,830	46,135	22,122	61,023
Sesame	2,658	6,914	1,847	9,317
Olive Oil... ...	1,329	9,018	3,150	9,600
	1933–34.	*1934–35.*	*1935–36.*	*1936–37.*
Citrus Exports (cases)... ...	5,526,097	7,330,846	5,897,310	10,786,365

5. In a few instances applications for the remission of the rural property tax were considered, and it became necessary to issue a loan to Beduin in the southerly region of Beersheba towards the close of the year. Abnormally heavy floods had caused considerable damage, accompanied by loss of life, to property and stored grain.

6. Although the grain harvest of 1936 had not been high there was at no time any shortage of tibn. Rough hillside grazing was fair during the spring, and combined with feed from the heavy stubbles, working and domestic stock have been in good condition throughout the year.

7. It is satisfactory to note that the agricultural community has been spared the depredations of endemic diseases in field crops in any extensive form save the annual attack of *Scythria temporatella*, the effects of which were nullified by the good rainfall.

8. The cultivation of potatoes continues to make satisfactory progress and the import by Government of several hundred tons of reliable seed potatoes for sale to farmers at cost price has increased the production from about a thousand tons in 1932 to nearly ten thousand tons in 1937.

9. Agriculture in Jewish Settlements has continued to progress on modern lines, and there is every indication that the Arab farmers are intensifying their holdings as far as is possible and making every effort to increase production from their farms.

10. The use of better agricultural implements both for cultural and harvest operations continues to progress in Arab villages. The Government agricultural stations and demonstration plots have served a very useful purpose.

11. There was a heavy demand for seed and seedlings from agricultural stations by Arab farmers. During the year over 1,000,000 seedlings and about 250 kilogrammes of seed were distributed gratis. From Agricultural Stations a total of 76 tons of cereals and 14 tons of leguminous grain was reaped, of which 82 tons were distributed gratis to farmers on repayment in kind after harvest time, and the balance sold. Work in connection with the improvement of natural pastures, hindered in 1936 owing to the disturbances, has been resumed and a rotational grazing plot in the Beersheba area has been established. A quantity of imported grasses from Australia is being tried out both in Beersheba and in the northern areas which are favoured with a higher rainfall.

12. *Loans for Development in the Hills.*—The scheme for the distribution of £P.50,000 by Government as long-term loans to hill villages has been proceeded with and during the year under review approximately 1,125 applications totalling £P.31,551 were approved by the Hill Loan Board, for the development of hill areas. Most of the loans are under £P.100 and have been approved for a period of five years, but where the loans exceed £P.100, the period of the loan has been extended normally to ten years, in order that the annual repayments of the loan should not be too onerous. So far, most of the loans have been for terracing hillsides and levelling rocky land, and their preparation for fruit-tree and vine planting.

13. The loan fund is administered by a Board consisting of three Government Officers, and both the officers of the District Administration and of the Department of Agriculture and Fisheries co-operate in the supervision of the work of development by the villages in the hills.

14. *The General Agricultural Council* held seven meetings during the year under review at which the various reports and recommendations of Committees appointed thereunder were

reviewed. On the recommendations of the Council, Government enacted legislation during the year to provide for the ownership of animal manure and to make further provision relating thereto. The poultry and egg industry has occupied an important place in the agenda of meetings of the Council and as a result a number of measures to stimulate the development of the industry have been taken, including the imposition of a duty on imported poultry, an increase in the existing duty on eggs during the period when local egg production is at its height, the abolition of the import duty on maize and cod-liver oil and a temporary reduction in the duty on imported barley. The Council has also given considerable attention to proposals for the control of bovine tuberculosis.

15. *The Citrus Fruit Committee* held 12 meetings during the year to deal, *inter alia,* with amendments to the rules relating to the export of citrus fruit. The more important changes which were adopted provided for the reinspection of fruit and the sanitation of groves and packing houses. Other matters dealt with by this committee included trade problems with certain importing countries, the advertising of citrus fruits, proposals for research to investigate the cause of wastage of citrus fruit during shipment to the United Kingdom, and the preparation of more comprehensive statistics and their more expeditious publication. A special sub-committee also considered the question of by-products and submitted a comprehensive report on the possibilities of developing an industry to utilize larger quantities of " cull " fruit. The advice and co-operation of the Citrus Fruit Committee has been most helpful to the Fruit Inspection Service in its endeavours to improve the standard and quantity of fruit exported.

16. *The Plant Protection Committee* held four meetings during the year. Careful consideration was given to the dangers of introducing into this country injurious pests and diseases carried by imported fresh vegetables and other plants. Recommendations have been made and are under consideration by the General Agricultural Council. Proposals have also been formulated, but have not yet been fully endorsed, to co-ordinate research work carried out by various private institutions in Palestine and the Government Plant Protection Service, in order to obviate any tendency to overlapping of work on research problems and to facilitate the dissemination of results by extension officers for the control of pests and diseases.

17. *The Agricultural Chemists Committee* held three meetings during the year to formulate a draft Fertilizer Ordinance and regulations thereunder, to protect farmers against adulteration of fertilizers. The draft Ordinance has been endorsed by the General Agricultural Council and is now under consideration by Government.

18. *The Committee on Agricultural Economics and Marketing* held four meetings during the year. It reviewed the position with regard to potato cultivation and as a result of its recommendations the period during which the higher Customs duty on imported potatoes exists was extended from 15th July to the 31st August. Proposals for increasing the import duty on cucumbers and other vegetables were also considered and recommendations submitted to a special Committee appointed by Government to consider the revision of the Palestine-Syria Customs Agreement of 1929. The Committee also examined and endorsed the recommendation of the Palestine and Egyptian Delegates, who had met in the summer of 1937 to discuss certain proposals to increase trade between Egypt and Palestine.

19. *The Agricultural Education Committee* held one meeting to consider the classification of agricultural schools in Palestine, with a view to the adoption of uniform conditions of entry, standards, syllabuses, and the award of diplomas and certificates.

Agricultural Education and Research.

20. The issue of a monthly publication on agricultural topics as a supplement to the Palestine Gazette has been continued, and talks to farmers were broadcast once a week in the Arabic and Hebrew languages from the Jerusalem studio of the Palestine Broadcasting Service.

Kadoorie Agricultural School, Tulkarm.

21. The School remained closed as a result of the generally unsettled conditions of the country until 20th October, 1937, when 48 students returned to the School out of the 60 who were dismissed in April, 1936. Of these 48, 25 have been given one term's instruction to enable them to complete the course which they had nearly finished when the School was closed. The remaining 23 will remain at the School three terms before taking their final examination.

22. A new Principal was appointed in February and the School staff was further strengthened by the creation of a new post of Vice-Principal, the appointment of a Science Master and a School Steward.

23. Developments on the school farm include an increase in the area under irrigated fodder and the introduction of several up-to-date implements into the farm equipment.

24. During the period of closure of the School, the syllabus was carefully studied and modified where necessary to meet the changing conditions in the country. Great attention is being paid to such subjects as Vegetable Production, Poultry and Bee-keeping, and Horticulture. During the first year of the course,

the student receives a thorough grounding in the sciences connected with agriculture and this part of the course has been made more comprehensive and more efficient by the appointment of a special Science Master with agricultural training. In the second year, the student goes on to receive further training in the production of crops and the management of stock, and is thus able to understand how the scientific principles which he has learnt during his first year may be applied in practice.

25. Since the re-opening of the School, the students have shown every desire to make the best of their time, while the numerous applications which have been received from prospective candidates indicate the importance which is attached to the two years' course by farmers and landowners for the further training and education of their sons.

Kadoorie Agricultural School, Mount Tabor.

26. Forty-two students completed their two-year course of instruction at the school. A slightly modified syllabus was prepared to enable students to attend classes one half of the day and work the other half in the field. In this way, practically all the farm work is done by the students under supervision of the instructors.

27. Scientific excursions were made during the year and were of great educational value to the students.

28. It is gratifying to record that the majority of the graduates have taken up agriculture as a profession. Some of them have formed a co-operative farm, and others work on the farms of their parents, or are employed on private farms. Four have specialized in Agriculture at foreign universities.

29. 420 dunums of land were sown to wheat, barley, hay and maize for silage. Four dunums were devoted to a summer vegetable garden.

1,164 forest trees of a dozen varieties and four dunums of oaks were planted and additional varieties of fruit trees were added to the area of the orchards and vineyards which remained at approximately 64 dunums. Over three tons of grapes, 250 kilogrammes of plums and 90 boxes of grapefruit were gathered and disposed of. Considerable quantities of home-grown vegetables and fruit were tinned or pickled.

30. The 41 head of cattle in the cow-byre were composed of 21 cows, 14 heifers, 5 calves and 1 bull. The average milk yield for crossed breeds (Freesian × Damascus) was 3,855 litres with a 3·73 per cent. fat content. Cream, butter, leben and cheese were prepared in the school dairy. The sheep flock at the end of 1937 numbered 77 ewes, 25 large female lambs and 3 rams. The average milk yield was 47 litres.

The poultry flock at the end of the year numbered 415 hens and 27 cocks. Culling has been carried out and has resulted in a marked increase in egg production.

The number of beehives at the end of 1937 was 22. Damage was caused by wasps, which were strenuously combated.

31. Generally the health of all livestock at the farm was good. Four cows which were affected with tuberculosis were slaughtered; and all the cows were free from contagious abortion.

Veterinary Service.

32. In general grazing was abundant throughout the year and the condition of livestock was satisfactory. As a result of the good early rains of this winter, grazing was available earlier than usual and there is every prospect that the present year will be a good one for livestock.

33. The following table gives a comparative statement of imports of various categories of stock for the years 1936 and 1937:—

	1936.	*1937.*
Cattle for slaughter	36,500	28,500
Sheep and goats	332,500	333,000
Horses, mules, camels and donkeys ...	22,600	22,300
Dairy cattle	2,150	500
Poultry	1,936,000	1,346,000

The considerable decrease in the number of dairy cattle imported during 1937, as compared with 1936, is mainly due to economic depression and a consequent check in the development of the dairy industry in Palestine. The decrease in the number of poultry imported is partly due to a decrease in demand and partly to the imposition of a duty on poultry imported by sea.

34. During the year, rules were published prescribing the conditions under which cattle, sheep and goats may be imported from the United States of America, while those rules applying to Hungary and 'Iraq were modified. The rules applicable to imports of poultry from Great Britain were also modified.

35. A survey of bovine tuberculosis was conducted during the year under review and it was ascertained that a considerable increase in its incidence has taken place since the last survey in 1928. Schemes for the control of the disease are now under consideration.

36. Foot-and-mouth disease broke out early in February, having been introduced from an adjacent territory by smuggled cattle. The disease here is of the mild type and causes relatively little damage.

37. Fourteen new herds were added during the year to those already under Government control for bovine contagious abortion, making a total of 117 herds which are being regularly tested. Of these, 101 herds have not had a positive case during the last six months. The value of those herds from which the disease was entirely eradicated has greatly increased and the disease among dairy herds is well under control.

38. Sixty-one outbreaks of anthrax were reported, involving 14,000 animals, of which 209 died and the remainder were treated by vaccination. Protective vaccination of sheep and goats was continued as last year in the Jerusalem District and over 30,000 sheep and goats were vaccinated. In settlements, annual protective vaccination is practised regularly with excellent results. To make protective vaccination compulsory in those areas where the majority of flock-masters are willing to meet the cost of such treatment, suitable rules were promulgated during the period under review.

39. Mortality among village livestock owing to tick-borne diseases was not considerable during the period under review due to the good condition of animals and their natural resistance. Losses among dairy cattle dipped regularly were negligible. Dipping of village sheep and goats in Government portable tanks and in permanent baths constructed by villagers with the assistance of Government was continued with satisfactory results.

40. Parasitic gastro-enteritis in sheep and goats was responsible for heavy losses during the winter season. Several sporadic outbreaks of sheep and goat pox were reported and satisfactorily suppressed by suitable segregation measures.

41. The blood-testing of 2,616 animals for dourine was carried out during the period under review and nine diseased stallions and 55 mares were thus detected. The stallions were castrated, while 16 mares were destroyed and their owners compensated. The remaining diseased mares were branded and their use for breeding purposes was prohibited.

42. Thirteen cases of epizootic lymphangitis and nine cases of glanders were detected and the affected animals were destroyed.

43. One hundred and sixty-nine cases of rabies were reported, 53 of which were diagnosed by laboratory examination, while the others were confirmed as cases of rabies by Government Veterinary Officers judging from clinical symptoms. Over 30,000 dogs and cats were destroyed with the assistance of the Police and Local Authorities as compared with 13,362 animals destroyed during the preceding year.

44. Towards the end of the year, arrangements were made to establish small animal dispensaries in rural towns, in charge of Stock Inspectors. At these dispensaries free treatment is given

to village animals for minor ailments and injuries under the supervision of Government Veterinary Officers. So far, 21 dispensaries have been established and some 3,000 animals were treated during the year.

45. During the early summer months the poultry industry was seriously threatened by an outbreak of fowl plague. By drastic quarantine measures and the slaughter of all birds exposed to infection, the outbreak was confined to certain localities only and did not spread. Over 6,000 head of poultry were destroyed. Apart from this outbreak the poultry industry continues to develop satisfactorily. In many newly established settlements the income from poultry farming is the main source of income and the majority of existing farms were enlarged. The sale of local eggs and table poultry is increasing annually and the development of the poultry industry is reflected in the increased sales of poultry produce. During the year 95,000,000 eggs and 1,400,000 live poultry were imported. High prices of foodstuffs and increasingly large imports of table poultry and eggs during the earlier part of the year caused a considerable amount of distress amongst poultry farmers. The industry was assisted by Government in the form of relief by reducing the import duty on maize and barley, by imposing a protective duty on imported fowls and by increasing the duty on imported eggs during the period February to June inclusive, when local egg production is at its height.

46. 65,000 hatching eggs, 5,000 day-old chicks, 2,275 pullets and hens, 2,025 cockerels, 140 turkeys and 115 rabbits were sold by Government Poultry Stations at production cost.

47. Bee-keeping continued to develop satisfactorily in both Arab villages and Jewish settlements. Populated modern hives are estimated to be about 25,000 and the yield of honey is estimated at 275 tons. The year's honey crop was below normal in the citrus areas but was normal in the field and mountainous regions. In order further to assist the bee-keeping industry 270 tons of duty-free sugar were imported and sold to bee-keepers by Government at cost price. 500 bee swarms were distributed from Government apiaries.

48. A successful refresher course was held for poultry farmers and a similar course for bee-keepers. The courses were attended by large numbers of students and lectures on both theoretical and practical subjects were given. These courses proved to be very beneficial and it is intended to repeat them.

49. *Government Stock Farm, Acre.*—Four Guernsey cows, one Arab stallion and one Large White sow were acquired for use at the Stock Farm during the year. 291 animals in all were locally bred on the Farm during the same period.

Sales of stock from the farm included 6 jackasses, 1 mare, 18 bulls, 4 cows, 80 pigs, 143 sheep and 195 goats.

Livestock improvement work continued during the year. Eight jackasses were at stud in different districts during the breeding season. The Government Arab and West Highland Pony stallions were also made good use of during the season. Forty-two Government bulls were issued on loan to villages. Government continued to grant premiums to owners of selected village bulls and jackasses who in return undertook to allow their animals to be used for general stud purposes in the neighbourhood. The castration of inferior village male stock continued at the same time. Six Damascus male goats were lent to villages for crossing with the local breed of goat and a considerable improvement was observed in the half-bred progeny.

A satisfactory cereal crop was harvested on the Stock Farm and green fodder was available throughout the year in abundance.

Horticultural Service.

50. Citrus exports for the season ending June, 1937, amounted to 10,790,110 boxes as compared with 5,897,310 boxes for the previous season. The crop consisted of 9,166,903½ boxes of oranges; 1,542,046½ boxes of grapefruit, 70,792 boxes of lemons and 10,368 of other citrus.

The United Kingdom continued to be the most important market, absorbing 7,610,845 boxes. Exports to Continental countries were 1,331,445 boxes more than in the previous year, those countries showing an appreciable increase in their imports of citrus from Palestine being Holland, Germany, Sweden, Poland, France, Belgium, Roumania, Norway, Czechoslovakia, and Finland.

51. The 1937-8 export season began on the 1st October for grapefruit and the 20th November for oranges. The fruit was more advanced in maturity than usual and 3,859,773 boxes of the new season crop had been exported by the 31st December. Prices for grapefruit were good at the beginning of the season but soon dropped below the cost of production and marketing. Orange prices were low throughout, large fruit being sold at a loss, and the medium and small sizes showing little or no profit.

52. In order to alleviate the difficulties of the citrus industry certain reductions in taxation were granted during the year, including a rebate on the Rural Property Tax on citrus groves from 825 to 500 mils per dunum, the exception from Customs duties of hoops for citrus boxes, and a drawback of 2½ mils per box for 1937-8 for wood used in their make-up.

53. The citrus fruit advertising programme for 1936-7 was carried out with satisfactory results in the United Kingdom, Continental countries, India, Palestine and Syria on a scale similar to that of the previous year and £P.20,400 was spent for this purpose. On account of the high percentage of non-exportable fruit available for local consumption the campaign in Palestine was intensified and advertising by means of the Palestine Broadcasting Service was carried out. The advertising fund had a credit balance of £P.9,950 at the close of the 1936-7 season, due to the fact that the crop was larger than estimated.

54. The advertising programme for 1937-8 will be conducted in the United Kingdom, 15 countries in Europe, India, Canada, Syria, Hejaz and Palestine, and will be based on a total expenditure of £P.38,664. Films and radio advertising on the Continent have been incorporated in the programme for the first time.

55. The Citrus Fruit Advertisement Ordinance, 1933, was amended so as to enable the fund to be used to finance any approved scheme designed to benefit the citrus industry, with the particular object of applying it to the financing of a scheme of research and investigation into the problem of wastage of citrus fruit exported from Palestine.

56. A first year's programme for an investigation into citrus fruit wastage has been drawn up and arrangements have been made for it to be carried out by the Department of Scientific and Industrial Research in the United Kingdom and the Jewish Agency Agricultural Research Station, Rehovot, Palestine, the cost being estimated at £P.3,167. This expenditure and that for citrus fruit advertising is to be paid from a fee of $3\frac{1}{2}$ mils collected on each box of citrus exported; there is thus no change in the rate of the fee collected under the Citrus Fruit Advertisement Ordinance.

57. The general survey of citrus groves which was commenced during the summer of 1936 was continued in 1937, and a total area of approximately 220,000 dunums has now been surveyed.

58. The nine Horticultural Stations continue to be maintained and the fruit orchards are making satisfactory progress. A number of investigations are being conducted, some of the more important being the vegetative propagation of deciduous stocks, a study of local stocks for deciduous fruits, methods of planting and cultivating bananas, and the effect of windbreaks on the quality and yield of oranges.

59. 100,000 vines and 106,036 fruit trees were raised in these stations during the year, for distribution to the public in the 1937-8 planting season.

60. The control of private plant nurseries was intensified in co-operation with the Plant Protection Service. Most of the owners applied for the renewal of their licences for the 1937-8 season; there were 42 licensed nurseries at the 31st December, 1937.

61. The olive crop was excellent. Picking commenced later than usual for the purpose of obtaining a higher percentage of oil. The use of combs for reaping the crop is becoming more general. Improved methods of picking are being practised on a small scale. The Horticultural Service continues to receive applications for a large number of trees.

62. The vine crop was above normal throughout the country with the exception of the Ramallah Sub-District, where frosts in March injured the young growth. Berry Moth and powdery mildew caused considerable losses; prices were low. *Phylloxera* continued to spread, particularly in the Ramallah, Haifa, Acre and Safad vineyards and efforts were made to induce growers to replace infected vines with plants grafted on American stocks, of which it is estimated that about 900,000 were raised in private nurseries, in addition to those in Government nurseries.

63. Bananas suffered heavy damage from frost in almost all areas. As a result there was a scarcity of bananas in the summer, with slightly increased prices.

64. The Viticultural Officer and the Horticultural instructors have been touring the country for the purpose of advising fruit growers particularly in connection with the grant of loans from Government to growers in the hill district, the distribution of fruit trees and the care and treatment of vineyards.

Plant Pathological Service.

65. There was an increased intensity in extension work. The return of an officer from England, where he had been under training, made possible the organisation of a system of instruction and demonstration which established a closer touch with the farmer than had formerly been the case. This has resulted in an awakening interest in pest control on the part of the farmers. Demonstrations in the control of pests of vines, figs, stone-fruit trees and vegetables were given in the hill villages and in Acre sub-district and in the Jewish Settlements. A conspicuous success was obtained in the control of *Prodenia lutura* (*Boisd*) a serious pest of *berseem* (Egyptian Clover) in the Emek. The results of the work on the bionomics of black scale in Acre and the Jordan Valley were published and similar investigations were started in Jaffa area.

66. Research on the Mediterranean fruit fly in the Jordan Valley was completed. Investigations into the pests of vegetables in the hills and of Mediterranean fruit fly in the hills has been begun.

Fisheries Service.

67. There are engaged in the fisheries of Palestine 1,155 whole-time fishermen and 350 part-time fishermen; 420 sailing boats and 10 motor boats. During 1937 the sea fisheries produced 1,742 tons, valued at £P.54,224 and lake fisheries amounted to 290 tons, valued at £P.8,400. Eighteen permits to land fish in Palestine have been granted to foreign fishing vessels.

68. The preventive work of the Fisheries Service in conserving the fisheries was strengthened by the enactment in February, 1937, of the new Fisheries Ordinance referred to in paragraph 80, page 290, of the Annual Report for 1936.

69. The penalties for taking fish by explosives were increased and provision has been made for the issue of licences to take sponges. No such licences were issued during 1937, but enquiries have been received for the issue of licences in 1938.

70. Twenty-eight persons were convicted of fishing by means of explosives or poisons. Two foreign fishing vessels were convicted of fishing within the territorial waters of Palestine. Under the new Fisheries Ordinance it is an offence to possess or expose for sale fish below a specified size of certain named species. Five convictions were obtained for contravention of this rule.

71. During the year experiments have been carried out by the Fisheries Service in co-operation with the fishermen to determine the minimum size of nets which will safeguard the fisheries and also secure an adequate return for the fishermen.

72. The developed work of the Fisheries Service has resulted in the formation of two new fishing companies for the purpose of operating motor trawlers. The Fisheries Service has carried on demonstrations and experiments to establish the best type of trawl nets for the local conditions. Work has been begun on the production of special fisherman's chart of Palestine on a scale of 1 in 100,000. The Northern sheet of this chart, from the northern frontier to Jaffa has been completed.

73. Experimental transplantation of carp has been carried out. The purpose of these experiments is to establish the best species and conditions for restocking the inland waters. At the same time the rate of growth and migration of the endemic fresh water species have been studied by means of marking experiments.

74. The collection and consolidation of statistical data concerning the fisheries has been greatly advanced during 1937. These data, which cover five years, permit the relative efficiency of different modes of fishing to be determined and thus serve as a valuable guide in the promotion of the development of fisheries.

75. A new Fisheries Committee, composed of 12 members of the public under the chairmanship of the Chief Fisheries Officer, was formed towards the end of the year to consider and advise Government on proposals for the improvement and development of the fishing industry. The matters dealt with by this Committee and its sub-committees include legislation, practical problems of trawl fishing, conditions and problems of inshore fisheries, the financial resources of the fishing industry, and import duties on fish. The formation of the Committee has filled a long-felt want and it co-operates fully with the Fisheries Service in their efforts to regulate fishing in the interests of the industry as a whole.

Meteorological Service.

76. The Meteorological Service now forms part of the Department of Civil Aviation, which is at present engaged in increasing the number of official meteorological stations from 10 to 22. At these stations readings of atmospheric pressure, temperature, relative humidity, cloud formation, wind velocity and rainfall are recorded by observers. In addition rainfall records are obtained by the Department of Civil Aviation from 75 non-official rainfall stations. To these are added records from the rainfall stations of the climatological net of the Hebrew University, Jerusalem, thus making available for monthly publication records from upwards of 150 rainfall stations. All meteorological information published by the Department of Civil Aviation is available for exchange with Meteorological Services abroad.

77. All records submitted by observers are now checked and, where necessary, corrected by the Meteorological section of the Department of Civil Aviation instead of in Cairo as was formerly the practice.

78. The rainfall at official meteorological stations up to the 31st December, 1937, as compared with that for the same period last year, is shown below:—

Station.	*1st June, 1936, to 31st December, 1936.* *Millimetres.*	*1st June, 1937, to 31st December, 1937.* *Millimetres.*
Acre	294·5	335·1
Beisan...	190·9	103·0
Beersheba	125·5	88·6
Beit Gemal	271·7	137·7
Gaza	220·2	173·2
Haifa	381·5	348·1
Jerusalem	286·3	71·8
Jenin	235·5	122·2
Jericho	82·0	56·5
Tel-Aviv	353·7	235·0

79. It is interesting to record that up to the end of December, 1937, the rainfall at places on the Judean Hills, where precipitation is usually high, as at Jerusalem, was exceptionally low. The fall in Jerusalem was only a quarter of the rainfall of the corresponding period for 1936 and a third of the average.

80. Shortly before the end of 1937, the Meteorological Section moved to the Lydda Airport, where a meteorological service for the guidance of air-pilots was commenced. Measurements of upper winds are carried out daily by means of pilot balloons. Daily weather maps are now produced.

With the advent of civil aviation a more elaborate Meteorological Service is being established, the aim of which is to provide information comparable with that collected by the Meteorological Services in Europe.

Forest Service.

81. The comprehensive forest policy the need for which has long been felt was continued during the year. Over one and three-quarters of a million plants were raised in ten forest nurseries. Government plantations in Forest Reserves absorbed 1,338,000 plants and 700 kg. of pine seed. The total area which had been subjected to afforestation operations up to the end of the 1936-7 planting season was 20,000 dunums. Fifty-nine plantations on 2,000 dunums were formed by private agency, mainly Jewish, during the season. 423,000 plants were issued free from Forest Nurseries to the public during the year.

82. In 1937, four new Forest Reserves have been proclaimed, and two cancelled, bringing the total to 277 Reserves, with a nominal area of 740,473 dunums. A large number of encroachments has reduced the aggregate area considerably.

83. An area of 4,271 dunums of State Domain lands disclosed by Land Settlement and Land Court decisions have been allocated as the first State Forests.

84. The reclamation of sand dunes was continued on a small scale at Gaza. The experiment started last year to test the possibilities of arresting inland sand drift over the Beersheba-Asluj road by the planting and protection of desert vegetation is being continued with some success.

85. Seeds of 15 exotic species of timber and ornamental plants were obtained for trial from abroad by purchase or exchange.

86. Forest Revenues totalled £P.2,736, mainly derived from felling fees collected from the owners of trees on private land.

The estimated value of forest produce extracted from Forest Reserves by right-holders for their domestic needs was £P.1,260 and the value of forest produce extracted from Reserves under

trade licences for sale was £P.523. The estimated value of produce sold from privately-owned plantations and woods was £P.26,593.

9,914 forest licences were issued by District Officers including 1,504 to right-holders.

42,214 animals were licensed to graze in Forest Reserves. Of these 41,544 belonged to right-holders. Estimating the value of grazing at 100 mils per head per annum the value of forest grazing was £P.4,221.

1,303 persons were convicted for forest contraventions.

87. 9,000 wild olive suckers were extracted from forest reserves at Government expense and planted at Government Horticultural Stations for budding and issue to cultivators.

50,000 carob plants were issued from Government nurseries to the public, and for planting in Forest Reserves.

15,955 wild carob trees were budded in forest reserves with Cyprus and local bud-wood.

Imports of forest produce including manufactures amounted in value to £P.945,803 and exports to £P.29,247.

XXVI.—PUBLIC WORKS AND GEOLOGY.

The total expenditure by the Public Works Department during the year was approximately £P.1,070,000, compared with £P.1,008,000 in 1936. With the exception of a number of new roads constructed on grounds of public security, which account for this heavy expenditure, the volume of works executed by the department in 1937 was appreciably smaller than in previous years. Various public works of magnitude, including several buildings which it was anticipated would be put in hand during the year, have been postponed for the time being.

2. Recurrent and maintenance services were carried out satisfactorily. The most important of the maintenance services was the upkeep of roads, the total mileage of which has increased considerably during the last few years. Sections of main roads situated within municipal areas of towns were maintained, as in the past, from funds provided jointly by Government and the Municipalities concerned.

3. The execution of public works proceeded normally throughout the country during the year and there were practically no delays or special difficulties on account of disturbances. It has been necessary, however, as a measure of precaution, to provide special protection on a number of works.

4. The construction of the General Post Office, Jerusalem, which was begun in 1934, was continued and will be completed early in 1938. The police married quarters in course of erection last year were completed and occupied.

5. Work on the construction of town schools which had been delayed last year was continued. The erection of three town schools at Jaffa, the construction of which was interrupted during 1936 owing to the disturbances, was resumed.

The erection of a Girls' Central School at Jerusalem was completed and the building was occupied. Sites were acquired for the erection of further schools in Haifa and in Jerusalem and also for the erection of a modified type of school in the smaller towns.

The construction of police stations and police married quarters at Tel-Aviv and Haifa was put in hand at the beginning of the year and the buildings will be completed and occupied early in 1938.

Ten staff quarters were constructed and completed at the Lydda Airport during the year and the construction of a terminal building has been commenced.

Designs for ancillary buildings, such as a power house, entrance gate house, and temporary buildings for use as offices, etc., were prepared and these works will be put in hand shortly. A design was also prepared for a combined hangar and terminal building for the Haifa Airport.

6. Progress was made during the year on the design and details of various projects such as the Central Government Offices, Jerusalem, the Ramle Hospital and the Fever Hospital, North Jaffa, and the Hospital to be erected at Amman in Trans-Jordan. Work on the Government Hospital in Haifa is still in progress.

7. The following buildings which were commenced in the previous year were completed during 1937:—a farm labour camp near Acre for juvenile delinquents, a rural automatic exchange building at Bethlehem, and an engine room for marine wireless at the Broadcasting Station, Ramallah. A building was also constructed at Tiberias to house the Government launch and a weighbridge was erected at the Rosh Pinna police post.

8. In connection with the formation of a special police division to control the Northern Frontier nine permanent huts were erected along the new Northern Frontier road for use as police posts, and were occupied by the police. The construction of two more huts is now proceeding.

Apart from new buildings, a number of additions, improvements, structural alterations and special repairs to Government offices, police buildings, schools, hospitals, law courts, and agricultural and horticultural stations were undertaken.

9. Considerable work has been carried out during the year on the construction of new roads on grounds of public security. The by-pass road from the Affula—Nazareth road to the

Nazareth—Haifa road and the Affula—Shutta section of the Affula—Beisan road, which were commenced last year, were completed.

The continuation of the Jaffa—Haifa road northward to Hadera over a length of 26½ kilometres, begun in the previous year, was completed, together with further sections of about 28 kilometres between Benyamina and Haifa. The completion of this most important connection between Jaffa and Haifa, the need for which was keenly felt over a period of several years, caused considerable satisfaction in the country. The road was officially opened on 30th September, 1937, and is already one of the most heavily used roads in Palestine.

10. A new road was also aligned and constructed, purely on grounds of public security, along the Northern Frontier between Palestine and Syria from Ras en Naqura to a point north of Lake Huleh on the Rosh Pinna—Metulla road.

11. The following roads which were commenced prior to 1937 were completed during the year:—

Jenin—Megiddo—Haifa road.

Rehovoth—Gaaz road.

Tulkarm—Nathanya road.

Road leading from Lydda and Jaffa to the Lydda Airport.

Road from Haifa—Acre road to Haifa Airport.

Southern Approach to Jaffa Port.

Road from Hadera Station towards Pardess Hanna Settlement.

Road from Benyamina Settlement to Railway Station.

Work was also commenced on the construction, at a total cost of approximately £P.10,000, of a road from Ra'anana, on the Hertsliya—Qalqiliya road, towards Miske. This road passes through an intensively cultivated area mostly planted with citrus trees.

12. Considerable progress was made in the construction of a new bridge on the road from Tel-Aviv to Petah Tiqva. The Tel-Aviv—Petah Tiqva road is the road carrying the heaviest traffic in Palestine and the new bridge forms part of a scheme for the widening of this road with a view to reducing traffic congestion.

The erection of a new bridge over the Jordan near Jericho in substitution of the present Allenby bridge was well in hand towards the end of the year. The existing bridge will be moved to Jisr Damiya, further north on the Jordan, where it will considerably improve communications between Nablus and Trans-Jordan.

Preparations were made towards the end of the year to commence a number of improvements to village roads. These services are designed to provide a measure of relief to distressed areas.

13. The construction of a filtration and sedimentation plant at Ras el Ain, the source of the Jerusalem water supply, was completed during the year.

14. Satisfactory progress was made during the year on the Jerusalem Drainage Scheme, which is financed by advances from surplus balances in anticipation of the £P.2,000,000 loan and is being carried out by the Municipality of Jerusalem under the control of the Public Works Department.

15. Proposals for the carrying out of the detailed drainage scheme for the town of Haifa are under consideration by Government.

Improvements to village water supplies, from the sum of £P.45,000 provided under the proposed £P.2,000,000 loan and additional funds allocated for the same purpose which were practically at a standstill in the previous year owing to the disturbances, were continued. At the end of the year over 200 schemes were completed; these included 15 schemes commenced prior to and 30 schemes executed during 1937. In addition, nine schemes were in progress at the end of the year.

A project was prepared by the department for improvements to be carried out for the water supply scheme of the town of Acre.

16. Under the Steam Boilers Ordinance 50 boilers and two prime movers were examined and licensed.

17. The District Engineers, as Inspectors under the Machinery (Fencing) Ordinance, examined a number of factories in which mechanical plant is installed.

18. Several applications for oil storage installations for which licences are issued under the Petroleum Regulations (Trades and Industries (Regulation) Ordinance) were dealt with.

19. During the year compensation claimed under the Workmen's Compensation Ordinance for accidents to labourers employed directly by the Public Works Department was paid in 67 cases, including three fatal accidents.

20. The Road Board considered a number of questions during the year, including the programme of road construction for the 1937-8 financial year, the construction of feeder roads to the Railway and maintenance of roads built by private bodies.

21. The following are detailed reports of drilling operations carried out by Government drilling plants:—

Rig No. 1.—The bore hole at Bir el Sakaty 13 km. north of Beersheba, started at the end of 1936, reached a depth of 1,040 feet. The strata passed through were mainly gravels, bituminous marls, and Turonian-Cenomanian hard limestones. The bore was stopped in dolomitic limestone without finding any water. The rig is to be moved to a site about 2 km. east of Beersheba.

Rig No. 2.—The bore hole at Faluja, Gaza Sub-District, was carried down to 276 feet, passing through marl, chalk, and calcareous sandstone. The bore gives 10 M^3 of water per hour with no draw-down and a chlorine of 41 parts per 100,000.

The Rig was then moved to Battouf, Nazareth Sub-District, where a depth of 413 feet was reached, the formation encountered being clay and gravel. A very small quantity of highly saline water (420 parts of chlorine per 100,000) was encountered at a depth of 400 feet. This hole has been temporarily discontinued.

Rig No. 3.—The first bore at Yabed had to be abandoned at 123 feet owing to technical difficulties. A site was chosen close by and this second hole is now down to 250 feet. Progress has been slow owing to the hard strata.

Rig No. 4.—The bore at Sejera was stopped after reaching a depth of 750 feet without finding water. The strata passed through were basalt, gravel and clay, and dolomitic limestone.

The Rig was moved to Auja Foka in the Jordan Valley, where a depth of 601 feet was reached in bituminous limestone and flints without finding water.

The Rig has been moved to a site 3 kilometres south of Jericho.

Geology.

22. Geological mapping of the Haifa, Safad, Zichron Ya'aqov, Tulkarm, and Tel-Aviv Sheets of the contoured 1:100,000 maps issued by the Survey Department has now been practically completed. A good deal of geological mapping has also been done on other sheets, viz., Beisan, Nablus, Jerusalem, Hebron, and Bethlehem. The Gaza Sheet has been completed by the geologists of the 'Iraq Petroleum Company, Ltd., except for the shore line, which has to be revised by separating the Mousterian red sand from the younger and older sandstone series. A contoured geological map of Palestine on a scale of 1:250,000 has been prepared and it is hoped that this will be published in conjunction with the hydrological survey reports. Geological mapping has also been started on the newly-issued 1:50,000 map of Central Judea.

23. A report on the Geology, Hydrology, Minerals, and Building Stones has been prepared for the Trans-Jordan Government and it is hoped that this will be published by the Trans-Jordan Government, together with a map on a scale of 1:1,000,000 giving the geology of Kerak and Amman districts. This map is a reduction from 1:250,000 geological maps of Kerak and Amman which are nearly completed.

24. Of the five trial borings carried out by the Consulting Engineers in connection with the Haifa Water Supply Scheme bore No. 1 at Jelameh was drilled to 120 metres depth. The yield of water is 331 M3 per hour, having eight parts of chlorine per 100,000 with a draw-down of 23 metres. Bore No. 2 at Sufta Adi has reached a depth of 320·70 metres without finding water and is being deepened to 400 metres in the hope of penetrating the bituminous limestone. Bore No. 3 at Wadi Fellah reached a depth of 121·20 metres, giving about 325 M3 of water per hour, having 17 parts of chlorine per 100,000 and with no draw-down. Bore No. 4 at Wadi Maliq reached a depth of 86·50 metres and, under a bailing test, yielded 13 M3 of water per hour with 18 parts of chlorine per 100,000. Bore No. 5 at Jelameh reached a depth of 120 metres, giving about 170 M3 of water per hour having 11 parts of chlorine per 100,000 and with a draw-down of 25·5 metres.

25. *Hydrological Maps.*—A salinity map to a scale of 1:250,000 was prepared covering an area from the shore line to the foothills. A rainfall map of Palestine and Trans-Jordan to a scale of 1:750,000 was made from data supplied by the Meteorological Office.

26. *Quarries.*—The number of quarry licences are as follows:—

Stone (limestone, sandstone and basalt)	152
Sand (including zifzif and clay)	125
Gypsum	2

27. Legislation is under consideration by Government with a view to regulating the mining of oil.

Haifa Harbour Development.

28. The construction of the oil dock was completed in August. A few minor works, which await the arrival of the necessary material from England, remain to be carried out.

29. Good progress was made in the construction of the cargo jetty throughout the year.

Shoreworks for the cargo jetty were started and old buildings on the site have been demolished and excavation for new permanent railways was put in hand.

30. A new timber and corrugated sheeting tobacco shed, with a concrete floor area of 390 square metres was constructed during the year and handed over to the Port Authorities in November. A second animal gangway was also constructed and handed over to the Port Authorities in the same month.

31. The construction of concrete firewalls around the 'Iraq Petroleum Company oil tanks on the 20-acre reclaimed area and a reinforced concrete boundary wall enclosing the whole area was commenced in April and progressed well during the remaining part of the year.

32. The expenditure on works carried out by the Harbour Development Works Department during the year was £P.101,000.

33. All works in connection with the Jaffa Port Improvement Scheme as originally sanctioned were completed according to plan and were handed over to the port authorities.

Haifa Harbour (Reclaimed Area) Estate.

34. The development of the Haifa Harbour (Reclaimed Area) Estate continued.

The year's work was devoted to the completion of existing, rather than to the inauguration of new, development. In view of the fact that further development must take place at the western end of the Estate, the layout of which is dependent on the future extension of the Harbour, no additional area could be developed. The area under development for commercial and general purposes was approximately 130 dunums. Out of this area 68 sites have been leased for the purposes set out in paragraph 20 of Chapter XXVI of the Report for last year.

35. After prolonged negotiations a lease was concluded with the Eretz Israel (Palestine) Foundation Fund Keren Hayesod, Limited, of a site for a building to contain the offices of the Jewish Agency for Palestine.

36. Thirty-eight certificates of completion were issued during the year, making, with those previously issued, a total of 58. The general standard of construction has improved since a whole time building inspector has been employed and it has been possible for all constructional work to be inspected regularly whilst in progress.

37. The total amount collected in respect of rent and interest during the year was £P.35,644.182 mils, while £P.826 was outstanding on 31st December, 1937. In addition to rent, Land Registry fees, Stamp Duties and Water Charges amounting to £P.677.172 mils were paid by lessees, making, with the amount of £P.6,997.804 mils previously collected, a total of £P.7,674.976 mils which has accrued to Government out of the Estate in connection with these items.

A number of the lessees formed the " Harbour Estate Lessees' Union ", with the object of negotiating jointly on behalf of the members with a view to obtaining relaxations or privileges

from the Government and Municipal Authorities in regard to building, town planning and public health regulations and the payment of rents and taxes.

38. The most noticeable development during the year was the transformation of the north side of Kingsway from a few isolated and incomplete buildings to an established shopping and business centre. Many of the principal banks in Palestine have opened head offices or branches on the Government property.

39. The ground floor of the new passenger railway station known as Haifa Central, at Plumer Square, was completed and was formally opened on 1st June.

XXVII.—RAILWAYS.

The system known as the Palestine Railways and Operated Lines is divided as follows:—

(a) *In Palestine*:—

	Standard Gauge (4 ft. 8½ inches).	*105 cm. Gauge (Hejaz Railway).*
	Kilometres (excluding sidings).	
Rafah—Haifa	229·5	—
Jaffa—Jerusalem	87	—
Ras el Ein—Petah Tiqva ...	6·5	—
Sarafand Line	4·5	—
Beit Nabala Line	5	—
Haifa—Samakh	—	88
Haifa (junction at Kilo 2)—Acre	—	18
Nablus—Tulkarm*	—	38
	332·5	144
(b) *In Sinai*:—		
El Kantara (Suez Canal)—Rafah	203	—
(c) *In Trans-Jordan*:—		
Nassib—Amman—Maan† ...	—	323
Total length of system (exclusive of sidings)	535·5	467

* The section of the Hejaz Railway from Affula, on the Haifa—Samakh line to El Mas'udiya near Nablus, a length of 60 kilometres, was closed in 1932 as a measure of economy and owing to the lack of traffic, but the line has not yet been removed.

† The connecting link between Samakh in Palestine and Nassib in Trans-Jordan runs through Syria as part of the line from Haifa to Damascus and from Damascus to Trans-Jordan and is administered and operated by the Syrian Authorities. The Trans-Jordan line formerly continued southwards from Maan to Mudawara (113 kilometres beyond Maan) on the border of Trans-Jordan and the Hejaz, and thence to Medina; but this section of the line has not been reconditioned since the damage done during the War, and is not in use.

2. The lines operated by the Palestine Railways Adminstration traverse three States—Egypt, Palestine and Trans-Jordan—and serve country of widely differing character—thus, the long stretch of dune sand desert in Sinai, one of the most difficult, as regards maintenance, with which any railway has to contend; the alluvial plains of Palestine, where the foundation consists of treacherous clays and black cotton soil; the mountainous country of the Judean Hills, through which Jerusalem, at 2,468 feet above sea level, is approached by steep and narrow valleys; the valleys of the western slopes of the Jordan cleft, through which the line of the Hejaz Railway descends to 824 feet below sea-level; the rocky highlands and plateaux of Trans-Jordan, on the way to Amman and Maan; and the desolate sandy clay wastes through which the line runs along the western fringes of the desert of Arabia.

3. The system which serves Palestine comprises three lines of separate and distinct origin:—

(*a*) The sections of the Hejaz Railway in Palestine.

(*b*) The Jaffa-Jerusalem line.

(*c*) The Palestine Railway.

(*a*) The Hejaz Railway in Palestine was built by the Turkish Government as a feeder-line from the Port of Haifa to the main line of the Hejaz Railway, which was constructed principally to carry pilgrim traffic from Damascus to Medina and Mecca. Its origin was a length of standard-gauge line starting from Haifa, which an English company had built, but had not completed, under an Ottoman concession. The original concessionnaires were bought out by the Hejaz Railway Administration and the 105 centimetre gauge Hejaz Railway system was laid out of Haifa on the formation completed or partly completed by the English company.

(*b*) The Jaffa-Jerusalem line was laid originally as a metre-gauge railway by a French company, also under an Ottoman concession. At the outbreak of the War it was taken over by the Turkish Army and converted to 105 centimetre-gauge to serve as part of the projected extention southwards of the Hejaz Railway as a military track. Subsequently the line was converted by the British Army to standard gauge and incorporated in the line of that gauge built during the War from the Suez Canal to Palestine and referred to in (*c*) below.

(*c*) The Palestine Railway comprises the standard gauge system in Palestine which was completed to Haifa by the British Army in 1918 as the northern extension of the line which had followed the Army during the advance from Egypt.

At Haifa and at Tulkarm the standard and 105 centimetre-gauge lines come together and at Haifa, in order to use the space available for shunting to the best advantage, it is necessary to make use of many dual gauge tracks.

4. A summary of the principal and statistical results compared with 1936 is given below:—

	Gross Revenue.		*Working Expenses.*	
	1937.	*1936.*	*1937.*	*1936.*
	£P.	£P.	£P.	£P.
(*a*) Palestine Railway ...	592,442	635,630	609,022	606,664
(*b*) Sinai (El Kantara—Rafah) Railway ...	120,436	176,406	116,330	120,134
(*c*) Hejaz Railway	88,390	100,575	122,924	110,466
(*d*) Petah Tiqva Railway ...	4,335	5,415	840	840

Notes.

(*a*) Working Expenses of the Palestine Railway include Interest and Sinking Fund Charges and the Annual Contribution to Palestine Railway Renewals Fund.

(*b*) The Sinai (El Kantara—Rafah) Railway pays rental charges for the use of Palestine Railway engines and rolling stock. The Working Expenses include Contribution to the Special (Renewals) Fund.

(*c*) The Working Expenses of the Petah Tiqva Railway Line represent a flat annual charge for maintenance.

		Year ended 31st December,	
		1937.	*1936.*
Passengers carried (excluding Season Tickets)	No.	1,945,000	2,394,000
Freight Handled	Tons	1,102,194	1,009,457
Trains run	No.	32,613	31,752
Engine Mileage (including Sentinel Cammell Cars)	Miles	1,930,105	1,918,149
Total Staff as at 31st December ...	No.	4,510	5,286
Total Salaries and Wages	£P.	396,987	396,408

	1937. £P.	*1936.* £P.
Passenger Traffic.		
Palestine Railway	153,736	201,944
Sinai (El Kantara-Rafah) Railway	72,148	79,525
Hejaz Railway	32,473	36,996
Petah Tiqva Railway	—	—
	£P.258,357	318,465
Goods Traffic.		
Palestine Railway	359,536	386,955
Sinai (El Kantara-Rafah) Railway	45,612	94,221
Hejaz Railway	48,493	57,213
Petah Tiqva Railway	4,463	4,773
	£P.458,104	543,162

The principal commodities carried during the year were:—

Commodity.	*Tons.*
1. Barley	18,643
2. Wheat	34,439
3. Maize	15,365
4. Other cereals	14,162
5. Tibben	12,681
6. Oil cakes	2,962
7. Flour	21,937
8. Rice	16,331
9. Sugar	16,560
10. Groceries and Provisions	38,821
11. Sand	16,241
12. Stone	17,894
13. Lime	6,160
14. Cement	126,494
15. Asphalt	12,328
16. Other building materials	86,274
17. Wooden planks for boxes	26,764
18. Manure	20,129
19. Oranges	279,587
20. Grape-fruit	17,559
21. Lemons	952
22. Melons	13,810
23. Grapes	308
24. Kerosene and fuel oils	90,523
25. Coal	45,645
26. Petrol	12,262
27. Firewood	2,459
28. Soap	1,001
29. Salt	11,204
30. Potash	28,708
31. Bromine	1,382
32. Chlorine	254
33. Caustic soda	333
34. Nitrate of soda	79
35. Magnesium chloride	430
36. Sulphur	568
37. Mineral water	162
38. Empties	4,926
39. Machinery	2,362
40. Miscellaneous	83,495
Total	1,102,194

The principal increases and decreases in goods traffic in 1937 as compared with 1936 were as follows:—

Commodity.	*Increases.* Tons.
Wheat...	8,690
Maize	7,262
Other cereals...	4,735
Rice	3,741
Other building materials	11,227
Wooden planks for boxes	7,284
Manure	3,992
Oranges	161,257
Melons	4,766
Coal	14,653
Salt	2,364
Potash	11,028
Others...	511
	241,510

Commodity.	*Decreases.* Tons.
Barley...	4,437
Oil Cakes	1,807
Flour	8,021
Sugar	1,780
Groceries and Provisions	29,736
Stone	42,651
Lime	5,303
Cement	7,634
Grape-fruit	4,103
Kerosene and fuel oils	1,944
Petrol	4,564
Mineral Water	1,335
Empties	1,251
Miscellaneous...	30,913
Others...	3,294
	148,779

XXVIII.—CO-OPERATIVE SOCIETIES.

An Ordinance amending Section 60 of the Co-operative Societies Ordinance, 1933, dealing with insurance business was enacted in May, 1937. The amending Ordinance exempts societies carrying on insurance business of a non-profit making nature from the obligations imposed on insurance companies regarding registration and deposits. This measure has been designed to encourage mutual insurance of livestock and agricultural produce generally.

2. The revision of other Sections of the Co-operative Societies Ordinance, 1933, envisaged in paragraph 2, page 306, of the annual report for 1936 was deferred until the enactment of the new Banking Law, which contains provisions affecting Co-operative Societies.

3. The amendments of the Companies Law dealing with the conversion of Co-operative Societies into Limited Liability Companies were enacted in May, 1937, and by the end of the year four societies took advantage of the conversion facilities and submitted conversion schemes for approval. One scheme was finally approved, the others are still under consideration.

Arab Movement.

4. Sixty new credit and thrift societies were formed in Arab villages, bringing up the total number of Arab village societies to 121.

5. The older Arab societies enlarged their membership by 66 per cent. and increased their own funds by 60 per cent. during the period under review.

6. The following figures illustrate the position of Arab credit and thrift societies at the end of 1937 as compared with the period ending December, 1936.

	End of 1936.	*End of 1937.*
Number of societies	60	120
Number of members	3,078	5,121
	£P.	£P.
Own funds	6,331	10,117
Borrowed funds	49,629	62,278
Loans issued	55,662	71,790

7. The village credit and thrift societies obtained all their borrowings from Barclays Bank in the form of short term loans. Repayments of loans by members continued to be satisfactory on the whole and the majority of societies were able to meet their liabilities to the Bank in due time. Several societies, however, experienced some difficulties in collecting loans granted to their members, owing to the unsettled conditions prevailing in the country and as a result of their inability to dispose of their citrus and olive crops. The cases of these societies are receiving careful consideration and it is hoped that their borrowings from the Bank will be repaid in due course.

8. Some of the older village credit and thrift societies have arranged to start small and regular saving accounts for their members. For this purpose they have distributed among their members 2,000 saving boxes suitably inscribed with passages from the Koran in praise of thrift. It is hoped that this action will augment the resources of the societies.

9. Arrangements have been completed for the formation of two olive oil pressing societies in the Samaria District. These societies will receive long term loans from the funds allocated by Government for developments in the hilly districts of Palestine and will commence operations in the 1938 olive season.

10. No new Arab societies were registered in the towns and of the old societies seven were ordered into liquidation. An application for the registration of a citrus marketing society composed of owners of large groves in Jaffa was submitted during December and is under consideration.

Jewish Movement.

11. A new Audit Union for housing societies was formed at the end of the year, bringing the total number of Audit Unions to six. The total number of affiliated societies rose to 402, as compared with 322 at the end of 1936 and 257 at the end of 1935. An additional Audit Union is about to be formed by the Jewish Farmers Federation.

12. The number of new societies registered during the year amounted to 151, as compared with 129 during 1936 and 164 during 1935. The number of societies liquidated and declared defunct amounted to 47 in 1937, as compared with 47 during 1936 and 22 during 1935.

13. The following table shows the development of Jewish societies during 1937 as compared with the previous two years.

—	Registered.			Liquidated.			Defunct and Converted.		
	1935.	1936.	1937.	1935.	1936.	1937.	1935.	1936.	1937.
Irrigation Societies	11	10	7	1	—	—	—	1	1
General Agricultural and Marketing Societies ...	20	10	26	2	3	—	1	6	1
Agricultural Settlements	34	23	31	—	—	5	—	5	3
Co-partnerships of Labour	45	33	35	14	11	19	—	8	5
Housing Societies...	34	35	33	4	3	8	—	4	—
Credit and Thrift Societies (Urban and Rural) ...	12	6	6	—	2	3	—	1	1
Consumers' Societies	6	10	8	—	1	1	—	—	—
Miscellaneous Societies ...	2	2	5	—	1	—	—	1	—
Total ...	164	129	151	21	21	36	1	26	11

14. The above figures show that 64 societies out of the total of 151 societies registered during 1937 are societies for agricultural services, i.e., Irrigation, Marketing and Settlements. This high proportion of over 42 per cent. is mainly the result of the formation of new citrus marketing societies in the younger citrus areas and of the establishment of new settlements on lands acquired by the Jewish National Institutions in recent years.

15. The Jewish citrus marketing societies, which now control over 50 per cent. of the total citrus exports, have made some progress towards unification of their activities. Arrangements for the joint disposal of culls in the local markets and for regulating shipments of grapefruit to foreign markets came into operation early in the 1937 season. The negotiations for joint shipping and marketing of oranges and for the joint purchase of packing materials are now proceeding on lines of an amalgamation of eight of the leading societies. For this purpose a central society is to be registered. In the meantime, primary societies have delayed entering into any independent contracts for the coming season.

16. Co-partnerships of Labour represent over 20 per cent. of the total number of societies formed during the year. This high proportion may be attributed to the economic depression, which usually drives the individual artisan or labourer to collaboration with his fellows.

17. The majority of the 33 housing societies registered during 1937 have as their object the erection and maintenance of co-operative apartment houses. Only a few societies were formed for the development of new suburbs.

18. The credit societies have had to work under a considerable strain throughout the year, owing to a continual drain on their resources both by the withdrawal of deposits and increased demands for loans. The position of credit societies at the end of 1937 is reflected in the following table:—

Liabilities.	£P.	*Assets.*	£P.
Share Capital	392,592	Cash	129,923
Reserve Fund	244,969	Balances with Financial Institutions	676,550
Other Reserves	202,999	Advances to members ...	2,577,187
Debentures	88,538	Bills discounted... ...	745,824
Balance for other Financial Institutions ...	84,442	Overdues	93,413
Current and Deposit Accounts	1,677,517	Investments	133,906
Other Deposits ...	1,149,041	Premises and Fixtures...	160,816
Advances from other sources	703,000	Other Accounts ...	303,763
Other Accounts ...	278,284		
	4,821,382		4,821,382

19. The increase in the number of societies liquidated was due to increased activity on the part of the Department which thus resulted in the liquidation of inactive and moribund societies. In most cases the liquidating societies were in a position to meet their liabilities in full.

In addition to the 36 societies ordered into liquidation during 1937, 14 societies which went into liquidation in previous years, completed their liquidation and were struck off the Register.

General.

20. The following table shows the position of the co-operative movement at the end of 1937 as compared with the periods ending 1936 and 1935.

Total number of functioning societies—

	1937.	1936.	1935.
Jewish	868	767	688
Arab	128	75	74
German	5	5	5
Others...	2	2	2
Total	1,003	849	769

Total societies in liquidation—

	1937.	1936.	1935.
Jewish	98	78	57
Arab	14	9	9
Total	112	87	66

Total societies struck off the Register—

Jewish	118	89	64
Arab	4	2	1
Total	122	91	65

Classification of functioning societies—

I. *Credit and Thrift Societies—*			
(*a*) Urban	55	50	44
(*b*) Rural	182	126	126
II. *Agricultural Societies—*			
(*a*) Settlement	187	166	158
(*b*) General Agricultural	102	75	66
(*c*) Irrigation	64	58	50
(*d*) Cattle Insurance	3	3	3
III. *Diverse Societies—*			
(*a*) Industrial Producers and Service Societies	161	159	141
(*b*) Garden cities and Communal housing societies	177	152	126
(*c*) Consumers' Societies	55	48	37
(*d*) Mutual Insurance Societies ...	4	2	2
(*e*) Audit Unions	6	5	5
(*f*) Miscellaneous	7	5	11
	1,003	849	769

21. In order to give effect to the recommendations in paragraph 189 of Chapter IX of the Royal Commission's Report in regard to the development of co-operative societies, Jewish societies are visited as frequently as possible by the Registrar of

Co-operative Societies and by his Jewish Inspector. Particular attention is being paid to societies engaged in agricultural enterprises such as marketing, purchasing of supplies, collective cultivation, processing of agricultural products, etc. These types of societies have increased considerably in recent years. They are in daily contact with their members and their committees face numerous problems in the course of their activities. It is the aim of the Department of Co-operative Societies to provide these societies with the necessary advice and guidance and to obviate litigation.

22. The work of the office of the Registrar of Co-operative Societies in Jewish societies is greatly facilitated by the activities of the six Audit Unions to which nearly 50 per cent. of all Jewish societies are affiliated. The Unions employ a trained staff of supervisors, inspectors and auditors and the closest co-operation is maintained between them and the Government Department.

The Government Department is frequently called upon to support the suggestions made by the Audit Unions and thus enhance their authority.

23. The inspection of unaffiliated Jewish societies is carried out by a chartered accountant and auditor, who was appointed in April, 1937, for this purpose, in anticipation of the recommendation of the Royal Commission. As soon as any signs of unorthodox practice become apparent in an unaffiliated society, an inspection is carried out by this officer himself or by some qualified person appointed under his supervision and every endeavour is made to rectify any errors or omissions.

24. The inception of measures to give effect to the recommendation of the Royal Commission in regard to the development of Arab Co-operative Societies presents considerable difficulties under the unsettled conditions which at present prevail in the country.

Each Arab society is inspected at least four times annually, but in general the problems confronting these societies are of a simpler character than those of the Jewish societies.

25. The formation of social improvement societies in Arab villages had to be postponed indefinitely. In the present state of affairs villagers are not receptive of ideas for social reforms sponsored by Government.

As against this, there has been a large demand for credit and thrift societies and 60 new societies were formed in Arab villages in the latter part of 1937. The older societies were strengthened, their membership was enlarged and their " own funds " increased. The more progressive among them started a campaign for thrift among their members.

26. In the urban areas an attempt was made to form a co-operative society of porters in the Jaffa harbour. The experiment failed, partly owing to the strength of existing vested interests and partly because the general economic depression resulted in a substantial reduction in the tonnage handled in the harbour. A society in which very small earnings had to become still smaller as a result of equal distribution among a large number of persons, offered little inducement to the porters to join and the scheme had to be abandoned.

No other attempts to promote activities of a co-operative nature amongst the Arab urban population were made during the year, since, owing to the prevailing political unrest, the time was not considered to be opportune and any such endeavour was almost certainly doomed to failure.

XXIX.—CIVIL AVIATION.

The construction of the airport at Lydda is proceeding satisfactorily. A hangar of 150 feet span by 140 feet in depth was brought into use on the 1st April, 1937, and some of the quarters necessary for the staff were first occupied in December. In June the wireless receiving instruments were installed in a temporary building at the airport, whence the associated transmitters installed in the wireless station at Ramallah are remotely controlled. Unfortunately the whole of this apparatus at Lydda was wilfully destroyed by fire on 16th October. Full communication was, however, restored on the following day with instruments kindly lent, and flown up from Egypt, by the Royal Air Force. New permanent equipment to replace the apparatus destroyed will be installed as soon as possible. Work on the construction of the terminal building is progressing satisfactorily and this should be ready for occupation in the autumn of 1938.

The provision of a hangar and terminal offices at Haifa is under consideration by Government.

A Meteorological Service is being organised and will devote special attention to the needs of aviation.

When the Lydda Airport is fully equipped it is probable that it will be possible to travel by air from Palestine to London in a single day during the summer months.

2. The regular air services operating in, to and through Palestine are as follows:—

Imperial Airways, Ltd.

Two services a week in each direction between Southampton and Singapore by flying boat.

Two services a week in each direction between Southampton and Karachi by flying boat and thence by land machine to Calcutta.

One service a week in each direction between Alexandria and Basra connecting at Alexandria with a flying boat service to Southampton.

The flying boat services call at Tiberias and the land machines at Lydda. The above is a temporary arrangement pending delivery to Imperial Airways of new land-planes under construction. When these machines are received, the services passing through Palestine will be three in each direction by flying boat and two in each direction by land-planes from England via France, Malta, the North African Coast, Alexandria, Lydda to Calcutta.

Messrs. K. L. M.

Three services a week in each direction between Amsterdam and the Dutch East Indies. These services call at Lydda.

Lot.

Maintain a service between Lydda and Warsaw three times a week in each direction in summer and once a week in each direction in winter.

Ala Littoria.

This company at present operate a service by seaplanes thrice weekly in each direction between Haifa and Italy.

Misr Airlines.

A daily service is maintained in each direction between Egypt, Lydda and Haifa and in addition a service is run twice weekly in each direction between Cairo and Baghdad touching at Lydda. A service between Cairo and Cyprus has in the past been run in summer only.

Messrs. Palestine Airways, Limited.

Palestine Airways, Limited, an English company registered in Palestine, inaugurated a local air service between Lydda and Haifa on the 16th August, 1937. The service was operated twice weekly until the 13th December, and once weekly thereafter. The company also carry out charter flights.

TRANS-JORDAN

INTRODUCTORY.

Position, Etc.

1. Trans-Jordan is bounded on the west by Palestine, on the north by Syria and the Jebel Druze, on the north-east by 'Iraq, and on the east and south by Saudi Arabia. It has a desert frontier of about 900 kilometres. In length the country is some 380 kilometres from north to south and in breadth from east to west is 150 kilometres at its narrowest and 330 kilometres at its broadest. It has an area of some 90,000 square kilometres.

Area and Climate.

2. Of the total area some 4,600 square kilometres (4,600,000 dunums) are cultivable. The cultivable land is a strip of territory, broad in the north and narrowing towards the south, having an average width of 40 kilometres, and is bounded, approximately, by the Jordan and the Dead Sea in the west, the Syrian frontier in the north, the Hejaz Railway in the east, and in the south by parallel 30° N. This cultivable area comprises:—

(1) The deep valley (the Ghor), in which the River Jordan and the Dead Sea lie, having an area of 550 square kilometres, 300,000 dunums of which are cultivable.

(2) The range of hills, running the length of the country from north to south and rising in the south to heights of 5,000 feet, having an area of 6,700 square kilometres, of which 2,000,000 dunums are cultivable.

(3) The strip of territory between the hills and the Hejaz Railway, a plateau varying in height from 1,500 to 3,000 feet, having an area of some 5,250 square kilometres, of which 2,300,000 dunums are cultivable. This cultivable plateau gradually merges eastwards into the desert which loses elevation until, in the Wadi Sirhan, just beyond the eastern frontier, the height is only 1,000 feet above sea level.

The Jordan Valley and the western hills are well watered by springs and streams, but the upland plateau depends for its water supply on rain-water cisterns.

To the south of parallel 30° N., between Ma'an and Aqaba, there is a sudden fall of 2,000 feet to an area known as the Hasma, 5,000 square kilometres in extent, which contains small patches of cultivation. Beyond this area the land continues to fall, through very rough country, to the Gulf of Aqaba.

3. The desert area comprises some 72,000 square kilometres. There are oases at Azraq and Jafar which lie respectively 80 and 45 kilometres east of the railway line, but apart from these there are very few water points other than rain-pools. The grazing is sufficient, after a year of good rain, to support the camels, sheep and goats of the nomads who spend their time between the highlands to the west in summer and the Wadi Sirhan and the Ghor in winter.

4. The climate on the whole is very pleasant. In summer the shade temperature seldom reaches 100° F. and the nights are always cool. In winter it is cold in the uplands and the rain, which is often insufficient for the agricultural needs of the country, only falls from November to March. Between the rainy days the sky is bright, and in the sun and out of the wind it is warm. The winter climate in the Ghor is mild and that of Aqaba is most attractive although in both places it is hot and oppressive in summer.

The High Commissioner.

5. General Sir Arthur Grenfell Wauchope, G.C.B., G.C.M.G., C.I.E., D.S.O., was High Commissioner for Palestine and Trans-Jordan throughout the year.

Changes in Personnel, 1937.

6. Mr. A. S. Kirkbride, O.B.E., M.C., Assistant British Resident was appointed District Commissioner of the Galilee and Acre District in Palestine.

Ahmed Effendi Touqan, who was seconded from the Palestine Government to take up the duties of Director of Education was recalled to Palestine in October, 1937.

Samir Bey Rifai, who held the post of Secretary to the Chief Minister was appointed Director of Education.

Public Security.

7. The number of cases of the principal crimes are given in Chapter VIII of this Report but no attempts to cause any political disturbance were made until after the issue of the Royal Commission's Report on the 7th July.

In the earlier months of the year, however, as well as later, there was evidence that steps were being taken to prepare the ground for an outbreak of disturbances in Trans-Jordan in the event of further trouble occurring in Palestine.

There was no strong reaction in Trans-Jordan to the issue of the Report of the Royal Commission; with the exception of the few who are not prepared to acquiesce in anything short of complete independence, the population, whilst strongly sympathetic towards the Arabs in Palestine, remained mainly concerned in its own domestic affairs and anxious that these should not be disturbed by any deterioration in public security.

A half-hearted strike was initiated in Amman towards the end of July, but those who had been instrumental in arranging it were taken to task and the strike quickly collapsed.

During July and September an unsuccessful attempt was made to puncture the 'Iraq Petroleum Company pipe-line and three locally-made bombs exploded harmlessly in Irbid.

8. By October some half-dozen Trans-Jordanians had collected in Damascus and, being supplied with funds from elsewhere than Trans-Jordan, were busily engaged in preparing to create disorders in that country and in helping to arrange the passage of arms through Trans-Jordan into Palestine.

During the same month the telephone lines were cut on five occasions and an attempt was made to puncture the 'Iraq Petroleum Company pipe-line. Certain alterations were made in the disposition of the Trans-Jordan garrison; part of the Arab Legion Reserve was called up, and the Reserve was made fully mobile by the acquisition of six additional motor trucks. In November a few shots were fired at some of the Police posts in the Northern District: a number of arrests were made and ultimately 14 persons were placed in forced residence in places in the south of the territory and a number of the remainder were required to produce bonds for their good behaviour.

During November, also, the telephone lines in the Kerak District were cut in two places and, in December there were four acts of sabotage none of which resulted in damage to life or property.

9. Following on the construction of the Police post at Nejl, which was built at one of the springs which was put in order with the relief funds provided in 1936, an Administrative Officer (Mudir) was posted to the Sub-District of Shobek so that a closer touch might be established with the people. Work is now progressing well on the erection of a Police post at Wadi Musa, near Petra.

10. To assist in preventing arms traffic over the Trans-Jordan-Palestine frontier His Highness the Amir issued an order, which came into force in April, prohibiting the possession in the Jordan Valley of any but licensed arms and ammunition.

The Explosives Law was passed by the Legislative Council and at the end of the year it was awaiting the Amir's assent. It provides:—

(1) that with the exception of retail purchases from a licensed dealer no person shall import, transport, possess, purchase, sell or otherwise deal in any explosive substance (including detonators, percussion caps and bombs) except under a licence to do so;

(2) that no person other than a licensed dealer shall purchase or otherwise obtain any explosive substance except from a licensed dealer and unless he has obtained from the licensing authority a permit to do so;

(3) that two months from the coming into force of the law all explosives in the possession of any person must be declared, when they will either be licensed or taken over by the Government at the market price;

(4) that amongst the other penalties any person using any explosive substance with the intention of endangering life or of causing destruction of property shall be punished with hard labour for a term not exceeding 15 years.

11. Although the Government have been obliged to watch the situation very carefully, both the Government and the people have been able to carry on their normal business unimpeded by any breakdown of public security.

Constitution and Legislature.

12. The Constitution of the Amirate of Trans-Jordan is embodied in the Organic Law of 1928. His Highness the Amir Abdullah Ibn Hussein, G.C.M.G., G.B.E., the second son of His late Majesty King Hussein (formerly King of the Hejaz) is the Amir of Trans-Jordan and exercises authority through an Executive Council composed of the Chief Minister, appointed by the Amir, who presides, and other members, not exceeding five in number, appointed by the Amir on the recommendation of the Chief Minister, either from among the principal officers of the Administration or the elected representatives of the people.

The Mandatory responsibilities of His Majesty's Government are discharged by means of the Agreement of 1928 between His Majesty the King and His Highness the Amir, as amended by the Agreement of 1934. (See pages 238 and 239 of the Report for 1934.)

The Mandatory is represented in Trans-Jordan by a British Resident acting under the direction of the High Commissioner for Trans-Jordan (who is also the High Commissioner for Palestine). The British Resident lives at Amman and is assisted by two British officials and a small clerical staff.

13. Legislative power is vested in the Legislative Council with His Highness the Amir. The Legislative Council consists of:—

(*a*) sixteen representatives elected in accordance with the Electoral Law, which has regard to the proper representation of minorities; and

(*b*) the Chief Minister and other members of the Executive Council not being elected representatives.

The Electoral Law provides that the sixteen elected members shall comprise nine Moslem Arabs, three Christian Arabs, two Circassians, and two nomad Beduin.

Normally the Council has one annual session which lasts for three months from the 1st November. The duration of the Council is three years, but His Highness the Amir has power to prorogue or dissolve it in accordance with the law.

The election of members is conducted by primary and secondary elections. Every male Trans-Jordanian, not being a Beduin, who has attained the age of 18 is entitled to vote at the primary elections, and any person may be elected as a secondary elector provided he is on the register of primary electors for his particular district.

14. In December the Legislative Council passed a Law to amend the Organic Law. The most important provisions of this Law, which at the end of the year was awaiting the formal assent of His Highness the Amir, are as follow:—

(1) Article 41 of the Organic Law is repealed and the following substituted therefor:—

"41. His Highness the Amir-in-Council shall have power when the Legislative Council is not sitting to enact such Ordinances as may be necessary on any subject. These Ordinances which shall not contravene the terms of the Organic Law shall have the force of law and shall be submitted to the Legislative Council at the beginning of its next session. Provided, however, that Ordinances passed for the purpose of securing the fulfilment of the treaty obligations of His Highness the Amir shall not be so submitted.

"If the Legislative Council shall not pass at its said session any such Ordinance so submitted, the same shall, unless His Highness-in-Council shall decide to withdraw the same, again be submitted at the beginning of the subsequent session. In the event of an Ordinance being so withdrawn, or if at such subsequent session the Legislative Council shall again not pass the same, His Highness the Amir-in-Council shall forthwith notify the cessation thereof and from the date of such notification such Ordinance shall cease to be in force.

"In the event of the Legislative Council proposing at any session amendments to an Ordinance and of His Highness the Amir-in-Council agreeing to such amendments, the Ordinance as amended shall have the force of law.

"In the event of the Legislative Council refusing to pass any Law placed before it with a view to securing the fulfilment of the treaty obligations of His Highness the Amir, His Highness-in-Council shall have the power to enact the necessary legislation in the form of an Ordinance which shall not be submitted to the Legislative Council.

"Ordinances shall take effect in the same way as Laws as provided in Article 38 hereof."

(2) The following sentence has been added to the end of Article 48 (1) of the Principal Law:—

"Matters regarding personal status are those matters which in the case of Moslems are assigned to the exclusive jurisdiction of the Moslem Courts."

(3) (*a*) The last paragraph of Article 50 of the Principal Law is repealed.

(*b*) Articles 52, 53, and 54 of the Principal Law are repealed and the following Articles substituted therefor:—

"52. Religious Community Councils shall be the Councils of such non-Moslem Religious Communities as are or shall be recognized by the Government as being established in Trans-Jordan."

"53. Religious Community Councils shall be composed in the manner provided in special Laws regulating the same. Such Laws shall define their jurisdiction whether exclusive or otherwise regarding such matters of personal status as may be assigned to them by the said Laws, and regarding waqfs constituted for the exclusive benefit of the community concerned. Matters of personal status are matters which in the case of Moslems are assigned to the exclusive jurisdiction of the Moslem Courts."

"54. Such Laws shall also determine the procedure to be followed and the fees to be levied by the Religious Community Councils."

15. The third and final Ordinary Session of the third Legislative Council terminated at the end of January, 1937, but was summoned by His Highness the Amir to meet again in Extraordinary Session in the month of March to consider the Annual Budget Law which was passed without amendment. The opportunity was taken to lay the Royal Family Law before the Council; this Law was also passed, and came into force on the 1st August, 1937.

The elections for the fourth Legislative Council were keenly contested. The first session of the new Council was opened by His Highness the Amir on the 1st November.

Other important Laws passed during 1937 by the third and fourth Legislative Councils are referred to in other parts of this Report.

Administrative Affairs.

16. The country is divided into the Desert Area and four Districts, namely: Ajlun, Belqa, Kerak, and Ma'an, with headquarters respectively at Irbid, Amman, Kerak, and Ma'an.

Ajlun, the ancient Gilead, is bounded on the north by the River Yarmuk and on the south by the Wadi Zerka, and is divided into the sub-districts of Ajlun, Irbid, Jerash, Deir Abu Said, and Melka.

Belqa, the ancient Ammon, lies between the Wadi Zerka and the Wadi Mojib (the Arnon), and is divided into the sub-districts of Amman, Salt, and Madeba.

Kerak, the ancient Moab, lies to the south of the Belqa and includes the sub-district of Tafileh.

Ma'an is the most southerly of the four districts, and includes the villages of Shobek (Montreal) and Aqaba and the ruins of Petra.

District Administrative Officers have no magisterial powers except under the Tribal Courts Law of 1936, but it is on their recommendation that the Collective Punishment Law and the Prevention of Crime Law would be brought into operation.

The duties of District Administrative Officers, which have been largely increased by the responsibility for tax collection and the examination and distribution of tax remissions which now rests on them, have been further added to by the provisions of the Protection of Crops and Plants Law, 1935, which requires them, on receipt of a complaint of damage done, to proceed to the spot and sentence the persons responsible to pay compensation and possibly also a fine. This law has been so widely used that in 1937 a new Protection of Crops and Plants Law was enacted, one of the provisions of which is that the powers of a Mutessarrif appertain to a deputy appointed by a Mutessarrif, Qaimmaqam or Mudir Nahia with the consent of the Chief Minister.

District Administrative Officers administer their districts with the help of an Administrative Council which sits under their presidency and is composed, in addition to the President, of two official and four non-official members, the latter being selected by a committee presided over by the Administrative Officer and composed of two Government officials, the President and Members of the Municipal Council, the Heads of religious communities and the Mukhtars. When the male Christian population of the area exceeds 500 souls, one of the selected members must be a Christian, and when the number exceeds 1,000, two members must be Christians.

17. During the examination of the Report for 1936 the Permanent Mandates Commission asked to be informed of the origin of the 215 Arabs, who were shown in paragraph 16, page 316, of the Report for 1936 as members of the Government, who were born outside Trans-Jordan.

The numbers of those who do not come from Palestine, Syria, Egypt or 'Iraq were as follows:—

13 Tripolitanians,
8 Hejazis,
12 Turks,

and the remaining 182 were distributed as follows:—

48 Syrians,
95 Palestinians,
32 Lebanese,
7 Egyptians.

The British Staff of the Government is as follows:—

The *Judicial Adviser,* who attends all meetings of the Executive Council, drafts all laws and regulations, and supervises their translation into English; advises the Government in legal matters; advises the Minister of Justice;

is a member of the Senior Judicial Council which is concerned in the appointment and discipline of officials of the Judicial Department, and is a member of the Diwan Khas which decides questions regarding the interpretation of laws or regulations.

The *Financial Adviser,* who attends all meetings of the Executive Council, prepares the annual Estimates of Revenue and Expenditure, advises the Government on matters of revenue collection and expenditure, ensures compliance with the Financial Regulations, and is in close touch with the Treasurer.

The *Officer Commanding the Arab Legion,* who is in executive command of the Arab Legion and is a member of the Tribal Court of Appeal.

The *Second in Command of the Arab Legion,* who is in charge of the Desert Area wherein he has the powers of a Mutessarrif under the Tribal Courts Law, 1936, and the powers in regard to nomads granted to the Officer Commanding the Arab Legion under the Beduin Control Law, 1936.

An *Officer of the Arab Legion* in charge of Administration and Training.

An *Officer of the Arab Legion* in charge of motor transport.

An *Officer of the Arab Legion* in charge of musketry.

An *Officer of the Arab Legion,* who is assistant to the Officer Commanding the Desert Area and in charge of the security of the pipe-line of the 'Iraq Petroleum Company.

An *Officer of the Arab Legion,* who is Traffic Inspector and Registrar of Vehicles.

The *Director of Lands,* who is in charge of Land Registry, Survey, Land Settlement and Partition and State Domains.

The *Assistant Director of Lands.*

The *Director of Customs, Trade and Industry,* who is also President of the Tenders Board.

The *Chief Curator of Antiquities,* on whose advice the Director acts in all matters requiring expert technical knowledge.

The *Chief Audit Examiner,* who audits the accounts of the Government, the Municipalities and the Agricultural Bank.

The *Chief Forest Ranger,* who is responsible for the conservation of forests.

The *Bacteriologist,* who acts as Director of Health in the latter's absence.

The *Medical Officer* in charge of the recently established desert mobile unit.

In addition to the foregoing British Officers, there are the *Director of Development,* two *English Drillers,* and a *British Survey Officer* of the Land Department, who are paid for from a grant made by the Colonial Development Fund.

In addition, there is the *British Resident,* who is responsible to the High Commissioner that the terms of the Mandate and the Agreement of the 20th of February, 1928, between His Britannic Majesty and His Highness the Amir of Trans-Jordan are carried out. He is assisted by two British Officers and a small clerical staff.

18. It was stated in the Report for 1936 (see paragraph 17, page 318) that judicial powers were to be given to Municipal Councils for the first time in the new Municipal Law then in draft form. It has, however, on further consideration been found desirable to omit this proposed provision, and offences under the Municipal Law will continue to be dealt with by the Magistrate. Village Councils have no judicial powers but have considerable executive duties in marking out the land in villages where it is held in Masha'a tenure, in dividing among individual taxpayers the tax assessed as payable by the whole village, and in assisting in the distribution amongst the different persons who own a block of land, according to the degree of loss suffered by each, of any remission of taxation which may have been granted in respect of that block on account of crop failure.

19. Trans-Jordan has maintained satisfactory relations with her neighbours and in the desert public security has been exemplary. It has now become the habit of village owners of sheep and goats to send their animals into the desert to graze when the incidence of rainfall has been such as to make the desert grazing better than that in the village lands.

Tribal Affairs.

20. The Tribal Courts Law which was enacted in 1924 set up mixed Courts of officials and tribal sheikhs to deal, in first instance and on appeal, with the following matters:—

(*a*) Cases of aggression and differences in regard to movable property and matters of " blood " and questions of compensation and guarantees relating thereto, arising between nomadic tribes or their members or between groups of members of nomadic tribes and groups of members of non-nomadic tribes.

(*b*) Cases of " honour " between nomadic tribes or their members.

(*c*) Cases of horse partnerships provided that, if the agreement of partnership between the parties was in a written document, the case should be decided by the Civil Courts.

(*d*) Cases of compensation for blood when the defendant is a member of a nomadic tribe or a person who ordinarily follows the customs of nomadic tribes.

21. This Law was never effectively operated and in 1929 the Beduin Control Law was enacted. This set up a Beduin Control Board, with powers to hear actions within the jurisdiction of the Tribal Courts and to withdraw and deal with any action pending in a Tribal Court, and also powers—

(1) to determine the places in which nomads shall camp, and

(2) to investigate any raids or other breaches of the peace in which nomads were concerned whether occurring before or after passing of the Law and wherever the same might have taken place.

22. In 1931, the desert areas of Trans-Jordan were placed under the effective administrative control of an officer of the Arab Legion, and by the Tribal Offences (Settlement) Law, 1933, the Beduin Control Board, of which this officer was a member, delegated to him the authority granted to the Board under (1) and (2) above, with powers of punishment not exceeding three months' imprisonment or £P.5 fine.

The President of the Beduin Control Board was His Highness the Amir Shaker, a man of outstanding personality and great knowledge of tribal law and custom.

23. The Beduin Control Board did a great deal of useful work and the Amir Shaker's reputation was such that many cases in which he had no jurisdiction were brought to him for settlement. On his death in December, 1934, it proved impossible adequately to replace him, and a new set of Tribal Laws was drawn up and enacted in February, 1936, in the form of—

The Tribal Courts Law, 1936.
The Tribal Court of Appeal Law, 1936.
The Beduin Control Law, 1936.

24. The first of these three Laws constituted a Tribal Court in each of the four administrative districts and in the desert area as well. A Tribal Court is composed of one or three judges selected by the parties to the case from a panel of Sheikhs drawn up by the Administrative Officer in charge of the District (the Mutessarrif) and approved by His Highness the Amir.

Tribal Courts have jurisdiction:—

(*a*) in all cases of whatever nature between members of the nomadic tribes with the exception of:—

(1) cases relating to the ownership and possession of immovable property;

(2) cases which, in the opinion of the Mutessarrif, should be referred to the Civil Courts;

(*b*) in all cases of compensation for blood, honour, and horse partnerships, except where the agreement has been reduced to writing, in circumstances where the Mutessarrif is of opinion that the parties by ancient custom follow tribal procedure, if such cases occur between members of nomadic and non-nomadic tribes or between members of non-nomadic tribes.

25. The judgment of the Court must be sent to the Mutessarrif who may order its execution by the Arab Legion or refer the matter back to the Court for further examination or appeal to the Tribal Court of Appeal or, in a criminal case, order the guilty party to be punished with a fine not exceeding £P.20 or imprisonment for a year. In cases where the value of the subject matter is more than £P.50, or the sentence is imprisonment for more than three months or a fine of £P.10, the parties have the right to appeal to the Tribal Court of Appeal.

It is believed that under this system, whereby the case is tried and decided by a Court of Sheikhs, the truth is readily arrived at and justice is done in a manner which could never be achieved by a Court of which a Government official is a member, the reason being that tribal life is so free and open and so lacking in privacy that everybody, except the Government official, knows everybody else's concerns, and parties to a case will not usually even try to hide the truth from a Sheikh, because they realise that he already knows too much about them.

26. The jurisdiction of the Court is now more strictly limited than before in dealing with cases of compensation for blood, honour and horse partnerships, and this is important as it would be improper, for example, to allow a townsman who had killed a man to appear before a Tribal Court and have the matter settled by the payment of blood money.

27. The Beduin Control Law allows the officer of the Arab Legion in charge of the Desert Area to control the movements of the nomads and to deal summarily with cases of raiding, whether they occur in Trans-Jordan or elsewhere, and to arrest and impound the movable property of nomads suspected of preparing for a raid.

28. The work of these Tribal Courts during the year 1937 is illustrated by the following figures:—

	Ajlun Court.	*Belqa Court.*	*Kerak Court.*	*Ma'an Court.*	*Desert Court.*
Cases Tried	51	48	49	74	205
Cases Finished ...	19	24	27	60	205
To Appeal	10	2	2	—	—
Carried Forward ...	22	22	20	14	—

Of the 14 cases before the Appeal Court 12 were completed and two were carried forward.

The Courts are acceptable to the people and the year's work is regarded as satisfactory.

Economic Affairs.

29. Happily the rainfall of the winter of 1936-7 proved adequate and well distributed and the yield throughout the country proved above the average. In places, however, and particularly in the Tafileh sub-district the people had suffered so badly from the drought of 1936 that only a portion of their land was sown; some additional help was given to them by the provision of a further £P.1,000 for relief work. No other relief work has proved necessary in 1937, and only £P.250 has had to be provided in loans to assist cultivators who were unable to offer adequate security to satisfy the requirements of the Agricultural Bank.

Remissions on account of crop failure have been less than was expected to be necessary and it is satisfactory that in November again the rains of 1937 have been adequate.

30. Although the new Agricultural Bank Law has not yet been prepared for submission to the Legislative Council the very important task has been completed of simplifying the procedure of application for and issue of loans so that they are now issued very much more expeditiously.

31. It is explained in the Chapter of this Report relating to Customs, Excise and Trade that trade between Palestine and Trans-Jordan which was considerably reduced during 1936 revived in 1937 and the better conditions generally are reflected in the Customs Revenue which has risen from £P.104,434 in 1936 to £P.118,405 in 1937.

32. The statistics taken in 1936 showed that the sum payable by Palestine to Trans-Jordan for that year on account of the duty paid in Palestine on foreign goods re-exported for consumption in Trans-Jordan had fallen from the £P.25,000 paid in 1935 to £P.17,000, and it became necessary to frame the Estimates for 1937-8 on the basis of this lesser figure. Statistics for 1937, however, indicate that the figure has risen again.

33. It is satisfactory to record that the attempt of the past years to put Trans-Jordan raisins on the European market has at last met with success and it is hoped that the 70 tons so disposed of will be largely increased next year.

34. On the 2nd March the garage owners in Amman called a strike in protest against the high cost of petrol. Private cars were not interfered with and no disorder of any kind occurred. The strike was called off two days later after a meeting between representatives of the Shell and Vacuum Oil Companies and the car owners, as a result of which the price of petrol was reduced to 370 mils the four-gallon tin or 355 mils for four gallons in bulk.

Efforts were made, without success, to associate this strike with a refusal of the Government to authorize the formation of a motor car drivers' union the application for which was put forward by persons who had no connexion with the motor transport industry.

Agriculture, Forests and Lands.

35. The Director of the Department of Agriculture and Forests is responsible for the care of all forests owned or controlled by the Government except those which have been registered in the name of the Government during settlement, and he is assisted in this task by 14 Forest Rangers and Guards. The area of forest land to which the Government has acquired a clear title during settlement already amounts to 66,000 dunums and is rapidly increasing as settlement proceeds. These latter forests are under the care and management of the Director of Lands, and His Highness the Amir has agreed to the logical arrangement that as from the 1st April, 1938, the whole of the forests owned or controlled by the Government shall pass to the administration of the Director of Lands, in anticipation of the formation of a sub-Department of Forests, which will be placed in the charge of an expert Forest Officer.

36. The havoc wrought by soil erosion is only too evident and it is with the greatest difficulty that those who work on or have to do with the land can be brought to appreciate the urgency of taking all possible anti-erosion measures. Where settlement has been completed the people are so keen to take advantage of every metre of the land that is now really theirs, that they are actually ploughing up the anti-erosion banks which have been there for many years. Wind-breaks are quite unknown to them and as it is impossible to set aside land for these during partition and settlement the Department of Lands is changing its policy of laying no claim to isolated coppices and will in future claim them so that they at least may afford some partial shelter. Consideration is being given to the best manner of controlling the goats which do so much to facilitate soil erosion and an attempt will be made to arrange for rational grazing.

37. The output of Land Settlement is satisfactory and has been facilitated by the low values of land. The Departmental organization is now working smoothly, and it is hoped to expand its output so as to take advantage of the low land value, and to check encroachment into Government-controlled forest areas.

The Department of Lands has completed a very satisfactory year's work, although its output has been slowed down by difficulties encountered in the settlement of forest areas interspersed with small plots of cultivation, in villages where the land is in communal ownership.

Official Language.

38. Under the terms of Article 15 of the Organic Law, Arabic is the official language of Trans-Jordan.

Miscellaneous.

39. The Chairman, the Vice-Chairman and one member of the Palestine Royal Commission paid a short visit to Trans-Jordan in January but did not have any formal sittings while there.

40. His Highness the Amir left Trans-Jordan on the 24th April to be present at the Coronation of His Majesty King George VI. Until his return on the 13th June his eldest son, the Amir Talal, acted as Regent.

41. On his return from England His Highness paid a visit to Turkey, and was the guest of the President of the Turkish Republic at Ankara for a few days. The visit was entirely informal, and no negotiations or discussions of an official character took place.

42. In May, Monsieur Michel, representing the Mandatory Power in Syria, who had come to Trans-Jordan to arrange for the repatriation of the Druze who had taken up their habitation in Trans-Jordan, left with a party of 250, amongst whom was included Sultan Pasha el Atrash who, in accordance with an undertaking given at the time when he entered Trans-Jordan, had not come north of Kerak during the years he resided in that territory.

Holy Days.

43. The following is a list of the days which are recognized as holy days:—

GENERAL.

Waqfet 'id el Fitr	30 Ramadan.
'Id el Fitr (3 days)	1-3 Shawwal.
Waqfet 'id el Adha	9 Dhil Hijja.
'Id el Adha (4 days)	10-13 Dhil Hijja.
El Miraj el Sherif	27 Rajab.
New Year's Day (Hijira) ...	1 Moharram.
Mawlad en Nebi	12 Rabi el Awwal.
Anniversary of Arab Revolt	9 Sha'ban.
Independence Day	25 May.

FOR CHRISTIANS.

New Year's Day.	Ascension Day.
Epiphany.	Whit Monday.
Good Friday.	Christmas Day.
Easter Monday.	Boxing Day.

Christians are also granted the day before and the first day of 'Id el Fitr and the day before and the first day of 'Id el Adha.

WEEKLY DAY OF REST.

Friday is the official day of rest for all officials of whatever creed. Christian officials are permitted to leave their work to attend their places of worship on Sundays, and on Feast Days not recognized as holidays.

I.—AUTONOMOUS ADMINISTRATION.

The Administration of Trans-Jordan is autonomous in its nature as will be seen from paragraph 12 *et seq* of the introductory section of this Report.

2. There are Municipal Councils at Irbid, Jerash, Ajlun, Amman, Es Salt, Madeba, Kerak, Tafileh, and Ma'an.

The Councils are wholly elected except in Amman, where the President is appointed by the Chief Minister. They operate in accordance with laws which will be replaced by the new Municipal Law which was passed by the Legislative Council in December, 1937, and will come into force on the 1st April, 1938. In this new Law provision is made that, although there shall be in each Council a majority of elected members, a number of the members of each Municipal Council shall be nominated. The reason for this provision is that the majority of citizens likely to stand for election have neither technical knowledge nor adequate experience in municipal administration; the nominated members will generally be the Medical Officer, the Engineer and the Veterinary Officer. The President also is to be nominated, since it is considered that a person thus chosen, being independent of the electorate, will be able to act more energetically in the fulfilment of his duties.

Following the example of the Electoral Law for the Legislative Council, provision is made that the number of seats for elected members shall be allotted between Moslems, Christians and Circassian Moslems in proportion to the male adult population for each community.

As regards Finance, the principle of a general municipal rate has been accepted and has been embodied in the Law in the form of a Land and Building Tax; this tax will replace the 20 per cent. share of the House and Land Tax Law which is at present payable to Municipalities, the Municipal Watchman rate and the Scavenging rate, whilst a number of small taxes hitherto imposed, the return from which was inconsiderable, will no longer be collected. The Land and Building Tax, which is to be imposed on real property at a rate fixed by the Executive Council, not exceeding 5 per cent. of the rental value of the property, is the only municipal impost falling upon property owners under this law, apart from the imposts which by their nature concern only the individuals directly affected thereby.

During the year a separate Law was enacted providing for the imposition of an education rate, not to exceed 3 per cent., on the rental value of real property in such municipal areas as may be selected by the Executive Council.

II.—IMMIGRATION AND EMIGRATION.

The control of travel to and from Trans-Jordan is the duty of a special section of the Arab Legion. The following table indicates the work of this section for the years 1936 and 1937:—

	1936.	1937.
New Passports issued	790	715
Emergency Visas issued	326	597
Ordinary Visas issued	94	117
Return Visas issued	47	93
Foreign Passports registered	2,040	2,668
Endorsements	199	251
Passport Contraventions passed to Courts ...	560	968
Trans-Jordan Passports renewed	424	434
Temporary Passports issued to 'Iraq Petroleum Company	300	250

2. The stricter control of immigration now exercised by the Palestine administration has deprived a considerable number of Trans-Jordanians of a good source of livelihood. At the end of the ploughing season or after the harvest or in years of drought men who were unable to find work in Trans-Jordan found ample labour in Palestine.

The labour market is now closed to them in Palestine in view of the enforcement of rigid immigration control measures by the Palestine Government.

III.—LANDS.

General.

1. Mr. H. A. M. Davis was appointed Inspector in the Department of Lands and Surveys on secondment from the Palestine Government.

2. The expenditure of the Department of Lands and Surveys since the amalgamation of the Departments of Survey, Land Registry and State Domain in 1929 is shown below:—

	£P.		£P.
1929	10,937	1934	15,718
1930	13,464	1935	16,331
1931	14,402	1936	20,600
1932	14,164	1937 (estimated) ...	22,915
1933	14,744		

Land Settlement.

3. The Land Settlement Law enacted in 1933 has now been applied to 95 villages covering an area of 1,395,000 dunums.

The areas partitioned and settled annually are as follow:—

	Masha'a Land. Dunums.	*Mafrus Land. Dunums.*	*Total Dunums.*
1933 (August to December)	17,540	18,363	35,903
1934	155,070	39,139	194,209
1935	268,954	31,006	299,960
1936	269,809	48,352	318,161
1937	291,225	61,237	352,462
Total ...	1,002,598	198,097	1,200,695

In 1937 the cost of settlement and survey amounted to 42 mils per dunum, as compared with 45 mils in 1936.

4. The following data have been compiled from records of work completed in 1937:—

	Masha'a Land.	*Mafruz Land.*	*Total.*	*From commencement of Settlement.*
Villages settled ...	38	3	41	84
Claims recorded ...	4,595	4,836	9,431	33,453
No. of Appeals ...	226	13	239	798
Appeals allowed ...	67	3	70	254

There are no appeals outstanding.

The attendance of the Land Settlement Court in public at each village minimises frivolous claims and facilitates their amicable settlement. During the year, the Court visited 35 villages, and the sittings occupied a total of 81 days.

5. A grant from the Colonial Development Fund of £P.30,000, to be spread over six years, for the acceleration of land partition and settlement was approved in January, 1936, and the expansion of the Department was completed during the latter part of that year. The staff are not yet finally trained, but it is expected that the full effect of the expansion will be apparent in 1938 and that the output of land settlement in that year will reach 400,000 dunums.

6. A consolidating Law was passed to re-enact, with minor amendments, the provisions of the Land Settlement Laws, 1933-6, together with certain new provisions which are referred to in paragraphs 7, 8, 15 and 20 of this Chapter of the Report.

The Land Settlement Law provides for the settlement of all questions or differences in regard to any estate in land, or title thereto, or interest therein or any rights connected therewith. Such rights and interests are recorded in the Schedule of Rights and subsequently transferred to the Land Registers.

The system of registration is based on the Torrens system, and adequate provision is made for the accurate recording of subsequent transactions and mutations, including:—

(*a*) The creation of new parcels, whether by aggregation or subdivision.
(*b*) Succession.
(*c*) Exchange.
(*d*) Partition.

The cadastral map, the essential complement to the Land Register, is also kept up to date as mutations are recorded in the Land Register.

Provision is made for inscriptions in the Land Register to record rights which are more in the nature of an interest, e.g. contract of lease, contract of plantation, mortgage and attachment. These inscriptions are entered on the reverse side of the loose-leaf page of the Land Register and full reference is made to the authoritative documents concerning the right or interest.

7. The Ottoman Land Code is obscure in regard to the rights attached to " Metruke " land which is set aside for public use, such as grazing grounds, threshing floors, watering places, etc., while no provision exists in the Ottoman legislation for the registration of " Metruke " land. The experience of three years of land settlement clearly indicated that the people would welcome some reform and the following provision was added to the Land Settlement Law:—

> " Land used for general purposes that falls within the category of " Metruke " shall be registered in the name of the Government on behalf of those who have interest therein."

This procedure allows the administrative authorities to settle any dispute or encroachment in respect of public land and thus frivolous actions in the Court, often due to village intrigue, are avoided.

The various categories of public land so registered are shown below:—

Categories.	*Dunums.*
Grazing grounds	7,890
Threshing floors	104
Springs and watering pools	97
Cemeteries	18
Village school gardens	58
Land assigned for upkeep of mosque or church	104

8. The Land Settlement Law provides that after the certification of the Schedule of Rights by the Land Settlement Court no objection thereto may be heard by any Court. A further provision has been added to allow a person who has sustained loss

by fraud to obtain compensation subject to the claim being submitted within one year from the date of certification of the Schedule of Rights.

9. Evidence of the importance attached to settlement and land registration is indicated by the record of transactions in paragraph 18 below. The peasant landowner who has suffered insecurity of title for so many years now realises the importance of a clear title and no case of unregistered disposition has yet come to notice in " settled " villages.

10. The people are rapidly learning the value of survey and demarcation resulting from settlement, and in order to avoid expensive litigation they are encouraged to apply for the inspection of their properties in cases of encroachment. Inspection is carried out by the survey staff of the Land Registry on payment of a small fee; during the year 45 cases were referred to the Land Registry and of these only eight eventually were taken to Court. The sales of cadastral plans to landowners have increased by 15 per cent. as compared with 1936.

11. In " settled " villages the advantage of security of tenure is already being exploited. This is especially evident in the more stony areas where a serious effort is being made by many of the landowners to improve their property by removal of the bigger stones from their lands.

12. As the land registers are indexed on a territorial basis, an auxiliary loose-leaf register which records the total property of each landowner is also maintained.

The following data have been compiled from these registers of proprietors. The figures are recorded to illustrate relative holdings and although land prices are at present stable the values shown are of course liable to fluctuate:—

	Number.	*Per cent.*
Holdings of value exceeding £P.250	534	5
Holdings of value between £P.200-250	483	5
Holdings of value between £P.100-200	941	9
Holdings of value between £P.50-100	2,314	22
Holdings of value under £P.50	6,160	59

The size of an average holding is 55 dunums, corresponding approximately to a value of £P.80.

A record of the land-owning population is compiled by the Settlement Officers during the preparation of the Schedule of Rights in the village. A comparison between the results obtained and the register of proprietors indicates that, on an average, two members of each family appear as landowners. The average family holding is therefore 110 dunums.

13. The number of owners becoming landless, as recorded in the registers of proprietors since the completion of land settlement is shown below:—

Villages settled during	*Number of landowners.*	*Number having sold total property.*	*Per cent.*
1934	2,769	61	2
1935	2,221	38	2
1936	3,859	47	1

14. Satisfactory progress has been made in securing land for State Forest Reserves during settlement operations. During the year a further 23,370 dunums of forest were recorded as State Domain, making a total of 66,370 dunums since the inception of land settlement.

Land Settlement Fees.

15. The fees payable on the registration of rights recorded during settlement have been raised on an average by 50 per cent. At the commencement of settlement it was considered expedient to fix a low rate until the peasant landowner had realised the benefits of clear title and the resulting facility in registration of any subsequent transactions. It is now evident that in view of the general confidence in the value of settlement and land registration the larger fee will have no derogatory effect.

16. Registration and court fees arising out of settlement from the commencement of operations in 1933 to the end of December, 1937, are as follows:—Payable £P.18,205; Collected £P.4,105; Outstanding £P.14,100.

Registration fees are only collected as and when owners apply for certificates of registration or when they desire to effect further transactions in the Land Registry. The large outstanding amount of fees is mainly in respect of the villages more recently completed.

The following is a comparative statement of the fees and collections thereof, to date, in respect of Schedule of Rights and of Partition passed to the Land Registry in each successive year:—

Villages settled during	*Payable £P.*	*Collected £P.*	*Per cent.*
1933	459	203	44
1934	3,728	1,023	27
1935	4,173	894	21
1936	2,557	398	16
1937	6,793	1,093	16

It will be seen from the above figures that the lands in settled villages are being registered at a rate of approximately 10 per cent. annually, so that it may be expected that in general the

lands of any village will be entirely recorded in the land registers within a period of about 10 years after settlement of the lands of that village.

Land Registry.

17. Transactions passing through the Land Registry numbered 9,499 and a sum of £P.6,296 was collected in fees, as compared with 8,090 and £P.4,881, respectively, in the previous year.

18. The following is a comparative statement of Land Registry transactions in the Ajlun District where land settlement is in progress:—

	Number	*Fees £P.*
1934	2,146	1,349
1935	2,583	1,817
1936	4,543	2,255
1937	6,651	4,809

19. A duplicate register of rights recorded during settlement and in all subsequent transactions is maintained at a central registry at Amman as a precaution against loss by fire or otherwise of the registers in the districts. The total number of properties entered in the new registers is 5,269 and the number of mutations and annotations recorded is 4,964.

20. The Land Settlement Law provides that no sale is valid in " settled " villages unless the transaction is carried out in the Land Registry and any person who is a party to such transaction is liable to a fine not exceeding £P.5. Every facility is provided to assist the peasant landowner in drawing up documents of sale, lease, etc., in order that he may avoid the fees of advocates or petition writers.

Land Tax.

21. The Land Tax Law has been introduced throughout the country (454 villages), with the exception of 38 villages, where the variation between the amount of the old and new tax is small enough to allow postponement until the arrival of land settlement. The lands of these 38 villages are held in undivided ownership (Masha'a) and the method of distribution of the tax amongst individuals will not be affected by the new Law, so that postponement is not harmful to the owners concerned.

The Land Tax Law limits the increase in taxation to £P.10,000. The gross assessment of the tax amounts to £P.88,187. The gross assessment of the taxes it has replaced amounts to £P.78,641; a resulting increase of £P.9,546.

22. All properties are revalued for assessment of land tax during settlement operations. The loose-leaf register of proprietors referred to in paragraph 12 above also shows the tax assessment on each landowner, and ensures an expeditious and economical compilation of the annual tax Collection Lists in

respect of each settled village. The tax Collection Lists modified by the calculation of remissions on account of failure or partial failure of crops are compiled at the central archives at Amman. In " settled " villages the remissions in 1937 amounted to £P.703 affecting 1,124 taxpayers as compared with £P.7,083 and 4,958 taxpayers in 1936.

The following data in regard to Land Tax have been compiled from the record of taxpayers in villages where land settlement has been completed:—

	Number.	*Per cent.*
Owners paying under £P.1	6,613	63
Owners paying £P.1–2	2,144	20
Owners paying £P.2–3	704	7
Owners paying £P.3–4	437	4
Owners paying over £P.4	534	6

State Forests and State Domain.

23. The following data have been compiled from the records of State Forests which have been secured to Government during settlement operations:—

	Number.	*Area.*
Reserves over 1,000 dunums	3	4,943
Reserves 500-1,000 dunums	20	13,310
Reserves 100-500 dunums	154	35,324
Reserves under 100 dunums	363	12,793
Total	540	66,370

This figure of 66,370 dunums represents 6 per cent. of the total area settled to date. Excluding the plains, which comprise an area of 660,000 dunums devoted to cereal cultivation and unsuitable for afforestation, the percentage of forest is 14 per cent.

24. All State forests to which a clear title has been obtained have been clearly demarcated, and seven forest rangers, trained in survey, have been stationed therein to prevent encroachment and the felling of trees. The number of prosecutions during the year was 55, as compared with 41 in 1936. The total area of these forests was increased by 23,370 dunums during 1937.

25. The irrigable lands in the north of the Jordan Valley, covering an area of 57,000 dunums, have been finally sold to the cultivators who had, prior to 1931, claimed ownership. In 1932 these lands were partitioned amongst the cultivators, who agreed to a purchase price of 340 mils per dunum payable in 10 annual instalments, but the conditions of the disposal included strict adherence to the partition and the prohibition of any contract with third parties as regards partnership, lease, or mortgage. In subsequent years it was apparent that the cultivators intended to speculate; illegal contracts of sale were being concluded with outside speculators and in some cases the partition

was not adhered to. The first instalment, which was due in 1933, was not accepted by the Government and the disposal was cancelled in 1935. The result of these protracted negotiations was that the cultivators were obliged to develop their properties, and in 1937 it was decided again to give effect to the earlier decision regarding the disposal of the lands in question. The Land Tax collected on these properties amounts to £P.1,962 which is £P.690 more than the average annual revenue from tithe prior to 1932.

26. Five leases have been concluded covering an area of 14,000 dunums for development in the low ground between the Jordan Plain and the River Jordan. In order to safeguard against speculation the lands are leased at an annual rent of 50 mils per dunum to allow for development by pumping water from the River Jordan. The lessee has the right of purchase at 50 mils per dunum within the period of the lease as soon as 75 per cent. of the area is cultivated by irrigation.

27. An area of 39,000 dunums at the south end of the Dead Sea was leased to the Palestine Potash Company for a period of 71 years at a nominal rent of £P.5 per annum. The land is required for evaporation purposes and auxiliary works in connexion with the Dead Sea Concession.

28. During the year various holdings of State Domain, mostly uncultivated, comprising a total area of 8,323 dunums, were sold to encourage cultivation and facilitate building. Since the completion of survey the proceeds of the sale of State Domain are £P.28,352: the average annual rent from the properties sold was £P.1,464. As a result of disposal, the present owners have improved the methods of cultivation, and in many instances the revenue from land tax exceeds the tithe and rental tithe collected prior to disposal.

Survey.

29. Ten students completed their training during the year and were appointed to classified posts. On an average 24 surveyors were engaged on cadastral survey, six on land settlement and three in the Land Registries.

The cadastral survey is carried out on the scale 1:2,500, and 364 cadastral plans were completed during the year, details of which are as follows:—

	Number of Blocks.	*Number of Parcels.*	*Average Area of Parcel Dunums.*	*Marks Erected.*
Masha'a Land	282	4,327	44	9,076
Mafruz Land	74	3,362	18	10,889
Total	356	7,689	62	19,965

In " mafruz " villages the work of settlement and survey is carried out simultaneously. This procedure allows settlement officers to delegate the recording of undisputed claims to the survey party, expedites the work, and in addition enables the surveyor to acquire experience in land settlement. Index maps on a scale 1:10,000 are made of each village by reduction from the 1:2,500 cadastral maps. These are primarily for use in the Land Registry but are also on sale to the public.

30. A contour survey on a scale of 1:10,000 with a vertical interval of one metre has been commenced in the Rift Valley. This survey will cover all potentially irrigable land on the east side of the River Jordan and south-east of the Dead Sea. The control of the contouring will be provided by a line of precise levels carried from the First Order levels of the Survey of Palestine.

In connexion with the contour survey a number of First Order triangulation points are being established on the eastern escarpment of the Jordan Valley by extending the Palestine First Order network. These triangulation points will be used primarily to control the map sheets of the contour survey, but they will also be available as a base to extend the First Order triangulation of Trans-Jordan eastwards.

31. During the year two sheets of the 1:250,000 scale map were published and have had a ready sale to the public. The sheets are printed in nine colours and cover the country from the River Yarmuk on the northern frontier to Shobek in the south, while the eastern boundary is the meridian 36° 31′ E. The western boundary extends to the meridian of 35° 19′ E. and thus includes the eastern part of Palestine.

32. Receipts from the sale of maps amounted to £P.71.

IV.—NATIONALITY.

Article 1 of the Trans-Jordan Nationality Law provided that all Ottoman subjects habitually resident in Trans-Jordan on the 6th August, 1924, were to be deemed to have acquired Trans-Jordan nationality. The term " habitually resident in Trans-Jordan " was deemed to include any person who had his usual place of residence in Trans-Jordan for the period of 12 months preceding the 6th day of August, 1924.

2. Provision existed in the law permitting persons who had acquired Trans-Jordan nationality under Article 1 of the Law to opt for other nationality before the 6th day of August, 1926, but, in fact, no use was made of this permission.

3. Naturalization is granted at the discretion of the Chief Minister to applicants who fulfil the following conditions:—

(*a*) two years' residence in Trans-Jordan immediately prior to the application for naturalization;

(*b*) that the applicant is of good character;
(*c*) that the applicant intends to reside in Trans-Jordan;
(*d*) that the applicant knows the Arabic language.

In special circumstances the Chief Minister may, with the approval of His Highness the Amir, dispense with the condition of two years' previous residence.

The figures for the issue of Nationality and Naturalization Certificates during the last three years are as follow:—

	1935.	1936.	1937.
Nationality Certificates applied for	792	675	661
Nationality Certificates issued	578	537	588
Naturalization Certificates issued	90	117	42

Three applications for Trans-Jordan nationality by naturalization were refused in 1936. Two of the applicants were Syrian and the third a Palestinian, and the ground of refusal in each case was that the length of residence was less than the minimum prescribed by Article 7 (*a*) of the Nationality Law.

V.—JUDICIAL SYSTEM.

Civil Courts.

1. The Civil Courts consist of Courts of First Instance and Magistrates Courts. The present organization of the Courts largely follows the Turkish model, which was inherited from the former Ottoman system. The organization of the Ottoman Courts was based upon a Court of First Instance, which had jurisdiction to try all criminal matters where the maximum punishment which could be awarded exceeded one year and the fine £T.90, and all civil cases the value of which exceeded £T.50.

Criminal cases in which the maximum punishment which could be awarded was less than one year and the maximum fine less than £T.90, and civil cases where the value of the subject matter of the action was less than £T.50, were triable by Courts known as Magistrates' Courts or Courts of the Justice of the Peace.

Courts of First Instance were established in towns of any importance or size in the Ottoman Empire. Magistrates' Courts were established in towns possessing Courts of First Instance and also in other smaller towns.

Appeal from Magistrates' Courts lay to Courts of First Instance, and appeal from Courts of First Instance lay to regional Courts of Appeal. In certain cases appeal lay from regional Courts of Appeal to the Court of Cassation in Constantinople. In addition to appeal, this Court had a jurisdiction by way of cassation from Courts below. These Courts were known generally as Civil Courts to distinguish them from the Sharia and other Religious Courts.

2. The principal modifications of this system in Trans-Jordan consist in the substitution of one Central Court of Appeal for the regional Courts of Appeal, and the transfer from Courts of First Instance to the Court of Appeal of the duty of hearing appeals from the Magistrates' Courts. Appeal by way of cassation has been abolished. The modifications of the Ottoman system are therefore little more than simplifications of a system which was suitable for a territory of the vast size of the former Ottoman Empire, but too complicated for a small country like Trans-Jordan.

Sharia Courts.

3. Sharia Courts were those Courts which had exclusive jurisdiction to deal with personal-status cases of Moslems. This jurisdiction was and still is in Trans-Jordan exercised in accordance with the provisions of the Ottoman Law of Procedure of the Moslem Religious Courts of the 25th of October, 1333 A.H. By personal status is meant matters concerning the personal and domestic relations of the parties, such as marriage, divorce, alimony, maintenance, guardianship, legitimization and adoption of minors, interdiction, succession, wills and legacies. These Courts also have jurisdiction in cases of "Diya" (blood money), this being a cash payment to the relatives of any person killed or injured as the result of the wrongful act of any other person: it is additional to any penalty imposed by the Civil Courts under the terms of the Criminal Law. "Diya" is a part of Mohammedan Law and as such is administered by the Sharia Courts. The Sharia Courts also had jurisdiction to deal with cases of waqf, established by and belonging to Moslems. A waqf is a pious foundation instituted by the founder, in most cases, from pious and religious motives.

Religious Community Council Courts.

4. In addition to the Sharia Courts, there were certain Courts known as the Courts of the Religious Community Councils which exercised in respect of the various non-Moslem religious communities dwelling within the Ottoman Empire much the same jurisdiction as that exercised by the Sharia Courts. Each separate community had its own Council, which had power to set up a Court with jurisdiction to hear personal-status cases arising between members of the particular religious community concerned. The principal religious communities in Trans-Jordan are the Greek Orthodox community, the Greek Catholic community, the Armenian community, and the Latin community. The jurisdiction of the Courts of these communities is now set out in the Non-Moslem Religious Community Councils Law, 1933.

Courts at present established in Trans-Jordan.

5. *Civil Courts.*—The Courts at present established in Trans-Jordan are as follows:—

(1) A Court of Appeal at Amman having jurisdiction to hear appeals from all lower Courts in Trans-Jordan.

(2) Courts of First Instance having jurisdiction in criminal matters where the maximum punishment which can be awarded is imprisonment for more than three years or a fine, and in civil matters where the value of the subject matter of the action exceeds £P.50.

These Courts are established in Amman, Irbid and Kerak. Members of Courts of First Instance proceed to places where Magistrates' Courts only are in existence in order, when necessary, to constitute Courts of First Instance in those places, thereby saving litigants and others concerned the trouble and expenses of coming to the head-quarters of a Court of First Instance.

(3) Magistrates' Courts having jurisdiction in criminal cases where the maximum punishment which can be awarded is imprisonment up to three years or a fine, and in civil cases where the value of the subject matter of the action is not more than £P.50, although if the parties agree in writing, the Court has jurisdiction up to any amount.

Magistrates' Courts are established in Amman, Irbid, Kerak, Es Salt, Jerash, Ajlun, Madeba, Tafileh, and Ma'an.

Sharia Courts.—Sharia Courts having jurisdiction to hear personal-status cases of Moslems, cases relating to waqfs (pious foundations) and "Diya" (blood money) are established in Amman, Kerak, Irbid, Es Salt, Ajlun, Tafileh, Jerash and Ma'an.

Tribal Courts.—Tribal Courts are at present established in Amman, Irbid, Kerak, Ma'an, and the Desert Area.

Religious Community Council Courts.—Religious Community Council Courts are established in the following places:—

Place.	*Community.*
Amman	Greek Orthodox and Greek Catholic.
El-Husn	Greek Orthodox and Greek Catholic.
Es Salt	Greek Orthodox.

Special Courts.—The only Special Court at present working in Trans-Jordan is the Land Settlement Court, which is a travelling Court and is set up in districts which are declared to be land settlement areas under the terms of the Land Settlement Law, 1933.

Nature of the Law in Force in Trans-Jordan.

6. Article 58 of the Organic Law provides that Ottoman Laws promulgated before the 1st November, 1914, and laws promulgated after that date and declared by public notice to be in force in Trans-Jordan, shall remain in force until repealed or amended. Thus Ottoman Law is the base of that of Trans-Jordan, though amending legislation, as well as the spirit which has been infused into the working of the Administration and of the Courts, has effected very considerable changes.

The Ottoman system itself has developed from several entirely different sources.

Of these the principal is the Moslem Law, which in the early days of the Turkish State was practically the only law, and which at the present time suffices for the needs of the less advanced Arab States. This law had its origin in the precepts of the Koran as applied by the Prophet Mohammed himself, and was later developed into a formal legal system by Moslem jurists. In course of time this law was very considerably altered on many topics, and on some was entirely superseded. Little alteration, however, was made in the law governing the personal status of Moslems, and that concerning pious foundations (waqf), and in Trans-Jordan it is the Moslem law which governs these topics.

As the Ottoman Empire extended and relations with other countries increased, the Moslem system was found in some cases to be insufficient to meet modern conditions, and in others to be somewhat inaccessible, and in consequence it was decided to follow the lead of France who, after the Revolution, had codified the more important topics of her law.

The most famous of the French codes is the " Code Civil ", but as the Moslem Law dealt very fully with the matters contained in that Code, it was decided to codify the Moslem Law on such topics, rather than adopt a foreign code. A Committee of Moslem jurists was therefore appointed, and a Civil Code, known as the " Mejelle ", was the result of their labours. This codifies the Moslem Law dealing with the principal contracts such as sale, hire (including employment), pledge, guarantee, gift, etc. It also covers civil injuries, the law of evidence, and certain parts of the law of procedure.

On other topics, however, it was thought necessary to draw on foreign sources. The Moslem Criminal Law is primitive, the Law of Procedure both Civil and Criminal is fragmentary, whilst Commercial Law hardly exists. In consequence the French Codes on these matters were translated, and passed with little change into the Ottoman system.

In addition the Turks found it necessary to pass laws to suit their own local requirements. This is especially the case in the sphere of administration, the Ottoman Wilayet Administrative Law being a typical example.

It has been mentioned above that matters concerning the personal status of Moslems were governed by Moslem Law. As this Law was unsuitable for Christians, Christian communities were allowed to establish their own Courts, and to deal with such matters affecting members of their communities in accordance with the religious law of the community.

The foregoing is an outline of the system which by the terms of the Organic Law became, or rather remained, the law of Trans-Jordan. In addition, that Law, promulgated in 1928, declared valid all legislative acts of the constituted authority in Trans-Jordan during the previous ten years; and of course the legislative authority constituted by the Organic Law was competent, within the limits of that law, to effect such changes as it thought proper.

The basic change in the Ottoman system was effected by the Organic Law itself, which, following British principles, introduced liberal ideas, which were somewhat foreign to the Ottoman system. In addition whole topics of the Ottoman Law were superseded by legislation based on British models. The fact that important laws are approved by the Mandatory Power, that a British Adviser is responsible for drafting all new legislation, and that he advises the Government generally on legal matters, naturally tends to favour the introduction of British legislation and methods.

The adapting of a system intended for the big Ottoman Empire to a small country, combined with the grafting of entirely foreign ideas into the system has many inconveniences, and these have mainly been felt in the sphere of procedure. For these purposes considerable local alterations have been made to the Codes of Civil and Criminal Procedure, with the result that these codes have become quite out of date, and the law of procedure uncertain. It is hoped that it will be possible to introduce new codes within the next two years.

The Diwan Khas for the Interpretation of Laws and Regulations.

7. The Diwan Khas is a body established under the terms of an addendum to the Organic Law, dated the 4th March, 1930. The object of the creation of this body was to provide a means whereby any points of doubt or difficulty to administrative authorities, which have not been the subject of any final decision by the Courts, may be made the subject of investigation, the decision taken by the Diwan Khas being considered to have the force of law.

The Diwan is convoked by the Chief Minister at the request of the Head of any Department. It is composed of two senior officials of the Ministry of Justice. The Diwan is presided over by the Minister of Justice.

No interpretation of the Diwan Khas of any of the provisions of the Organic Law is operative until confirmed by the Amir.

Ministry of Justice.

8. The general control and supervision of the Civil Courts is vested in the Ministry of Justice, presided over by a Minister who is a member of the Executive Council and *ex-officio* member of the Legislative Council. This Ministry has no control over the other Courts mentioned in paragraph 5, but its Execution Department is responsible for the execution of their judgments, with the exception of those of the Tribal Courts.

The present Minister of Justice, Ibrahim Pasha Hashem, C.B.E., is also Chief Minister and Supreme Judge of the Sharia Courts. Attached to the Minister of Justice is a British Judicial Adviser who is responsible for the drafting of all new laws and regulations. As legal draftsman he attends meetings of the Executive and Legislative Councils and gives his advice on legal points at meetings of the former. In addition he is a member of the Diwan Khas for the interpretation of laws and regulations, and also of the Senior Judicial Council established for the appointment, transfer and removal of judicial officials, subject to the confirmation of His Highness the Amir. Moreover he joins with the Minister in conducting the routine work of the Ministry and examines petitions containing complaints with regard to specific cases, or in which the Amir is asked to exercise his prerogative of pardon. The majority of new laws originate in departments other than the Ministry of Justice, and are sent to the Judicial Adviser for drafting.

9. Full statistics showing the activities of the Courts and the fines, fees and costs received by them are shown below. The figures for criminal cases continue to be satisfactory, in spite of an increase of 30 new Court of First Instance cases, the total of such cases being 621 as opposed to 591 in 1936. New criminal cases in the Magistrates' Courts decreased by 1,279. New Civil cases in the Courts of First Instance decreased by 30, and in the Magistrates' Courts by 1,236. Revenue from all sources fell by over £P.800, the fall being chiefly in the revenue from criminal cases. In spite of a good harvest, fees on execution tended to fall rather than to rise as was expected.

10. During the year a complete reorganisation of the Judicial Department has been begun and reforms have been introduced into the antiquated Turkish system of keeping registers, which should release clerks for more useful duties. Attention is also being paid to the question of recruitment of staff, with the view of taking advantage of the spread of education.

11. Particular attention has been paid to the speeding-up of the hearing of cases, with the result that there is now very little avoidable delay. The new post of Court Inspector has not yet been filled and the Court of Appeal has remained without a President throughout the year, the former President having died at the end of 1936. It is expected that these two appointments will shortly be filled, and in the meantime the duties of Court Inspector are being performed by the Judicial Adviser.

12. The practice was adopted in 1937 of giving all Laws a serial number. The law relating to Road Transport, Land Settlement, and the Protection of Plants and Crops was amended and codified. Other new Laws of importance were:—

The Dangerous Drugs Law, which repealed former legislation on the matter and brought the law of Trans-Jordan into conformity with the latest International Conventions;

The Arab Legion (Reserve) Law, which constituted a reserve for the Arab Legion and provided for its discipline;

The Law for Censorship of Cinematograph Films;

The Royal Family Law, which gave His Highness the Amir certain powers over members of the Royal Family; and

The Civil Service Pension (Addendum) Law, which made certain alterations in the Ottoman Law on the subject.

13. Owing to the system of convicting *in absentia* which still prevails, it sometimes happens that a mere child, who legally cannot be sent to prison, is in fact sentenced, and the sentence becomes final. Such matters are set right by the issue of a pardon. Apart from such formal pardons, three pardons were issued by His Highness the Amir during the year, one being on account of the ill-health of the prisoner. Although the prison system is satisfactory for normal cases, hospital facilities do not exist for the segregation and treatment of chronic cases, and thus it may be desirable to release a prisoner in the interests of the other prisoners, although he himself may be undeserving of sympathy, or from the point of view of his own health may be actually better off in the prison.

14. No execution took place during the year. A vigorous control is kept on persons awaiting trial, and such delays as occur are generally due to the difficulty which is often experienced in the serving of witnesses and in securing their attendance.

15. Fifteen companies and partnerships were registered at the Ministry of Justice. This increase of 12 over the figures for 1936 does not indicate an increase of commercial activity, but is due to a stricter enforcement of the Law requiring registration.

Revenue of Civil Courts, 1937.

Name of Court.	Criminal.				Civil.				Notary Public Fees.		Total.	
	Costs.		Fines.		Fees on Actions.		Fees on Execution.					
	£P.	Mils.	£P.	Mils.	£P.	Mils.	£P.	Mils.	£P.	Mils.	£P.	Mils.
Court of Appeal	—	—	—	—	132	455	—	—	—	—	132	455
Court of First Instance and Magistrate's Court combined—												
Amman	273	005	755	915	1,452	170	243	270	575	350	3,299	710
Irbid	138	700	199	240	612	330	107	060	144	175	1,201	505
Kerak	19	850	26	900	440	040	49	924	38	920	575	634
Total	431	555	982	055	2,504	540	400	254	758	445	5,076	849
Magistrates' Courts—												
Es Salt...	95	000	126	720	363	520	80	665	125	585	791	490
Jebel Ajlun	43	400	71	020	184	240	14	860	16	960	330	480
Jerash	24	900	182	695	276	735	34	420	31	000	549	750
Madeba	43	990	12	050	147	355	38	610	17	810	259	815
Tafileh	23	350	23	528	101	710	11	890	10	150	170	628
Ma'an & Aqaba	12	250	40	850	54	535	7	350	15	515	130	500
Total	242	890	456	863	1,128	095	187	795	217	020	2,232	663

Court of Appeal.

Particulars of Appeal entered in the four years 1934, 1935, 1936, and 1937

	Civil Appeals.		*Criminal Appeals.*		*Total.*
	From Courts of First Instance.	*From Magistrates' Courts.*	*From Courts of First Instance.*	*From Magistrates' Courts.*	
1934	44	653	217	934	1,848
1935	30	726	184	885	1,825
1936	49	719	189	767	1,724
1937	43	773	147	896	1,859

Total Number of Actions in Civil Courts, including Court of Appeal.

Year.	*Pending at beginning of year.*	*New actions entered.*	*Actions decided.*	*Pending at end of year.*
1934	1,555	26,585	26,947	1,193
1935	1,193	25,802	25,995	1,000
1936	1,000	25,420	25,326	1,094
1937	1,094	26,244	26,460	878

Courts of First Instance.

Particulars of Cases entered in the four years 1934, 1935, 1936 and 1937.

Year.	Amman.				Irbid.				Kerak.				Total in all Courts.
	Civil.	Criminal.		Total.	Civil.	Criminal.		Total.	Civil.	Criminal.		Total.	
		Crimes.	Misdemeanours			Crimes.	Misdemeanours			Crimes.	Misdemeanours		
1934 ...	101	52	330	483	35	87	268	390	29	33	91	153	1,026
1935 ...	137	41	379	557	34	53	208	295	35	29	91	155	1,007
1936 ...	141	46	281	468	30	53	146	229	32	14	51	97	794
1937 ...	100	49	338	487	45	49	129	223	28	10	46	84	794

Magistrates' Courts.

Particulars of cases entered in the four years 1934, 1935, 1936 and 1937.

Name of Court.	1934.			1935.			1936.			1937.		
	Civil.	*Criminal*	*Total.*	*Civil.*	*Criminal*	*Total.*	*Civil.*	*Criminal*	*Total.*	*Civil.*	*Criminal*	*Total.*
Amman	3,032	3,701	6,733	2,731	3,287	6,018	2,688	3,297	5,985	3,168	3,096	6,264
Irbid	1,881	3,442	5,323	2,013	2,802	4,815	2,440	3,451	5,891	2,631	2,933	5,564
Kerak	1,888	1,497	3,385	1,730	1,088	2,818	1,656	799	2,455	1,953	782	2,735
Es Salt	1,721	1,473	3,194	1,780	1,309	3,089	1,593	1,721	3,314	1,535	1,312	2,847
Jebel Ajlun ...	951	1,097	2,048	858	830	1,688	835	938	1,773	1,038	904	1,942
Jerash	492	624	1,116	793	706	1,499	602	662	1,264	919	738	1,657
Madeba	995	459	1,454	716	432	1,148	734	561	1,295	722	638	1,360
Ma'an	325	401	726	377	524	901	312	377	689	227	278	505
Tafileh	452	306	758	555	439	994	651	317	968	554	163	717
Total ...	11,737	13,000	24,737	11,553	11,417	22,970	11,511	12,123	23,634	12,747	10,844	23,591

CIVIL ACTIONS, 1937.

	Pending 1/1/37.	*New Cases Entered.*	*Cases Decided.*	*Pending 31/12/37.*
Appeals from Courts of First Instance	20	43	58	5
Appeals from Magistrates Courts	30	773	744	59
Total	50	816	802	64
Courts of First Instance—				
Amman	55	100	126	29
Irbid	5	45	46	4
Kerak	19	28	37	10
Total	79	173	209	43
Magistrates' Courts—				
Amman	164	3,168	3,193	139
Irbid	37	2,631	2,613	55
Kerak	91	1,953	1,971	73
Es Salt	16	1,535	1,515	36
Jebel Ajlun	13	1,038	1,025	26
Jerash	15	919	927	7
Madeba	46	722	719	49
Ma'an and Aqaba ...	9	227	231	5
Tafileh	11	554	553	12
Total	402	12,747	12,747	402

CRIMINAL CASES, 1937.

	Pending 1.1.37.	*New Cases Entered.*	*Cases Decided.*	*Pending 31.12.37.*
Appeals from Courts of First Instance	16	147	149	14
Appeals from Magistrates' Courts	78	896	943	31
Total	94	1,043	1,092	45
Courts of First Instance :—				
Amman	19	387	382	24
Irbid	22	178	198	2
Kerak	11	56	66	1
Total	52	621	646	27
Magistrates' Courts :—				
Amman	109	3,096	3,059	146
Irbid	125	2,933	3,004	54
Kerak	37	782	792	27
Es Salt	25	1,312	1,319	18
Jebel Ajloun	44	904	926	22
Jerash	11	738	744	5
Madeba	45	638	664	19
Tafileh	8	163	166	5
Ma'an	13	278	290	1
Total	417	10,844	10,964	297

CRIMINAL INVESTIGATION MADE BY THE PUBLIC PROSECUTORS

Year.	*Cases pending at beginning of year.*	*New Cases Received.*	*Cases decided.*	*Cases pending at end of year.*	*Particulars of cases Decided.*						
					Cases sent for trial.			*Cases Filed.*			
					Crimes.	*Misdemeanours.*	*Contraventions.*	*Insufficient Evidence.*	*No offence Disclosed.*	*Accused Abandoned.*	*Lack of Jurisdiction.*
1934	229	2,262	2,425	*66	156	597	286	852	264	190	51
1935	66	1,771	1,791	†46	103	507	153	624	273	76	44
1936	46	1,738	1,728	‡56	107	596	193	691	192	106	29
1937	56	1,718	1,727	§47	93	463	117	716	201	95	36

* 29 cases amalgamated.
† 11 cases amalgamated.
‡ 14 cases amalgamated.
§ 6 cases amalgamated.

Public Prosecutor—Executions, 1937.

1937.	*Brought Forward.*					*New Cases.*					*Cases Disposed of.*					*Carried Forward.*				
	Crime Judgment.	*Administrative Order.*	*Civil Judgment.*	*Sharia Judgment.*	*N.P. Docts.*	*Crime Judgment.*	*Administrative Order.*	*Civil Judgment.*	*Sharia Judgment.*	*N.P. Docts.*	*Crime Judgment.*	*Administrative Order.*	*Civil Judgment.*	*Sharia Judgment.*	*N.P. Docts.*	*Crime Judgment.*	*Administrative Order.*	*Civil Judgment.*	*Sharia Judgment.*	*N.P. Docts.*
Amman ...	112	—	2,155	44	164	1,341	—	1,478	28	50	1,351	—	1,386	28	90	102	—	2,247	44	124
Kerak ...	37	43	867	6	51	220	125	645	3	16	237	78	669	2	3	20	90	843	7	64
Irbid ...	85	1	593	9	37	1,532	—	813	17	19	1,351	1	757	16	17	266	—	649	10	39
Es Salt ...	44	107	768	19	126	583	22	524	9	27	602	68	515	6	46	25	61	777	22	107
Madaba ...	40	—	295	2	19	244	—	248	1	23	255	—	313	2	32	29	—	230	1	10
Jerash ...	29	20	230	6	12	184	50	316	9	5	169	63	261	11	7	44	7	285	4	10
Ajlun ...	32	12	195	—	7	203	52	270	—	3	227	43	267	—	6	8	21	198	—	4
Ma'an ...	3	—	155	10	—	75	—	133	6	—	75	—	185	12	—	3	—	103	4	—
Tafileh ...	2	25	79	6	—	73	99	144	12	—	68	64	144	14	—	7	60	79	4	—
Total ...	384	208	5,337	102	416	4,455	348	4,571	85	143	4,335	317	4,497	91	201	504	239	5,411	96	358

TOTAL REVENUE OF CIVIL COURTS FOR THE FOUR YEARS 1934, 1935, 1936 and 1937.

Year.	Criminal.				Civil.				Notary Public Fees.		Total.	
	Fines.		Costs.		Fees on Actions.		Fees on Execution.					
	£P.	Mils.	£P.	Mils.	£P.	Mils.	£P.	Mils.	£P.	Mils.	£P.	Mils.
1934 ...	2,463	251	1,673	921	3,354	950	668	455	1,031	835	9,192	412
1935 ...	2,052	064	1,408	525	3,522	250	1,303	410	1,142	025	9,428	274
1936 ...	1,862	383	1,372	936	3,435	345	713	450	952	445	8,336	559
1937 ...	1,438	918	674	445	3,765	090	588	049	975	465	7,441	967

VI.—ECONOMIC EQUALITY.

The posts, telegraphs and telephones and the roads of Trans-Jordan are in public ownership and are administered by the Trans-Jordan Government.

The town water supplies are administered, in all cases, by the municipal councils concerned.

The Turkish tobacco monopoly has been discontinued.

2. Articles 67 and 68 of the Organic Law provide that all rights in, or in relation to, any public lands and in all mines and minerals shall vest in and may be exercised by His Highness the Amir in trust for the Trans-Jordan Government.

Grants or leases for the exploitation of the mineral resources of Trans-Jordan are made under a Mining Law of 1926, the terms of which follow generally those of the Palestine Mining Ordinance, 1925.

3. Article XVII of the Agreement between His Majesty the King and His Highness the Amir provides that His Highness shall be guided by the advice of His Britannic Majesty in all matters concerning the granting of concessions, the exploitation of natural resources, the construction and operation of railways and the raising of loans.

4. There is no economic discrimination in the fiscal regime or in the Customs laws of the Trans-Jordan Government. Certain exemptions from State and Municipal taxation and tithes which were enjoyed by certain foreign charitable, religious and educational institutions under the Ottoman regime are maintained, but no new privileges of this type have been granted.

Moreover, Trans-Jordanians are liable to the same taxation, State or Municipal, as are foreign nationals.

VII.—FREEDOM OF CONSCIENCE.

There is complete liberty of conscience and of religious observance throughout Trans-Jordan.

2. Articles 10 and 14 of the Organic Law read as follows:—

> "*Article* 10.—Islam shall be the religion of the State and there shall be insured to all dwellers in Trans-Jordan complete freedom of belief and freedom to practise forms of worship in accordance with their customs unless detrimental to public safety or order or contrary to morals."
>
> "*Article* 14.—The various communities shall have the right to establish and maintain their schools for the teaching of their members in their own language provided that they conform to the general requirements prescribed by law."

3. Under the provisions of the Electoral Law, three of the 16 elected representatives are Christians. The Law relating to the election of members of the Administrative Councils provides that the Heads of religious communities shall be members of the selection committees, and that where the Christian male population is 500 souls there shall be one, and where it is 1,000 there shall be two, Christians in the Council. The new Municipal Law which was recently passed by the Legislative Council provides that the elected members of Municipal Councils are to be composed of Moslems, Christians and Circassian Moslems in proportion to the number of males over 20 years of age in these communities. If this would not give the minorities representation, they will be given representation if their numbers are 10 per cent. or more of the whole.

4. Personal-status cases of non-Moslem religious communities are within the jurisdiction of the appropriate Religious Community Councils according to the provisions of the non-Moslem Religious Community Councils Law, 1933. A new draft of this Law, which takes account of the changes made in the Organic Law, was under consideration in the Legislative Council at the end of the year.

5. Community and private schools may be opened only after obtaining a licence from the Department of Education. Before a licence is granted the applicant is required to satisfy the Health Authority of the suitability of the building to be used, and to submit details of the qualifications of the teachers to be appointed and copies of the syllabus to be used. After a school has been licensed and opened, the Department of Education has the right of inspection. Of recent years there have been no difficulties in regard to licensing or inspection, though this latter right is seldom exercised.

6. Christians and Circassians are well represented in the Government services and hold some of the highest posts.

7. During its Thirty-Second Session the Permanent Mandates Commission asked for information in regard to the approximate strength of each type of Mission. The numbers of foreign adults in these missions are as follows:—

Anglican 20.

American Churches 8.

Latins 38, including 32 in the Italian hospitals at Amman and Kerak.

VIII.—MILITARY CLAUSES.

1. *The Arab Legion Duties and Responsibilities.*—The Arab Legion is the Police Force of Trans-Jordan. It is responsible to the Government of Trans-Jordan for public security and the maintenance of law and order, the custody of prisoners, immigration and passport control, and the licensing of vehicles.

2. *Strength and composition.*—The Arab Legion consists of 40 officers (seven of whom are British, thirty-three Trans-Jordanians), three cadet officers, and 1,018 non-commissioned officers and men, who are disposed as follows:—

	Officers.	*Cadet Officers.*	*Other Ranks.*
Mounted	22	3	378
Dismounted	12	—	348
Desert Police	3	—	106
Prison Staff	2	—	98
Clerical Staff	—	—	23
Paid for by the 'Iraq Petroleum Company	1	—	65
	40	3	1,018

The Arab Legion Reserve, which was formed in 1936, is composed of 115 men of whom 60 are Desert Police; they are paid a monthly retaining fee of £P.1 and draw £P.5 for the month during which they are called up for training annually.

Provision was made at the end of 1937 to increase the Arab Legion by 50 mounted men and to increase the Reserve by 50 dismounted men.

3. *Organization and Command.*—Trans-Jordan is divided into five Districts, namely: Ajlun, Belqa, Kerak, Ma'an and the Desert Area. These divisions are used for administrative and police purposes.

The Arab Legion is organized as follows, in accordance with these Administrative Districts:—

In Amman, the capital of Trans-Jordan.

Arab Legion Headquarters.
Amman City Police.
Arab Legion Depot for recruiting and training purposes.
Arab Legion Motor Transport Garage and Repair Workshops.
The Central Jail.

Ajlun District.

Headquarters and 17 Police Stations.

Belqa District.

Headquarters and 18 Police Stations.

Kerak District.

Headquarters and 10 Police Stations.

Ma'an District.

Headquarters and 9 Police Stations.

Desert Area.

Headquarters and 10 Police Stations.

Fifty Police Stations are in telephonic communication with their District Headquarters.

Wireless.—The Arab Legion operates eleven wireless stations, of which ten are fixed and one is a mobile set mounted in a Ford tender.

During 1937 new wireless personnel were for the first time trained by Arab Legion staff and not as hitherto by the Royal Air Force.

Motor Transport.—The Arab Legion possesses 23 motor vehicles, distributed as follows:—

	Vehicles.
Desert Area	13
Amman Police	4
District Cars	6
Total	23

Each of the four Districts: Ajlun, Belqa, Kerak, and Ma'an possesses one district car, the remaining two vehicles of this type being maintained in reserve.

The vehicles are repaired in the Arab Legion workshops, in Amman. All vehicles are of Ford make and mechanics are sent for training to the Ford Motor Works, Alexandria, Egypt.

4. *Courses of Instruction.*—Members of the Legion attended the following courses of instruction during the year:—

Subject.	*Place.*	*Number of persons attending.*
Motor Mechanics	Ford Company, Alexandria.	7 Men.
Lathe Operating	Jaffa.	1 Man.
Car Painting	Iraq Petroleum Company.	1 Man.
Car Maintenance	Arab Legion Depot.	12 N.C.Os. of Desert Patrol.
Wireless Operators ...	Arab Legion Headquarters.	4 Men.
Advanced Technical Course in Wireless Maintenance.	Royal Air Force, Amman.	1 W/T Sgt.
First Aid	Royal Air Force, Amman.	1 Officer and 10 Men.
Law and its application ...	Arab Legion Depot.	71 Men.
Equitation Instruction ...	Arab Legion Depot.	2 Men.

The promotion of non-commissioned officers is based on the result of an annual examination.

5. *Motor Licensing Department.*—The Force is responsible for the testing and licensing of all motor drivers and vehicles; the following table of licences issued in certain years indicates the progressive increase in the number of vehicles:—

Year Licensed.	*Cars.*	*Buses.*	*Lorries.*	*Motor Cycles.*	*Pedal Cycles.*	*Totals.*
1926 ...	110	4	16	5	—	135
1934 ...	269	19	109	7	—	464
1935 ...	274	34	169	7	—	484
1937 ...	300	38	133	14	120	605

6. *Criminal Investigation Department.*—The statistics of ordinary crime showed an increase over those of the previous years.

The following is a list of the principal crimes reported in each of the last four years:—

Nature of Crime.	*1934.*	*1935.*	*1936.*	*1937.*
Murder	47	19	29	21
Wounding	444	346	308	260
Abduction	45	43	29	55
Theft	1,646	715	882	942
Car Accident ...	118	111	112	101
Smuggling	37	7	13	20
Drunkenness	70	60	55	77

During the years 1936 and 1937 the following enquiries as to criminal antecedents were made:—

	1936.	1937.
Enquiries from Courts regarding Verifications and Antecedents	1,436	1,630
Enquiries traced	605	627
Enquiries not traced	831	1,003

The following numbers of finger prints were taken of suspects:—

1936.	1937.
431	399

7. *Prisons.*—Nine prisons exist in Trans-Jordan.

Any prisoner sentenced to more than three months' imprisonment is transferred to the Central Jail, Amman. The average population of the Central Jail throughout 1937 was 268 prisoners.

Further extension of prison industries was carried out during the year. The following men, who had no skilled trade when they entered prison, were instructed in the trades shown below:—

Stone quarrying	30
Stone cutting and trimming	35
Masons (building)	12
Carpenters	7
Blacksmiths	6
Laundry and ironing	24
Carpet making	25
Mattress making	5
Gardening and poultry rearing	14
Painting	6
Cooks	10
Telephone exchange operators	7
Plasterers	14
Concrete workers	10

8. *Relief Work.*—During the year the Arab Legion Relief Committee has been active; articles of clothing, bedding and food have been issued to destitutes, a number of prisoners on release from jail have been given food and assisted to reach their homes and others have been helped to obtain employment. Several persons have been assisted to receive hospital treatment, and three destitute foreigners were repatriated to their own countries.

9. There has been no disturbance of public security during the year under review. The Desert Area, which constitutes about four-fifths of the area of Trans-Jordan, and is sparsely populated by nomads, has been quiet.

There have been no incidents on the frontiers, and relations with the frontier officials of the Saudi Arab Government continued to be amicable.

IX.—INTERNATIONAL AGREEMENTS, CONVENTIONS, AND TREATIES.

(A) Agreements concluded in the Name of Trans-Jordan.

(i) Commercial Agreements.

Country.	*Title of Instrument.*	*Date and place of Signature.*
Syria and Lebanon.	Customs Agreement	10.5.1923 Amman.
Palestine ...	Transit Agreement	26.9.1928 Jerusalem. Amended 18.12.1928. Amended 27.12.1928. Amended 23.7.1934.

(ii) Other Agreements.

Great Britain	Agreement	20.2.1928 Jerusalem. Ratified 31.10.1929, Amman.
Nejd ...	Hadda Agreement	2.11.1925 Bahra Camp.
Syria and the Lebanon	Provisional Agreement in regard to the Transmission of Judicial Proceedings between Trans-Jordan and Syria and the Lebanon.	15.2.1928 Amman.
Palestine ...	Agreement for the taking of Evidence on Commission for the purposes of any Commercial or Civil matter.	25.2.1929 Jerusalem. 6.3.1929 Amman.
Palestine ...	Agreement regarding the Interchange of Judicial Documents.	6.3.1929 Amman.
Palestine ...	Agreement regarding the conveyance of corpses from Palestine for burial in Trans-Jordan and from Trans-Jordan for burial in Palestine.	1.10.1929 —
Palestine ...	Agreement as to the circulation of Motor Vehicles.	14.10.1929 Jerusalem.
Syria and the Jebel Druze.	Agreement concerning the settlement of disputes between Beduins of Trans-Jordan and Beduins of Syria and the Jebel Druze as well as between Beduins and non-Beduins of the same States.	2.2.1930 Amman. 29.12.1929 Beirut.
'Iraq ...	Treaty of Friendship	26.3.1931 Amman.
Syria and the Lebanon.	Agreement establishing telegraphic communication.	Effect from 1st April, 1930.
Syria and the Lebanon.	Agreement for the reciprocal grant of gratis visas.	20.8.1932 Jerusalem. 5.9.1932 Beirut.
Saudi Arabia	Treaty of Friendship and Bon Voisinage.	27.7.1933 at Jerusalem. Ratified 23.12.1933 at Cairo.
Great Britain	Supplementary Agreement ...	2.6.1934 Jerusalem. Ratified at Ablin on 22.6.1935.
Palestine ...	Extradition Agreement ...	9.7.1934 Jerusalem; and 23.7.1934 Amman. Amended 1.9.1935.
Palestine ...	Agreement to regulate the service of judicial documents between Palestine and Trans-Jordan.	23.11.1934 Amman and Jerusalem.

(B) Multilateral Agreements and Conventions.

Title of Instrument.	*Date of Signature.*	*Date of Accession.*
Declaration recognising the Right to a Flag of States having no Sea Coast.	20.4.1921, Barcelona.	9.10.1922 (Ratification).
Convention and Statute on Freedom of Transit	20.4.1921, Barcelona.	28.1.1924.
Convention and Statute on the Regime of Navigable Waterways of International Concern.	20.4.1921, Barcelona.	28.1.1924.
Additional Protocol to the Convention on the Regime of Navigable Waterways of International Concern.	20.4.1921, Barcelona.	28.1.1924.
International Convention relative to the Protection of Literary and Artistic Works.	13.11.1908, Berlin.	21.3.1924.
Additional Protocol to the International Copyright Convention signed at Berlin on 13.11.1908.	20.3.1914, Berne.	21.3.1924.
International Opium Convention and subsequent relative papers.	23.1.1912, The Hague.	21.8.1924.
International Convention relating to the Simplification of Customs Formalities.	3.11.1923, Geneva.	27.11.1924 (effective date).
Convention relating to the Development of Hydraulic Power affecting more than one State, and Protocol of Signature.	9.12.1923, Geneva.	27.11.1925.
Convention and Statute of the International Regime of Railways, and Protocol of Signature.	9.12.1923, Geneva.	22.9.1925.
Convention and Statute of the International Regime of Maritime Ports and Protocols of Signature.	9.12.1923, Geneva.	22.9.1925.
Convention relating to the Transmission in Transit of Electrical Power and Protocols of Signature.	9.12.1923, Geneva.	22.9.1925.
Protocol on Arbitration Clauses (in Commercial Matters).	24.9.1923, Geneva.	8.5.1926.
International Convention for the Suppression of the Circulation of and Traffic in Obscene Publications.	12.9.1923, Geneva.	23.5.1927.
International Agreement as to Contagious Diseases of Animals.	25.1.1924, Paris.	13.7.1927.
International Convention with the object of securing the Abolition of Slavery and the Slave Trade.	25.9.1926, Geneva.	18.6.1927.
International Convention relating to Dangerous Drugs.	19.2.1925, Geneva.	25.9.1928 (effective date).
International Sanitary Convention	21.6.1926, Paris.	9.10.1928.
International Convention relative to Motor Traffic.	24.4.1926, Paris.	24.10.1929.
Convention relating to Regulation of Aerial Navigation.	13.10.1919.	11.7.1922.
International Convention relating to International Exhibitions.	22.11.1928, Paris.	17.12.1930.
International Convention for the Unification of Certain Rules relating to Bills of Lading.	25.8.1924, Brussels.	2.6.1931 (effective date).
International Convention for the Amelioration of the Conditions of the Wounded and Sick in Armies in the Fields.	27.7.1929, Geneva.	23.6.1931 (Ratification), (effective date).

(B) Multilateral Agreements and Conventions—*continued.*

Title of Instrument.	*Date of Signature.*	*Date of Accession.*
International Convention relative to the Protection of Literary and Artistic Works.	2.6.1928, Rome.	1.10.1931.
International Convention for the Suppression of the Traffic in Women and Children.	30.9.1921, 31.3.1922, Geneva.	2.11.1931.
International Agreement for the Suppression of the White Slave Traffic.	18.5.1904, Paris.	6.5.1932 (effective date).
International Convention for the Suppression of the White Slave Traffic.	4.5.1910, Paris.	6.5.1932 (effective date).
Convention for the Unification of certain Rules relating to International Carriage by Air.	12.10.1929, Warsaw.	14.4.1932.
Universal Postal Convention	20.3.1934, Cairo.	1.1.1935.
International Convention for Mutual Protection against Dengue Fever.	25.7.1934, Athens.	3.5.1935.
International Convention for the Sanitary Control of Aerial Navigation.	12.4.1933, The Hague.	1.9.1935.
International Telecommunications Convention	9.12.1932, Madrid.	24.5.1935.

For position as regards International Labour Conventions see Labour Chapter (page 348).

(C) Extradition Treaties between the United Kingdom and Foreign Countries which apply to Trans-Jordan

Country.	*Date of Signature.*	*Date of Application.*
Between United Kingdom and :		
Albania	22.7.1926	11.7.1927.
Austria	3.12.1873/26.6.1901	18.3.1932.
Belgium	29.10.1901	1.4.1932.
Belgian Congo	5.3.1907/3.3.1911	1.4.1932.
Ruanda-Urundi	28.6.1928/2.7.1928	1.4.1932.
Bolivia	22.2.1892	3.3.1932.
Chile	26.1.1897	18.3.1932.
Colombia	27.10.1888/2.12.1929 ...	5.12.1930.
Cuba	3.10.1904/17.4.1930	12.12.1931.
Czechoslovakia	11.11.1924, Protocol 4.6.1926	15.7.1927.
Denmark	31.3.1873	29.3.1932.
Estonia	18.11.1925	10.3.1927.
Finland	30.5.1924	25.11.1926.
Greece	24.9.1910	22.4.1932.
Guatemala	4.7.1885/30.5.1914	30.3.1932.
Hayti	7.12.1874	24.2.1932.
Hungary	3.12.1873/26.6.1901	30.6.1932.
Iraq	2.5.1932	2.5.1932.
Latvia	16.7.1924	7.6.1926
Lithuania	18.5.1926	11.6.1927.
Monaco	17.12.1891 ... ... / 27.11.1930	5.7.1931.
Netherlands	26.9.1898	5.4.1932.
Nicaragua	19.4.1905	6.4.1932.
Norway	26.6.1873/18.2.1907	20.9.1932.
Panama	25.8.1906	4.6.1932.
Peru	26.1.1904	2.3.1932
Poland	11.1.1932	12.3.1934.
Portugal	17.10.1892/20.1.1932 ...	23.6.1934

(C) Extradition Treaties between the United Kingdom and Foreign Countries which apply to Trans-Jordan—*continued.*

Country.	*Date of Signature.*	*Date of Application.*
Roumania	9/21.3.1893	3.3.1932.
Salvador	23.6.1881	18.10.1932.
Siam	4.3.1911	7.4.1932.
Spain	4.6.1878/19.2.1889	23.3.1932.
Switzerland	26.11.1880/29.6.1904 ...	9.5.1932.
United States of America ...	22.12.1931	24.6.1935.
Yugoslavia	23.11.1900/6.12.1900 ...	30.8.1932.

In addition to the countries set out in the foregoing list the Trans-Jordan Extradition Law has been applied to the following countries :—

Argentine.	Italy.	Tunis.
Ecuador.	Liberia.	Uruguay.
France.	Paraguay.	
*Germany.	San Marino.	

* While the Extradition Treaty between the United Kingdom and Germany (14.5.1872) has not been extended to Trans-Jordan, an arrangement has been concluded by an exchange of notes providing for the operation of extradition between Trans-Jordan and Germany on a basis of reciprocity. The arrangement came into force on 28th February, 1933.

(D) Commercial Treaties between the United Kingdom and Foreign Countries which have been applied to Trans-Jordan.

Country.	*Title of Instrument.*	*Date of Application.*
Lithuania ...	Agreement respecting Commercial Relations, 6.5.1922, Riga and Kovno.	24.4.1923.
Latvia ...	Treaty of Commerce and Navigation, 22.6.1923, London.	25.5.1924.
Poland	Treaty of Commerce and Navigation, 26.11.1923.	19.6.1924.
Czechoslovakia ...	Treaty of Commerce, 14.7.1923 ...	6.6.1925.
Finland	Treaty of Commerce and Navigation, 14.12.1923.	13.2.1926.
Austria	Treaty of Commerce and Navigation, 22.5.1924, London.	5.6.1926.
Germany ...	Treaty of Commerce and Navigation, 2.12.1924, London.	2.12.1926.
Greece	Treaty of Commerce and Navigation, 16.7.1926.	23.3.1927.
Hungary... ...	Treaty of Commerce and Navigation, 23.7.1926, London.	26.7.1927.
Austria	Notes on Trade Marks	2.12.1927. 13.4.1928.
Yugoslavia ...	Treaty of Commerce and Navigation, 12.5.1927.	4.4.1928.
Spain	Treaty of Commerce and Navigation, 31.10.1922, Revised 5.4.1927 and 31.5.1928.	1.12.1928.
Bulgaria ...	Notes on Commerce and Navigation, 12.11.1925.	25.2.1929.
Lithuania ...	Notes Modifying the Agreement of 6.5.1922.	10.12.1929.
Japan	Treaty of Commerce and Navigation and Supplementary Convention of 30.7.1925.	1.6.1930.

(D) Commercial Treaties between the United Kingdom and Foreign Countries which have been applied to Trans-Jordan—*continued.*

Country.	*Title of Instrument.*	*Date of Application.*
Egypt	Commercial Modus Vivendi, 5/7.6.1930, Cairo. Prolongation until 16.2.1934 by Notes of 16/19.2.1933.	21.8.1930.
Spain	Agreement regulating the Treatment of Companies, 27.6.1924, Madrid.	6.8.1931.
Panama	Treaty of Commerce and Navigation, 25.9.1928.	2.9.1932.
Poland	Agreement regarding Trade and Commerce, 27.2.35, London.	24.7.1935.

(E) Other Treaties between the United Kingdom and Foreign Countries which apply to Trans-Jordan.

Country.	*Title of Instrument,*	*Date of Application.*
France	Legal Proceedings in Civil and Commercial Matters, 2.2.1922.	21.3.1923.
Belgium	Legal Proceedings in Civil and Commercial Matters, 21.6.1922.	13.3.1925.
Czechoslovakia ...	Legal Proceedings in Civil and Commercial Matters, 11.11.1924, London.	17.2.1927.
Greece	Notes on Consular Fees on Certificates of Origin, 21.6.1929.	21.6.1929. 9.7.1929 (effective).
Germany ...	Legal Proceedings in Civil and Commercial Matters, 20.3.1928.	25.11.1929.
Netherlands ...	Extension to Overseas Territories of the Agreement for the Abolition of Visas, 1.12.1929.	1.12.1929 (applicable to British subjects only).
Spain	Legal Proceedings in Civil and Commercial Matters, 27.6.1929.	23.2.1931.
Italy	Notes respecting documents of Identity for Aircraft Personnel, 13.4.1931.	13.4.1931.
Poland	Legal Proceedings in Civil and Commercial Matters, 26.8.1931.	17.10.1932.
Estonia	Legal Proceedings in Civil and Commercial Matters, 22.12.1931.	11.11.1932 (effective).
Portugal ...	Legal Proceedings in Civil and Commercial Matters, 9.7.1931.	30.4.1933.
Denmark ...	Legal Proceedings in Civil and Commercial matters, 29.11.1932.	25.7.1934.
Netherlands ...	Legal Proceedings in Civil and Commercial Matters, 31.5.1932.	22.9.1934.
Belgium	Supplementary Convention to Facilitate the Conduct of Legal Proceedings, 4.11.1932.	27.6.1935.
Finland	Legal Proceedings in Civil and Commercial Matters, 11.8.1933.	4.6.1935.
Czechoslovakia ...	Legal Proceedings in Civil and Commercial Matters (Supplementary), 15.1.1935.	5.1.1937.
Lithuania ...	Legal Proceedings in Civil and Commercial Matters, 24.4.1934.	29.6.1937.
Hungary ...	Legal Proceedings in Civil and Commercial Matters, 7.5.1936.	25.6.1937.

X.—ANTIQUITIES.

Inspections.

1. One additional Antiquity guard has been appointed, bringing the number up to five, who are stationed at Shobek, Tafileh, Kerak, Madeba and Jerash. The inspectorate staff also comprises an Assistant Inspector and a Sub-Inspector at Amman, and a Sub-Inspector at Jerash; and by these means the greater part of the country is regularly patrolled. Interference with antiquity sites continues to be infrequent; only one notable case of damage occurred during the year, namely, the unauthorized dismantling of a Bronze Age wall at Irbid.

Recent Discoveries.

2. The American School of Oriental Research, in conjunction with the Department of Antiquities, has excavated the Nabataean Temple, at Khirbet Tanur in the Tafileh Sub-District, mentioned in the Report for 1936. The work has brought to light many fine pieces of Nabataean sculpture, dating from at least the year 7 B.C. to early in the second century A.D. The earlier date is given in an inscription mentioning the building of the temple in the second year of King Aretas and his wife Khaldu. The discovery of these objects will throw much light on both the plastic art and the religious life of the Nabataeans.

A series of important prehistoric sites has been located at Wdi Dhobai, in the desert some 80 kilometres south-east of Amman; and a collection of surface flints has been made. The culture links up with the Tahunian of Palestine, but also has many individual characteristics, and has aroused considerable interest among pre-historians. The sites are now being examined and excavated.

Archaeological Survey.

3. In continuation of his work in Southern Trans-Jordan, which was described in Volume XV, 1934-5, of the Annual of the American School of Oriental Research, Dr. Glueck has begun his survey of the northern districts of the country and has already examined many hitherto unrecorded sites.

Mr. T. P. O'Brien has proposed to make a survey of all the prehistoric sites in Trans-Jordan, and is expected to commence operations in the near future.

These two surveys, when completed, will provide a record of all sites of every period of the country's ancient history, and will be of the greatest archaeological value.

Excavations.

4. *Petra.*—The British School of Archaeology in Egypt, under the direction of Dr. Margaret Murray, conducted a short campaign at this site during the spring of 1937, and obtained some interesting results from the excavations of small private

dwellings. Hitherto the attention of excavators has been confined to the greater monuments and the High Places; but a real knowledge of ancient peoples is best obtained from their houses and rubbish heaps, and for this reason Dr. Murray's investigations were particularly valuable.

Tell El-Ghassul.—Financial difficulties have delayed the continuation of the work which was done in the spring of 1936 by the Pontifical Biblical Institute, Jerusalem. The Institute hopes to resume operations early in 1938.

Mount Nebo.—The Franciscan Biblical Institute, Jerusalem, under the direction of the Rev. Sylvester Saller, has done a further season's work at Siagha, during which a great part of the monastery complex attached to the church there has been revealed .

Ma'in.—The Ecole Biblique, Jerusalem, under the direction of Père Savignac, has excavated a recently discovered mosaic pavement which contains illustrations of churches in some of the ancient towns of Palestine and Trans-Jordan. After complete recording, the pavement was re-buried.

Khirbet Tanur.—The clearance of this site by Dr. Glueck and his associates has been completed.

Amman.—The Italian Archaeological Expedition which carried out excavations at the Acropolis in 1932 has resumed work, under the direction of Dr. Bartoccini.

Wadi Dhobai.—A permit has been granted to Mr. Waechter, on behalf of the British School of Archaeology, Jerusalem, to excavate the prehistoric sites here, and he has begun operations.

Conservation.

5. The Trans-Jordan Government have been able to increase somewhat the funds made available for this purpose, and the work undertaken this year has included the preservation of the mosaics in the Cosmos and Damianus Church and the partial restoration of the north tetrapylon at Jerash, and also the strengthening of the Nymphaeum at Amman.

Tourists.

6. Fees collected from tourists visiting Petra totalled £P.409 as compared with £P.648 in 1936 and £P.818 in 1935. The number of foreign visitors to Jerash was 766, as compared with 947 in 1936 and 1,355 in 1935. The decrease in the number of tourists is due to the continued unsettled conditions in Palestine since the spring of 1936.

General.

7. The card index, with map references and photographs of all sites in the country, which was opened in 1936, is complete so far as present recorded sites are concerned, and will be

amplified by the information which will become available from Dr. Glueck's further survey in the north of Trans-Jordan. A map showing all recorded sites in the country is in course of preparation, based upon two new maps issued by the Department of Lands on the scale, 1:250,000.

The Amman Museum.—A special exhibition was held in the summer of 1937 of the recently discovered sculpture from Khirbet Tannur. The Museum itself is not large enough to accommodate a permanent representative collection; and a series of special exhibitions of this kind is the best available means of keeping the people in touch with the archaeological developments of the country.

XI.—LABOUR.

With the exception of the Convention concerning Forced or Compulsory Labour the International Conventions have not been formally declared to be applicable to Trans-Jordan and the necessary legislation to enforce in Trans-Jordan the provisions of such Conventions has not been enacted, except legislation relating to forced or compulsory labour which enables the Trans-Jordan Government to give full effect to the terms of the Convention dealing with those matters. At the same time care has been taken to ensure that local legislation is in no way contradictory or repugnant to the terms of the International Labour Conventions and, where necessary, the existing laws have been amended accordingly.

It has been deemed advisable to follow this policy because Trans-Jordan is in the main a primitive pastoral and agricultural country where society is still conducted on patriarchal lines. Industries are practically non-existent and it is improbable that conditions will permit industrial development in the future. The need for the greater part of the provisions of the Labour Conventions has not yet arisen, and the purpose of many would be beyond the comprehension of the local legislature and, moreover, even if it were possible to secure the enactment of the legislation necessary to give full effect to the Conventions, the machinery for its execution could not at the moment, for practical reasons, be brought into being.

In the circumstances, it is preferable to ensure generally that local legislation is not repugnant to the terms of the Conventions and to adopt from time to time those provisions of the Conventions the application of which is rendered desirable by the development of Trans-Jordan.

2. Certain undertakings have been given by the factory owners in regard to the employment of children. These undertakings conform to the draft Conventions and recommendations adopted by the International Labour Conference.

XII.—TRADE IN AND MANUFACTURE OF DRUGS, ARMS, AND LIQUORS.

Arms.

1. The existing laws provide that:—

(*a*) The import of State or military weapons or revolvers of which the barrels are more than 15 cm. in length, or of ammunition for the same is prohibited except with the permission of the Government.

(*b*) Firearms may not be carried without permission within towns in which there resides a Government representative.

(*c*) The sale of arms and ammunition within a town is only permitted under licence and in a specially appointed place.

(*d*) The transport of arms for export is prohibited.

(*e*) Except with a licence the possession of arms or ammunition in the Jordan Valley is prohibited.

(*f*) With the exception of retail purchase from a licensed dealer, as provided in detail in the Law, no person shall import, transport, possess, purchase, sell or otherwise deal in any explosive substance (including detonators, percussion caps and bombs) except under a licence to do so. Purchase of explosives from a licensed dealer may only be effected by persons having a licence to do so.

2. Before 1933, certain persons in Amman were licensed to deal in arms and ammunition and these people were required to keep registers of receipts and issue. But in December, 1933, a closer control was taken and the Chief Minister ordered that no licences were to be granted to any person to import arms.

3. During 1937, dealers were licensed to import a total of 19 shot-guns. Arms and ammunition are not manufactured in Trans-Jordan and it was only during the recent disturbances in Palestine that licences were given to manufacture blasting powder under Government supervision and control. Only a very small number of arms has been seized in course of importation from Trans-Jordan into Palestine, and there has been no concrete evidence of any considerable traffic in arms in or through the country.

Drugs.

4. The Dangerous Drugs Law which was passed by the Legislative Council in December, 1936, came into force on the 1st January, 1937, and gives effect in Trans-Jordan to the International Convention for Limiting the Manufacture and Regulating the Distribution of Narcotic Drugs. This Law makes persons guilty of an offence under the law liable to imprisonment for a period not exceeding five years or to a fine not exceeding £P.500, or both such penalties.

5. The seizures of dangerous drugs and the penalties imposed in 1937 were as follows:—

	Amount. Kilo.	Gms.	Centgs.	Origin.	Penalty.
Hashish ...	–	750	–	Syria.	1 Week imprisonment. £P.2 Fine.
,, ...	1	100	–	Syria.	1 Month imprisonment and 400 mils Fine and deportation.
,, ...	4	45	–	Syria.	3 Months, 2 Months.
,, ...	–	1	–	Syria.	1 Month.
,, ...	–	2	5	Found in Trans-Jordan.	£P.5 Fine.
,, ...	–	1	20	,,	£P.5 Fine.
,, ...	–	1	25	,,	£P.5 Fine.
Cocaine ...	–	–	54	,,	Pending Trial.

6. The imports under licence granted during 1937 in respect of narcotic drugs were:—

	Grammes.
Cocaine in the form of Salts and preparations	93
Morphine in the form of Salts and preparations	7
Medicinal Opium	20
Opium in the form of preparation	45
Codein in the form of Salts	140
Cannabis Indica in the form of preparation	22

Liquors.

7. There are three distilleries in Trans-Jordan which manufactured the following quantities of liquors during the year 1937:—cognac 10,708 litres, araq 26,264 litres and wine 5,624 litres.

XIII.—EDUCATION.

General.

1. The Department of Education is responsible for two main branches of work:—

(*a*) the direction, supervision and inspection of all Government schools;

(*b*) the supervision and inspection of non-Government schools.

Headquarters Staff.

2. During the year an additional Inspector was appointed and the Inspector of School Gardens, who was formerly attached to the Department of Agriculture and Forests, was transferred to the Department of Education. The headquarters staff now comprises a Director, a Senior Inspector, two Inspectors and an Inspector of School Gardens. The clerical staff consists of a Chief Clerk, an Accountant, a Storekeeper and a Clerk.

3. The teaching staff of the Department has been increased and the total number of teachers in all Government schools, including Headmasters and Headmistresses, is now 163 compared with 154 during the previous year.

This increase of staff is designed to provide additional masters in existing schools where the proportion of pupils to teachers is much too great.

The distribution of Government schools and the teachers and pupils thereof are shown in the table at the end of this section.

4. During the year one new Government elementary village school has been opened, in the sub-district of Jebel Ajlun. The total number of Government schools is now 70. In addition, one boys' elementary school has been opened in Amman at the charge of the Municipal Education Fund.

The total number of pupils attending school in the first term of the school year 1937-8 was 7,408, compared with 6,515 in the previous school year. The number includes admission to the classes newly opened and maintained from the Municipal Education Funds.

At the thirty-second Session of the Permanent Mandates Commission information was requested in regard to the number of children refused admission to Government schools.

The following table gives the number of applications for admission to all classes of Government schools in September, 1937, and the number which it was possible to accept:—

	Towns.		*Villages.**		*Total.*	
	Boys.	*Girls.*	*Boys.*	*Girls.*	*Boys.*	*Girls.*
Applied	1,917	681	2,520	26	4,437	707
Accepted	737	400	1,177	23	1,914	423
Refused or Deferred ...	1,180	281	1,343	3	2,523	284

* The figures for villages apply only to those villages where schools exist.

Of the numbers deferred, in towns, 183 boys and 56 girls have been taken into the new classes opened, in January, 1938, by means of funds provided by the new Municipal Education Rate; the net figures of refusals are therefore 997 boys and 225 girls. But, in spite of the fact that all possible efforts were made to ensure that an accurate registration should be made of all children of school age, it is believed that the foregoing figures are not entirely accurate, since parents who have several times applied unsuccessfully for the admission of their children desist from renewing their applications.

Amongst those rejected are a considerable number of pupils who after one or two years' education in a small community school have exhausted its resources.

Municipal Education Rate.

5. Under a Law enacted in the form of an Addendum to Article 15 of the Ottoman Elementary Education Law of 1329 (1914) and promulgated in May, 1937, an education rate, known as the Municipal Education Rate, was introduced. This rate is leviable on real property within Municipal areas, and is collectable from the occupier of the property. Power to put the

Law into operation in any Municipal Area and to fix the percentage of the Rate, within the specified maximum of 3 per cent. of the rental value, is vested in the Executive Council.

The revenue derived from this Rate forms, in each Municipal area, a special fund, known as " the Municipal Education Fund " which is administered by a committee presided over in the Capital by the Director of Education, and in the Districts and sub-Districts by the Mutessarrif or Kaimmakam. The Director of Education has the power to control the work of the District and sub-District Committees.

In August, 1937, the Municipal Education Rate was enforced in the Municipal Area of Amman, and in November, 1937, in that of Es Salt. In both cases the Rate has been levied at 2 per cent. The annual assessment of the Rate amounted to £P.1,204 in Amman and £P.100 in Es Salt.

With these additional provisions for Municipal education, it has been possible to open the following classes:—

In Amman:

3 Lower Elementary Classes for Boys.
1 Mixed Preparatory Class.
1 Mixed Kindergarten Class.

In Es Salt:

1 Preparatory Class for Boys.

Three masters and three mistresses were appointed in Amman and one master in Es Salt.

Elementary Education.

6. The Elementary course extends over a period of seven years in town schools and four years in village schools.

Mixed Kindergarten classes are attached to the girls' school in Amman only. The former method of keeping one independent Kindergarten school in Amman proved unsatisfactory.

Town Schools.

During the year there were twenty elementary town schools (including Municipal schools) with a roll of 4,100 pupils. Of these, nine schools were for girls with a total of 1,508 girls.

The following table shows the number of schools by Districts:—

Liwa.	*Boys.*	*Girls.*	*Total.*
Belqa	5	4	9
Ajlun	3	2	5
Kerak	2	2	4
Ma'an	1	1	2
Total	11	9	20

Village Schools.

Forty-three village schools, with a roll of 3,005 pupils, were maintained during the year. Of these, one is for girls and has 39 pupils.

The following table shows the number of village schools by Districts:—

Liwa.	*Qada.*	*Number of Schools.*
Belqa	Amman	6
Ajlun	Irbid	20
	Jerash	2
	Jebel-Ajlun	5
Kerak	Kerak	5
	Tafileh	2
Ma'an	Ma'an	3
Total		43

Of these, all execpt one in the sub-District of Irbid, are for boys.

Secondary Education.

7. The complete Secondary Course extends over a period of four years, the elementary and secondary stages being continuous.

The fourth secondary class concludes with the Trans-Jordan matriculation examination which follows to some extent the lines of the Palestine matriculation.

There is only one Government boys' school in Trans-Jordan which provides a complete secondary course of four years; there are three others which give two years. Education in these schools is free of charge.

There is no Government school providing secondary education for girls.

The total number of students attending the secondary schools in the first term of 1937-8 was 208 compared with 153 in the previous year.

Twenty students sat for the Trans-Jordan Matriculation Examination held in July, 1937, and eighteen passed.

Desert Schools.

8. The Desert Schools started in the year 1935-6 are still only two in number. One is permanently stationed at Al Jafr in the Ma'an District, where there is a suitable building, while the second school was open for some months this year at Muaqqar in the District of Amman. Subsequently, however, as a result of the migration of tribes, the attendance fell considerably, and it was decided to move the school to Mudauwara (also Ma'an District) for the remainder of the school year.

During the first term of the present scholastic year there were seventeen pupils in the school at Al Jafr and twenty-three in that at Muaqqar. At Mudauwara, where the latter school has now re-opened, there are fourteen pupils.

Desert schools follow a special curriculum designed to suit the needs of the Beduin.

Technical Education.

9. The only school that provides technical education in Trans-Jordan is the Government Arts and Crafts School in Amman. Manual instruction is given in all town schools.

At the Arts and Crafts School board and lodging are provided for students from outside Amman; students living in Amman itself are accepted as day students. No fees are charged for board or tuition.

The school is open to selected boys from the fourth elementary class or above. The average age of pupils ranges from 14 to 17. The courses for both theoretical and practical training cover a period of four years for blacksmith and carpentry trades and three years for cane work and upholstery.

During the first term of the year 1937-8 there were 55 students of whom 45 were boarders.

Scholarships.

10.—(*a*) The following scholars are being maintained by the Department in 1937-8:—

No. of Scholars.	*Institutions which Scholars are attending.*
2	Government Arab College, Jerusalem.
4	Kadoorie Agricultural School, Tulkarem.
2	Women's Training College, Jerusalem.
1	English Girls' College, Jerusalem.

(*b*) The British Council awarded a scholarship of £P.300 to enable a member of the teaching staff in the Department to take one year's course in a university in England. The Department found it advisable to select one of the Inspectors for this course, and he was sent to the University College, Exeter, to take a course in English and in methods of teaching that language.

Non-Government Schools.

11. The table appended hereto gives particulars of the non-Government schools.

Secondary Education in Non-Government Schools.

12. The Boys' School instituted in Amman by the Anglican Bishop in Jerusalem opened its first secondary class this year. Its new building has been completed and a boarding section has been established therein.

In the Girls' School of the Church Missionary Society in Amman a first secondary class has also been added during the year, and this school thus becomes the first school which provides secondary education for girls.

General.

13. The Department of Public Health continued to co-operate in the medical inspection of all schools, and that of Public Works in all matters concerning school buildings. The District Administrative Officers also continued their co-operation in the construction and maintenance of school buildings in villages.

DISTRIBUTION OF STUDENTS AND TEACHERS IN GOVERNMENT SCHOOLS, 1937–1938.

Schools.	*Number of Schools.*	*Students.*					*Increase or decrease on previous year.*	*Teachers.*				
		Boys.	*Girls.*	*Religion.*		*Total.*		*Men.*	*Women.*	*Religion.*		*Total.*
				Moslems.	*Christians.*					*Moslems.*	*Christians.*	
1. Secondary Schools ...	4	208	—	132	76	208	+ 55	14	—	12	2	14
2. Elementary Schools :—												
(*a*) *Town Schools—Boys	11	2,592	—	2,299	293	2,592	— 123	53	—	45	8	53
(*b*) †Town Schools—Girls	9	—	1,508	1,258	250	1,508	+ 194	—	34	26	8	34
(*c*) Village Schools ...	43	2,966	39	2,826	179	3,005	+ 784	52	1	48	5	53
3. Desert Schools	2	40	—	40	—	40	— 26	2	—	2	—	2
4. Arts and Crafts School ...	1	55	—	43	12	55	+ 9	7	—	6	1	7
Total	70	5,861	1,547	6,598	810	7,408	+ 893	128	35	139	24	163

* The decrease is due to an adjustment made in the classification between elementary and village Schools.
† The figures include Kindergarten Classes attached to girls' schools.

DISTRIBUTION OF PUPILS AND TEACHERS IN NON-GOVERNMENT SCHOOLS, 1937–1938.

Schools.	*Number of Schools.*	*Students.*					*Teachers.*		
		Boys.	*Girls.*	*Religion.*		*Total.*	*Men.*	*Women.*	*Total.*
				Moslems.	*Christians.*				
1. Kuttabs	45	1,496	196	1,657	37	1,692	44	6	50
2. Latin Schools...	16	844	817	114	1,547	1,661	29	28	57
3. Greek Orthodox Schools	14	624	226	73	777	850	17	7	24
4. Greek Catholic Schools	13	363	84	19	428	447	15	3	18
5. American Schools	3	102	129	46	185	231	3	5	8
6. Anglican School	1	85	—	28	57	85	6	2	8
7. Arab Kindergarten	1	30	23	28	25	53	—	4	4
8. Sabbatarian School	1	51	—	36	15	51	2	—	2
9. Bahai School	1	26	26	52	—	52	1	1	2
10. Armenian School	1	95	—	—	95	95	1	3	4
11. Church Missionary Society Schools...	4	132	92	68	156	224	6	8	14
12. Frontier Force Schools	2	52	33	58	27	85	1	2	3
Total	102	3,900	1,626	2,179	3,347	5,526	125	69	194

XIV.—PUBLIC HEALTH.

Personnel.

1. The establishment of the Department of Health was increased during the year by one Medical Officer, three Anti-Malaria Sanitary Sub-Inspectors, one Medical Attendant, one Ambulance Driver for the Desert Mobile Medical Unit and one Beduin Sanitary Sub-Inspector.

Finance.

2. The following is the estimated revenue and expenditure for the Department for the financial year 1937-8, compared with that for the year 1936-7:—

	1937–38.	*1936–37.*
	£P.	£P.
(1) Revenue	580	580
(2) Expenditure—		
Personal Emoluments ...	10,816	9,805
Other Charges	4,993	5,671
Extraordinary	250	—
Total	16,059	15,476

In addition Government pays half of the total budget for the Desert Mobile Medical Unit (i.e., £P.1,293) and the other half is paid by the Palestine Government.

The expenditure on the Department of Health has risen from £P.11,292 in 1931-2 to £P.17,352 in 1937-8, and in this latter year amounts to 4·2 per cent. of the whole expenditure (with the exception of self-balancing items) of the Government.

Vital Statistics.

3. No census of the population of Trans-Jordan has yet been taken. The total population of the country, including the nomadic and semi-nomadic tribes, is roughly estimated at from 300,000 to 325,000.

The number of births notified during the year under review was 11,496 (38·3 per thousand inhabitants) compared with 12,234 (40 per thousand) in 1936. The number of deaths in 1937 was 6,342 (21·1 per thousand); the number notified in 1936 was 6,652 (22 per thousand).

The infantile mortality rate (below one year of age) was 203 per thousand live births, compared with 201 for 1936, 211 for 1935 and 242 for 1934.

The following table shows the birth-rates and death-rates for the last 10 years:—

Year.	*Number of Births registered.*	*Number of Deaths registered.*	*Total Increase of Births over Deaths.*
1928	8,400 (27·4)	5,009 (16·3)	3,391
1929	9,845 (32·2)	6,573 (21·5)	3,272
1930	10,340 (33·8)	6,661 (21·7)	3,679
1931	10,697 (35·0)	5,684 (18·4)	5,049
1932	10,871 (35·5)	6,152 (20·0)	4,719
1933	10,900 (36·3)	7,354 (24·5)	3,546
1934	10,742 (35·8)	7,925 (26·4)	2,817
1935	11,284 (37·6)	6,832 (22·7)	4,452
1936	12,234 (40·0)	6,652 (22·0)	5,582
1937	11,496 (38·3)	6,342 (21·1)	5,154

These figures include the nomadic and semi-nomadic tribes.

Infectious and Communicable Diseases.

4. The total number of cases, of all forms of infectious and communicable diseases, reported during the year was 6,508, compared with 7,329 cases notified in 1936. No serious epidemics occurred during the year.

The total number of cases of Pulmonary and non-Pulmonary tuberculosis notified to the Department of Health during the year under review was 624 with 33 deaths, compared with 595 cases and 40 deaths notified in 1936.

The campaign of treatment of tuberculosis amongst Beduin tribes was started in April after the organization of the Desert Mobile Medical Unit. It is too early yet to judge what benefit will be derived from the operations of the Unit. Cod liver oil and other tonics were supplied to all the Desert Patrol outposts to lessen the chances of their contracting the disease.

The following list shows the cases of and deaths from infectious and communicable diseases in 1937 compared with 1936:—

Disease.	*1937.*		*1936.*	
	Cases.	*Deaths.*	*Cases.*	*Deaths.*
Anthrax	5	—	7	1
Chicken Pox	70	—	64	—
Diphtheria	16	3	10	1
Dysentery	219	—	303	4
Erysipelas	29	—	37	3
Influenza	648	20	1,365	46
Measles	538	70	1,102	133
German Measles	—	—	1	—

Disease.	1937.		1936.	
	Cases.	Deaths.	Cases.	Deaths.
Mumps	130	—	112	—
Cerebro-Spinal Meningitis ...	12	8	29	10
Pneumonia	156	30	171	48
Puerperal Fever	10	1	9	2
Relapsing Fever	9	—	6	1
Typhoid	165	11	102	10
Para-Typhoid	43	2	26	1
Typhus	14	1	35	5
Whooping Cough	350	6	96	2
Acute polyarticular Rheumatism	45	1	45	1
Malta Fever	1	—	—	—
Encephalitis Lethargica ...	1	1	1	1
Malaria	2,791	4	2,791	17
Schistosomiasis	—	—	2	—
Leishmaniasis	12	—	6	—
Leprosy	—	—	1	—
Tetanus	2	1	1	—
Pulmonary and Non-Pulmonary Tuberculosis ...	624	33	595	40
Venereal Diseases	600	8	411	3
Hydrophobia	3	3	1	1
Bilharzia	5	—	—	—
Scurvy	10	—	—	—

5. The Department continued to maintain eight-bedded epidemic posts at Irbid, Amman, Kerak and Ma'an, and the four-bedded posts at Jerash, Tafileh, and Aqaba. The mobile epidemic unit of 40 beds was also maintained.

During the year 110,223 articles or bundles and 1,880 houses have been disinfected, compared with 101,986 and 798 respectively in 1936.

Vaccination against Small-Pox.

6. The total number of vaccinations against Small-Pox, carried out by the Department in 1937 was 22,350, compared with 23,945 in 1936.

Malaria and Anti-Malaria Measures.

7. New cases of malaria reported during the year numbered 2,791 cases, with four deaths, compared with 2,791 cases and 17 deaths reported in 1936 and 5,435 cases and 8 deaths reported in 1935.

The main sources of infection are the Jordan Valley, Azraq, Seil el Hasa, and certain villages with streams of water.

At the Government clinics, out of a total of 50,748 new cases treated during the year 3 per cent. (1,547 cases) were malaria, compared with 4 per cent. in 1936; at voluntary clinics, out of a total of 17,398 new cases 7·1 per cent. (1,244 cases) were malaria compared with 7·8 per cent. in 1936.

The above figures indicate that the percentage of malaria is much higher amongst voluntary clinic patients. This can only be explained by the assumption that diagnosis at non-Government clinics is based more on clinical and less on microscopic examination than at Government clinics, and that consequently cases of unknown fevers are diagnosed as malaria.

During the year the Department used on the free treatment of malaria 19,650 tablets of Plasmochin, 18,850 tablets of Atebrin, 16,000 tablets of Malarine and 31 kilogrammes of Quinine Salts.

The Medical Officers of Health examined 9,861 children with the object of determining the spleen rate. Of this number 1,030 were found with enlarged spleen giving a rate of 10·4 per cent. compared with 10 per cent. for the year 1936.

The children examined were from different parts of the country including bad malarial regions, such as the Jordan Valley.

Routine anti-malaria measures were continued all over the country on the same lines as in previous years.

In the Trans-Jordan Frontier Force camps at Zerka and Jisr el Mejamie, anti-malaria work has been carried out in co-operation with the Health Authorities of that Force with satisfactory results.

Anti-rabic Measures.

8. Three persons in Irbid district who were badly bitten by a rabid hyena developed hydrophobia and died in spite of the fact that they began a course of anti-rabic treatment the day after they were bitten.

Twenty-three persons, bitten by animals suspected to be suffering from rabies, were treated at the Department of Health Centres with the prophylactic anti-rabic vaccine treatment.

Government Hospitals.

9. The Department maintained the 20-bed hospital at Amman, the 12-bed hospital at Irbid, and the six-bed hospital at the Central Prison, Amman.

The number of admissions to, and deaths in, Government hospitals, compared with the figures for 1936, are as follows:—

Total admissions.		*Total deaths.*	
1937.	*1936.*	*1937.*	*1936.*
933	954	51	46

Voluntary Hospitals.

10. A new building at Es Salt for a 30-bedded hospital for the Church Missionary Society has almost been completed. The outpatients department will remain in the old hospital building.

The admissions to voluntary hospitals during the last two years were as follows:—

—	*Number of Admissions.*		*Deaths in Hospitals.*	
	1937.	*1936.*	*1937.*	*1936.*
The Church Missionary Society Hospital, Es Salt	480	473	28	32
The English Hospital, Amman ...	125	80	8	4
The Italian Hospital	754	782	35	33
The Italian Hospital, Kerak ...	469	334	10	13
Total	1,828	1,669	81	82

Government Clinics.

11. The number of attendances at the Public Health Department Clinics during the year showed a considerable increase, being 220,452 as compared with 192,958 in 1936.

New cases at these clinics for 1937 were 50,748, classified as follows:—Malaria 1,547, eye diseases 12,913, other diseases 36,288.

Voluntary Clinics.

12. The number of attendances at voluntary clinics was 30,641, compared with 25,117 for 1936.

The distribution was as follows:—

	Total Number of Attendances.
The Church Missionary Society Hospital Clinic, Es Salt...	4,606
The English Hospital Clinic, Amman	3,153
The Italian Hospital Clinic, Amman	15,129
The Italian Hospital Clinic, Kerak	6,668
The Palestine Electric Corporation Clinic, Jisr Mejamie...	1,085
Total	30,641

Licensing of Medical Practitioners, Dentists, Pharmacists and Midwives.

13. During the year licences were issued to three Medical Practitioners, one Pharmacist and four Midwives.

The number and distribution of private medical practitioners, dentists, pharmacists and midwives at the end of 1937 was as follows:—

	Medical Practitioners	*Dentists.*	*Pharmacists.*	*Midwives.*
Amman	9	3	4	3
Es Salt	2	1	1	2
Ajlun	1	—	—	—
Kerak	3	1	—	1
Irbid	2	—	—	1
Ma'an	—	—	—	1
Madeba	—	—	—	1
Palestine Electric Corporation, Jisr Mejamie ...	1	—	—	—
'Iraq Petroleum Company, Mafrak, H–5, and H–4	1	—	—	—
Zerka	—	—	—	2
Total ...	19	5	5	11

Government Laboratory.

14. The number of specimens examined during the year was 5,181, including 595 seriological tests against the typhoid group and 763 against syphilis.

School Medical Service.

15. The Medical Officers of Health carried out the medical examination of 7,095 school children, compared with 7,008 in 1936. Of this number 1,994, or 28 per cent., were found to be suffering from trachoma, compared with 21·9 per cent. in 1936, and 243, or 3·4 per cent., were found with enlarged spleen, compared with 5 per cent. in 1936.

The number of children vaccinated or revaccinated against small pox was 1,564, compared with 1,345 in 1936.

The total number of attendances at the school ophthalmic clinics was 353,460, compared with 308,090 attendances in 1936.

Maternity and Infant Welfare.

16. Five qualified midwives, one for each of the municipalities of Irbid, Zerka, Ma'an, Kerak, and Madeba were appointed by the Government during the year. They were trained at the Palestine Government midwifery centre. The municipalities of Amman and Es Salt already employ one midwife each.

There are Infant Welfare Centres at Amman and Zerka.

The number of new cases registered during the year was 129, compared with 96 cases in 1936, and the number of attendances was 8,767, compared with 7,860 in 1936.

The number of visits to the homes of children by the nurse was 2,465, compared with 2,360 visits in 1936.

Medical Treatment of Civilians at Zerka Camp.

17. A small Child Welfare Clinic, run in the schoolroom for the families of the Trans-Jordan Frontier Force, was expanded by the Medical Officer in charge of the Force to include civilians and in 1936 a disused building was turned into a Clinic and Child Welfare Centre and a nurse fully qualified in midwifery and Child Welfare Work was employed.

During the year 1937 over 3,000 civilians from Zerka and the surrounding country were treated.

The nurse visited more than 150 civilian families during the year. This very useful work has been done at no charge to the Department of Health.

Medico-Legal Examinations.

18. Practically all medico-legal examinations are carried out by the Medical Officers of Health. The number of examinations made during the year was 4,152, compared with 3,934 in 1936 and 3,274 in 1935. Of this number 96 were post-mortem examinations, compared with 97 in 1936 and 95 in 1935.

The Desert Mobile Medical Unit.

19. The early months of the year were spent in the collection and arrangement of medical stores. In addition, while waiting for work upon the travelling dispensary to be completed, two tours of inspection were made in the northern desert. These preliminaries were not completed until May and on the 15th of that month the unit commenced work at Imwagger.

Clinics were established at Zizia, Rum, Abu Al-Atham, Negil, Al Jafr, Sahab, Azraq and Mudauwara.

The total number of attendances was 10,661, new cases 6,491, tuberculosis (all types) 149, malaria 175, other diseases, 1,946.

After the rain in October attendances in clinics fell considerably as the Beduin immediately scattered from the wells round which they congregated in the dry summer months. The figures given therefore apply mainly to the months May to September.

Ophthalmic Clinic Service.

20. The Department of Health continued as in the previous years to give free treatment for all ophthalmic cases. The campaign against these diseases has been extensive and effective. Thousands of cases are treated annually at Public Health Department clinics and school ophthalmic clinics, besides the distribution of eye drops in villages and Beduin camps. The

number of new cases of eye diseases examined and treated at Public Health Department clinics (exclusive of school clinics) was 12,913, compared with 9,652 in 1936 and 11,471 in 1935. The number at voluntary clinics was 2,379, compared with 1,780 new cases for 1936 and 1,667 for 1935.

The attendances at school ophthalmic clinics numbered 353,460, compared with 308,090 in 1936 and 307,204 in 1935.

21. The Department continued in charge of all medical and public health services pertaining to the Arab Legion including the Desert Patrol. The general health of the force has been on the whole quite good. All the men have been vaccinated against small-pox and inoculated against typhoid.

22. The Prison Medical Service has also been under the charge of the Health Department. The general health has been good, all prisoners have been vaccinated against small-pox and inoculated against typhoid.

Railway Medical Service.

23. The Trans-Jordan section of the Hejaz Railway remained as in previous years under the care of the Department of Health.

Unhealthy Trades and Public Establishments.

24. The Department of Health carried out the control and licensing of all unhealthy trades and public establishments.

The total number of licences issued or renewed during the year was 1,282 within municipal areas and 938 outside municipal areas as compared with 1,240 and 881 respectively for 1936.

Water Supplies.

25. A reserve engine and pump for the Kerak water supply were installed, and a scheme for Ein El-Souk (Jerash town) water supply has been completed.

Ajlun Municipality completed a small scheme for the supply of water. Minor improvements to water supplies have also been carried out at other places. Proposals are under consideration for a water supply scheme for Es Salt.

A scheme for the supply of water to Mahis village (Es Salt district) is also under preparation.

Pumped water supplies have in past years been brought from a distance to the Municipal areas of Irbid, Kerak and Madeba, and in Amman an efficient distribution system has been arranged. Certain improvements have been carried out, and others are projected in Jerash and Es Salt. In 1936 some £P1,500 was spent on relief work in improving the water supply in the Ma'an district, and a considerable amount will be spent in 1938 in the direction of improving drinking water supplies in the course of the hydrographic surveys, for which a grant of £P30,000 has been made.

Municipal Sanitation.

26. The Municipal sanitary services continued to be administered by the district medical officers. In spite of limited municipal funds, these services were carried out satisfactorily.

There are 13 municipal sanitary Sub-Inspectors, who are paid by municipalities but work directly under the Public Health Department.

The Municipal Advisory Board, consisting of one representative from each of the Departments of Health, Public Works, General Administration and Finance, continued its work on the same lines as in previous years in giving advice on municipal budgets and different matters relating to municipal functions.

Quarantine Service.

27. The Quarantine Station at Ma'an was opened during the pilgrimage season. The pilgrims, who proceeded to the Hejaz from Trans-Jordan by the southern land routes, numbered 190; the number returning was 418.

All pilgrims, before their departure to the Hejaz, are vaccinated against small-pox and cholera by the Medical Officers of Health. Twenty-four pilgrims travelled to the Hejaz via Palestine-Suez, to whom the Department issued special Laissez-Passer booklets and return railway tickets after the vaccination for cholera and small-pox was completed.

XV.—PUBLIC FINANCE.

Revenue and Expenditure—1924-25 to 1936-37.

1. The following statement sets out the annual totals of revenue (including all grants from His Majesty's Government) and expenditure (including that covered by specific grants) from the 1st April, 1924, the date of institution of financial control, to the 31st March, 1937:—

Financial Year.	*Revenue.*	*Expenditure.*
	£P.	£P.
Surplus balance at 31st March, 1924	23,958	—
1924-25	280,673	274,868
1925-26	282,459	274,573
1926-27	302,520	274,920
1927-28	282,073	318,260
1928-29	307,555	318,950
1929-30	316,147	338,461
1930-31	367,516	350,532
1931-32	338,046	344,983
1932-33	354,888	340,883
1933-34	381,412	374,769
1934-35	377,517	369,395
1935-36	395,630	381,300
1936-37	418,650	435,040
Surplus balance at 31st March, 1937		32,111

Summaries of revenue and expenditure under Heads during the last four years (with notes explaining the principal variations) are given in the following tables:—

2. Summary of Revenue for the Financial Years 1933-4 to 1936-7 (*a*).

Head of Revenue.	*1933–34.* £P.	*1934–35.* £P.	*1935–36.* £P.	*1936–37.* £P.
Customs and Excise	103,530(*b*)	98,627	104,567	133,884(*b*)
Licences and Taxes	101,611(*c*)	113,057(*c*)	140,637(*c*)	89,121(*c*)
Court Fees and Office receipts	30,220	32,812	37,026(*d*)	36,462
Posts and Telegraph Dept. ...	12,622	12,982	13,798	15,222(*e*)
Revenue from Government Property	2,972	3,198	7,184(*f*)	1,659
Interest	609	1,523	827	382
Miscellaneous	8,906	11,935	7,198	9,435
Sale of State Domains ...	1,037	2,124	2,610	1,975
Total Local Revenue £P.	261,507	276,258	313,847	288,140
Grant-in-Aid of Trans-Jordan	65,000	60,000	42,000(*g*)	55,000
Grant-in-Aid of Trans-Jordan Frontier Force	30,899	31,959	31,611	31,534
Grants from the Colonial Development Fund ...	24,006	9,300	8,172	12,904
Grant-in-Aid of Trans-Jordan for the Repayment of its Share of the Ottoman Public Debt...	—	—	—	31,072(*h*)
Total Grants ... £P.	119,905	101,259	81,783	130,510
Total Revenue... £P.	381,412	377,517	395,630	418,650

(*a*) The figures for the financial years 1924-25 to 1930-31 are shown on page 173 of the Annual Report for 1931, those for the financial years 1931-32 to 1934-35 are shown on page 329 of the Annual Report for 1935.

(*b*) The improvement in the revenues of the Department of Customs and Excise in 1933-34 was due to the revision of the Customs Agreement with Palestine whereby, with effect from the 1st October, 1932, Trans-Jordan was allowed to retain duties on all imports arriving in transit via Palestine and Trans-Jordan's share of the import duties collected in Palestine was reduced to £P.17,000 per annum. This share was increased by £P.8,000 to £P.25,000 in 1936-37 on the basis of statistics taken of foreign goods re-exported from Palestine to Trans-Jordan during the last six months of the financial year 1935-36. Another cause of the improvement in 1936-37 was increased trade with neighbouring States.

(*c*) The sharp fluctuation in revenue from Licences and Taxes during the four years under review corresponds with the yield of the harvests and, inversely, with the amount of the tax remissions granted.

(*d*) The improvement in revenue from Fees of Court or Office in 1935-36 reflects to a large extent the improved economic conditions resulting from satisfactory harvests.

(*e*) The steady increase in the revenue of the Posts and Telegraph Department is a result of the continually increasing use made by members of the public of the various branches of the service.

(*f*) Includes not only the rent paid by the tenants of State Lands but also the taxes assessed on such lands which in previous years were credited to Head II, Licences and Taxes. The drop in Revenue in 1936-37 mainly resulted from the bad agricultural season.

(*g*) The Grant-in-Aid of the Trans-Jordan Administration in 1935-36, which had been approved by His Majesty's Government at the figure of £P.60,000 was short issued by the sum of £P.18,000 in consideration of the improvement in the situation of the Administration in that year.

(*h*) Represents the grant made by His Majesty's Government towards payment of the first two of the 20 half-yearly payments constituting Trans-Jordan's share of the Ottoman Public Debt.

3. Summary of Expenditure for the Financial Years 1933-4 to 1936-7 (*a*).

Head of Expenditure.	*1933–34.* £P.	*1934–35.* £P.	*1935–36.* £P.	*1936–37* £P.
Ordinary.				
Civil List	14,560	14,534	15,329	15,706
Public Debt and Loan Charges	1,775	1,340	1,148	241
Legislature	3,733	1,986 (*b*)	3,699	3,722
Pensions and Gratuities ...	7,154	9,479	11,064 (*c*)	11,941(*c*)
Chief Minister and Interior	3,944	3,753	3,899	4,132
District Administration ...	10,001	10,035	9,667	9,786
Ministry of Justice ...	16,238	15,827	16,047	15,497
Sharia Courts	3,877	3,869	3,901	3,815
Ministry of Finance ...	11,420	11,032	11,256	11,138
Customs, Trade and Industry	7,831	7,543	7,569	8,232
Public Health Department	12,118	12,762	13,763	15,212
Education Department ...	23,028	23,324	24,207	23,373
Agriculture, Forests and Veterinary Department...	5,861	7,151	7,411	8,506
Antiquities Department ...	2,642	2,500	2,558	2,389
Public Works Department	4,544	4,584	4,637	4,691
Public Works, Recurrent...	17,977	18,918	23,308 (*d*)	20,285
Posts and Telegraphs Dept.	12,657	13,903	13,661	16,094
Lands Department ...	12,668	13,509	15,617 (*e*)	15,723
Police and Prisons Department :—				
(*a*) Police	99,639	99,721	101,998	108,394 (*f*)
(*b*) Prisons	11,930	11,549	11,004	10,707
(*c*) Supplementary Reserve Force ...	—	—	—	4,603(*f*)
Miscellaneous	8,528	9,560	9,682	8,729
British Resident	6,616 (*g*)	—	—	—
Audit Department	3,385	3,253	3,672	3,878
Tribal Court of Appeal ...	1,091	766	181	760
Trans-Jordan Frontier Force	28,720	27,527	28,531	29,876
Total Ordinary Expenditure	£P331,917	328,425	343,809	357,430

(*a*) The figures for the financial years 1924-25 to 1930-31 are shown on pages 174 and 175 of the Annual Report for 1931; those for the financial years 1931-32 to 1934-35 are shown on pages 330 and 331 of the Annual Report for 1935.

(*b*) The decrease in expenditure on the Legislature in 1934-35 was principally due to a seven months' hiatus that preceded the election of the Legislative Council, during which no commitments were incurred in respect of the salaries of members.

(*c*) The gradual increase in expenditure on Pensions and Gratuities arises from increased commitments under the Pensions Laws in force.

(*d*) The increase in expenditure on Public Works Recurrent during 1935-36 was mainly due to the heavy cost of repairs of damage to roads caused by floods during the months of February and March, 1935.

(*e*) The increase in expenditure on the Lands Department was due to expansion of the services in connexion with land settlement.

(*f*) The increase in expenditure on Police was mainly due to the enlistment of a Reserve Force of 115 men and to increased activities of the Department during the Palestine disturbances.

(*g*) The cost of the British Resident and his establishment was charged to Imperial funds with effect from 1st April, 1934.

Head of Expenditure.	*1933–34.* £P.	*1934–35.* £P.	*1935–36.* £P.	*1936–37* £P.
Extraordinary.				
Public Works Department	9,590	8,567	19,796 (*h*)	16,072 (*h*)
Ministry of Finance ...	236	1,987	453	—
Posts and Telegraph Dept.	1,692	4,432	6,906 (*i*)	—
Public Health Department	357	252	225	—
Police and Prisons Dept. ...	2,934	—	2,571	1,254
Agriculture, Forests and Veterinary Department ...	214	289	—	—
His Highness the Amir ...	—	2,957 (*j*)	—	—
Relief Measures	—	14,824 (*k*)	150	19,145 (*k*)
Schemes financed by the Colonial Development Fund	23,822	4,844	4,311	8,409
Trans-Jordan Frontier Force	2,179	2,818	3,079	1,658
Write-off of Public moneys	863	—	—	—
Expenses, Syria - Trans - Jordan Boundary Commission	965	—	—	—
Trans-Jordan's Share of the Ottoman Public Debt ...	—	—	—	31,072 (*l*)
Total Extraordinary Expenditure	£P.42,852	40,970	37,491	77,610
Total Expenditure	£P.374,769	369,395	381,300	435,040

(*h*) The 1935-36 figure includes £P.8,500 and the 1936-37 figure £P.4,495 chargeable to the Colonial Development Fund.

(*i*) Includes an abnormal item of £P.6,131 being Trans-Jordan's share of the Haifa-Bagdad telephone circuit.

(*j*) Represents an allotment to the Amir to meet the expenses of His Highness's visit to the United Kingdom, and of the marriage of His Highness the Amir Talal.

(*k*) Relief Measures on a large scale were necessitated in 1934-35 and in 1936-37 by the distress caused by crop failure in those two years.

(*l*) This sum was met by a grant made by His Majesty's Government. See also note (*h*) of the Summary of Revenue.

Public Debt.

4. At the 31st December, 1937 the Public Debt of Trans-Jordan was as follows:—

		£P.
(*i*)	Balance of the Earthquake Relief Loan of £P.20,000 obtained from His Majesty's Government in 1927–28...	2,467
(*ii*)	Agricultural Loan obtained from His Majesty's Government on 30.3.37	11,500
(*iii*)	Trans-Jordan's share of the Ottoman Public Debt:—	
	Twenty half yearly payments of £15,506 6s. 9d. each payable on the 31st May and the 30th November of each year, the first of such payments being due on the 31st May, 1936 ... ... £ s. d. 310,086 15 0	
	Less: The first four payments already made ... 62,025 7 0	
	Balance at the 31st December, 1937 ... ... £248,061 8 0	
	On conversion to Palestine Currency ... ... £P. mils. 248,061·400 or say	248,061
	Total	£P.262,028

Note.—The payments mentioned in (*iii*) are being met as and when they fall due by means of grants made by His Majesty's Government.

5. Comparative Figures of Revenue and Expenditure for 1936-7 and 1937-8.

	Actual, 1936–37.	*Estimates, 1937–38.*	*Forecast at 31.12.37 for 1937–38.*
	£P.	£P.	£P.
A.—Revenue.			
Local	288,140	331,923	347,770
Grant-in-Aid of Trans-Jordan ...	55,000	63,000	58,000
Grant-in-Aid of Trans-Jordan Frontier Force	31,534	34,040	34,040
Grants from the Colonial Development Fund	12,904	16,895	16,895
Grant-in-Aid of Trans-Jordan (Ottoman Public Debt)	31,072	32,000	32,000
Grant-in-Aid of Trans-Jordan (Hydrographic Survey)	—	13,000	13,000
Total	£P.418,650	490,858	501,705

B.—Expenditure.	*Actual, 1936–37.* £P.	*Estimates, 1937–38.* £P.	*Forecast at 31.12.37 for 1937–38.* £P.
Trans-Jordan Administration, Ordinary	327,554	349,901	346,460
Trans-Jordan Frontier Force, Ordinary	29,876	31,419	31,419
Trans-Jordan Administration, Extraordinary	36,471	74,545	66,100
Trans-Jordan Frontier Force, Extraordinary	1,658	2,621	2,621
Expenditure from Colonial Development Fund Grants	8,409	12,395	12,395
Expenditure from Grants (Ottoman Public Debt)	31,072	32,000	32,000
Expenditure from Grants (Hydrographic Survey)	—	13,000	13,000
Total	£P.435,040	515,881	503,995
C—Expenditure on Education, Agriculture, Public Health, Public Works, Relief Measures, Development and Hydrographic Survey.			
Education, Ordinary	23,373	26,443	25,000
Education, Extraordinary	—	400	400
Agriculture, Ordinary	8,506	10,696	9,600
Public Health, Ordinary	15,212	18,445	17,850
Public Health, Extraordinary ...	—	250	500
Public Works, Ordinary	4,691	5,372	5,100
Public Works, Recurrent	20,285	23,411	23,400
Public Works, Extraordinary ...	16,072	38,135	29,250
Relief Measures	19,145	1,000	1,000
Hydrographic Survey	—	13,000	13,000
Expenditure from Colonial Development Fund Grants—			
(*a*) Improvement of Water Supplies	475	475	475
(*b*) Sinking Artesian bores in the Desert	162	531	531
(*c*) Seed Propagation	1,430	1,020	1,020
(*d*) Land Settlement, Acceleration of	3,716	5,000	5,000
(*e*) Agricultural Experimental Station	2,626	3,789	3,789
(*f*) Development	—	1,580	1,580

Note.—Expenditure on Public Works Extraordinary in the years 1936–37 and 1937–1938 includes £P.4,495 and £P.4,500 respectively chargeable to the Colonial Development Fund.

Comments on the Principal Variations in Revenue.

6.—(*i*) Local Revenue for 1937-8 is expected to exceed the 1936-7 figure by £P.59,630. The following table shows how this expected increase is made up:—

Head of Revenue.	*Actual, 1936–37.*	*Forecast, 1937–38.*	*Increase.*	*Decrease.*
	£P.	£P.	£P.	£P.
1.—Customs and Excise ...	133,884	120,000	—	13,884
2.—Licences and Taxes ...	89,121	145,325	56,204	—
3.—Fees of Court or Office ...	36,462	41,840	5,378	—
4.—Posts and Telegraph Department ...	15,222	16,370	1,148	—
5.—Revenue from Government Property ...	1,659	5,500	3,841	—
6.—Interest	382	1,055	673	—
7.—Miscellaneous	9,435	13,370	3,935	—
8.—Sale of State Domains ...	1,975	4,310	2,335	—
	£P.288,140	347,770	73,514(*a*)	13,884(*b*)
Net Increase ...	59,630	—	—	59,630
	£P.347,770	347,770	73,514	73,514

(*a*) The improvement in revenue shown against Heads 2 to 8 is principally the outcome of:—

(i) Exceptionally good harvests in 1937-38 resulting in a higher percentage of collections from current assessments and from the arrears of taxes, and in better receipts from other sources.

(ii) Acute economic depression in 1936-37 due to exceptionally bad harvests which necessitated the remission of £P.53,694 of that year's assessments of the principal taxes.

(*b*) The apparent deterioration in the receipts from Customs and Excise is due to the fact that receipts in 1936-37 were inflated as a result of an increase of £P.8,000 approved in respect of Trans-Jordan's share in the import duties of Palestine which was based on the statistics taken of foreign goods re-exported from Palestine to Trans-Jordan during the last six months of the financial year 1935-36.

(*ii*) The forecast of grants from the Colonial Development Fund for 1937-8 is £P.3,991 greater than the total of such grants received in 1936-7. Expenditure from these grants is self balancing with revenue.

(*iii*) A special grant of £P.30,000 has been made by His Majesty's Government to Trans-Jordan to meet the expenses of an Hydrographic Survey of the country. The forecast of receipts from this grant during 1937-8 was determined by the estimated cost of work expected to be completed in connexion with the scheme in question by the end of March, 1938. See also the last item in the Comparative Statement of Expenditure at paragraph 5 B.

Comments on Principal Variations in Expenditure.

7.—(*i*) The forecast of ordinary expenditure of the Trans-Jordan Administration shows an increase of £P.18,906 over the actual ordinary expenditure of 1936-7. This is made up as follows:—

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Head of Expenditure.	*Actual, 1936-37.* £P.	*Forecast, 1937-38.* £P.	*Increase.* £P.	*Decrease.* £P.
1.—Civil List	15,706	15,130	—	576(*a*)
2.—Public Debt and Loan Charges	241	940	699(*b*)	—
3.—Legislature	3,722	3,760	38	—
4.—Pensions and Gratuities ...	11,941	12,800	859(*c*)	—
5.—Chief Minister and Interior...	4,132	4,750	618(*d*)	—
6.—District Administration ...	9,786	10,260	474	—
7.—Ministry of Justice	15,497	17,050	1,553(*e*)	—
8.—Sharia Courts...	3,815	3,900	85	—
9.—Ministry of Finance	11,138	12,100	962(*f*)	—
10.—Customs, Trade and Industry	8,232	11,000	2,768(*g*)	—
11.—Public Health Department ...	15,212	15,300	88	—
11A.—Desert Medical Mobile Unit	—	2,550	2,550(*h*)	—
12.—Education	23,373	25,000	1,627(*i*)	—
13.—Agriculture, Forests and Veterinary	8,506	9,600	1,094(*j*)	—
14.—Antiquities Department ...	2,389	2,700	311	—
15.—Public Works Department ...	4,691	5,100	409(*k*)	—
15A.—Public Works Recurrent ...	20,285	23,400	3,115(*l*)	—
16.—Posts and Telegraph Department...	16,094	16,100	6	—
17.—Lands Department	15,723	17,900	2,177(*m*)	—
18.—Police and Prisons Dept.—				
(*a*) Police	108,394	111,500	3,106(*n*)	—
(*b*) Prisons	10,707	11,500	793(*o*)	—
(*c*) Supplementary Reserve	4,603	—	—	4,603(*p*)
19.—Miscellaneous	8,729	9,200	471	—
20.—Audit Department	3,878	4,050	172	—
21.—Tribal Court of Appeal ...	760	870	110	—
	£P.327,554	346,460	24,085	5,179
Net Increase	18,906	—	—	18,906
Total ...	£P.346,460	346,460	24,085	24,085

(*a*) Is mainly due to the temporary increases of £P.394 and £P.215 approved during 1936-37 in the respective allotments of His Highness the Amir Abdulla and His Highness the Amir Talal.

(*b*) Results from the provision made for the payment of interest charges on a loan of £P.11,500 obtained from His Majesty's Government on the 30th March, 1937, for the Agricultural Bank of Trans-Jordan. These charges are balanced by a corresponding entry on the receipts side.

(*c*) Is due to increased commitments under the Pensions Laws in force.

(*d*) Is mainly due to increased expenditure on intelligence.

(*e*), (*f*), (*g*), (*i*), (*j*), (*k*), (*m*) and (*o*) These increases are largely due to expansion in the relevant services, and also to the fact that economies were effected in 1936-37.

(*h*) The Desert Medical Mobile Unit was formed towards the end of 1936-37 and the expenditure thereon is shared equally by the Governments of Palestine and Trans-Jordan. The latter's share of the cost in 1936-37 was brought to account under Head XI, Public Health Department. Half of the commitment forecast for 1937-38 is reimbursable by Palestine and an equivalent sum is provided in the revenue forecast under Head III, Fees of Court or Office.

(*l*) Is mainly due to increased expenditure on Rents and on Road Maintenance.

(*n*) Provides for increasing the strength of the Arab Legion by 50 mounted Non-Commissioned Officers and men.

(*p*) The expenditure incurred in 1936-37 was of a temporary nature, having been occasioned by disturbances in Palestine.

(*ii*) The following is a statement of the forecast of the extraordinary expenditure of the Trans-Jordan Government for the financial year 1937-8 as compared with the Actuals of 1936-7:—

Head of Expenditure.	*Actual,* 1936-37. £P.	*Forecast,* 1937-38. £P.	*Increase.* £P.	*Decrease.* £P.
23. Public Works Extraordinary ...	16,072	29,250	13,178	—
24. Police and Prisons Extraordinary	1,254	17,340	16,086	—
25. Public Health Extraordinary ...	—	500	500	—
26. Ministry of Finance Extraordinary	—	10,690	10,690	—
27. Antiquities Extraordinary ...	—	820	820	—
28. Education Extraordinary ...	—	400	400	—
29. His Highness The Amir, Extraordinary	—	2,000	2,000	—
33. Relief Measures	19,145	1,000	—	18,145
34. Posts and Telegraph Extraordinary	—	4,100	4,100	—
	36,471	66,100	47,774	18,145

Note.—Expenditure on Public Works Extraordinary in the years 1936-37 and 1937-38 includes £P.4,495 and £P.4,500 respectively chargeable to the Colonial Development Fund.

(*iii*) The forecast of extraordinary expenditure for 1937-8 includes provision for the following exceptional items:—

	£P.
1. The acquisition of a reserve of vehicles, spare parts, arms and ammunition, equipment, etc., for the Arab Legion	8,950
2. Stores and garages for the above	500
3. Cost of the decennial reassessment of the gross value of taxable lands and buildings within the Municipal Area of Amman ...	1,000
4. Writing-off of irrecoverable Seed Loans	8,075
5. Writing-off of Earthquake Relief Loans	1,000
6. Expenses of the visit of His Highness the Amir Abdulla to attend the Coronation of His Majesty King George VI.	2,000
Total	£P.21,525

8. Financial Position of the Trans-Jordan Government at the 31st March, 1937.

Liabilities.	£P. Mils.	*Assets.*	£P. Mils.
Deposits	11,935.594	Advances	14,750.996
Remittances	256.831	Imprests	1,025.938
Loans	13,966.754	Loans	11,500.000
Excess of Assets over Liabilities (Surplus Balance)	32,110.745	Joint Colonial Fund Cash and Bank Balances	14,000.000 16,992.990
	£P.58,269.924		£P.58,269.924

Revenue Collection.

9. The collection of current taxation from the 1st January to the 31st December, 1937, amounted to £P.129,163. The collections during previous calendar years were as follows:—

	£P.
1931	99,961
1932	101,073
1933	84,611
1934	89,872
1935	121,985
1936	81,352

Current taxation remitted on account of crop failure during recent years latterly in accordance with the revised system described on page 379 of the Annual Report for 1936, was as follows:—

	£P.
1931	12,468
1932	8,397
1933	14,726
1934	19,155
1935	13,776
1936	53,581
1937 ... ... (Recommended)	7,961

Arrears of Taxes.

10. Collections of arrears of taxes from the 1st January to the 31st December, 1937, amounted to £P.4,947. Corresponding collections during previous calendar years were as follows:—

	£P.
1931	3,841
1932	5,230
1933	4,021
1934	3,757
1935	9,671
1936	2,730

The amounts of arrears authorized or recommended to be written off in accordance with the procedure outlined on page 337 of the Annual Report for 1935 were as follows:—

Years of Assessment.	£P.
1924-5 to 1930-1	63,428
1931-2	7,789
1932-3	13,560
1933-4	14,227
1934-5	8,865
1935-6	3,341

Revenue Reform.

11. The terms of the House and Land Tax Law, 1926, were applied during the year in the Municipal Area of Irbid.

Arrangements were made for the decennial re-assessment of the gross value of taxable lands and buildings within the Municipal Area of Amman, in accordance with paragraph 25 of the same Law. It is hoped that the operation, which has just been started, will be completed before the 31st March, 1938.

Trade, Public Finance and Population.

12. A Statistical Table relating to Trade, Public Finance, and Population, is appended.

TRANS-JORDAN.

Area in Square Kilometres: approximately 90,000 Square Kilometres.

Calendar Year.	Population Estimate. (a)	Trade. (b)		Financial Year.	Public Finance.							
					Revenue from External Sources.		Revenue from other than External Sources.	Amounts spent on				
		Imports.	Exports.		Loans and Advances.	Non-recoverable Grants.		Education.	Agriculture.	Public Health.	Public Works.	Financial Year.
		£P.	£P.		£P.	£P.	£P.	£P.	£P.	£P.	£P.	
1932	304,500	—	—	1932–33	10,000	101,139	253,749	22,388	5,479	11,960	32,596	1932–33
1933	308,000	—	—	1933–34	30,184	119,905	261,507	23,028	6,075	12,118	32,112	1933–34
1934	311,000	—	—	1934–35	30,878	101,250	276,258	23,324	7,439	13,014	32,070	1934–35
1935	315,500	—	—	1935–36	4,816	81,783	313,847	24,207	7,411	13,989	47,741	1935–36
1936	321,000	—	—	1936–37	13,967	130,510	288,140	23,373	8,506	15,212	41,047	1936–37
1936	—	935,305	228,376	—	—	—	—	—	—	—	—	—
1937	325,500	1,054,286	510,968	—	—	—	—	—	—	—	—	—

Public Debt £P.262,028, of which £P.248,061 is payable from grants by His Majesty's Government.

(a) No census has ever been taken; figures are based on an assumed population of 300,000 in 1931.

(b) Reliable statistics are not available for the period prior to the Calendar year 1936

XVI.—CUSTOMS, EXCISE AND TRADE.

Customs.

Imports.

1. The total value of commercial imports cleared for home consumption during the year was £P.934,211 as compared with £P.794,956 during 1936.

Direct importations by parties enjoying exemption from customs duties, which are not included above, were as follows:—

Concessionaries.	£P.
(1) 'Iraq Petroleum Company:	
(*a*) From Palestine	32,113
(*b*) From 'Iraq	4,803
(2) Palestine Electric Corporation	4,191
(3) Privileged Persons	67,547
(4) Items on Free List	11,421
Total	£P.120,075

Principal Imports.—The recorded values of the principal commodities imported from all countries for home consumption are shown in Table " A ".

Specie.—The value, in Palestine pounds, of declared specie imported during the year under review with comparative figures for the previous two years was:—

	1937. £P.	1936. £P.	1935. £P.
Gold Coin	—	—	—
Silver Coin (Abyssinian)	4,530	4,847	—
Other metal coins	—	—	—
Currency Notes	—	4,000	600
	£P.4,530	8,847	600

Exports and Re-Exports.

2. The value of known commercial exports and re-exports, excluding goods passing through Trans-Jordan in transit, and specie, were:—exports £P.510,968, re-exports £P.14,860.

These were made up as follows:—

	Exports. £P.	*Re-Exports.* £P.
Exports to Palestine	404,107	12,239
Exports to Syria	106,861	2,173
Exports to 'Iraq	—	28
Exports to Nejd	—	420
Total	£P.510,968	14,860

Specie.—The value, in Palestine pounds, of declared specie exported during the year under review was £P.182,550 comprising silver coin £P.27,000, other metal coins £P.700, currency notes £P.154,850.

Principal Articles Exported.

3. The recorded value and quantities of the principal commodities exported from Trans-Jordan during the year 1937 were as follows:—

Item.	*Quantity.*	*Value.*
	Nos.	£P.
Sheep	12,064	11,240
Goats	6,988	5,452
Cattle	844	3,781
	Kilogrammes.	
Samneh	159,393	19,570
Fresh Vegetables	2,412,308	12,775
Kersenneh Peas	1,873,366	12,752
Fresh Fruit	889,047	10,212
Raisins	495,377	7,015
Wheat	26,475,425	274,656
Barley	8,296,771	40,317
Durra	2,437,410	11,800
Dyed Goods	614,568	31,558
Wool	177,452	9,871
Men's Wear	17,571	3,660
Head Gear (Keffiyeh)	37,906	5,765

4. Suitable climatic conditions produced good cereal crops throughout Trans-Jordan in 1937. The demand for cereals in the adjacent countries was constant and good prices ruled in these places.

Farmers increased their animal stocks and as a result there was an appreciable increase in the export of samneh and wool.

The continued cheap prices of Japanese goods induced certain merchants to enlarge the dyeing industry. A good range of colours is obtainable, and these are most popular with purchasers from the desert.

Transit Trade.

5. The value of goods removed through Trans-Jordan in transit during the year under review and the three previous years were as follows:—

	1937. £P.	*1936.* £P.	*1935.* £P.	*1934.* £P.
(*a*) From 'Iraq to Palestine ...	390,321	243,123	407,262	35,950
From Palestine to 'Iraq ...	313,465	193,886	280,728	—
(*b*) From Nejd to Syria ...	Not known.			
From Syria to Nejd ...				
(*c*) Via Air routes by Imperial Airways, K.L.M. and Misr Airwork	No official landings.			
(*d*) Via 'Iraq Petroleum Company's Pipeline, 'Iraq to Palestine:—				
	1937.	*1936.*		
Tons of Crude Oil ...	2,024,115	1,922,498		
Value	£P.1,619,292	1,537,998	(Arbitrary value at 16 shillings per ton of crude oil.)	

No transit due is levied on transit trade passing through Trans-Jordan.

The principal goods carried by road in transit through Trans-Jordan are: From 'Iraq to Palestine, Carpets, Lambskins, Casings, Gums (for Europe and America); Poultry, Ghee, Fish, Eggs, Dates (for Palestine). From Palestine to 'Iraq, cased goods of foreign manufacture including hardware, wearing apparel, medicines.

The Baghdad firm of Haim Nathaniel operated a bi-weekly goods service between Jerusalem-Haifa and Baghdad and vice versa during the year. Mails were also carried by this firm.

Rest houses have been provided for use of travellers at Mafrak and at the 'Iraq Petroleum Company's desert stations H. 5 and H. 4.

Customs Revenue.

6. Receipts from customs for 1937, as compared with the three previous years were as follows:—

1937	1936.	1935.	1934.
£P.	£P.	£P.	£P.
118,405	104,434	95,132	86,406

In addition thereto the following amounts were collected on behalf of the undermentioned Departments:—

	1937.	1936.	1935.	1934.
	£P.	£P.	£P.	£P.
Municipalities	7,695	7,179	7,289	5,411
Veterinary	721	569	292	288
Passport	401	212	136	156

Contraband.

7. The number of offences against the customs law adjudicated during the year under review was 227 as compared with 258 in 1936 and 179 in 1935.

The receipts from penalties imposed, and the sale of confiscated goods, amounted to £P.268 and £P.19 respectively.

Foreign Trade.

8. The main trade channels and the distribution of trade during 1937 together with comparative figures for the four preceding years are given in Table " B ".

Trade between Palestine and Trans-Jordan which was considerably reduced during 1936 revived in 1937. Road transport employed in exporting grain to Palestine quoted cheap return rates for merchandise.

Palestinian beer made an appearance in Amman markets but lost ground to Dutch beer.

The present situation in Palestine is not conducive to close business associations between Palestine local industry in general and the merchants of Trans-Jordan. Consequently the greater portion of the purchases made by Trans-Jordan relate to foreign goods duty-paid in Palestine. The imports of such goods during 1937 are valued at £P.200,685, and the value of goods of Palestine produce or manufacture imported amounted to £P.60,390.

The transactions under the Trans-Jordan-Syria Customs Agreement were:—

	1937. £P.	1936. £P.	1935. £P.	1934. £P.
Imports from Syria	177,152	176,826	93,368	93,052
Exports to Syria	106,861	29,781	21,487	9,220

The Franc and Syrian Pound remained devalued throughout 1937 and Syria still continues to find a ready market in Trans-Jordan for its local manufactures. Although the value of imports in 1937 is almost the same as in 1936 the quantity of goods imported is greater.

The value of Trans-Jordan trade with Nejd is very difficult to assess, but it is larger than the statistical figures indicate. Wheat, barley, coffee, spices, cotton and artificial silk piece goods and benzine are the principal exports to Nejd.

It is proposed to open a customs post at Ma'an in the very near future.

The value of imports from 'Iraq during the year amounted to £P.7,141.

Proposals are at present under consideration for the construction of a road from Haifa to Baghdad. The construction of such a road will attract transport and trade.

The value of goods entering Trans-Jordan in transit through Palestine and Syria during 1937 was £P.266,439 and £P.202,491 as compared with £P.236,008 and £P.199,013 respectively during the previous year.

Balance of Trade.

It is not possible to assess the balance of trade with any degree of certainty. The number of the customs posts in the central and southern areas is insufficient to enable any reliable statistical data to be obtained but it is known that cereals from these areas are freely exported to Nejd and to Palestine.

Tariff Changes.

9. No tariff changes were made during 1937.

The Import Tariff Schedule is based on the League of Nations standardized nomenclature and consists of 305 items.

The tariff, generally speaking, remains on a 12 per cent. *ad valorem* basis but there are a few items at specific rates.

Exports continue to be free of duty or dues.

An examination fee of one half per cent. on the c.i.f. value of goods imported continues to be chargeable in addition to the customs duties on goods which are not free of duty or otherwise exempted therefrom.

Excise.

Liquor.

10. The receipts from excise duties on spirits and wine manufactured in the country during the year under review, as compared with the two previous years, were:—

	1937.	*1936.*	*1935.*
	£P.	£P.	£P.
Cognac	190	195	201
Araq	757	739	737
Wine	56	72	69
Methylated spirit	17	19	—
Alcohol	1	3	—
Total	1,021	1,048	1,007

The rates of excise duty remained unchanged, being:—

Cognac ... ... } 56 mils per litre.
Araq ... ... }
Wine ... ... 10 mils per litre bulk, provided that the wine does not contain more than 25 per cent. of alcohol.
Methylated spirit ... 10 mils per litre.
Pure spirit ... 50 mils per litre.

The output of the three distilleries in Trans-Jordan during the last four years is shown in Table " C ".

The receipts in respect of liquor licences were as follow, compared with the previous three years:—

1937.	1936.	1935.	1934.
£P.	£P.	£P.	£P.
374	309	253	313

Table " D " to this chapter contains particulars of the quantities of liquors, wine and spirit imported into Trans-Jordan during the year, with comparative figures for the three preceding years.

Tobacco.

The excise duties on tobacco continue to be as follows:—

Cigarettes ... ... 300 mils per kilogramme
Cut Tobacco ... ... 250 mils per kilogramme
Cut Tobacco where the retail price for 40 grammes does not exceed 10 mils ... 120 mils per kilogramme

The revenue from the above excise duties, and the quantities of tobacco so taxed, are shown in Table " E " with the corresponding figures for the last three years.

The revenue from licences to sell and manufacture tobacco was as follows:—

1937.	1936.	1935.	1934.
£P.	£P.	£P.	£P.
627	609	588	568

Tombac locally grown and hisheh tobacco continued to be exempt from excise duties during the year.

Table " F " gives comparative figures for the past four years of foreign leaf tobacco imported into Trans-Jordan.

Table " G " contains a comparative statement of revenue from import duty on foreign-manufactured tobacco imported into Trans-Jordan during the last four years.

The tobacco and tombac crop cultivation in Trans-Jordan during 1937 was as follows:—

	Area cultivated.	*Estimated production.*
	Dunums.	*Kilogrammes.*
Tobacco	1,658	89,460
Tombac	177	7,060

Salt.

The excise duty on salt was abolished in 1929. The salt deposits of Trans-Jordan are at Azraq. There are no statistical data indicating quantities extracted for use.

Excise Offences.

11. The number of excise cases dealt with during 1937 was 98 compared with 112 in 1936, 147 in 1935 and 135 in 1934. They were as follows:—

	1937.	1936.	1935.	1934.
Unlicensed sale of tobacco	30	65	65	72
Unlicensed sale of alcohol	8	11	4	6
Unlicensed sale of matches	60	36	47	42
Undeclared cultivation of tobacco ...	—	—	21	8
Unlicensed manufacture of alcohol ...	—	—	10	7
Total	98	112	147	135

Excise Revenue.

	1937. £P.	1936. £P.	1935. £P.	1934. £P.
Liquors.				
Excise on liquors	1,003	1,026	1,009	1,068
Licence Fees	374	309	253	313
Tobacco.				
Excise on Tobacco	13,008	12,576	9,963	11,064
Licence Fees	627	609	588	569
Methylated spirit	17	19	—	—
Alcohol	1	3	—	—
Total	15,030	14,542	11,813	13,014

Table " H " shows Excise Revenue for 1937, as compared with totals for the three previous years.

Customs and Excise Revenue.

A graph illustrating the trend of customs and excise revenue during the past thirteen years (1925-1937) is annexed as Table " J ".

Trade and Industry.

12. Trans-Jordan being an agricultural country a sufficient and timely rainfall and a healthy condition of cereal crops are the important factors which are necessary for a prosperous economic condition. These happy conditions were present in 1937, and the benefits resulting therefrom are reflected in the very satisfactory value of the known exports, viz., £P.510,968, as compared with £P.228,376 in 1936.

Grains.

The approximate production in, and export from, Trans-Jordan during 1937—with comparative figures for 1936—were as follows:—

	1937.		1936.	
	Production.	*Exports.*	*Production.*	*Exports.*
	Tons.	*Tons.*	*Tons.*	*Tons.*
Wheat ...	113,000	26,475	40,000	12,000
Barley ...	53,000	8,296	16,000	1,400
Lentils ...	5,000	1,207	3,000	600
Kersenneh ...	7,000	1,873	4,000	650
Durra ...	11,000	2,437	—	427

Grapes.

The crops in Faheis and Ajlun were good but the vines in Es Salt did not give the yield expected. The greater part of the crop was exported to Palestine.

Samneh.

As a result of the increase by farmers of their stocks of sheep and goats 159 tons of samneh were exported to Palestine and Syria.

Raisins.

Four hundred and ninety-five tons of raisins were exported during 1937 as compared with 294 tons during the previous year.

The packing of raisins made steady progress and some 70 tons of Gilead Eleme raisins (produce of Trans-Jordan) in 12½-kilo. boxes were successfully introduced on to the continental markets during October, November and December. The market reports were very favourable and the consignments realised good prices.

Wool.

The quantity of wool exported during 1937 showed a considerable increase, being 177,552 kilogrammes as compared with 67,750 kilogrammes in 1936.

The good prices prevailing for wool in continental markets induced the Fellaheen to sell as much as possible to the merchants who act as buyers and purchasing agents. The major exports were to Syria.

When wool prices are low the fellaheen keep a fair proportion of the raw wool for the making of rugs, sacks and domestic requirements.

Confectionery.

The fall in the Franc made it impossible for the Remtha factory to continue its export to Syria.

Made-up Clothing.

The number of workers in men's tailoring increased during the year and the quality of the output is improving.

Dyeing Industry.

In order to provide a range of colours designed to meet the tastes of the fellaheen a few enterprising merchants opened new dyeing establishments, and were thus able to market large quantities of cheap material. The output during 1937 was considerable, and dyed goods valued at £P.16,000 were exported during the year.

Currency.

The high cost of living is in part due to the fact that, although the Palestine pound is divided into 1,000 mils, the lowest spending unit is in reality the 5-mil piece. This evil has remained from the time when Egyptian money was legal tender before the Palestine currency was introduced, and in fact the 10-mil piece and the 5-mil piece are still referred to by the Egyptian words *girsh* and *tarifa* for 10 millièmes and 5 millièmes respectively.

TABLE A.

Principal Imports.

	Values.			*Values.*	
	1937. £P.	*1936.* £P.		*1937.* £P.	*1936.* £P.
Cotton Piece-goods	62,893	94,926	Samneh	22,738	13,700
Cotton White Shirting ...	18,555	14,359	Headgear	13,401	13,857
Cotton Figured ...	12,693	12,937	Confectionery ...	17,328	11,554
Cotton Calico ...	9,576	9,579	Boots and Shoes...	19,612	10,467
Artificial Silk Piece-goods ...	97,891	73,045	Tea	10,145	9,956
Benzine	35,665	46,881	Flour	16,789	8,410
Sugar	47,277	45,597	Olive Oil	11,223	8,172
Kerosene ...	24,820	21,700	Woollen Piece-goods	6,447	7,971
Coffee	18,459	16,640	Articles made of Iron	9,768	7,047
Animals	23,256	16,277	Wares made of Paper	8,873	6,216
Articles made of Wool	19,965	15,647	Soap	10,468	5,144
Timber	13,090	14,964	Rice	40,377	41,637
Clothing	29,335	13,999			

TABLE B.

Main Channels and Values of Imports and Exports.

Imports.

	1937. £P.	*1936.* £P.	*1935.* £P.	*1934.* £P.	*1933.* £P.
1. In Transit through Palestine	266,439	236,608	200,119	212,415	217,412
In Transit through Syria ...	202,491	199,013	82,611	30,745	9,903
In Transit via Post Office ...	5,015	4,945	(Statistics not kept.)		
2. Imports from 'Iraq	7,141	9,508	(Statistics not kept.)		
Imports from Nejd	14,898	11,115	7,550	2,730	6,821
3. Trade Agreements :—					
Palestine—					
1. Foreign goods duty paid in Palestine subsequently consumed in Trans-Jordan	200,683	121,453	(Statistics not kept.)		
2. Palestine locally manufactured goods ...	60,390	36,088	(Statistics not kept.)		
Syria—					
1. Foreign goods re-exported to Trans-Jordan	20,299	22,863	12,320	13,627	12,718
2. Syrian locally manufactured goods ...	156,853	153,963	81,048	79,425	68,532

Exports.

4. Exports from Trans-Jordan:—					
To Palestine	404,107	198,215	(Statistics not kept.)		
Re-exported to Palestine	12,239	2,678	(Statistics not kept.)		
To Syria	106,861	29,781	21,487	9,220	8,731
Re-exported to Syria ...	2,173	564	(Statistics not kept.)		
To 'Iraq	—	380	(Statistics not kept.)		
Re-exported to 'Iraq ...	28	—	(Statistics not kept.)		
To Nejd	(Statistics not kept.)				
Re-exported to Nejd ...	420	1,873	(Statistics not kept.)		

TABLE C.

Quantities of Liquors Manufactured by Distilleries.

Year.	*Cognac.* *Litres.*	*Araq.* *Litres.*	*Wine.* *Litres.*	*Methylated Spirit.* *Litres.*	*Alcohol.* *Litres.*
1937	10,708	26,264	5,624	1,729	36
1936	11,071	25,594	7,216	1,940	76
1935	10,763	24,672	6,975	—	—
1934	10,352	28,350	6,755	—	—

TABLE D.

Quantities of Liquors, Wine and Spirits Imported for Consumption in Trans-Jordan.

		1934.	*1935.*	*1936.*	*1937.*
Beer, large bottles ...	Nos.	53,718	36,461	47,824	28,503
Beer, small bottles ...	Nos.	8,045	612	6,308	9,189
Beer, in barrels	Litres	—	—	26,336	20,085
Araq, Gin, Cognac, Whisky, Liqueurs	Litres	2,938	2,921	3,651	5,622
Champagne	Litres	77	62	59	55
Rum, Vermouth	Litres	357	261	1,418	390
Wine	Litres	5,376	2,020	3,441	1,945
Pure Alcohol	Litres	57	35	898 free 19 duty.	1,035
Methylated Spirit ...	Litres	4,699	4,860	2,401	3,690
Customs Import Duties	£P.	1,721	1,469	1,657	1,460

TABLE E.

QUANTITIES OF, AND DUTIES COLLECTED ON, TOBACCO AND CIGARETTES MANUFACTURED AND ISSUED FOR SALE BY FACTORIES.

Year.	*Cigarettes. Excise duty 300 mils per kilogramme.*			*Cut tobacco. Excise duty 250 mils per kilogramme.*		*Cut tobacco. Excise duty 120 mils per kilogramme.*	
	No.	*Weight.*	*Duty.*	*Weight.*	*Duty.*	*Weight.*	*Duty.*
		Kilogrammes.	£P.	*Kilogrammes.*	£P.	*Kilogrammes.*	£P.
1937	26,740,238	20,306	6,091	9,385	2,346	38,083	4,569
1936	28,883,450	21,849	4,554	9,056	2,264	31,311	3,757
1935	27,624,200	20,782	6,234	8,148	2,037	14,092	1,691
1934	30,686,120	23,170	6,951	8,892	2,223	15,746	1,889

TABLE F.

QUANTITIES OF FOREIGN TOBACCO LEAF ISSUED FROM BOND AND AMOUNT OF DUTIES COLLECTED THEREON.

Rate of Duty : 300 mils per Kilo.

Year.	*Tobacco leaf issued.*	*Import duty collected.*
	Kilos.	£P.
1937	7,412	2,223
1936	7,265	2,179
1935	7,566	2,269
1934	8,272	2,481

TABLE G.

IMPORT DUTY COLLECTED ON ALL KINDS OF IMPORTED TOBACCO AND TOMBAC.

Year.	*Foreign Leaf.*	*Cigarettes and Tobacco.*	*Tombac.*	*Total.*
	£P.	£P.	£P.	£P.
1937	2,223	1,044	4,174	7,443
1936	2,180	1,285	2,732	6,197
1935	2,270	1,211	1,566	5,047
1934	2,481	1,141	1,606	5,230

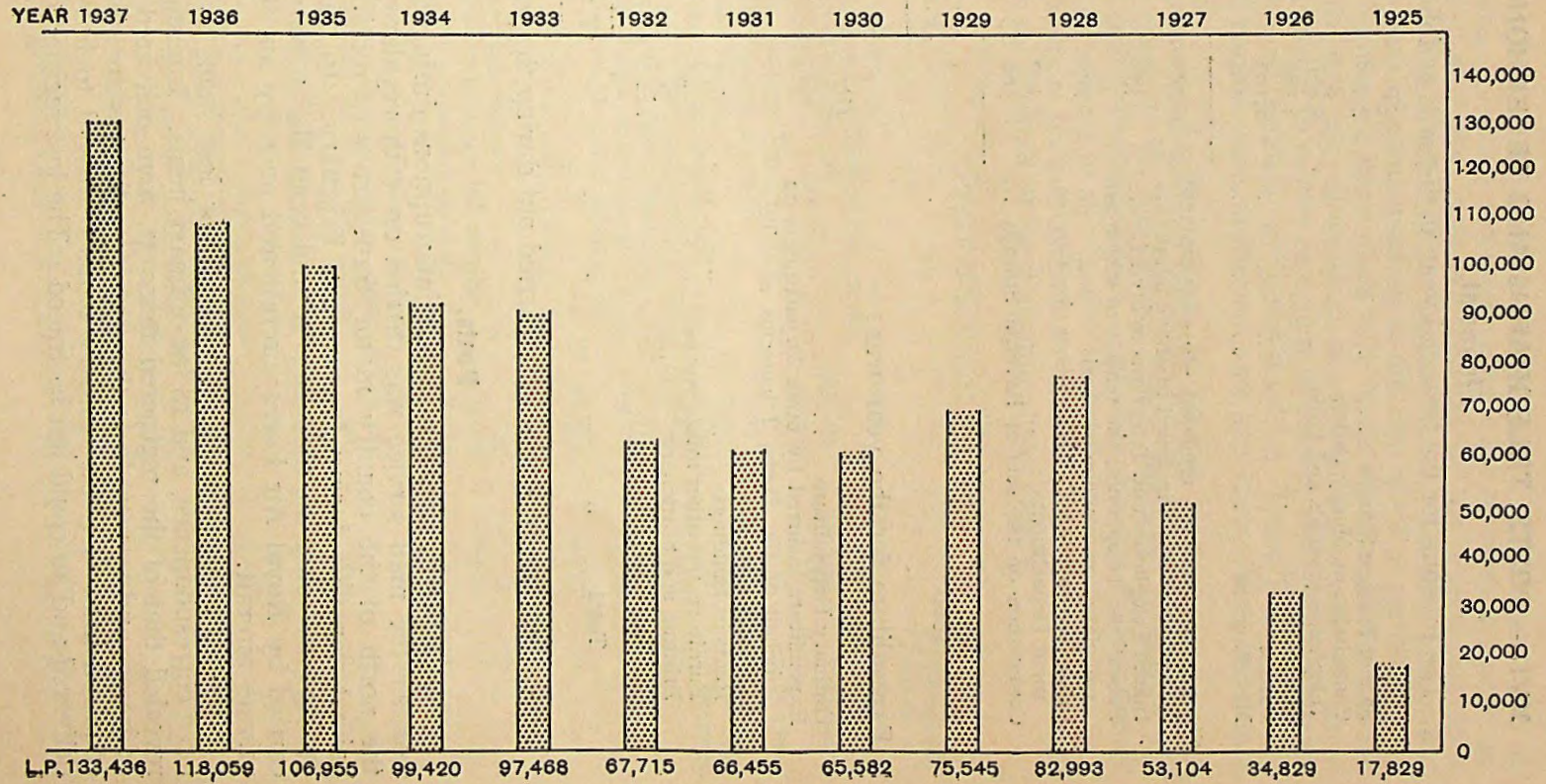
TABLE H.

EXCISE REVENUE.

Year.	*Tobacco.*	*Liquor.*	*Total.*
	£P.	£P.	£P.
1937	13,008	1,021	14,029
1936	12,576	1,048	13,624
1935	9,962	1,009	10,971
1934	11,064	1,067	12,131

TABLE "I"

CUSTOMS AND EXCISE REVENUE OBTAINED DURING 13 YEARS FROM 1925 – 1937.



XVII.—POSTS, TELEGRAPHS AND TELEPHONES.

Financial.

1. The revenue for the financial year 1936-7 was as follows:—

	£P.	£P.
Sale of Postage Stamps	3,398	
Commission on Money Orders	309	
Telephones (Rentals and Calls)	8,966	
Telegrams	1,222	
Parcels	1,163	
Miscellaneous	164	
		15,222
Charges for services rendered to Government Departments not included in above figures:—		
Inland Telephones and Telegrams to Civil List ...	450	
Police Post Telephones, the rentals of which are calculated on a kilometric basis	700	
Inland Postage on Correspondence for Government Departments	2,200	
Commission on the sale of Revenue Stamps ...	300	
		3,650
Total		£P.18,872

Expenditure for the year was:—

	£P.	£P.
Ordinary Expenditure		16,094
Expenditure incurred by other Departments on behalf of the Posts, Telegraphs and Telephones:—		
Rents of Buildings	676	
Furniture and other minor works	42	
Printing and Stationery	300	
		1,018
Total		£P.17,112

No extraordinary works were carried out during the year.

Posts.

2. With the exception of a few interruptions during the wet weather the mail service was carried on with regularity. In the north of the country motor transport was replaced by animal transport during January and February. In the south during November the mail bags to and from Ma'an were twice carried by Royal Air Force aircraft and once by an official's private aircraft.

Fifty-eight enquiries were received for lost items of registered correspondence, and 18 for ordinary items. Investigations revealed that of the registered items 31 were delivered to the addresses and 19 were lost: the remaining 8 cases are still being enquired into. Of the ordinary items 8 proved to have been delivered and 10 could not be traced. The lost registered items

were in a bag of registered correspondence which was stolen at Damascus. Claims for compensation were received in respect of 18 items, and the Inspector-General of the Postal Administration of the Levant States under French Mandate authorized the payment of compensation at the rate of £P.2 per item.

The number of items dealt with in the Returned Letter Office amounted to 4,085, of which 29 items were registered; 724 items were returned to offices of origin in foreign countries; 660 were delivered to senders or addressees in Trans-Jordan; 2,170 printed papers were destroyed and 520 letters were kept until claimed.

The appended table of statistics for the years 1936 and 1937 shows progress in the Inland Postal Services, especially the Inland Money Order Services. The decline in the Foreign Parcel Post Service and in the Money Order Service is attributed to a return to more normal conditions following an abnormal increase in 1936 on account of the Palestine disturbances.

TRAFFIC STATISTICS, 1937.

	1936.	*1937.*	*Approximate Increase or Decrease. Per cent.*
Ordinary Mails :—			
Correspondence (Letters, postcards, printed papers, etc.)	498,281	500,905	1 Increase
Parcels, inland	3,979	4,375	10 ,,
Parcels, foreign, despatched ...	503	318	37 Decrease
Parcels, foreign, received	3,063	2,778	9 ,,
Telegrams, inland	5,955	6,411	8 Increase
Telegrams, foreign, despatched ...	4,270	3,640	15 Decrease
Telegrams, foreign, received ...	4,301	3,759	13 ,,
Telephone subscribers, number ...	577	643	11 Increase
Telephone trunk calls, inland ...	85,761	91,559	7 ,,
Telephone trunk calls, foreign, outgoing...	12,520	14,671	17 ,,
Telephone trunk calls, foreign, incoming	10,104	12,227	21 ,,
Telephone call offices	47	52	11 ,,
Telephone trunk lines, kilometres ...	1,500	1,500	—
Money orders, inland, number ...	2,141	2,677	25 Increase
Money orders, inland. Value £P.	34,673	46,960	35 ,,
Money orders, foreign, issued, number	1,143	987	14 Decrease
Money orders, foreign, issued. Value £P.	4,453	4,293	4 ,,
Money orders, foreign, paid, number	482	260	46 ,,
Money orders, foreign, paid. Value £P.	2,916	1,935	34 ,,
Postal orders, inland, number ...	13,661	14,160	4 Increase
Postal orders, inland. Value £P.	10,615	10,802	2 ,,
Postal orders, imperial, issued, number	2,159	2,158	—
Postal orders, imperial, issued. Value £P.	1,355	1,483	9 Increase
Postal orders, imperial, paid, number	274	225	18 Decrease
Postal orders, imperial, paid. Value £P.	173	153	12 ,,
Postal orders, Palestinian, paid, number	5,374	5,130	5 ,,
Postal orders, Palestinian, paid. Value £P.	4,742	4,473	6 ,,
Air Mail :—			
Number of items	4,831	6,546	35 Increase
Weight in kilogrammes	63	82	30 ,,

Telegraphs.

3. The decrease in the foreign telegraph service is due to a return to normal conditions after an abnormal increase in 1936 arising out of the Palestine disturbances.

Telephones.

4. The use of the telephone service continued to show progress during the year. The section of the Haifa-Baghdad line falling within Trans-Jordan, which was previously administered by the Palestine Postal Administration, was taken over by the Trans-Jordan Department early in 1937; the revenue from charges and calls made over the circuit from Palestine, Egypt, Syria, Lebanon and Iraq amounted during the year to £P.952, and the cost of maintenance was £P.277.

Engineering.

5. The ordinary work of maintaining the telephone and telegraph routes was regularly performed. Cables were laid at Amman and Irbid for distribution to subscribers' lines, the Wadi Es Seer Police Post telephone line was renewed and connected directly with Amman, and various other works of improvement were carried out.

Stores were ordered during the summer for new lines between Tafileh and Ma'an and between Irbid and Um Qeis. Owing, however, to delay in the delivery of these stores and the onset of winter the construction of the lines has been postponed.

General.

6. During the year 27 cases of damage to telephone and telegraph routes were reported: action was taken against the persons or villages concerned.

Funds for the building of a new General Post Office at Amman were provided in part in the current year's estimates and a suitable site has been chosen, and its expropriation initiated.

In the meantime additional accommodation, necessitated by the expansion of the service, has been provided by the lease of an annex to the present General Post Office.

At Irbid and Jerash the Post Offices were transferred to new buildings of more suitable size and position.

The total number of officers on the classified establishment at the end of 1937 was 54. The unclassified employees comprised 30 linemen, 12 postmen, 3 apprentices and 2 orderlies.

XVIII.—AGRICULTURE, FORESTS AND VETERINARY.

Agriculture.

1. The early rains were very good and after a period of anxiety in March and April there was a satisfactory precipitation in the middle of April, resulting in an excellent harvest. The yield of winter and summer crops was above the average, though in parts of the country the previous bad year had left people so ill-equipped that areas considerably less than normal were sown; olives and vines gave good yields, except in the Es Salt district where the old vines continued to be so bad that the vineyards concerned had to be re-assessed for Land Tax on the basis of wheat-producing land. Some 8,000 dunums were cultivated with winter and 32,000 with summer vegetables.

Particulars of the area sown with tobacco and tombac and of the estimated produce therefrom are given in paragraph 10 of the section of this Report dealing with Customs, Excise and Trade. In addition 6,130 dunums were sown with hisheh tobacco giving a yield of 456,100 kilos.

Apart from minor visitations of field-mice and "worm" which were dealt with in the usual way no serious pests or plant diseases appeared.

The early rains of November have also been satisfactory and promise a good harvest for 1938.

The year under review was the last year covered by the grant from the Colonial Development Fund of £P.1,200 for each of three years for the propagation of good seed throughout the country. The success of this scheme, which requires that the farmer shall return to Government 1½ times the seed issued to him, was prejudiced in 1936 by the very bad climatic conditions and the resulting harvest failure. In 1937 it proved a great success as regards wheat but there is still much to be done in regard to barley and legumes, because it has proved very difficult to obtain even samples of the local barley (which is the best) as the different varieties become mixed on the threshing floor and because reliable legumes could not be purchased. It is hoped to remedy the position in this respect, with the help of the new Agricultural Experiment and Demonstration Station at Jubeiha.

The constructional work at this Station, the area of which is some 600 dunums, has been completed, the site has been fenced in, and the winter crops have been sown. A great deal of preparatory work has also been undertaken in the planning, clearing and draining of the area. Six hundred fruit trees and a considerable number of forest trees were planted in the rainy season of 1936-7 and preparations have been made to put in the olives and the remaining forest trees, and to complete the

wind breaks, early in 1938. The poultry houses have not yet been stocked because Palestine, in view of her own needs, will not be able to meet the requirements of Trans-Jordan before May, 1938.

The 28 school gardens, the average area of which is 10 dunums, have been transferred, together with the Agricultural Assistant in charge of them, to the Department of Education and it is expected that this arrangement will be an advantage from the point of view of administration. These gardens are on the whole very good and the children who care for them undoubtedly benefit by the training.

In addition to the Experiment Station at Jubeiha the Department maintains the following:—

(*a*) *Horticultural Station at Ruseifa,* near Amman, where all kinds of fruit trees suitable to the altitude of the plateau are grown and grafted for distribution.

(*b*) *Horticultural Station at Bagoora* in the northern Jordan Valley, at present confined to citrus trees, date palms and vegetables. From this station an issue was made this year of 4,500 various grafted citrus trees to people in the Jordan Valley, who have only in recent years turned from grazing and raiding to agriculture; the Department of Agriculture undertook, without charge, the planting of these trees, and their supervision till they were established; it is satisfactory that the failures have only totalled about 2 per cent.

(*c*) *At Jerash,* in the Ajlun hills, there is a smaller Horticultural Station which is confined to the growing of olives and carobs for distribution.

(*d*) *At Mejdal,* also in the Ajlun hills, 80 dunums were acquired and fenced two years ago as a carob demonstration station. Adverse weather conditions have militated against the progress of this station and it has hitherto only proved possible to establish some 900 carob seedlings. In a nearby farm, however, a large number of carobs are being raised in pots: they will be transplanted in the demonstration station in due course.

Forests.

2. To meet the growing demand for forest trees, seedlings are now raised in each of the stations at Bagoora, Ruseifa and Jerash, and a new forest nursery has been established at Wadi Zahar, with a view to supplying the area in the north-west where settlement is proceeding.

The Department remains in charge of all the forest areas which have not yet been subjected to settlement, and has fenced and is re-afforesting three areas comprising 6,374 dunums at Mejdal and Wadi Warran in the Ajlun hills and Khanasra near the Hejaz railway line in the north-east of Trans-Jordan.

Small plantations have also been made successfully at the foot and along the top of the citadel hill in Amman.

In each of the enclosures at Mejdal, Wadi Warran and Khanasra a one-roomed house has been built to accommodate the guard who has been stationed there.

The number of forest guards has been increased by two and the number of prosecutions for forest offences in 1937 has been 343 as compared with 436 in 1936 and 389 in 1935.

Veterinary.

3. The excellent grazing has resulted in a certain recovery from the animal losses of 1936 but the almost entire lack of rain in December necessitated the migration of a large number of animals from the village areas into the desert area in the eastern part of Trans-Jordan where the rains had been more abundant and where there is now no lack of public security.

There was no serious outbreak of disease the more serious being as follows:—

Disease.	*Cases.*	*Deaths.*
Smallpox in goats	1,528	157
Foot and Mouth Disease	3,343	1
Hemorrhagic Septicaemia	8,513	281
Pyroplasmus in goats	1,158	—

A large number of camels, sheep and goats continues to enter the country from Saudi Arabia; some of these are for local consumption but many pass in transit to Palestine and Egypt.

XIX.—PUBLIC WORKS.

Relief.

As a result of satisfactory rains and a consequently good harvest it was necessary to spend only £P.1,000 on relief works. This sum was devoted to further improvements to the Wadi Hasa—Laban road in the south and to the water supplies at Ain Dana, Bir Harir and Ain El Zerqa in the Tafileh area.

In the absence of relief funds no further progress was made on the roads connecting Kerak and Madeba across the Wadi Majib or on the road connecting Ajlun with Deir Abu Said and the Jordan Bridge at Sheikh Hussein. It is hoped, however, to make provision for the latter in the Estimates for the financial year 1938-9, as its early opening is most desirable to facilitate the movement of the Land Settlement parties which have begun operations in that area.

Roads.

2. Work on the asphalting of the main Jerusalem road from Amman via Es Salt to the Allenby Bridge which is being carried out with the asistance of a grant from the Colonial Development Fund is progressing satisfactorily and will, it is expected, be finished by the end of March, 1939.

The consolidation of the road from Jisr Mejamie to El Husn via Irbid, which was soled and metalled to a depth of 5cm. only when it was rebuilt, is proceeding slowly but satisfactorily.

Considerable work was carried out in strengthening and improving the bridge which spans the Wadi Shoeib, and a double cantilever reinforced concrete bridge over the Wadi Jeria, in replacement of that which was destroyed by floods in October, 1935, was completed. This new bridge has a central span of 13 metres: an unusual feature in its construction was the use of earthfill instead of timber framework for the pouring of the concrete for the superstructure.

Buildings.

3. Regular maintenance work has been carried out in 73 Government owned and rented buildings.

Several buildings have been constructed in connexion with the new Agricultural Experimental Station.

The Headquarters building for the Department of Lands, which was begun this year, is half complete.

Work was begun on the Customs Department Bonded Warehouse at Amman Station, the building programme in the Arab Legion lines at Amman proceeded according to plan, the Arab Legion stable at Irbid was enlarged and reconstructed. and the Fort at Wadi Musa, of which the estimated cost is £P.2,600 was nearly completed.

Water Supplies.

4. In addition to the works connected with water supplies which have been referred to elsewhere in this Chapter and in the Chapter on Public Health, the following works have been carried out during the year:—

(*a*) Engines, pumps and storage tanks were erected at the deep bores sunk at Teneib and Katraneh, east of the Railway.

(*b*) The bore in the Desert at Black Rock proved impracticable and was abandoned.

(*c*) The 575-feet bore at Jubaya el Adwan between Amman and Madeba, of which the yield had fallen off, was deepened, but no great improvement in the supply resulted.

(*d*) An additional bore in the Jordan Valley has been successful, showing a good supply of water at a depth of 50 feet.

(*e*) A well is being sunk in the school garden at Suweilih.

(*f*) Improvements have been made in two village springs, and advice given for the improvement of two others.

(*g*) Three thousand cubic metres of silt have been excavated from the cistern at Zizia.

Other Works.

5. The Department is responsible for the works and buildings of the Trans-Jordan Frontier Force at Zerka and Ma'an and also undertakes all hirings of offices and other accommodation for the Government, and arranges for the provision of furniture therein.

XX.—DEPARTMENT OF DEVELOPMENT.

1. A Department of Development was initiated in May, 1937, under the charge of a British Director. The Department is maintained by a grant from the Colonial Development Fund.

2. Preliminary studies and investigations were begun, but before a *modus operandi* could be established the circumstances of the Department were substantially changed by the provision by His Majesty's Government of a grant of £P.15,000 for the purpose of a Hydrographic Survey of the country which, together with a contour survey of the Jordan Valley being executed by the Department of Lands and Surveys, will enable the practical possibilities of irrigation development in Trans-Jordan to be assessed. This work, owing its origin to the Report of the Royal Commission, and coming as a matter of urgency upon a Department of which the merest nucleus was already in existence, dominated the activities of the Department throughout the rest of the year.

Hydrographic Survey.

3. The Hydrographic Survey is expected to occupy a period of approximately a year and will comprise a quantitative investigation of the surface and sub-surface water resources of the country, followed by an examination of the use to which they might be put for irrigation development.

The last quarter of the year was occupied in planning the methods and scope of the survey in detail, and in the collection of the necessary staff and equipment.

Irrigation Control Schemes.

4. At the same time the normal activities of the embryo Department have, as far as possible, been pursued. It is intended to plan and execute in the coming year the first of a series of minor schemes of irrigation control on one of the streams which debouch into the irrigable upper benches of the Jordan Valley. Some preliminary investigations have been carried out; and arrangements have been made to complete the necessary detailed preparatory and design work early in the new year.

Irrigation Law.

5. At the present time the use of water for irrigation is governed by the Ottoman Law, to which no amendments or additions have been made. New legislation providing for the control of water is being prepared.

XXI.—CIVIL AVIATION.

1. The air services maintained by the Imperial Airways and the Royal Dutch Line between Europe and the Far East pass over Trans-Jordan territory but only make emergency landings in that country.

2. No Customs aerodromes exist in Trans-Jordan but permission is occasionally given for commercial machines to land on Royal Air Force aerodromes, and in such instances special arrangements are made in the matters of Customs and Passport control.

3. The need for a special department to administer civil aviation in Trans-Jordan has not arisen.

APPENDIX I (i).

The Palestine Electric Corporation, Limited.
(Incorporated in Palestine.)

Fourteenth Annual Report and Balance Sheet, 31st December, 1936.
Report of Directors for the year ended 31st December, 1936.

The Directors beg to submit their Report and Statement of Accounts for the year ended 31st December, 1936.

Notwithstanding the abnormal conditions which prevailed in Palestine last year, a satisfactory service has been maintained throughout the operating area of the Corporation.

The disturbances caused the Directors much anxiety, but they are fortunately able to report that the property of the Corporation suffered no appreciable damage; some delay in development work and a comparatively small amount of additional expenditure inevitably resulted from the disturbed state of the country.

65,495,957 units of electrical energy were sold in 1936, compared with 50,362,193 units in 1935, representing an increase of 30 per cent. The total number of consumers connected by 31st December last was 66,537 compared with 53,246 at the end of 1935, an increase of 25 per cent.

The gross revenue has increased from £P. 488,443 in 1935 to £P. 582,765 in 1936, an increase of 19 per cent. Since the reductions in tariffs to consumers referred to in the Directors' last Report, further considerable reductions have been made operating partly from 1st January and partly from 1st June, 1937.

The following figures show the development of the Corporation's business during the past five years:—

Year.	*No. of Consumers Connected.*	*Units Generated (in kWh).*	*Units used at Corporation's Works. (in kWh.).*	*Units Sold. (in kWh.).*	*Gross Revenue. (in £.P.)*
1932 ...	15,113	16,629,054	499,714	11,590,350	145,512
1933 ...	21,934	29,120,155	756,719	20,136,839	221,128
1934 ...	35,397	47,485,776	888,072	34,385,515	363,900
1935 ...	53,246	71,885,097	3,151,352	50,362,193	488,443
1936 ...	66,537	90,423,846	5,427,326	65,495,957	582,765

Work on the extension of the Haifa Steam Turbine Power House and on the new 66,000-volt transmission line from the Jordan Power House to Tel-Aviv was continued. Since the close of the Financial Year, work has commenced on the new Reading Steam Turbine Power House near Tel-Aviv.

Ninety-six transformers with a total capacity of 13,995 kVA. were put into commission in consumers' premises during 1936, bringing the total up to 657 transformers with a capacity of 59,910 kVA. The transmission and distribution network of the Corporation was increased during the year by 194 km., making a total on the 31st December, 1936, of 993 km. of High Tension Transmission Lines and Cables and 959 km. of Low Tension Distribution Lines.

The special expenditure incurred owing to the disturbed conditions amounted to £P. 17,078. This item has been charged to the Share Premium Account.

	£P.	£P.
The profit for the year 1936, after making adequate provision for Depreciation, was		242,208
Deducting the Appropriation made during the year of:—		
(*a*) Preference Shares Sinking Fund	12,000	
(*b*) Dividend on Preference Shares	27,000	
(*c*) Interim Dividend of 2½ per cent. free of United Kingdom Income Tax on Ordinary and "A" Ordinary Shares	43,440	
		82,440
		159,768
and adding the balance brought forward from the previous year		26,353
there is an available balance of		186,121
out of which the Directors recommend:—		
(1) The transfer to Reserve for Income Tax and contingencies	25,000	
(2) The transfer to General Reserve	50,000	
(3) The payment of a final Dividend of 5 per cent. free of United Kingdom Income Tax on Ordinary and "A" Ordinary Shares absorbing ...	86,881	
		161,881
Leaviug a balance to be carried forward of ...		£P. 24,240

In order to provide for the Capital outlay which is now being incurred by the Corporation, and which it may be found necessary to incur in the future, it is intended to make such Issue of additional Share Capital at such date and of such amounts and classes as the Directors may consider desirable, and for this purpose to increase forthwith the nominal Share Capital of the Corporation from £2,500,000 to £4,000,000.

The Corporation has recently been granted an Official Quotation with respect to its Shares, and this calls for certain minor amendments in the Articles of Association so as to comply with the requirements of the Share and Loan Department of the London Stock Exchange.

An Extraordinary General Meeting of the Corporation will be held immediately after the holding of the Annual General Meeting for the purpose of considering, and, if thought fit, passing the necessary Special Resolutions to give effect to the above proposals.

It is with deep regret that the Directors have to record the death on 31st January, 1937, of M. Henri Franck, a member of the Board since 1925.

In accordance with the Articles of Association, The Rt. Hon. Lord Melchett and Mr. Edward S. Baron retire by rotation and, being eligible, offer themselves for re-election.

The Auditors of the Corporation, Messrs. Russell & Co., retire and, being eligible, offer themselves for re-appointment.

Signed on behalf of the Board of Directors,

SAMUEL, Chairman.

PINHAS RUTENBERG, Managing Director.

23rd June, 1937.

THE PALESTINE ELECTRIC CORPORATION, LIMITED
(Incorporated in Palestine)
General Profit and Loss Account for the year ended 31st December, 1936.

Dr.	£P.	£P.	Cr.	£P.
To Power House Expenditure (including depreciation):			By Sale of Electric Energy, Rental of Meters, Connections to Consumers' Premises and Sundry Income:	
Jordan, Tiberias and Haifa Power Houses	200,595		Haifa and Tiberias	204,529
Tel-Aviv Power House	124,608		Tel-Aviv	371,755
		325,203	Excess of Interest received over Interest paid	5,400
,, Head Office and London Office Expenses:			Sundry Income	1,081
Salaries: Head Office and London Office	21,636			
General Expenses at Head Office and London Office, Legal Charges, Audit Fees, Travelling, etc. ...	14,532			
Directors' Fees	3,500			
	39,668			
Less:—				
Charge for services rendered to Jordan Investments, Ltd. 100				
Departmental charges to stores 708				
Charged to expenses of Haifa, Tiberias and Tel-Aviv Power Houses ... 38,000				
	38,808			
		860		
,, Redeemable Preference Shares Sinking Fund		12,000		
,, Superannuation Fund for Employees for 1936	3,495			
,, Superannuation Fund for Workers and Reserve for Contingencies (not yet allocated)	5,000			
		8,495		
,, Provision for Depreciation on Investment held by Subsidiary Company		5,999		
,, Balance, being net profit carried to Balance Sheet		230,208		
		£P. 582,765		£P. 582,765

THE PALESTINE ELECTRIC CORPORATION, LIMITED

(Incorporated in Palestine).

Profit and Loss Appropriation Account for the year ended the 31st December, 1936.

Dr.	£P.	£P.	Cr.	£P.
To Appropriations of Profit and Loss Account Balance as at 31st December, 1935 :			By Profit brought forward at 1st January, 1936 ...	193,234
Final Dividend for 1935 of 5 per cent. free of Income Tax on Ordinary Shares and " A " Ordinary Shares	76,881			
To General Reserve	50,000			
To Reserve for Income Tax and Contingencies	40,000			
		166,881		
,, Balance carried to Balance Sheet ...		26,353		
		£P. 193,234		£P. 193,234

The Palestine Electric Corporation Limited.

(Incorporated in Palestine.)

Balance Sheet as at the 31st December, 1936.

Liabilities.	*£P.	£P.
Share Capital :—		
Authorised :—		
1,000,000 Ordinary Shares of £1 Sterling each ...	1,000,000	
800,000 " A " Ordinary Shares of £1 Sterling each	800,000	
600,000 4½ per cent. Redeemable Cumulative Preference Shares of £1 Sterling each (Redeemable on or before 31.12.1963)	600,000	
100,000 Shares of £1 Sterling each	100,000	
	2,500,000	
Issued :—		
937,625 Ordinary Shares of £1 Sterling each ...	937,625	
800,000 " A " Ordinary Shares of £1 Sterling each	800,000	
600,000 4½ per cent. Redeemable Cumulative Preference Shares of £1 Sterling each	600,000	
		2,337,625
General Reserve		150,000
Share Premium Account		322,346
Reserve for Income Tax and Contingencies		60,407
Redeemable Preference Shares Sinking Fund		24,000
Reserve for Depreciation in accordance with Jordan Concession	214,893	
Reserve for Depreciation of the Tel-Aviv Installation ...	151,961	
		366,854
Customs Duties Deferred in accordance with Clause 36 of the Jordan Concession		64,290
Creditors and Credit Balances :—		
Sundry Creditors	100,032	
Declared Dividends to be paid	52,857	
Consumers' Deposits	13,472	
Credit Balances	22,836	
		189,197
Profit and Loss Account :—		
Unappropriated Balance brought forward at 1st January, 1936	26,353	
Add : Profit for the year	230,208	
	256,561	
Less : Dividends for 1936 :—		
On 4½ per cent. Redeemable Cumulative Preference Shares ... ... £P. 27,000		
Interim Dividend of 2½ per cent. on Ordinary and " A " Ordinary Shares 43,440		
	70,440	
		186,121
		£P. 3,700,840

Assets.	£P.	£P.
Jordan Concession :—		
Capital Expenditure to date :—		
Acquisition of the Concession	1	
First Jordan Hydro-Electric Power House, Haifa and and Tiberias Power Houses : Land, Buildings, Hydraulic Works, Machinery, Transmission and Distribution System, etc.	1,595,360	
New Haifa Power House	659,145	
Reading Power House	4,217	
Upper Jordan Survey Costs	3,357	
Preliminary expenses, including general expenses in connection with the Jordan Concession	33,134	
Auja Concession :—		
Capital Expenditure to date :—		
Acquisition of the Concession	1	
Tel-Aviv Installation : Land, Buildings, Generating Plants, Distribution System, etc.	622,582	
Preliminary Expenses of the Jaffa Electric Co., Ltd. ...	5,161	
Registration Fees in connection with Increase of Capital and Capital Duty on Issue of Preference Shares ...	9,000	
		2,931,958
Land in Haifa and Tel-Aviv, at cost		15,932
Lease of London Office Building, at cost, less amounts written off		6,400
Office Furniture, etc., at cost, less depreciation		4,623
Workshops and Construction Machinery, at cost, less depreciation		6,488
Stores on Hand at Jordan, Haifa and Tel-Aviv, as certified by the Company's Officials		82,212
Expenditure in Advance		11,173
Debtors and Debit Balances :—		
Consumers' Accounts	130,303	
Sundry Accounts	27,475	
		157,778
Investments, at cost		11,499
Subsidiary Company :—		
Investment, at cost	24,943	
Current Account	30,974	
		55,917
Cash appropriated for Redeemable Preference Shares Sinking Fund (see contra)		12,000
Cash appropriated for Payment of Dividends declared (see contra)		52,857
Cash at Banks and in Hand and Deposits at Call ...		352,003
		£P. 3,700,840

* £P. 1 = £1 Sterling.

Statement as to Subsidiary Company, pursuant to Sec. 107 of the Companies Ordinance, 1929.

The Subsidiary Company shows a profit for 1936 which has not been incorporated in the above Accounts. Samuel, *Chairman.* Pinhas Rutenberg, *Managing Director.*

On behalf of the Board of Directors—Samuel, *Chairman.* Pinhas Rutenberg, *Managing Director.* J. Feldman, *A/Chief Accountant.*

Auditors' Report to the Shareholders.

We have audited the Balance Sheet of the Palestine Electric Corporation, Ltd., dated the 31st December, 1936, as above set forth, and have obtained all the information and explanations which we have required. In our opinion the above Balance Sheet is properly drawn up, so as to show a true and correct view of the state of the Company's affairs according to the best of our information, and the explanations given to us and as shown by the Books of the Company.

Haifa, *23rd June*, 1937.

Russell & Co., *Chartered Accountants, Auditors.*

APPENDIX I (ii).

JERUSALEM ELECTRIC AND PUBLIC SERVICE CORPORATION LIMITED.

REPORT OF THE DIRECTORS.

The Directors submit herewith the Accounts of the Company as at 31st March, 1937.

	£P.	£P.
The profit for the year, including the balance (£P.2,832.013) brought forward from the previous year is		63,114.426
out of which the following payments and appropriations have been made:—		
Provision for Income Tax	12,000.000	
Transfer to General Reserve	5,000.000	
Capital Amortisation Fund	5,476.924	
Plant Renewal Account	15,400.000	
Dividend on 225,000 Preference Shares for year to 31st March 1937, less tax	12,009.375	
		49,886.299
leaving a balance of		£P.13,228.127
which the Directors propose to deal with as follows:—		
In payment of a Dividend on 200,000 Ordinary Shares, of 6 per cent. less tax, amounting to		9,000.000
leaving to be carried forward to next year's Account		£P.4,228.127

The business of the Company has continued to show expansion which has necessitated the installation of further plant to deal with the growing load.

An offer of 50,000 Ordinary Shares of £P.1 each at 26s 6d. per share was made to Shareholders on the 4th March, 1937; these shares were duly issued and a sum of 10s. per share paid on application. The balance of 16s. 6d. per share due since the close of the financial year has now been received.

The Directors record with great regret the death of their colleague Sir Archibald B. Boyd-Carpenter, M.P. which took place on the 27th May, last. Sir Archibald joined the Board at the inception of the Company and rendered valuable services, particularly during his periodic visits to Jerusalem.

In accordance with the Articles of Association Sir John H. B. Noble, Bart., retires, but being eligible offers himself for re-election.

The Auditors, Messrs. Russell & Co., Jerusalem, retire and offer themselves for re-election.

By Order of the Board,

D. C. BROOK,
London Secretary.

12th July, 1937.

Jerusalem Electric and Public Service Corporation Limited.

Profit and Loss Account for the year ended 31st March, 1937.

(£P.1 equals £1 Sterling).

Dr.	£P. Mils.	Cr.	£P. Mils.
To London Administration and General Expenses	3,977.951	By Surplus on Operating and Sundry Receipts	65,760.364
„ Provision for Directors' Fees	1,500.000		
„ Balance carried down...	60,282.413		
	£P. 65,760.364		£P. 65,760.364
	£P. Mils.		£P. Mils. £P. Mils.
To Provision for Income Tax	12,000.000	By Balance from last Account	10,457.013
„ General Reserve	5,000.000	*Deduct:* Ordinary Dividend for year to 31.3.36, *less* tax	7,625.000
„ Capital Amortisation Fund	5,476,924		2,832.013
„ Plant Renewal Account	15,400.000	„ Balance brought down	60,282.413
„ Preference Dividend for year, *less* tax	12,009.375		
„ Balance to Balance Sheet	13,228.127		
	£P. 63,114.426		£P. 63,114.426

Balance Sheet as at 31st March, 1937.

(£P.1 equals £1 Sterling.)

Liabilities.	£P. Mils.	£P. Mils.	Assets.	£P. Mils.	£P. Mils.
Share Capital:—			*Cost of Concession*		60,000.000
Authorised:—			*Capital Expenditure*, at cost, including Lands, Buildings, Plant and Machinery, Mains, Meters, etc.	—	
225,000 7 per cent. Cumulative Preference Shares of £P.1 each		225,000.000	Per last Account, *less* Mains Reserve	393,059.092	
300,000 Ordinary Shares of £P.1 each		300,000.000	Additions during the year	90,524.228	
75,000 Undenominated Shares of £P.1 each ...		75,000.000			483,583.320
		£P.600,000.000	*Tools, Motor Vehicles, Furniture, etc.*, at cost, *less* depreciation		1,453.455
Issued:—			*Stores on Hand*, as certified by the Manager, and in transit, *less* Reserve		11,475.554
225,000 7 per cent. Cumulative Preference Shares of £P.1 each fully paid	225,000.000		*Amount expended on Undertaking*		556,512.329
200,000 Ordinary Shares of £P.1 each fully paid ...	200,000.000		*Sundry Debtors* (*less* Reserve) and payments in advance, etc.		10,546.796
50,000 Ordinary Shares of £P.1 each, £P.0.500 mils paid	25,000.000		*Capital Amortisation Fund:*— Investment and Cash		5,510.282
		450,000.000	*Cash at Bankers and in Hand*		30,506.355
Amounts paid in advance of final call on above 50,000 Ordinary Shares £P.0.500 mils paid ...		3,241.788			
Sundry Creditors, accrued charges, etc.		39,818.641			
Loan Account		25,000.000			
Capital Amortisation Fund		10,987.206			
General Reserve:—					
Per last Account...	25,000.000				
Added during year	5,000.000				
		30,000.000			
Plant Renewal Account		30,800.000			
Profit and Loss Account		13,228.127			
		£P.603,075.762			£P.603,075.762

William Shearer Rankeillour } *Directors.*

Report of the Auditors to the Members of Jerusalem Electric and Public Service Corporation, Limited.

We have audited the Balance Sheet and Profit and Loss Account as above set forth and have obtained all the information and explanations we have required. In our opinion such Balance Sheet and Profit and Loss Account are properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given us and as shown by the Books of the Company.

Jerusalem, *2nd July*, 1937.

Russell & Co., *Chartered Accountants.*

APPENDIX I (iii).

Palestine Potash Limited.

Report of Directors.

The Directors herewith submit their Report together with the duly audited Balance Sheet of the Company dated 31st December, 1936, and the Profit and Loss Account for the year 1936.

Profits were somewhat affected by the disturbances in Palestine during the year. Nevertheless, all orders accepted were satisfactorily executed.

No provision has been made for amortisation and depreciation up to 31st December, 1936, but your Directors have decided as from 1st January, 1937, to provide annually for amortisation and depreciation.

Your Directors are pleased to be able to report that a profit of £26,880 15s. 5d. is shown on Profit and Loss Account which is more than sufficient to eliminate the adverse balance brought forward from previous years. After deducting the adverse balance brought forward from previous years and transferring to Concession Account £4,877 16s. 3d. in respect of legal expenses incurred in connection therewith which were previously charged to revenue, there is a Credit balance of £5,795 0s. 1d.

Hitherto goods in transit at the turn of the year were valued for the purpose of the Balance Sheet and Accounts at cost. It is your Directors' view that goods sold and in transit to buyers should be valued at net sales prices and they have accordingly adopted this basis in the Accounts.

In accordance with our normal practice forward sales of foreign currencies have been made against amounts receivable on the sale of products. All amounts outstanding under this head at the end of the year have now been received.

In accordance with the arrangements mentioned in the Company's Prospectus of February, 1935, The Anglo-Palestine Bank Limited provided in respect of the year 1936 the sum of £20,721 8s. 3d., which has been paid to Preference Shareholders in lieu of Preference dividend.

The improvement in Potash prices noted in previous Reports has been maintained and there has been a considerable increase in the quantity and value of the Company's products sold.

The Company has continued to supply Potash to most of the important world markets, where it has found a ready sale.

Bromine sales have increased in the year under review and prices have continued to be satisfactory.

Improvements made in the Northern Refinery in the early part of the year have fulfilled expectations. Production has increased and the quality of the product improved. The anticipated reduction in manufacturing costs resulting from the improvements made has been realised.

Work on the extension of the plant at the Southern End of the Dead Sea is proceeding satisfactorily. About 100,000 tons of crude potash salts (carnallite) collected in the pans during the period under review and will be used for production in 1937.

Directorate.—In accordance with Article 108 of the Company's Articles of Association, Lord Lytton, Mr. Bernard Flexner, Abdel Rahman N. Bey el Taji and Mr. E. W. D. Tennant retire, and, being eligible, offer themselves for re-election.

Auditors.—Messrs. Maurice Jenks, Percival & Co. retire, and, being eligible, offer themselves for re-election.

Lytton, *Chairman.*

E. W. D. Tennant, *Director.*

29th June, 1937.

Palestine Potash Limited.

Balance Sheet, 31st December, 1936.

Dr.

	£ s. d.	£ s. d.
To *Capital* :—		
Authorised :—		
19,838 7½ per cent. Cumulative Redeemable Preference Shares of £1 each	19,838 0 0	
400,000 5½ per cent. Cumulative Redeemable Participating Preference Shares of £1 each	400,000 0 0	
347,900 Ordinary Shares of £1 each	347,900 0 0	
32,262 "A" Ordinary Shares of £1 each	32,262 0 0	
	£800,000 0 0	
Issued and Called Up :—		
19,838 7½ per cent. Cumulative Redeemable Preference Shares of £1 each	19,838 0 0	
349,450 5½ per cent. Cumulative Redeemable Participating Preference Shares of £1 each	349,450 0 0	
344,900 Ordinary Shares of £1 each	344,900 0 0	
32,262 "A" Ordinary Shares of £1 each	32,262 0 0	
	746,450 0 0	
Less : Calls in Arrear	418 5 0	746,031 15 0
„ Share Premium Account		8,736 5 0
„ Loan Account		5,050 0 0
„ Sundry Creditors		41,276 9 8
„ Profit and Loss Account :—		
Profit as per annexed Account	26,880 15 5	
Less : Balance as per last Balance Sheet	25,963 11 7	
	917 3 10	
Add : Legal Costs written off in previous years now transferred to Concession Account	4,877 16 3	
		5,795 0 1
		£806,889 9 9

Note.—An amount equivalent to the Preference Dividend to date has been paid by the Company out of monies provided by the Guarantors.

Lytton,
E. W. D. Tennant, } *Directors.*

Cr.

	£ s. d.	£ s. d.
By *Cost of Concession* for the extraction of Minerals and Salts in the Dead Sea, including expenditure in relation thereto :—		
As at 31st December, 1935	93,111 3 9	
Add : Legal Costs charged to Revenue in previous years now transferred £4,877 16 3		
Less : Amount recovered during 1936 718 16 3		
	4,159 0 0	97,270 3 9
„ *Freehold Land*, at Cost :—		
As at 31st December, 1935		5,821 11 1
„ *Buildings*, at Cost, including proportion of overhead expenses attributed to erection :—		
As at 31st December, 1935	62,223 4 0	
Add : Further Expenditure during the year	8,891 18 6	
		71,115 2 6
„ *Plant, Machinery, Apparatus and Sundry Equipment*, at Cost, including proportion of overhead expenses attributed to erection :—		
As at 31st December, 1935	349,835 10 6	
Add : Further Expenditure during the year	44,255 18 1	
		394,091 8 7
„ *Development Account*, being the unallocated balance of expenditure up to 31st December, 1931, together with subsequent Expenditure on the Southern Development and Surveys, etc. :—		
As at 31st December, 1935	54,131 15 10	
Add : Further Expenditure during the year	2,407 12 10	
		56,539 8 8
„ *Expenses* in connection with Issues of Capital, including Underwriting Commission, £19,372 10s. 9d. :—		
As at 31st December, 1935	29,956 18 4	
„ *Expenses* in connection with Conversion of Capital :—		
As at 31st December, 1935	2,498 1 0	
		32,454 19 4
„ *Stocks of Products and Stores on Hand*, as certified by the Managing Director		47,376 17 8
„ *Goods in Transit to Buyers*, at Net Sale Prices		53,352 11 1
„ *Sundry Debtors and Payments in Advance*		10,210 3 6
„ *Cash at Banks and in Hand*		38,657 3 7
		£806,889 9 9

Profit and Loss Account for the Year Ended 31st December, 1936.

	£ s. d.	£ s. d.
To *Expenses in London and Palestine*	28,483 14 5	
„ *Director's Remuneration*	2,000 0 0	
„ *Repairs and Replacements*	2,830 12 4	
„ *Profit carried to Balance Sheet*	26,880 15 5	
	£60,195 2 2	
By *Gross Profit on Trading*, including profit on goods sold and in transit to buyers		59,267 8 7
„ *Transfer Fees*		15 19 6
„ *Interest*		911 14 1
		£60,195 2 2

Report of the Auditors to the Members.

We have audited the Balance Sheet of Palestine Potash, Ltd., dated 31st December, 1936, as set forth above, and have obtained all the information and explanations we have required. Provision has not been made for amortisation or depreciation. Subject thereto, in our opinion, such Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information, and the explanations given to us, and as shown by the Books of the Company.

London,
25th June, 1937.

Maurice Jenks, Percival & Co.,
Chartered Accountants. } *Auditors.*

APPENDIX I (iv).

STATEMENT OF THE HULEH CONCESSION ACCOUNT.

As at the 31st December, 1937.

As shown in the books of the Palestine Land Development Co. Ltd.

	£P.Mils.	£P.Mils.
Price of Concession	191,795.000	
Add—6 per cent. Interest from the 1st October, 1934, to the 1st October, 1939 ...	24,643.290	
		216,438.290
Payment to previous Concessionaires on account of Drainage Works		9,000.000
Survey and Experts' Investigation, Commission, Advocates' Fees, Upkeep, Administration, Interest, &c.		34,341.169
Technical Apparatus, Cars, Sundry Equipment, &c.		1,363.336
Buildings and participation in Road making ...		2,793.844
Total		£P.263,936.639

Of the Purchase Price, the previous Concessionaires have now received £P.153,862.974 mils in cash, and the balance including interest thereon, is covered by promissory notes to the value of £P.62,575.316 mils, which mature during the years 1938-39. Certain of these promissory notes to the amount of £P.27,287.658 mils maturing on the 1st October, 1939, have been deposited with the Company as security until final settlement has been made with the previous Concessionaires in respect of the exact extent of the area acquired.

Note.—A sum of £P.157,344.825 mils has been received by the Company from prospective participants in the development of the Concession.

The Palestine Land Development Co., Ltd.

We have examined the above Statement with the Books of the Palestine Land Development Co., Ltd., and certify the same to be in accordance therewith.

Jerusalem, 3rd February, 1938.

RUSSELL & CO.,
Chartered Accountants.

APPENDIX I (v).

LIGHTHOUSE CONCESSION.

Statement of Light Dues collected by the Administration Générale de Phares for the year 1937.

Month.	*Haifa.*	*Jaffa.*	*Other Ports outside Palestine.*	*Total.*
	£P. Mils.	£P. Mils.	£P. Mils.	£P. Mils.
January	2,004.903	659.243	1.679	2,705.825
February ...	1,881.136	716.463	1,685	2,599.284
March	2,593.943	719.214	0.539	3,313.696
April	1,980.878	583.351	0.833	2,565.062
May	2,223.339	624.624	3.396	2,851.359
June	1,804.436	683.982	1.115	2,489.533
July	1,420.317	512.409	1.583	1,934.309
August	1,859.152	719.023	3.914	2,582.089
September ...	2,241.608	827.958	7.972	3,077.538
October	2,034.873	706.631	0.829	2,742.333
November ...	1,979.685	787.535	2.495	2,769.715
December ...	2,135.459	823.041	0.917	2,959.417
Grand Total ...	24,199.729	8,363.474	26.957	32,590.160

APPENDIX II

HOLY DAYS.

A complete list of the days which are recognised as holy days by the various communities in Palestine is set out hereunder.

Moslem Festivals

New Year	1 Muharram.
Yom 'Ashura (date of Noah leaving the Ark, and of the death of Husein at Kerbela).	10 Muharram.
Mawled al Nabi (Mohammed's birthday)	12th Rabi' al-Awal.
Lailat al-Raghaib (night of Mohammed's conception).	Eve of first Friday in Rajab.
Lailat al-Mi'raj (night of Mohammed's miraculous journey).	27th Rajab.
Lailat al-Baraat (" Night of Decrees," when the guardian angels received from the Almighty tablets recording the fate of their charges in the coming year).	15th Sha'ban.
Ramadhan	1–30 Ramadhan.
Lailat al-Qadr (" Night of Power," on which the requests of all worshippers are believed to be granted).	27th Ramadhan.
'Id al-Fitr (Shaker Bairam, 3 days)	1–3 Shawal.
'Id al-Adha (Qurban Bairam, 3 days)	10–12 Dhu al-Hijja.
Descent of Holy Banner (Sanjaq al-Sherif) from Jerusalem to Nebi Musa.	Friday before Orthodox Good Friday.
Return of Banner from Nebi Musa	Orthodox Maundy Thursday.

Christian Festivals.

Orthodox Festivals.

Christmas Day, New Year's Day, Epiphany or Thephania, Purification, Annunciation, Palm Sunday, Good Friday, Easter Day, St. George, Ascension, SS. Constantine and Helen, Whit-Sunday, SS. Peter and Paul, Transfiguration, Assumption, Nativity of the Blessed Virgin Mary, Exaltation of the Holy Cross, St. James, St. Nicholas.

Roman Catholic and Western Churches.

New Year's Day, Epiphany, Good Friday, Easter Monday, Ascension Day, Whit-Monday, Christmas Day.

JEWISH FESTIVALS.

The Jewish festivals are divided into three categories :—(*a*) days of rest, (*b*) festivals on which work is permissible, (*c*) fasts.

Date.	*Category (a).*	*Category (b).*	*Category (c).*
Tishri 1–2 ...	Rosh ha-Shana (New Year).	—	—
Tishri 10 ...	Yom Kippur (Day of Atonement).	—	—
Tishri 15 ...	1st Day Tabernacles (Sukkoth).	—	—
Tishri 16–12...	—	2nd–7th Day Sukkoth.	—
Tishri 22 ...	8th Day Sukkoth (Simhat Torah).	—	—
Kislev 25 to Tevet 2	—	Hanukka (Maccabeans).	—
Tevat 10 ...	—	—	'Asara be-Tevet (Siege of Jerusalem).
Shevat 15 ...	—	Tu be-Shavat (Tree New Year).	—
Adar 13 ...	—	—	Ta'anit Esther (Fast of Esther).
Adar 14 ...	—	Purim	—
Adar 15 ...	—	Purim (in Jerusalem only).	—
Nisan 15	1st Day Passover	—	—
Nisan 16–20	—	2nd–6th Day Passover.	—
Nisan 21 ...	7th Day Passover	—	—
Iyar 18 ...	—	Lag Baomer (Out-door Day).	—
Sivan 6 ...	Shavu'oth (Pentecost).	—	—
Tammuz 17	—	—	Shiv'a 'Asar be-Tammuz (Capitulation of Jerusalem).
Ab 9	—	—	(Destruction of the Temple).

APPENDIX III

LIST OF CONCESSIONS.

Concession.	*Holder of Concession.*
Dead Sea	Palestine Potash Company.
Drainage of Lake Huleh and adjacent marshes.	Palestine Land Development Company.
Tiberias Hot Baths	Leased by Hamei Tiberia Co., Ltd.
Lighthouses	Administration Générale de Phares de Palestine.
Electricity	Palestine Electric Corporation and Jerusalem Electric and Public Service Corporation.
El Hammeh Mineral Springs ...	Suleiman Bey Nassif.
Auja Irrigation	Auja Irrigation Company.
Transit of Mineral Oils through Palestine.	'Iraq Petroleum Company.

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