

LEAGUE OF NATIONS

PERMANENT MANDATES COMMISSION

MINUTES
OF THE
TWENTIETH
SESSION

Held at Geneva from June 9th to June
27th, 1931,

including the
REPORT OF THE COMMISSION
TO THE COUNCIL

NINTH MEETING.

Held on Monday, June 15th, 1931, at 10.30 a.m.

The CHAIRMAN thanked the Commission for the honour which it had done him in reelecting him to the chair. He expressed his very grateful thanks to M. Van Rees for having so kindly acted for him in his absence.

Palestine: Question of Procedure raised in connection with the Examination of the Annual Report for 1930.

He wished, before inviting the accredited representatives of the mandatory Power to enter, to submit certain observations to the Commission, and to invite his colleagues to make suggestions as to the procedure to be

followed by the Commission on the present occasion.

The Chairman reminded his colleagues that, in November 1930, they had adjourned the examination of two documents concerning the status of Palestine--namely: (1) Statement of Policy by his Majesty's Government, October 1930 (Cmd. 3692); (2) Report by Sir John Hope Simpson on Immigration, Land Settlement and Development of Palestine (Cmd. 3686).

In addition to these two documents, which had been communicated to the Commission by the mandatory Power, the Commission had subsequently received the text of the letter sent on February 13th, 1931,¹/ by the British Prime Minister to Dr. Weizmann, which was intended to interpret the declaration of October 1930.

The Commission had announced, in its report to the Council on the work of its nineteenth session, that it would examine at the present session the statement dated October 1930 and Sir John Hope Simpson's report at the same time as the annual report, taking advantage of the presence of the accredited representatives of the mandatory Power.

In order to avoid unnecessary discussion, the Chairman asked the Commission to decide in advance whether it considered that these various documents should form the subject of a separate examination or whether it would prefer to ask the accredited representatives questions concerning them during the examination of the annual report on Palestine, when studying the chapters dealing with the subjects to which the documents in question related.

As regards the comments addressed by the mandatory Power to the Council on the observation contained in the report on the extraordinary session held in June last year, the Chairman reminded the Commission that, in November 1930, it had decided not to make them the subject of a special discussion. It had been agreed that members of the Commission, should they think fit, might revert during the examination of the annual report for 1930, to certain observations formulated in August last by the British Government. The Chairman thought, as regards this particular question, that his colleagues would agree with him that the initiative should be left to those members of the Commission who, during the discussion, might consider it desirable to obtain further explanations. He asked his

colleagues if they were in agreement with these views.

M. VAN REES agreed with the last suggestion of the Chairman. During the nineteenth session of the Commission, he had already expressed the opinion that it would be better not to examine the various points separately, a procedure which would, moreover, take too long. He was in favour of the Chairman's suggestion that the members should be left to put such questions as they might think fit. As regards the first point mentioned by the Chairman, he felt that it would be difficult for the Commission to go in detail into each subject mentioned in the official documents in question. The White Paper and the letter addressed to Dr. Weizmann, which constituted basic documents for the discussion on Palestine, could clearly not be passed over in silence; but, as regards other documents, such as the Hope Simpson report, it was not materially possible to examine them--that was, they could not form the subject of a special examination.

M. ORTS and M. MERLIN endorsed this view.

M. ORTS recalled that already during the nineteenth session of the Commission he had raised objections to certain statements in the British note of August 2nd, 1930,2/ and that his declaration had appeared in the Minutes as an expression of the unanimous opinion of the Commission.

Palestine: Examination of the Annual Report for 1930.

Dr. T. Drummond Shiels, Parliamentary Under-Secretary of State for the Colonies; Mr. M. A. Young, Chief Secretary to the Palestine Government; Mr. R. V. Vernon and Mr. O. G. R. Williams, of the Colonial Office, accredited representatives of the mandatory Power, came to the table of the Commission.

WELCOME TO THE ACCREDITED REPRESENTATIVES.

The CHAIRMAN had much pleasure, on behalf of the Commission, in extending a cordial welcome to the accredited representatives of the mandatory Power.

The Commission had already had an opportunity, in the previous year, of collaborating with Dr. Drummond Shiels, and he felt sure he was interpreting the unanimous opinion

of his colleagues in stating that the Commission fully appreciated the British Government's decision again to send as its accredited representative, for the examination of the annual report on Palestine, the British Parliamentary Under-Secretary of State for the Colonies. The Commission understood that Dr. Drummond Shiels had visited Palestine some months previously, and it would thus have the benefit of hearing his personal views, formed on the spot, on several questions which were regarded by the Commission as of the highest importance.

He desired also to welcome on behalf of his colleagues Mr. M. A. Young, Chief Secretary to the Palestine Government, who has been sent with Dr. Drummond Shiels by the mandatory Power, and whose presence would no doubt enable the Commission to obtain explanations on many points of detail.

Before inviting his colleagues to discuss the annual report, he desired, in conformity with the usual custom, to invite the accredited representative to make a general statement on the situation, should he consider this necessary or opportune.

GENERAL STATEMENT BY THE ACCREDITED REPRESENTATIVE.

Dr. Drummond SHIELS thanked the Chairman and members of the Commission for their very kind welcome. He expressed his pleasure at appearing again before the Commission, and introduced his colleagues by name.

He said that he would be glad to take advantage of the Chairman's invitation to make a general statement, before proceeding to questions on the report.

The accredited representative made the following general statement:

I have again the honour of appearing before the Permanent Mandates Commission, during its consideration of the Palestine report, as accredited representative of the British Government, this time under happier auspices than last year. On that occasion, the atmosphere was still agitated as a result of the deplorable occurrences of 1929. Since then, however, I am glad to be able to say that, although it must be admitted that tension still exists in the political atmosphere of Palestine, and that the country has not escaped the effects of the worldwide economic

depression, nevertheless, a period of quiet has ensued as compared with the disturbed conditions of the preceding year. Without wishing to appear in any way complacent, I venture to say that it is a source of satisfaction to His Majesty's Government that the measures taken to prevent a recurrence of disorder have proved efficacious. As an instance, I might mention that the period of Easter, both in 1930 and 1931, passed off quietly, save for a few isolated incidents. When it is remembered that, in both these years, the Easter period and those of the Jewish Passover and of the Moslem festival of Neb Musa largely overlapped each other, thereby producing a period of exceptional tension and religious excitement, it is indeed satisfactory that things passed off so quietly. I should like, in that connection, to pay a tribute to the efficiency of the arrangements made by the local administration which led to so satisfactory a result and which also gives some evidence of the progress made by the re-organisation of the police force.

While, as I have indicated, 1930 may be contrasted with 1929 as a period of quiet following a period of unrest, it has also been a period devoted to investigation, enquiry and report. In the first place, Sir Herbert Dowbiggin, one of the ablest police-officers in the overseas service of the British Empire, was sent to Palestine in January 1930 to advise on the re-organisation of the Palestine police. His report was submitted in May of last year. There has also been a report of a Committee appointed by the High Commissioner in April 1930 on the economic condition of agriculturists in Palestine and the fiscal measures of government in relation thereto. This was followed by the report of Sir John Hope Simpson (Cmd. 3686) (presented towards the end of August 1930 and published in October of that year) on immigration, land settlement and development. At about the time of the presentation of Sir John Hope Simpson's report, Mr. G. F. Strickland, of the Indian Civil Service, presented his report to the Palestine Government on the possibility of introducing a system of agricultural co-operation in Palestine. The last, but by no means the least important, report which I have to mention is that of the Commission appointed by His Majesty's Government, with the approval of the Council of the League of Nations, to determine the rights and claims of Moslems and Jews in connection with the Western or Wailing Wall. This report, as the Commission will be aware, has recently been published.

After full consideration of the material at its disposal, and, in particular, the reports which had by then been made available, His Majesty's Government issued in October of last year a statement of policy, as had been foreshadowed in my statement to the Commission last year (Cmd. 3692). Considerable controversy arose over this document, and it was evident to His Majesty's Government that its intentions had been seriously misunderstood and misinterpreted in some quarters. His Majesty's Government took such steps as were possible to remove the atmosphere of mistrust and misapprehension with which its statements had been received in Jewish circles. On November 17th, 1930, a debate upon the subject of the White Paper took place in the House of Commons, and shortly afterwards arrangements were made for conversations between Jewish leaders and representatives of His Majesty's Government. These conversations, which were conducted in a spirit of goodwill on both sides, resulted in the Prime Minister's letter of February 13th, 1931, to Dr. Weizmann, which sought to remove certain misconceptions and misunderstandings that had arisen as to the policy of His Majesty's Government as set forth in the White Paper of October 1930, and which, in the words of the Prime Minister, "will fall to be read as the authoritative interpretation of the White Paper on the matters with which this letter deals".

On receipt of the letter, Dr. Weizmann issued a statement, of which a copy accompanied his letter to the High Commissioner of April 30th, last, transmitting a memorandum on the Jewish National Home in Palestine during 1930.^{3/} These documents are before the Commission. As will be seen from a perusal of Dr. Weizmann's statement, the issue of the Prime Minister's letter has gone a long way to achieve its object.

I do not think, in view of the manner in which the Prime Minister's letter has been received by Dr. Weizmann, that I need make any further comments upon the controversy which preceded it.

The Prime Minister's letter to Dr. Weizmann has not, however, been well received by the Arabs, who consider that it has modified, adversely to their interests, the White Paper. This we do not admit, but it is an illustration of the difficult task of Government in Palestine that it

appears to be impossible (with the present racial outlook) to give some measure of satisfaction to one section without creating a consequent and equal dissatisfaction in the other.

In dwelling as I have done in some detail upon various reports, investigations and discussions which have taken place since I last appeared before the Mandates Commission, I should be very sorry if I conveyed the impression that His Majesty's Government and the Palestine Administration had nothing in the way of practical achievement to which it could point during that period. I merely wished to emphasise the fact that His Majesty's Government has been endeavouring to obtain the best and fullest possible information with regard to the various problems in Palestine with which it is faced, so that wise and appropriate action may be taken.

I think, however, that it will be clear from the report of my Government to the Council of the League on the administration of Palestine and Transjordan for the year 1930 that, despite certain adverse circumstances, definite progress has been made in various directions. In the words of the report, "Nothing testifies more highly to the country's powers of financial endurance and recuperation than the fact that the revenue from Customs in 1930 approached one million pounds. This result is all the more remarkable in a year of reduced Jewish contributions and capital investments. Were it not for the burden of defence, the finances of the country, in the world circumstances of the last two years, might be considered satisfactory".

Important public works have been undertaken during the year which have enabled the Government to afford employment to a substantial number of workers. Considerable progress has been made with the harbour works at Haifa, and an important achievement has been the completion of the Government Kadoorie Agricultural School at Tukkarem, which was opened to pupils on January 1st, 1931.

An outstanding event of the year was the opening of the bulk oil installation of the Shell Company at Haifa. It should also be mentioned that Conventions have been signed between the Palestine and Transjordan Governments and the Iraq Petroleum Company with a view to the construction of a pipe-line from the Iraq oilfields to the Bay of Acre; this being one of the two pipe-lines which, in its new Agreement

with the Government of Iraq, the company has undertaken to construct by the end of 1935.

While the condition of commerce and industry during the year may be regarded with some satisfaction, agriculture has, as might be expected, suffered from the worldwide depression. It has also suffered from the additional misfortune of a bad winter crop due to unfavourable climatic conditions, a plague of field-mice and an invasion of locusts for the third year in succession. The peril of the locust invasion was successfully dealt with by the skill and energy of the Administration. Various measures have also been taken to relieve the plight of the cultivator, including the remission of one-half of the commuted tithes on the winter crops, and the distribution of 635,000 to farmers in short-term agricultural loans.

It has subsequently been deemed necessary, in view of the continued depression in agriculture and the unsatisfactory financial position of agriculturists, to make further large remissions of tithe for 1930 and for the present year.

I may end this short review of events by referring to the construction of the Jordan hydro-electric power station, which, as has been noted in the memorandum submitted by the Jewish Agency, was almost completed at the end of the year, and, but for delay owing to the severe floods in the spring of 1931, would probably have by now been providing current for industry over a large area of Palestine.

The instances which I have just given of activity in various branches of work in Palestine leave out of account what is perhaps the most important practical problem at the present time in regard to that territory--namely, the question of land development and land settlement. It may, I think, be regarded as common ground that a comprehensive scheme of development is called for in the interests of both the Arab and the Jewish communities and in fulfilment of the responsibilities which His Majesty's Government have for the general welfare of Palestine.

In framing a scheme which will meet these requirements, His Majesty's Government have made every effort to ascertain the views and to consult the interests of both parties. This has not been easy, and it has involved much expenditure of time; but it is hoped that, in the near future, it will be possible to announce the general

outlines of the scheme.

Subject to the necessary provisions for control, consultation and advice, the administration of the scheme will be placed in the hands of an officer to be appointed under the title of Director of Development, and his appointment will be the first step. His Majesty's Government are now taking active steps to secure the services of a suitable officer for this very important task. In order to finance the scheme, His Majesty's Government propose that a loan of £2,500,000 should be raised, which Parliament will be asked to authorise His Majesty's Government to guarantee. As the Commission may be aware, I have already made an announcement in Parliament to this effect. I feel confident that the scheme, when fully worked out, will make a very marked difference for the better in the economic condition of the country and will thus prove of great advantage to the whole population, Jew and Arab alike.

As regards the method by which the policy of development should be carried out and the detailed programme of work to be undertaken, I should like to make it clear that His Majesty's Government have no intention of governing their procedure by any assumptions based on existing estimates of facts and figures. The whole problem will be carefully investigated on the spot by the development authority, whose recommendations will be framed in the light of the facts so ascertained. I emphasise this point since some of the facts and conclusions contained in Sir John Hope Simpson's report have, as the Commission will be aware, been challenged in Jewish quarters. It will, however, be clear from what I have just indicated that the development authority will not start by assuming the correctness of any set of statistics in relation to their problem, but will verify on the spot the facts necessary to be ascertained before proceeding to draw up or to execute any part of the scheme of development.

In conclusion, I should like to remark that it may be said that the difficulties of the political issue have, to some extent, tended to delay economic development. It may be said, on the other hand, that happier political conditions, if efforts to attain them are successful, as I hope they will be, should react favourably upon material progress. The situation, however, does call for action in the economic field, and it is the intention of His Majesty's

Government, while taking into due consideration political facts and requirements, to concentrate upon economic improvement--in particular, through the agency of the development scheme--in the hope that thereby greater prosperity and a better understanding between the two races may gradually be established in Palestine.

The CHAIRMAN thanked the accredited representative for his statement and enquired whether the members of the Commission had any questions of a general nature to ask, before dealing with the report in detail.

MEASURES TAKEN BY THE ADMINISTRATION TO AVOID DISTURBANCES.

M. ORTS had noted that, contrary to what had happened in previous years, there had been no disturbances at Easter and that Dr. Drummond Shiels attributed that fact to the measures taken by the authorities. He would be interested to know what those measures were.

Dr. Drummond SHIELS asked Mr. Young to reply.

Mr. YOUNG referred to the strengthening of the police force and also to the fact that two British infantry battalions were now stationed in Palestine. Those two facts had made the Palestine Government feel more secure. As Dr. Drummond Shiels had said, there had been no serious difficulties at what might have been a very difficult time.

M. ORTS, while not wishing to go back over past events, noted that it was largely the presence of British troops that had prevented disturbances at Easter. He recalled that the Commission had expressed the view that the disturbances of 1929 could have been prevented, or at any rate that they would not have been so serious, if there had been more troops in the territory; at that time this argument had been contested.

Dr. Drummond SHIELS understood M. Orts to have said that the mandatory Power had disputed the view that a larger military force would have prevented or would, at least, have minimised the disturbances. He did not think that was quite an accurate statement. His recollection was that the Mandatory had agreed that this was so, but had claimed that the authorities were justified, by the improvement in the position in Palestine during the previous years, in

reducing the forces to the extent that they had done. The Mandatory had further pointed out that the position of the forces in Palestine had, among other matters, been before the Mandates Commission every year. He did not think that the Mandatory had ever seriously disputed the point that the presence of larger forces would have helped the situation.

M. ORTS remembered that, when the Commission had expressed the opinion that the presence of larger forces would have had a decisive and beneficial effect, the accredited representative of the mandatory Power had observed that, in 1920 and 1921, the presence of a large British garrison had not prevented the massacres.

Dr. Drummond SHIELDS agreed, and said that he himself had put forward that very point. What he had said, however, was that no number of troops, however large, could be regarded as an absolute means of preventing trouble. He thought that M. Orts and himself were probably more in agreement than appeared from the passage of words.

QUESTION OF THE COMMUNICATION TO THE COMMISSION OF MR.
STRICKLAND'S
REPORT ON AGRICULTURAL CO-OPERATION.

M. ORTS referred to the Strickland report on agricultural co-operation. That report had not been communicated by the mandatory Government to the Secretariat, which had procured it through another channel. He enquired whether the Commission was to regard the report as having been communicated officially.

Dr. Drummond SHIELDS said he understood that the report had been communicated to the Mandates Commission. In any case, the accredited representatives had come to Geneva prepared to discuss it. He was sorry if there had been any error in the matter.

The CHAIRMAN welcomed the accredited representative's statement, but explained that the Commission had not yet received the report officially.

Dr. Drummond SHIELDS suggested that the report might have been sent to the Secretariat, as instructions had certainly been given for it to be communicated.

M. CATASTINI explained that the Secretariat had not received from the mandatory Power copies of the Strickland report. When, however, it had learnt that the report had been published, it had obtained copies, which it had distributed to the members of the Commission.

Dr. Drummond SHIELDS expressed his regret, and suggested that Mr. Young would be very glad to give an idea of the report, if the Commission so desired.

The CHAIRMAN explained that the members of the Commission were already in possession of copies of the report. He had merely wished to settle a point of order, and enquired whether the Commission could take the Strickland report as having been communicated, with a view to discussion.

Dr. Drummond SHIELDS replied in the affirmative.

QUESTION OF THE PUBLICATION OF THE REPORT BY SIR H.
DOWBIGGIN ON THE
RE-ORGANISATION OF THE POLICE FORCE.

M. RUPPEL noted the reference in the accredited representative's statement to a report by Sir H. Dowbiggin on the re-organisation of the police force. He asked whether copies of this report would be communicated to the Permanent Mandates Commission.

Dr. Drummond SHIELDS replied that Sir H. Dowbiggin's report had not been published. It was a very confidential document which it was considered hardly possible to publish.

LAND SETTLEMENT AND DEVELOPMENT.

M. ORTS understood, as regards the question of land, which was fundamental, that a final policy had not yet been adopted by the mandatory Power, which was looking for a qualified official to study the question more closely. Could the Commission conclude that the Hope Simpson report was not the last word, and that the final land policy would not necessarily be based on it?

Dr. Drummond SHIELDS said that that view was perfectly correct. What the mandatory Power had done in the meantime was to take measures to safeguard tenants from eviction. As

regards the larger question of the development scheme, the Government was trying to obtain the services of someone with the desirable knowledge and ability to deal with what was generally agreed to be a most difficult subject.

M. VAN REES had listened with the greatest interest to the accredited representative's general statement, particularly the latter part, and had heard with great satisfaction that the general plan of economic development was not to be based on the statistics at present available but on the results of further investigations. He congratulated the mandatory Power on that decision. He understood that the development scheme must, to a certain extent, be inspired, not only by economic, but also by political considerations, and asked if that point might be explained more fully.

Dr. Drummond SHIELDS said that he was not aware of having made such a statement. The Government was hoping, on the contrary, to escape political difficulties and to proceed on economic lines.

He added that he had hoped to be in a position to give at this meeting full particulars of the development scheme, but was not yet able to do so.

The first object of the scheme was the resettlement of Arabs who had been dispossessed owing to the fact that their lands had passed into Jewish hands.

The other objects were to increase the absorptive capacity of the country by general improvements, such as more intensive cultivation, irrigation, drainage, and possibly by other means, such as agricultural research. The idea was to provide, in the first place, for the class of landless Arabs described and then to investigate the other questions, after which a final decision on the policy would be taken.

M. VAN REES was surprised that the principal object was to re-establish the Arabs who had been expelled owing to the sale of land to the Jews, and that everything else was considered as secondary. Nevertheless, as regards this primary object, which could not be realised without very detailed and exact information, M. Van Rees wondered how this part of the plan could be put into operation without knowledge, not only of the number of Arabs to be re-established on the land, but also under what conditions

they had left, voluntarily or otherwise, the lands they had occupied. The accredited representative would remember that last year M. Van Rees had asked him to transmit to Sir John Hope Simpson certain questions he had asked. No reply had been received to those questions.

Dr. Drummond SHIELDS replied that the request had been conveyed to Sir John Hope Simpson, who had, however, been unable to give the information. It would be the first duty of the Development Commission to find out and register the number of this particular class of landless Arabs and then to initiate the procedure of resettlement.

M. RAPPARD noted the reference in the accredited representative's statement to a report by a commission, appointed by the High Commissioner, on agricultural and fiscal measures. On page 13, paragraph 29, of the annual report it was stated that Sir E. Dowson had paid a return visit to Palestine in 1930 and had presented a report on the progress made in land settlement and urban taxation. M. Rappard asked if these two reports were identical and if they were confidential.

Mr. YOUNG replied that the two reports were quite distinct.

The former report had been presented by a Committee consisting of the Deputy Treasurer and an Assistant District Commissioner and had been published. Copies had been sent to the League on February 24th, 1931, at the request, he understood, of the League library.

The second report related to the progress of land settlement and the prospect of the introduction of a general land tax in place of the existing agricultural taxes. It had not been published, but there was no objection to its being placed at the disposal of the Permanent Mandates Commission, if the members so desired.

M. CATASTINI said that, as in the case of the Strickland report, the first of the two reports to which Mr. Young had referred had been distributed to the Commission by the Secretariat on its own initiative.

Count DE PENHA GARCIA did not quite understand why the term "dispossessed" was used in respect of the Arabs. He thought that the Jews had bought the land and that the Arabs had sold it. This was a normal transaction. The Arabs in

question had sold their land and in many cases, the farmers who had occupied them had even received indemnities, so that it was incorrect to say that they had been evicted or dispossessed. In these circumstances, why should they be given land as reparation? Such a method of visualising the problem was not calculated to improve the relations between the two races.

Was it a question of improving the position, by means of an agrarian reform, of the former farmers who had been evicted from the land bought by the Jews? This would be too narrow a problem. In reality, the point involved was that of the situation of the Arab peasants, which was only partly due to the Jewish immigration. The difficulty of the problem arose from the quantity of cultivable land which was available for distribution. It would be necessary to ascertain whether it was possible to bring fresh land under cultivation, seeing that those available were insufficient. When this investigation had been made and the preparatory work completed it could be seen whether the Government had enough to distribute to everybody. On this capital point would depend the extent of the agrarian reform and its effect on the solution of the Palestine problem.

Dr. Drummond SHIELDS replied that it was true that some, at least, of the dispossessed Arabs had received cash compensation for leaving the land. It had, however, been agreed generally, and this applied to the Jewish authorities, that, when Arab peasants had been displaced as a result of Jewish colonisation and no other land or occupation had been found for them, other land should be given them. With regard to Arabs who had never been in possession of land, it would depend on the later working out of the development plan whether or how land would be available for them when more cultivable land was created.

He pointed out that the dispossessed Arabs were in most cases not owners but tenants who had been turned out when the land changed hands.

M. VAN REES expressed satisfaction at the replies which the accredited representative had just given. He was glad to hear that further enquiries would be made which would not merely fix the number of tenants evicted as a result of the Jewish colonisation. He asked whether the Administration's attention was confined to Arabs who had been evicted as a result of the sale of land to the Jews, or whether it was

also directed to the Arab occupants who had been evicted as a result of land transactions concluded between Arabs. In this connection, M. Van Rees recalled the letter, dated May 11th, 1931, from the British Government to the League of Nations enclosing the observations of the Government on the memorandum from the Arab Executive Committee dated December 6th, 1930.⁴ In these observations it was said, among other things (page 10):

"It should be borne in mind that the Arab landlords themselves have, in some cases, evicted agricultural tenants . . ."

Dr. Drummond SHIELDS thought the passage in question referred to evictions from land which was about to be transferred to Jewish owners. He pointed out that the only pledge given by the British Government was to give land to persons dispossessed of it as a result of Jewish colonisation.

M. SAKENOBÉ asked what would be the position of Jewish immigrant farmers during the period when the development scheme was being elaborated.

Dr. Drummond SHIELDS replied that the Jewish Agency had considerable reserves of land which would not be fully utilised by the time the development scheme was fully set up.

POLITICAL SITUATION.

The CHAIRMAN noted that, when making his statement, Dr. Drummond Shiels had omitted to give the Commission his views on general political conditions. He did not know whether this omission was intentional or not. He had hoped that Dr. Drummond Shiels, after visiting Palestine, would have informed the Commission of the impressions he had received as a result of the conversations he had had with the different sections of the population.

The Chairman recalled that, in October 1930, the White Paper published by the British Government had caused a considerable sensation both among the Arabs and the Jews in Palestine. Almost at the same time the British Government had published the report of Sir John Hope Simpson, followed in February 1931 by the publication of the letter from the British Prime Minister

to Dr. Weizmann, the tone of which had not failed to arouse emotion amongst the Arabs. It was sufficient to compare these various documents to realise how uncertain was the policy of the mandatory Power in connection with the Palestine problem. The Chairman asked Dr. Drummond Shiels if he could reassure the Commission on this point, by telling it that the British Government had at last adopted a definitive policy, and, if possible, what that policy was.

Dr. Drummond SHIELS replied that he would be very glad to give the personal impressions which he had gained from his visit to Palestine. He would prefer to do so later in the session, after he had had time to prepare his statement.

FORM OF THE ANNUAL REPORT.

The CHAIRMAN pointed out that, at the extraordinary session held in the previous year, some suggestions had been made as to the form of the annual report, with a view to the more rational arrangement of the subject matter. He thanked the mandatory Power for having complied with the Commission's wish, and noted that the annual report for 1930 showed a considerable effort to satisfy the Commission's wishes. The various subjects were very fully treated and, in general, detailed replies had been given to the questions asked by the Commission in the previous year.

He also thanked the mandatory Power for having supplied the members of the Commission with copies of a map with a view to facilitating the examination of the annual report.

COMPARISON OF THE WHITE PAPER OF OCTOBER 1930 (CMD. 3692) WITH THE LETTER FROM THE BRITISH PRIME MINISTER TO DR. WEIZMANN, DATED FEBRUARY 13TH, 1931.

M. VAN REES noted that, on pages 25 to 27 of the report, the second chapter of the White Paper (pages 12 to 15), dealing with "Constitutional Development", had been reproduced in full. He regretted that this was the only part of this document that the mandatory Power had considered it necessary to reproduce in the report, seeing that the third chapter of the White Paper (pages 15 to 23), dealing with "Economic and Social Development" and explaining the constructive policy which the British

Government proposed to follow in these matters, was undoubtedly of greater importance, in present circumstances, than the second chapter.

As regards the views of the British Government on economic and social development, the report merely referred the reader (pages 19, 28, 35, 41 and 50) to the White Paper and to the explanatory letter sent by the Prime Minister to Dr. Weizmann, dated February 13th, 1931, and did not explain any of the essential points. M. Van Rees considered that it would have been a good thing if the report had at least developed these essential points, referring at the same time to the relevant passages in the White Paper. He asked if there was some special reason why the report contained only a part on the White Paper and passed over in silence the other part, which was quite as interesting to all those who were dealing with affairs in Palestine.

Dr. Drummond SHIELDS replied that, in the case mentioned, it was probable that only one part of the White Paper had been reproduced in the report because the authors considered it to be relevant to the question asked. He did not know of any other reason.

M. VAN REES observed that this partial reproduction was the more regrettable, in that it prevented the reader of the annual report from ascertaining what were the guiding principles of the policy adopted by the Mandatory in economic and social matters. Further, the reference to two documents giving this information, neither of which was complete, necessitated a careful comparison of each of these documents with the other. This was somewhat difficult work in view of the fact that the letter to Dr. Weizmann was in reality something more than a simple interpretation of the White Paper, since it restricted and, in consequence, modified certain statements made in the other document; and indeed, as regards certain other points, went so far as flatly to contradict the White Paper. M. Van Rees had felt it his duty to give his reasons for this point of view by stating in writing the principal divergencies between the two documents; he was ready to read the statement in question if his colleagues so desired.

The CHAIRMAN asked M. Van Rees to postpone reading the document until the next meeting.

TENTH MEETING.

Held on Monday, June 15th, 1931, at 4 p.m.

Palestine: Examination of the Annual Report for 1930
(continuation).

Dr. Drummond Shiels, Mr. M. A. Young, Mr. R. V. Vernon and Mr. O. G. R. Williams came to the table of the Commission.

COMPARISON OF THE WHITE PAPER OF OCTOBER 1930 (CMD. 3692)
WITH THE LETTER FROM THE
BRITISH PRIME MINISTER TO DR. WEIZMANN, DATED FEBRUARY
13TH, 1931 (*continuation*).

M. VAN REES wished, before giving effect to the request formulated by the Chairman at the end of the previous meeting, to make the following declaration:

He did not desire in any way to bring into the discussion the contents of the White Paper or of the letter from the British Prime Minister. M. Van Rees considered that, in his capacity of member of the Mandates Commission, he was not called upon to express a judgment on the policy explained by the British Government in these two documents, unless the documents in question, taken as a whole, proclaimed a line of conduct which was incompatible with the mandate--which was not the case. If, therefore, during later discussions, M. Van Rees found himself obliged to make certain observations regarding the attitude of the mandatory Power concerning the *practical application* of certain provisions of the mandate, those observations would only relate to the methods of application of those provisions and not to the general policy outlined in the two documents in question.

As he had observed, the letter from the British Prime Minister to Dr. Weizmann, which was presented as an interpretation of the White Paper,

served, in reality, to define a certain number of statements appearing in the White Paper which had been more or less contested. M. Van Rees congratulated the British Government on having succeeded in explaining and completing these contested declarations in such a way as to bring them more closely into harmony with the real sense of the provisions of the mandate.

Passing to his statement of the points in question, which were of particular interest to the Commission, M. Van Rees desired to say that he did not wish in any way to provoke a discussion on them, but only to show that the letter to Dr. Weizmann contained more than a mere interpretation of the White Paper. He would give parallel passages from the two documents from which anyone could draw his own conclusions. This did not call for any reply from the accredited representative.

Dr. Drummond SHIELDS said he would listen with interest to M. Van Rees' arguments, provided always that it was understood that the fact of his not replying did not necessarily imply his acceptance of all M. Van Rees' views.

I. Jewish People.

M. VAN REES said that in paragraph 3 of the Prime Minister's letter he found that "His Majesty's Government... *recognises that the undertaking of the mandate is an undertaking to the Jewish people and not only to the Jewish population of Palestine*". The White Paper, on the contrary, nowhere gave the impression that any special importance was attached to this essential distinction. Judging, for example, from the last sub-paragraph of paragraph 3 it rather appeared that the British Government had only assumed responsibility as regards the Jews established in Palestine, whereas the preamble to the mandate referred expressly to the *Jewish people* in general.

II. Interpretation of Articles 2 and 6 of the Mandate.

The Prime Minister's letter contained in paragraphs 6 and 7 interpretations of the reservations appearing in Articles 2 and 6 of the mandate.

In paragraph 6 it was laid down that the words "safeguarding the civil and religious rights" occurring in

Article 2 (of the mandate) cannot be "read as meaning that the civil and religious rights of *individual citizens* are to be unalterable" . "The words, accordingly", it was said later, "must be read in another sense, and the key to the true purpose and meaning of the sentence is to be found in the concluding words of the article `irrespective of race and religion'. These words indicate that, in respect of civil and religious rights, the Mandatory *is not to discriminate between persons on the ground of religion or race*, and this protective provision applies equally to Jews, Arabs and all sections of the population".

Again in paragraph 7 of the Prime Minister's letter it was laid down that The words "rights and position of other sections of the population" occurring in Article 6 (of the mandate) "plainly refer to the non-Jewish community. These rights and position are not to be prejudiced, that is, *are not to be impaired or made worse*". . . "But the words are not to be read as implying that existing economic conditions in Palestine should be crystallised. On the contrary, the obligation to facilitate Jewish immigration and to encourage close settlement of Jews on the land, remains a positive obligation of the mandate, and it can be fulfilled without prejudice to the rights and position of other sections of the population of Palestine."

These perfectly justifiable interpretations were little in accord with the spirit of the White Paper, which, in more than one place, gave the impression that the reservations quoted above were rather obstacles in the way of the establishment of the National Home, and therefore obstacles as much to Jewish immigration as to the extension of the Jewish agricultural enterprises.

III. *Lands to be reserved for the Arabs.*

Referring to the State lands, the White Paper contained the following general conclusion; "The Government claims considerable areas which are in fact occupied and cultivated by Arabs. Even were the title of the Government to these areas admitted, and it is in many cases disputed, it would not be possible to make these areas available for Jewish settlement, in view of their actual occupation by Arab cultivators and of the importance of making available additional land on which to place the Arab cultivators who are now landless".

What could that text mean except that all the available

land should be reserved in the first instance for landless Arabs or Arabs without enough land?

But in paragraph 9, the Prime Minister's letter said something quite different. It explained that "it is desirable to make it clear that the landless Arabs . . . were such Arabs as can be shown to have been displaced from the lands which they have occupied in consequence of the lands passing into Jewish hands, and who have not obtained other holdings on which they could establish themselves or other equally satisfactory occupation". The letter continued: "The number of such displaced Arabs must be a matter for careful enquiry. It is to landless Arabs within this category that His Majesty's Government feel themselves under an obligation to facilitate their settlement upon the land. The recognition of this obligation in no way detracts from the larger purposes of development, which His Majesty's Government regards as the most effectual means of furthering the establishment of a National Home for the Jews".

IV. *Enquiry regarding State Land.*

In paragraph 15 the White Paper said: "It can now be definitely stated that at the present time and with the present methods of Arab cultivation there remains no margin of land available for agricultural settlement by new immigrants, with the exception of such undeveloped land as the various Jewish agencies hold in reserve".

In the Prime Minister's letter, however, this certainty is quite as definitely abandoned, for in paragraph 10, subparagraph 2, it said: "It is the intention of His Majesty's Government to institute an enquiry as soon as possible to ascertain, inter alia, what State and other lands are, or properly can be made, available for close settlement by Jews under reference to the obligation imposed upon the Mandatory by Article 6 of the mandate".

V. *Transfer of Land to the Jews.*

According to the White Paper (paragraph 23) only by the methodical application of such a policy (of agricultural development) will additional Jewish agricultural settlement be possible consistently with the conditions laid down in Article 6 of the mandate . . . For this reason--the White Paper went on to say,--it is fortunate that the Jewish

organisations are in possession of a large reserve of land not yet settled or developed. Their operations can continue without break, while more general steps of development, in the benefits of which Jews and Arabs can both share, are being worked out. During this period, however, the control of all disposition of land must of necessity rest with the authority in charge of the development. Transfers of land will be permitted only in so far as they do not interfere with the plans of that authority.

It was not surprising that it had been inferred from these principles that, at least during the period of transition, which according to the White Paper was expected to last for an appreciable time, all transfers of land to the Jews would be prohibited.

The letter from the Prime Minister stated that this was not so. It was said in paragraph 13 that "the policy of His Majesty's Government *did not imply a prohibition of acquisition of additional land by Jews. It contains no such prohibition, nor is any such intended.* What it does contemplate is such temporary control of land disposition and transfers as may be necessary not to impair the harmony and effectiveness of the scheme of land settlement to be undertaken".

VI. *Jewish Immigration.*

Paragraph 27 of the White Paper said: "It may be regarded as clearly established that the preparation of the Labour Schedule must depend upon the ascertainment of the *total* of unemployed in Palestine", and, later on, (paragraph 28) it is added: "Clearly, if immigration of Jews results in preventing the Arab population from obtaining the work necessary for its maintenance, or if Jewish unemployment unfavourably affects the general labour position, it is the duty of the mandatory Power under the mandate to *reduce*, or, if necessary, to *suspend* such immigration until the unemployed portion of the 'other sections' is in a position to obtain work".

What could that mean except that His Majesty's Government reserved the right to prohibit all Jewish immigration as far as that immigration might prevent the Arab population from finding work?

In paragraph 15, the Prime Minister's letter said: "His

Majesty's Government *never proposed to pursue such a policy*. They were concerned to state that, in the regulation of Jewish immigration, the following principles should apply--namely, that *`It is essential to ensure that the immigrants should not be a burden upon the people of Palestine as a whole and that they should not deprive any section of the present population of their employment'`*" (White Paper 1922).

Later, in paragraph 16, the Prime Minister's letter added: "His Majesty's Government *did not prescribe and do not contemplate any stoppage or prohibition of Jewish immigration in any of its categories*. The practice of sanctioning a *`Labour Schedule' of wage-earning immigrants will continue*. In each case consideration will be given to *anticipated labour requirements for works which, being dependent on Jewish or mainly Jewish capital, would not be, or would not have been, undertaken unless Jewish labour was made available*", and later (in paragraph 17): "His Majesty's Government do not in any way challenge the right of the Agency to formulate or approve and endorse such a policy"--that was to say, a policy whereby the obligation to employ Jewish workmen for the works or undertakings executed by the Jewish Agency was to be regarded as a question of principle. The paragraph went on to say: "*The principle of preferential and, indeed, exclusive employment of Jewish labour by Jewish organisations is a principle which the Jewish Agency are entitled to affirm*".

In the White Paper, however (paragraph 20), the right of the Jews to employ, if they preferred to do so, only Jewish labour in their own undertakings was contested as being contrary to the terms of Article 6 of the mandate, and, in particular, incompatible with the provision to the effect that "the rights and position of other sections of the population must not be prejudiced".

VII. *Public Works.*

The White Paper did not deal expressly with the question of labour for public works, although the letter from the Prime Minister contained the following declaration regarding this subject (paragraph 16): "With regard to public and municipal works falling to be financed out of public funds, *the claim of Jewish labour to a due share of the employment available, taking into account Jewish contributions to public revenue, shall be taken into consideration*".

Dr. Drummond SHIELDS said he had listened with interest to the comparisons which M. Van Rees had made between the White Paper and the Prime Minister's letter.

The policy of His Majesty's Government must be taken as a whole, as formulated, explained and amplified in the Parliamentary Debate, in the White Paper and as interpreted, in regard to certain points, in the Prime Minister's letter.

He reminded the Commission that, as long ago as 1922, the mandatory Power had laid it down that the immigration policy must be based on the absorptive capacity of the country. That was still the position. He would point out that the new development plan should work in the direction of increasing the absorptive capacity of the country.

The CHAIRMAN suggested that in case Dr. Drummond Shields might have to leave Geneva that night it would be advisable for the members immediately to put to him any questions they might desire to ask him directly. He personally desired once more to ask Dr. Drummond Shields what his impression was as regards the relations between the two elements of the population in Palestine.

USE IN THE TERRITORY OF GRANTS-IN-AID FROM THE BRITISH EXCHEQUER.

M. RAPPARD said that in the Mandatory's comments on the report of the Mandates Commission of last year one point had interested him in particular--concerning finance. Replying to the recommendation of the Mandates Commission that greater efforts should be made in the matter of economic development, the Mandatory had made the following statement (Minutes of Seventeenth (Extraordinary) Session, page 152):

"Having regard to the unpromising local conditions, such a view assumes that practically unlimited funds for this purpose are at the disposal of the Palestine Government. Their resources, on the contrary, are strictly limited.

"It implies, moreover, a fundamental

misconception of the general policy of His Majesty's Government with regard to the territories for which they are responsible. It has been their consistent aim, justified by long experience, to emancipate as soon as possible such territories from dependence upon grants-in-aid from the British Exchequer.

"If a territory is to be developed on sound economic lines, it must be, in the opinion of His Majesty's Government, on the basis that it is self-supporting. It is true that until recent years it has been necessary to assist the Government of Palestine by grants from the British Exchequer. In fact, the expense which has fallen on His Majesty's Government in connection with the mandate has not been inconsiderable. Taking only the period since 1921, when the present system of administration (*i.e.*, control by the Secretary of State for the Colonies) was inaugurated, the sums provided by His Majesty's Government have amounted to more than nine million pounds sterling. This expenditure naturally includes the cost of defence of the territory."

He compared this with the statements concerning non-recoverable grants-in-aid on page 147 of the report for 1930, and noted also that there were no loans or advances from His Majesty's Government (page 154). The expenditure incurred on defence from 1922 to 1928 was shown, but figures for the following years were not available, "as no separate record has been kept".

There appeared to be no expenditure for civilian purposes, and he wished to enquire what part economic development had played in the expenditure, amounting to nine million pounds sterling, since 1921. The reference to that sum appeared to imply that Great Britain had already made great sacrifices for the economic development of Palestine.

Dr. Drummond SHIELDS regretted that he was not in a position to reply very fully, as he had not the necessary material at hand. He suggested that the explanation might perhaps be largely a matter of book-keeping. For the first years, the whole cost of the garrison had been entered, while in recent years only the excess cost over the cost of the

garrison at home had been noted. Should it prove impossible fully to clear up the point by consultation after the meeting, the information would be forwarded either to M. Rappard direct or to the Secretariat of the Commission.

M. RAPPARD would be very grateful for the communication of such a statement. The Mandates Commission had urged the speeding up of economic development, and the statement that nine million pounds sterling had been spent by the Mandatory had appeared before the world two months later. The dates and circumstances governing the interchange of views between the Commission and the Mandatory made the former seem unreasonable in asking so much--the Mandatory having already spent so large a sum--but the actual sums appeared to have been used almost entirely, if not entirely, for purposes of defence and police.

Dr. Drummond SHIELDS could not quite accept the view that expenditure on the police or even on defence services was necessarily irrelevant to considerations of development. It might have considerable effect on the possibility of economic development. He hoped to be able to give a satisfactory explanation as soon as he could command the necessary figures.

LEGISLATIVE COUNCIL.

M. VAN REES noted that, according to the passages of the 1930 White Paper reproduced on pages 25 to 27 of the report, His Majesty's Government proposed to repeat the attempt, which had failed in 1923, to establish a Legislative Council on the basis of the White Paper of June 1922--that was to say, in conformity with the provisions of Part 3 of the Palestine Order-in-Council, 1922.

That Council would be composed of the High Commissioner as President and of twenty-two other members, including ten officials appointed under Article 20 of the Order-in-Council and twelve elected non-official members. The composition of this latter portion of the Legislative Council, however, had not been settled by the Order-in-Council. Was there any decision whereby the number of Arab, Christian and Jewish elected members was fixed?

Dr. Drummond SHIELDS regretted that he could not supplement the information given, as there had been no decision on the subject.

M. VAN REES said that, although the Order-in-Council did not say so explicitly, the Legislative Council would no doubt have the right of initiative in all legislative matters, subject to the limitations expressly laid down in Article 18. On the other hand, Article XVI of the Royal Instructions of August 14th, 1922, stipulated that the High Commissioner should not submit to the Legislative Council any ordinance which was contrary to, or appeared not to be reconcilable with, the provisions of the mandate.

How was this instruction to be interpreted?

Did it imply that, so far as concerned the execution of the mandate, no legislative measure might be considered by the Council unless it had been submitted by the High Commissioner? Should this hypothesis be correct--which M. Van Rees doubted--the Council would have no right of initiative in any matter affecting the mandate.

If, however, such an hypothesis were incorrect, as he believed, another more serious question arose. Articles 24 to 27 reserved the right of the High Commissioner or of His Majesty to prevent the entry into force of any ordinance approved by the majority of the Council. Such a repressive weapon could only be used in extreme cases--that was to say, very rarely, on pain of provoking undesirable conflicts. There was no real fear of the majority deliberately flouting the explicit provisions of the mandate, of their acting contrary to the very letter of that instrument, since in such a case they would inevitably expose themselves to the application of the High Commissioner's right of veto. In the case, however, of the *interpretation* of certain provisions of the mandate, it would be much more difficult for the High Commissioner to decide whether or not the ordinance approved by the Council scrupulously respected the provisions of the mandate.

A striking example of this difficulty was furnished by the White Paper of October 1930, which clearly attributed to the reservations appearing in Articles 2 and 6 of the mandate a meaning which the British Government had later been obliged to restrict for the reasons stated in paragraphs 6 and 7 of the letter from the British Prime Minister of February 1931.

Hence, in so far as the Council might proceed to legislate

on questions relating to the mandate, the number of cases revealing a divergence of views between the majority of the Council and the High Commissioner might prove to be very considerable, a position which would involve consequences ill-calculated to promote that understanding between the different elements of the population which the Government still hoped might one day come to pass.

M. Van Rees considered that that aspect of the proposed legislative organisation called for the most careful attention, in the very interests of the country which the British Government was called upon to administer on the basis of so complex an instrument as the Palestinian mandate, an instrument unique of its kind.

Dr. Drummond SHIELDS quoted the paragraph on page 27 of the report to the effect that the High Commissioner would continue to have the necessary power to ensure that the Mandatory should be enabled to carry out its obligations to the League of Nations, including any legislation urgently required, as well as the maintaining of order.

He agreed with M. Van Rees that the veto was a very difficult weapon, which could only be used sparingly, because of its effect on local feeling. As regards the interpretation of the mandate, that had been one of the Mandatory's difficulties: certain parts were open to doubt as regards their interpretation. There would almost certainly be a new Order-in-Council before the Legislative Council was set up, and the points raised by M. Van Rees would certainly be taken into consideration.

ATTITUDE OF THE ARABS TO THE MANDATE.

M. PALACIOS reverted to a general question raised by the Chairman. It would also be interesting to know the accredited representative's impression of the situation in Palestine, both from the political and public standpoint. The Commission had received a petition 5/ from the Arab opposition movement, which had held a congress and appeared to be definitely and strongly opposed to the mandate. Was that movement gaining force or was it dying down? He would be interested also to know what was the position as regards the Jews, and whether the differences between the Revisionists and other parties appeared to be growing less acute.

EFFECT IN PALESTINE OF THE POLITICAL DEVELOPMENT OF IRAQ.

The CHAIRMAN wished to ask a question which touched upon the very nature of the mandate. It was clear that the Moslem element in Palestine was following with the keenest interest the political development of Iraq. The Chairman wondered what, when the time arrived, would be the effect in Palestine of the declaration of independence of Iraq. The Arabs in Palestine, who were always complaining about the special character of the Palestine mandate, would not fail to consider that they had been treated less well. The Chairman asked the accredited representative if he could give his views on the subject.

LOCAL ADMINISTRATION.

Count DE PENHA GARCIA observed that the mandatory Power had already made several attempts to introduce local administration, in the form of local elective councils or similar institutions. So far, no great result appeared to have been achieved and the impression given by the report was not very optimistic. It often seemed difficult to obtain properly elected councils. In the Councils the distrust between the two races was increasing. He would be glad to have the accredited representative's impressions on this point and his opinion as to whether it might perhaps be found necessary to base the local administration on traditional formulæ, especially as regards the Arab villages, at the same time adapting those formulæ to present requirements.

Dr. Drummond SHIELDS agreed that there had been difficulties, but felt that it was hardly accurate to say that no success had been achieved. He thought that Mr. Young would be better qualified than himself to give information on the subject of local councils and possibly on the further development of the system.

r. YOUNG stated that it was hardly the case that the Palestine Government was finding great difficulty at present in allowing the municipalities to have control over their own affairs. For reasons which were mentioned in the report, it had been decided in 1930 not to hold re-elections, so that the membership was the same now as in 1927. It was the intention of the Palestine Government to introduce, as soon as possible, an Ordinance dealing with the subject of local government. This was

naturally a very comprehensive measure and it had not yet been submitted to the Advisory Council. It would include the subject of village administration, and a Committee which was now sitting would make recommendations concerning village councils. It was hoped that the complete Bill would come into force within the next few months, and local autonomy would then operate in matters which could safely be left to local discretion. It was definitely not the case that the Palestine Government was experiencing great difficulties in the matter. The Government was, on the contrary, looking forward to the extension of the institutions to which he had referred.

Count DE PENHA GARCIA observed that it had been necessary, for various reasons, to dissolve certain local councils, while in other cases the Jews had refused to participate in the elections or the elections had been postponed in order that the situation might not become strained. The report did not convey the impression that any electoral system would function very satisfactorily at present.

Dr. Drummond SHIELDS thought that the point just raised was largely a reflection of the existing racial relations. In this, as in many other matters, the fundamental question was the improvement of those relations and democratic progress must depend on that improvement.

RELATIONS BETWEEN THE HIGH COMMISSIONER AND THE PALESTINE ADMINISTRATION.

he CHAIRMAN noted that the Commission had tried in vain to get a clear view of the state of the relations existing between the High Commissioner and the Palestine Administration. The mandate mentioned, for example, local autonomy and a Legislative Council. He would like at least to know whether the Mandatory had yet evolved a plan whereby the territory would attain this administrative autonomy. He had the impression that the policy of the Mandatory was very unstable and that it would lead to very regrettable uncertainty.

Dr. Drummond SHIELDS thought that the Chairman was tempting him into what Parliamentarians described as "hypothetical regions". There might, it was true, come a time when the actual Administration would cease to represent the mandatory Power to any great extent. Any consequent

modification of the mandatory system must rest with the Council of the League, since no other body possessed the power to amend the mandate.

The CHAIRMAN felt it necessary to explain the difficulty that the Mandates Commission had always experienced in correcting the impression of uncertainty, of fluctuation which had appeared to characterise the policy of the mandatory Power. In this connection, he thought it useful to quote the following passage from the work of M. Van Rees, who was an authority on these matters:

"In this mandate specific powers and duties are accorded to or made incumbent on either the 'Mandatory' exclusively (Articles 1, 2, 3, 5, 9, 10, 12, 13, 14, 15 (paragraph 1), 16, 17 (paragraph 3), 18 (paragraph 1), 19, 20, 21, 24, 25, 26) or on the 'Administration of Palestine' (Articles 4, 6, 7, 11, 15 (paragraph 2), 17 (paragraphs 1 and 2), 18 (paragraph 2), 23). It brings out the distinctive character of the latter, more particularly in Article 13, which provides for arrangements between the Mandatory and the Administration in connection with the Holy Places; in Article 18, which provides that the Administration shall obtain the advice of the Mandatory in fiscal and Customs matters; in Articles 19 and 20, which provide that the Mandatory shall adhere to international Conventions 'on behalf of the Administration of Palestine' and shall co-operate, on its behalf, in the execution of matters of common policy; lastly, in Article 28, which speaks of financial obligations 'incurred by the Administration of Palestine', and which, moreover, foreshadowing the termination of the mandate, transforms the 'Administration' into the 'Government of Palestine'.

"It appears evident, therefore, that the authors of the mandate, when reserving to the Mandatory, in Article 1, full powers of administration and of legislation, intended that this should be only a transitional precautionary measure, necessitated by the establishment of the Jewish National Home, and that, in consequence, the actual administration of the country should pass,

at a more or less distant date, to the local quasi-autonomous body provided for, which should eventually become the 'Government' of the territory."6/

He would be glad to have the accredited representative's views on the matter.

Dr. Drummond SHIELDS said that he quite understood the situation. As far back as 1922 the Government had envisaged a time when the elected representatives would have considerable power. This was shown by reference to the statement of British policy in Palestine, issued in June 1922, from which he desired to quote the following passage:

"The Secretary of State is of opinion that, before a further measure of self-government is extended to Palestine and the Assembly placed in control over the Executive, it would be wise to allow some time to elapse. During this period the institutions of the country will have become well established; its financial credit will be based on firm foundations, and the Palestinian officials will have been enabled to gain experience of sound methods of government.

After a few years the situation will be again reviewed, and if the experience of the working of the Constitution now to be established so warranted, a larger share of authority would then be extended to the elected representatives of the people."7/

He could not say exactly what would be the relation then between the High Commissioner and the Administration. The matter would, no doubt, be determined by the experience and wisdom of the mandatory Power, with the help of the Mandates Commission.

The CHAIRMAN pointed out that the Mandates Commission, as much as the mandatory Power, must abide by the terms of the mandate. The Commission wished to know whether there was any hope of the difficulties hitherto encountered decreasing in the future.

Dr. Drummond SHIELDS observed that the mandatory Power was only one factor in the situation. He felt that once the relations between the two peoples were improved, further progress could be made in

Palestine.

The CHAIRMAN noted that Dr. Drummond Shiels would be prepared to make a statement in reply to the various questions put to him.

ELEVENTH MEETING.

Held on Tuesday, June 16th, 1931, at 10.30 a.m.

Palestine: Examination of the Annual Report for 1930
(continuation).

Dr. Drummond Shiels, Mr. M. A. Young, Mr. R. V. Vernon and Mr. O. G. R. Williams came to the table of the Commission.

At the beginning of the meeting, Dr. Drummond SHIELS, in response to a request from several members of the Commission, made a personal statement of his impressions formed during his visit to Palestine and of his appreciation of the general outlook. In the course of his statement he replied to various questions with which he had been asked to deal.

The CHAIRMAN thanked Dr. Drummond Shiels for his statement.

ATTITUDE OF THE ORTHODOX JEWS TO THE ELECTIONS OF THE
ELECTED ASSEMBLY OF THE JEWISH COMMUNITY

The CHAIRMAN noted, on page 23 of the report, an account of the elections for the Elected Assembly of the Jewish Community, which took place on January 5th, 1931. The report stated that the *Central Agudath Israel*, organ of the dissentients, appealed to orthodox Jews to boycott the elections, but that there was little response to this appeal. He asked whether this statement could be taken to mean that the orthodox section of the Jewish population had abandoned the attitude of resistance which it had adopted when the Jewish Community Regulations were passed in 1927.

Mr. YOUNG replied that the fact that the appeal had been made indicated that this opposition had not been abandoned. It was, however, a hopeful sign that there was little response to the appeal. It would appear that there was less opposition than there had been previously.

The CHAIRMAN referred to a remark made in the previous year that there were 30,000 to 40,000 orthodox Jews, representing about one-quarter of the Jewish population, and that they reproached the other Jews with not strictly observing Jewish religious rights. He therefore supposed that the opposition still continued.

Mr. YOUNG said he was unable to confirm these figures. He thought the proportion was rather high and asked for the source of the figures.

The CHAIRMAN replied that they were based on the number of orthodox Jews in Palestine before the mandate.

JEWISH AGENCY.

M. VAN REES desired, in the first place, to state that nothing which he proposed to say regarding certain clauses of the mandate should be interpreted as affecting the principles at the basis of the policy adopted by the British Government as described in the White Paper and in the letter sent to Dr. Weizmann by the Prime Minister.

Nevertheless, while recognising the legitimacy and importance of those principles, M. Van Rees considered that their application in the territory under mandate was of still more real interest to the Mandates Commission. In order that this application should be scrupulously in accord with the principles adopted, it was essential, in the first place, that no doubt should exist as to the real meaning and scope of the provisions of the mandate which, up to the present, had given rise to different interpretations. The significance of the reservations occurring in Articles 2 and 6 of the mandate had been established once for all by the letter from the Prime Minister, and this was a matter for satisfaction. On the other hand, Articles 4, 7 and 11, to which reference was made in the White Paper, had not yet been clearly defined. For the moment, M. Van Rees would merely submit certain observations on Article 4, which dealt with the part played

by the Jewish Agency as an advisory body.

In this connection, a discussion had taken place during the fifteenth session of the Mandates Commission (see pages 85 and 86 of the Minutes of that session). From this discussion, it appeared that it was at least very doubtful whether the Agency had been able, in its capacity of official advisory body, to play a part approaching that which, without any doubt, it had been intended to play by the authors of Article 4 of the mandate. This impression was corroborated by the information given on page 31 of the annual report, in which reference was made to three cases, of which two were fairly recent, in which the Agency had been consulted by the Administration. Apart from these, it was left to the Agency to take the initiative in giving such advice.

It would be difficult, after carefully analysing the terms of Article 4 and comparing it with the guiding principle expressed in the preamble to the mandate, not to admit that, in the beginning, a very much more active role was given to the Agency in its capacity of advisory body. Apparently the British Government have taken this into account.

In paragraph 6 of the White Paper of 1930, it gave its opinion on this matter in the following terms:

"In particular, it is recognised as of the greatest importance that the efforts of the High Commissioner towards some closer and more harmonious form of co-operation and means of consultation between the Palestine Administration and the Jewish Agency should be further developed, always consistently, however, with the principle, which must be regarded as basic, that the special position of the Agency, in affording advice and co-operation, does not entitle the Agency, as such, to share in the government of the country."

The reservation contained at the end of this sentence was quite legitimate. Moreover, the Zionist Executive had never expressed a contrary view. This was proved by the White Paper of 1922 and confirmed by the White Paper of 1930, where it was said in paragraph 5 (c):

"It is also necessary to point out that . . . the Palestine Zionist Executive has not desired to

possess and does not possess any share in the general administration of the country."

In conclusion, he asked whether some reform in the sense indicated in the passage he had just quoted was contemplated. If so, what was the nature of that reform?

Dr. Drummond SHIELDS replied that the Palestine Government was always anxious to maintain friendly relations with the Jewish Agency. On all important questions that Agency had an opportunity of giving its views. He recognised the importance of M. Van Rees' statement and would keep it in mind.

M. VAN REES wished to say that his object had not been to criticise the action taken by the Administration in the past. He would merely like to know what had been the effect of the passage in the White Paper to which he had referred, or whether it would have any effect.

Mr. YOUNG replied that, since the White Paper had been published, there had been no alteration in the form or extent of the co-operation with the Jewish Agency. The Government was in fairly constant consultation with that Agency and he had himself consulted it on various matters.

IMMIGRATION AND EMIGRATION: UNEMPLOYMENT.

M. RAPPARD referred to the measures taken to facilitate Jewish immigration and noted that revised instructions had been issued (see page 35 of the annual report). He asked whether those instructions had been published.

Mr. YOUNG replied that the instructions were issued to the departments concerned and were not for publication. If M. Rappard desired a copy, he could arrange to send him one.

M. RAPPARD said that, as regards the general immigration policy, everyone would agree that account must be taken of the absorptive capacity of the country. If the inflow of immigrants became excessive, the Jews would be the first to suffer. Unemployment statistics were, naturally, of great importance in determining the absorptive capacity. M. Rappard, therefore, warmly welcomed the table of unemployment in 1930, contained on page 46 of the report. Unfortunately, a footnote was added to the effect that,

until better means of determining the extent of unemployment were available, "these figures should be accepted with reserve". He hoped that it might be found possible to prepare the statistics in such a manner that they could be accepted without reserve.

He quoted the following passage from page 38 of the report:

"It is estimated that there were about 600 unemployed Jewish labourers in the Jewish agricultural centres in June, about 750 in November, on the eve of the orange-picking season, and about 850 in December, when the seasonal work in the groves had begun.'

He did not understand why unemployment should have increased as the demand for labourers increased.

Dr. Drummond SHIELDS agreed as to the importance of exact statistics to assist in ascertaining the economic position of the country. With the imperfect machinery available, however, it was not yet possible to obtain entirely accurate statistics. Accurate unemployment statistics were always difficult to obtain, even in well-developed countries. It was particularly difficult to obtain exact statistics regarding unemployment among some classes of Arabs, whose mode of life was irregular.

Mr. YOUNG replied to M. Rappard's question regarding the increase in unemployment at a time when more labourers were required. The explanation was contained in the last sentence of paragraph 18, which stated that the Jewish farm workers constituted a floating population, and, if work failed in the colonies, they re-entered the towns. During the picking season, more labourers than could be absorbed moved from the towns to the colonies. The result was a temporary increase in the unemployed in the colonies.

M. RAPPARD wondered whether this did not prove that the method of computing unemployment was unsatisfactory, as these persons were shown as having become unemployed, whereas, in reality, they would seem to have been unemployed previously. Would not unimpeachable unemployment figures, apart from their technical advantage for the administration of the immigration policy, present an additional political advantage? Would this not deprive the Jewish and Arab populations of dangerous opportunities of

bringing pressure on the Government? If there were much unemployment, the Jews would not insist on more immigration, and, if there were little or none, the Arabs would lose at least one reason for opposing immigration. As long as the figures were uncertain a premium was placed on agitation.

Mr. YOUNG, while agreeing fully with M. Rappard as to the importance of obtaining exact statistics, could not accept the statement that the number of immigrants was influenced by pressure from agitators.

He hoped M. Rappard would appreciate the difficulty of obtaining exact statistics. The Administration was doing everything it could to improve the position in this respect.

M. RAPPARD noted the statement on page 36 of the report that over a thousand immigrants, including 493 Christians, etc., had entered without permission and were allowed to remain. He asked how it was possible for this large number to enter without permission.

Mr. YOUNG said he could not give an exact explanation, but suggested that the 493 Christians had not entered the country in 1930 but had been registered in that year. The process of granting permission to remain in the country was constantly going on and related to persons who had at any time arrived in the country without permission. People might come in as travellers and subsequently remain without permission. There might also be a certain infiltration over the frontier. It must not be assumed that all the 493 arrived in 1930; but this figure should be taken as representing the activity of the Immigration Department in registering persons who had been previously living illegally in the country.

M. RAPPARD was grateful for this explanation, as, otherwise, it would appear that the persons entering the country illegally were almost as numerous as the legitimate immigrants.

With regard to paragraph 14 on page 37 of the report, he asked why the minimum capital which an immigrant was required to possess had been increased from £P500 to £P1,000. Such an increase would be very drastic even in countries which wished to discourage immigration. It was

all the less comprehensible in view of Article 6 of the mandate, which provided that the immigration of Jews should be facilitated.

Mr. YOUNG replied that this increase in the minimum capital only referred to one category of immigrants, and it must not be supposed that this qualification applied to all Jews entering the National Home. He could not give the reason for the change, which had taken place in April 1930, before he arrived in Palestine. It had since been found too high in some cases, and a re-definition was taking place which, while not restoring the old dividing line, would nevertheless make exceptions possible.

M. RAPPARD noted that, in fixing the minimum amount of capital at £P1,000, account was taken of long-term loans. Did this mean that an immigrant could enter the country if he had borrowed £P1,000? If this were so, it would apparently defeat the object of the measure, as such an immigrant would have £P1,000 worth of debt and not of capital.

Mr. YOUNG replied that this condition apparently referred to persons who were already in the country but had not been registered. Their stock-in-trade was taken into account and also any loans contracted on a sufficiently long term.

M. RAPPARD thought that, since this was the proper explanation, the paragraph was unfortunately drafted, as it certainly seemed to refer to immigrants on their arrival.

Mr. YOUNG stated that the question of legalising persons staying in the country was very important in view of the large number of such persons. Their presence in the country would probably cause difficulties in connection with the coming census, but steps were being taken to overcome these difficulties.

M. RAPPARD asked what was the present situation with regard to immigration and the present policy of the Administration as regards its regulation.

Mr. YOUNG replied that, in the six months starting from last April, only 500 certificates had been allowed under the Labour Schedule. The Jewish Agency had suggested a somewhat higher figure, but recently the head of the Agency had informed him that it did not now propose to apply for a

larger number. The Administration took the view that, if the Jewish Agency could make out a case for a larger number of immigrants, a supplementary schedule might be issued.

M. RAPPARD thanked the accredited representative for the information and also for the valuable immigration statistics contained on pages 41 et seq. of the report.

The CHAIRMAN asked how the proportion between Jewish and Christian immigrants was fixed. He noted that, in 1930, nearly 5,000 Jews had been admitted and over 1,000 Christians. Was this proportion decided in advance, or were applications granted as received?

Mr. YOUNG replied that, apart from those immigrants who came under the Labour Schedule the number was determined by the number of applications received from persons who fulfilled the conditions.

With regard to the Labour Schedule, the number was fixed twice a year and included only Jewish labourers. So far as he was aware, there was no demand for admission from labourers other than Jews.

COMMUNIST ACTIVITY IN PALESTINE.

The CHAIRMAN stated that, according to an article in the French Press on February 1st, 1931, a Communist Congress composed of Arabs and Jews had met at Jerusalem in December 1930. An organisation had been formed in which the Arab element was predominant. He asked if these arrangements had been made with the knowledge and permission of the British Government. The Arabs said that the Communists were mostly found among the Jews, while the Jews stated that most of the Communists in Palestine were Arabs.

Mr. YOUNG replied that he had not heard of any statement on the part of Jews that the Communists were mostly Arabs. On the contrary, he thought it was admitted that they were mostly Jews. He could give no information regarding the alleged Congress in December 1930. He knew there were Communists in Palestine and that they held meetings, but he was not aware of any meeting which could be dignified with the name of a Congress.

Dr. Drummond SHIELDS added that the authorities in London had no knowledge of this Congress; it appeared to be merely a newspaper report.

The CHAIRMAN asked whether the Intelligence Service had been re-organised.

Mr. YOUNG replied in the affirmative, and said it was now on a much more satisfactory footing.

The CHAIRMAN was glad that the Intelligence Service had been re-organised and hoped that it would work quite satisfactorily. He added that, as the service was now better organised, it would be inexplicable if the French Press were better informed than the Administration. It was evident that some circles were alive to the danger of Communist activity in Palestine. He therefore hoped the Palestine Government would keep this danger in view.

Dr. Drummond SHIELDS said that, whereas he supposed that the Communists in all countries were connected with Moscow, he had no reason to believe that the relations were such as not to be fully in the knowledge of, and appreciated by, the Palestine Administration. It was difficult to prevent people of extreme political views from entering the country. The Administration would, however, keep in view the seriousness of this question.

TWELFTH MEETING.

Held on Tuesday, June 16th, 1931, at 4 p.m.

Palestine: Examination of the Annual Report for 1930
(continuation).

Dr. Drummond Shiels, Mr. M. A. Young, Mr. O G. Williams and Mr. R. V. Vernon came to the table of the Commission.

LAND REGIME AND LAND SETTLEMENT.

M. VAN REES observed that on page 33 (paragraph 6) of the report the Jewish National Fund was stated to have purchased 16,950 dunums of agricultural land, whereas at the top of page 48 it was stated that 43,882 dunums of land were purchased by Jews. He supposed that the latter figure represented the total quantity of land which passed into Jewish hands in 1930 and asked whether all these lands had been bought from Arabs or whether part had been bought as a result of transactions between Jews.

Mr. YOUNG pointed out that at the bottom of page 47 it was stated that 24,516 dunums of land were sold by Jews during 1930. It might certainly be concluded that a good part of this land was purchased by Jews.

M. VAN REES supposed that the rest would have been purchased from Arabs?

Mr. YOUNG assumed that that was so.

M. VAN REES further pointed out that, on page 39 of the report (paragraph 24, second sub-paragraph), it was stated that under the Ottoman Law "in the event of failure to cultivate for three consecutive years or of failure of heirs within certain degrees the land reverts to the State as 'Mahlul' (vacant land)." Was this law still in force?

Mr. YOUNG replied in the affirmative. The land became "Mahlul", but the owner was entitled to recover it on payment of the unimproved value of the land.

He added that, to his knowledge, this provision had not been universally applied.

M. VAN REES asked if it had been applied on occasion.

Mr. YOUNG replied in the affirmative.

M. VAN REES asked whether it had been applied in the case of large Arab land-owners who left part of their land uncultivated.

Mr. YOUNG was not aware of any such case.

M. ORTS had heard of a case mentioned in a Jewish newspaper (*Jüdische Rundschau*, of

October 17th, 1930) of an action brought before the Courts by several Arab tenants who claimed a right of pre-emption in respect of properties in Wadi Hawareth. Was this a case to which the Ottoman Law mentioned by M. Van Rees applied?

Mr. YOUNG replied that this was altogether a different matter. It was a claim by certain tenants to the possession of a prior right under paragraph 41 of the Ottoman Land Code to purchase the lands which they had occupied as tenants. The case was before the Courts, and no final decision had yet been reached.

M. ORTS asked whether such cases were frequent, and whether it was true, as was suggested by the newspaper in question, that it might lead to the cancellation of a large number of existing titles.

Mr. YOUNG was not aware of any other similar case. There might, however, have been cases in the past before his arrival in Palestine. The article of the Ottoman Land Code under which this case had been brought restricted the right of pre-emption to villagers who could show that they were in need of land.

M. ORTS asked whether the Ottoman Land Code prescribed a time-limit within which such suits might lie.

Mr. YOUNG replied that he had not a copy of the Code with him: but there must undoubtedly be some time-limit.

M. ORTS asked when the Land Development Plan, to which reference was made in the White Paper and in the Prime Minister's letter to Dr. Weizmann, was to be put into operation.

It was said that the detailed measures had still to be worked out. What were the measures in question? Did it mean that the Administration proposed to wait until all the land had been surveyed? That work might take years.

M. Orts, would also like to know for what purposes the £2,500,000 loan was intended. How much of it would be devoted to land development?

Dr. Drummond SHIELDS replied that the Commission might take it, that the first object of the scheme was the replacement

of landless Arabs who had been dispossessed as a result of Jewish colonisation.

As regards the other various proposals for irrigation, drainage and intensive cultivation, etc., the main object was to render more land cultivable than existed at present.

Information, however, was lacking or imperfect on a number of vital points, and such information as was available was in some cases disputed. It might take six months or more to obtain the necessary particulars as to (a) the actual position and (b) the possibilities of development. When these particulars and suggestions were available, it would be possible to draw up lines of action for the development authority to work out.

M. VAN REES asked that as many details as possible of the plan might be given in the next annual report.

Dr. Drummond SHIELS promised that this should be done.

Lord LUGARD asked whether the Jews did not claim to have made provision for all the Arabs who had been evicted as a result of Jewish land purchases.

Dr. Drummond SHIELS replied that the Jews claimed not to have dispossessed Arabs in any case without compensation. But the compensation frequently took the form of money, and had been spent by the recipients, who were now without either land or money.

He might add that the Jewish authorities quite agreed that these dispossessed Arabs should be a first charge on the Development Fund.

Lord LUGARD asked whether that meant that all the dispossessed Arabs were to be given land. Would not some prefer to become wage-earners?

Dr. Drummond SHIELS, in reply, quoted paragraph 9 of the Prime Minister's letter to

Dr. Weizmann:

"The language of this passage needs to be read in the light of the policy as a whole. It is desirable to make it clear that the landless Arabs to whom it was intended to refer in the passage quoted were such Arabs as can be shown to

have been displaced from the lands which they occupied in consequence of the lands passing into Jewish hands, and who have not obtained other holdings on which they can establish themselves, *or other equally satisfactory occupation.*"

The last five words were the answer to Lord Lugard's question. The passage continued:

"The number of such displaced Arabs must be a matter for careful enquiry. It is to landless Arabs within this category that His Majesty's Government feel themselves under an obligation to facilitate their settlement upon the land."

M. SAKENOBÉ asked, under what circumstances, pending the development scheme, Jews were allowed to buy land from Arabs.

Dr. Drummond SHIELDS replied that the recent legislation was not designed for the control of the disposal of land but for the protection of tenants from eviction.

The question of the disposal of land would come before the Development Commission. It was a question of considerable difficulty, and it was intended to apply the necessary legislation on the advice of the development authority.

In reply to M. Van Rees, Dr. Drummond Shiels added that the Protection of Cultivators Amendment Ordinance, 1930, was already in force.

Mr. YOUNG explained that the principal provision of the Ordinance was to the effect that no court might make an order for eviction unless the landlord previously satisfied the judge that the tenancy had been validly determined under the Ordinance, and unless the High Commissioner was satisfied that equivalent provision had been secured towards the livelihood of the tenant.

The latter requirement was however waived in the following cases: (a) where the tenant had not paid his rent, (b) where the tenant had not properly cultivated the land, and (c) where the tenancy was terminated in virtue of an order of bankruptcy.

The Ordinance gave similar protection from eviction to anyone who was exercising and had exercised for five years

continuously a practice of grazing or watering animals or cutting of wood or reeds or other beneficial occupation of a similar character.

M. SAKENOBE asked what happened when the land was only held by the small proprietor without any tenants.

Mr. YOUNG replied that the Ordinance only related to evictions, and that in the case mentioned by M. Sakenobe no question of eviction would arise.

M. SAKENOBE asked whether it was to be concluded that small landlords could sell without any restriction.

Mr. YOUNG replied that that was so.

In reply to a question of M. Van Rees, Mr. Young added that the purpose of the recent Ordinance was to protect tenants from eviction, either (a) by the vendor--for example, in cases where he might wish to clear his land of tenants before selling, or (b) by the purchaser.

M. VAN REES asked if the Ordinance applied equally to all sellers, both Arabs and Jews.

Mr. YOUNG replied in the affirmative.

M. VAN REES reminded the Commission that at the seventeenth session he had put certain questions with regard to landed property in Palestine (see Minutes of the Seventeenth Session, pages 62-3 and 78), and he had understood from Dr. Drummond Shiels that these points would be brought to Sir John Hope Simpson's notice and that the latter would, if possible, reply to them in his report.

Presumably they came too late for Sir John Hope Simpson to deal with them, as there was no reference to the subject in his report. Nevertheless, these questions were, in M. Van Rees' opinion, of particular importance. It would always be difficult to form a definite idea of the potential possibilities of agricultural development, and of the possibility of ensuring a loyal execution of the mandate in conformity with the guiding principles laid down by the British Government, as long as complete details of the present agricultural conditions were not available.

It had been said that this detailed knowledge was still lacking, that the statistics and figures available as a result of the enquiries were not all sufficiently reliable and that a new enquiry would therefore be made. This was not going too far, for an analysis of some of the estimates upon which the calculations were based, in particular those concerning the amount of cultivable land, the land still available and the number of Arab cultivators who were now deprived of their lands, led of necessity to the conclusion that the investigators had shown more audacity than was justifiable. A new enquiry would not therefore be at all superfluous, and the White Paper and the letter to Dr. Weizmann announced that it would be made. It was to be hoped that the results would be less speculative. Nevertheless, in order that the new calculations might be satisfactory, it was important, he thought, that they should extend to certain questions that would serve to clear up some points which up to the present had remained obscure.

While not wishing to enumerate all the questions, M. Van Rees would draw attention to some of them:

1. How was the rural land distributed between (a) the large Arab land-owners, (b) small Arab land-owners and (c) Jews? He had seen it stated, though he could not vouch for the accuracy of the statement, that approximately half of all the cultivated land, other than that belonging to the Jews, was in the hands of large Arab land-owners.
2. Were there large Arab land-owners who cultivated all or part of their land themselves? If so, what percentage of the total land-owners did they represent?
3. On the large estates of Arab landlords what was the percentage of uncultivated land?
4. The Shaw report (page 114) said that of the land bought by the Jews, about 90 per cent was land formerly belonging to big Arab land-owners, and 10 per cent to small Arab land-owners. Was that correct?
5. What was the approximate number of Arab farmers who actually occupied the lands sold to the Jews at the moment of their transfer to the

latter?

6. How many of these farmers had been obliged to leave the lands without having been provided with other lands in exchange and how many had not received any adequate compensation?

M. Van Rees would confine himself to these questions, which he gave merely as examples. Perhaps it would be possible to take them into consideration during the investigations which were being made or would be made. Perhaps also it would then be possible to explain the curious fact that it was precisely the large Arab land-owners who protested most vigorously against the sale of land to the Jews, although they had benefited most from those sales and, if he were not mistaken, would continue to profit, in spite of their protests that all sales of land to the Jews should be prohibited.

Dr. Drummond SHIELDS replied that M. Van Rees would appreciate that Sir John Hope Simpson had only been in Palestine for a little over two months and had had in that period to conduct a very extensive enquiry. Sir John Hope Simpson had been bound to accept estimates and approximations as supplied to him. Under the circumstances he could not do otherwise.

The new enquiry, however, was a different matter, and it would cover all the extremely important points which M. Van Rees had raised. He would see that M. Van Rees' questions were put before those conducting the enquiry.

M. VAN REES thanked Dr. Drummond Shiels for his reply.

He wished to refer for a moment to one other special point. At the seventeenth session he had drawn Mr. Luke's attention to a newspaper article entitled "The Absentee Landlord", published in a Jewish paper appearing in New York.^{8/} The report for 1930 went into the matter in a special appendix (see Appendix V on page 244).

M. Van Rees wished to express his thanks for the detail with which the article had been treated. He regretted, however, that the article in question had not been included in Appendix V of the report, so that the reader of the appendix had before him only the refutations and not the article itself. So far as the refutations were concerned,

M. Van Rees ventured to observe that the principal point of the article had been ignored. The writer of the article was not opposed to the Beisan Agreement of 1921, which he recognised to be well founded, but to the way in which it had been applied.

Paragraph 15 of Appendix V rightly stated that the object of the Agreement was "to give the cultivator tenants an interest in the development of their plots, and not to provide them with land for speculative ends". The main point of the newspaper article was that speculation had in fact resulted; and this was confirmed by no less an authority than Sir John Hope Simpson himself, whose expert view was accepted by His Majesty's Government as a basis for the policy put forward in the White Paper. On page 85 of his report Sir John wrote:

"The whole of the Beisan lands have been distributed, and large areas have already been sold. Further large areas are in the market. The grant of the lands has led to land speculation on a considerable scale. The custom is that the vendor transfers to the vendee the liability for the price of the land still owing to the Government and, in addition, takes from him a sum varying from three to four pounds a dunum for land in the Jordan Valley. These proceedings invalidate the argument which was used to support the original agreement. It was made in order to provide the Arabs with a holding sufficient to maintain a decent standard of life, not to provide them with areas of land with which to speculate."

M. Van Rees merely made the observation; he did not ask for further explanations.

M. RAPPARD, referring to paragraph 25 on page 39 of the report, noted that, for the first time, the Mandatory had made a statement concerning the employment of waste lands for purposes of closer settlement by Jews. He observed, however, that one of the allocations had been partly made before the war, one had been made during the war and had since been confirmed, a third was a swamp, a fourth had had to be abandoned for lack of water, while the fifth, which he had himself had the pleasure of visiting, consisted of a small plot on the shore at Tel-Aviv used as a site for a bathing establishment, restaurant and esplanade. In point

of fact, therefore, the application given to the relevant provision of Article 6 of the mandate seemed exceedingly modest.

Dr. Drummond SHIELDS thought that the statement in the report showed that the matter had at least been kept in mind, and pointed out that there had been other cases in addition. As he had observed last year, the idea that a great deal of State land was available for settlement was quite erroneous. In any case, closer Jewish settlement was one of the items of the development programme.

Lord LUGARD enquired whether any particular attention had been paid to the coast belt, the strip shown on the map as "sand dunes" extending from a point a little south of Jaffa to the south-west boundary of Palestine. He had seen it stated somewhere that the Jews declared that 50,000 families could be settled on this belt, and that there were only a very few Arabs upon it.

Dr. Drummond SHIELDS replied that, although a great deal of coastal land had already been laid out and transformed by the planting of orange and other groves, there was very little change in the actual southern part to which reference had been made; a considerable area, he thought, had not yet been dealt with, as he understood that water was required. That point would also be considered by the development authority.

NATIONALITY.

M. PALACIOS was grateful to the mandatory Power for having replied (on pages 58-60) to the questions raised last year. He would be glad to have information on two further points.

The report stated on page 36 that 1,432 Palestinian citizens had left Palestine permanently during the year 1930. It stated further that that figure included 597 Jews. He enquired whether these were, in the main, persons who had settled in Palestine since the establishment of the Jewish National Home and, if so, what was their present national status. Did they retain their Palestinian nationality or had they resumed their former nationality?

In the second place, the table on page 47 of the report showed, under the heading

"Emigration", 193 foreign Jews whose destination was given as Poland and 134 foreign Jews whose destination was given as other European countries. He enquired whether the majority of these were Jewish immigrants who had given up the idea of obtaining the status of Palestinian citizens or to whom that status had been refused. The table in question also showed a total of 989 Palestinian and foreign Jews who had left Palestine for the United States of America and South America. Were these also ex-immigrants who had given up the idea of settling in the mandated territory?

Mr. YOUNG replied that he was not in a position to say with certainty how many of these were Jews who had entered Palestine since the establishment of the mandate. Probably the great majority were persons who had entered the country in recent years and decided afterwards to return to their place of origin. If they had already obtained Palestinian citizenship, they would retain that citizenship for a certain period, until it became evident that they had no intention of returning to Palestine. Otherwise, they would presumably retain the status which they had possessed before entering Palestine.

M. VAN REES wished to put a question concerning the former Turks who had opted for Palestinian citizenship and foreigners who had become Palestinian citizens by naturalisation. Was Palestinian citizenship considered a distinct nationality from an international standpoint, or were such persons treated as British protected persons outside Palestine?

Mr. YOUNG replied that they possessed the status of Palestinian citizens and received the treatment accorded to British protected persons outside Palestine. His impression was that the holder of a Palestinian passport was recommended to the British consular officers.

M. VAN REES enquired whether any essential distinction existed between Palestinian and other nationalities (British or French, for example). Article 22 of the Covenant spoke of certain communities whose existence as independent nations could be provisionally recognised. Palestinians should not be treated on the same footing as natives of Togoland or the Cameroons. To take another territory, under A mandate--namely, Syria: Syrian nationality was recognised as a separate nationality

outside Syria. Was Palestinian nationality recognised in the same way outside Palestine?

Mr. YOUNG replied in the affirmative. A Palestinian citizen, he said, possessed full Palestinian nationality, and the fact of his being a British protected person did not derogate from that status.

M. VAN REES understood that the description "British protected person" constituted, as it were, an additional guarantee.

Mr. YOUNG replied that it might be so described.

M. VAN REES wished to submit certain observations on the subject of the Nationality Law of 1925. He referred to question 2 on page 58 of the report: "Have special provisions been enacted, framed so as to facilitate the acquisition of Palestinian citizenship by Jews?" The question as set forth represented the requirements laid down in Article 7 of the mandate. He enquired whether *special* provisions had been enacted, framed so as to facilitate the acquisition of Palestinian citizenship. The report stated that Article 5 of the Law of 1925 *facilitated* the acquisition of Palestinian citizenship by Jews. It added that the qualifications for naturalisation were simple: two years' residence in Palestine out of the three years preceding application, good character and the declared intention to settle in Palestine, knowledge of Hebrew--in addition to English and Arabic--being accepted under the literacy qualification.

What the report did not bring out was the fact that the conditions for naturalisation applied equally to all persons other than ex-Turkish subjects. The Law of 1925 treated a Jew who entered the country just like any other foreigner; it made no essential distinction between Jews and non-Jews, nationals of any country, as regards either the conditions required to obtain naturalisation or the cancellation of certificates of nationality. The law conferred on the High Commissioner, under Article 7, paragraph 3, the right to refuse regular applications for naturalisation without specifying the reasons for such refusal; it recognised the British Government's right to cancel naturalisation, should the holder of the certificate, as provided in Article 10, have been absent from Palestine for more than three years or have been found

"by act or speech" to be disloyal to the Palestine Administration.

In view of the above-mentioned facts it would appear doubtful whether the law in question could be regarded as exactly fulfilling the purpose of Article 7 of the mandate, or the explicit declaration of His Majesty's Government in June 1922 (White Book, Cmd. 1700, page 30) to the effect that the Jewish people was to be considered as being in Palestine "as of right and not on sufferance". That declaration either meant something definite or it meant nothing at all.

If it meant something definite, it might at least be inferred that Jews admitted to Palestine should be regarded there, not as foreigners whose presence in a country not their own was tolerated, generally speaking, only until further orders, but as constituting in that country a definite element of the Palestine population.

The telegraphic instructions sent by the British Government to the Palestine Administration on June 29th, 1922, under the terms of which the Jews were to be considered as being in Palestine "as of right and not on sufferance" gave expression, as the speaker had already remarked (see Minutes of the Seventeenth Session, pages 38 and 39), to the fundamental idea of the establishment of a national home in Palestine; they explained similarly why Article 7 of the mandate for Palestine explicitly directed attention to the Jews and provided that the necessary provisions should be enacted to facilitate the acquisition of Palestinian citizenship and why the Mandates Commission expressed in its questionnaire a desire to be informed of the "special provisions" whereby the object set forth in Article 7 of the mandate might be ensured.

M. Van Rees felt that very inadequate provision had been made in the Law of 1925 for these considerations, seeing that the law did not even mention the Jews and contained absolutely no indication that due account had been taken of their exceptional situation in Palestine.

He would not state that in itself the law was open to criticism: considered as a law for regulating the acquisition of nationality it might be perfect, but it could be so only in a country other than Palestine. He could not therefore regard the reply on page 58 of the

report as being fully satisfactory. He did not expect an immediate answer to his observations, but would like them to be taken into consideration.

Dr. Drummond SHIELDS said that he was very grateful to M. Van Rees for his statement. One difficulty was that, when a Jew came to Palestine, he came, not as a Jew, but as a foreign national of one kind or another.

M. VAN REES agreed, but pointed out that such a person was still a Jew, whether of French or any other nationality. He did not enter the country without being in possession of a certificate giving him the right so to enter, in accordance with the regulations for Jewish immigration. He came, therefore, in his capacity as a Jew and not as a national of any particular country.

Dr. Drummond SHIELDS concurred, but suggested that in international law there was no such thing as a Jew from the standpoint of nationality.

M. VAN REES agreed that Dr. Drummond Shiels would be perfectly correct from the point of view of international law, were it not for the existence of the Balfour Declaration, the Mandate and the White Paper, which had introduced a new element into this law in favour of the Jewish people.

Dr. Drummond SHIELDS said that the question would certainly be considered in the light of M. Van Rees' remarks. A clear statement of the position and the reasons for it would be prepared by the mandatory Power.

JUDICIAL ORGANISATION.

M. RUPPEL referred to the Indemnity Ordinance passed to restrict the taking of legal proceedings against public officers and officers of His Majesty's forces in respect of acts done on account of the disturbances in Palestine in the year 1929. This seemed to imply that in Palestine officials and army officers could be made personally responsible for acts done in execution of their legal functions. If this were the case, he wondered for what reasons this liability had been restricted in the case of the disturbances of 1929. The report on the other hand mentioned compensation granted by the Government for loss due to the action of civil or

military forces. He would be glad to have some explanation on these two points.

Mr. VERNON thought that the answer could best be given by explaining the general position of the law in the United Kingdom and in British colonies. It was necessary to provide for the exercise, in extreme cases of emergency, of powers going beyond the provisions of the ordinary law, which might amount to an enforcement of martial law. A public officer might have to act in excess of his powers and it would thus be possible for proceedings to be taken against him for abuse of power. Accordingly, it was the regular practice to enact what was known in England as an act of indemnity and in Palestine as an ordinance of indemnity. It was also the British practice to provide for the compensation of individuals who might have suffered, under the exceptional conditions just described, from extra legal powers so exercised.

M. RUPPEL thanked the mandatory Power for including in the report for 1930 a very complete description of the judicial system and a full account of the activities of the Religious Courts for which the Commission had asked last year. Referring especially to page 68 of the report, he noted the high number of persons tried before the Court of Criminal Assize on capital charges. He noted also that of the 163 persons in question, 107 had been acquitted. He enquired whether this pointed to inefficiency on the part of the police.

Mr. YOUNG observed that the figures for "Murder" under "Incidence of Serious Crime" on page 82 of the report should read 126 (not 166). He agreed that, even allowing for the number of cases which were not finally included in the criminal statistics as true murder cases, the figures for capital charges were high, and he could only hope that they would be progressively reduced.

M. RUPPEL, referring to the appointment of a British Judge of the Supreme Court of Palestine as a member of the Full Court of Appeal from the Supreme Court for Egypt, enquired whether this Full Court possessed jurisdiction over Palestine.

Mr. YOUNG explained that the Court only possessed jurisdiction in the case of appeals from Egyptian Courts.

M. RUPPEL, referring to the Religious Courts, noted that, in the Sharia Courts, judges and inspectors were on the Civil Establishment of the Palestine Government. He observed that judges other than those of the Moslem community, were not paid by the Government, and enquired why there was any discrimination in the matter.

Mr. YOUNG replied that the facts were as stated, the fees of Court being credited to the Palestine revenue. The inclusion of Sharia officials as Government officials was, he thought, a relic of Turkish days. So far as he knew, there had never been any complaint in the matter from the other Courts.

M. RUPPEL noted that the British Government had recently been asked in Parliament to give information in a case where the witnesses had been allowed to give evidence behind screens. The Under-Secretary of State had replied that the competent officer had been informed that that procedure was improper and that it should not be adopted. He enquired whether the accredited representative could give further details about the case and tell the Commission whether, according to local custom, witnesses had been allowed to give evidence without actually appearing before the Court.

Mr. YOUNG replied that the procedure was not in accordance with precedent; the officer in charge had considered it advisable, but had since been told that it was not so. The case in question was unique.

M. RUPPEL noted that reference had been made in the Parliamentary Debates on May 20th, 1931, to a penal case where the Press was not allowed to attend. He enquired whether there was a general rule regulating access of the Press to the Courts.

Mr. YOUNG replied that it was within the discretion of the judge to exclude the Press and the public: the matter must, he thought, be left to the discretion of the judge.

Lord LUGARD, referring to the statement on page 65 of the report to the effect that twenty-seven persons had been admitted as advocates before the Civil Courts during the year, enquired whether there was a superabundance of legal practitioners in Palestine. He enquired also whether

advocates were required to qualify in Moslem as well as in British law.

M. RUPPEL observed that under an Ordinance passed last year women were also allowed to practise as advocates.

Mr. YOUNG would not go so far as to say that there was actually an excess of legal practitioners. He was unable to answer the question concerning Moslem law.

Lord LUGARD enquired whether there was a right of appeal to the Supreme Court from the Land Court and also from the Religious and Community Courts. It had been found elsewhere that appeals in land cases led to unnecessary litigation, by which legal practitioners profited.

Mr. YOUNG replied that there was certainly a right of appeal from decisions of the Land Court. His impression was that there was no right of appeal from the Religious Courts on questions of personal status. He did not think that the number of appeals from the decisions of the Land Court was so great as to make much difference in the volume of work or the number of advocates.

M. PALACIOS wished to enquire concerning the composition of the Moslem Supreme Council. The Commission had been told last year that it was on a provisional basis.

Mr. YOUNG replied that that was still the case, and that no steps had been taken to alter the position.

PETITION OF **MRS.** EVELYN EVANS (documents C.P.M.1141 and 1152).

M. RUPPEL noted that in the British Government's observations on this petition reference was simply made to the fact that His Majesty's Government had persistently refused to take up the claim against certain foreign Governments, their reasons for doing so being explained in a letter dated May 29th, 1922, to the claimants' solicitors. He supposed, therefore, that the British Government did not recognise any claim against themselves in their capacity as Mandatory for Palestine, and enquired further whether the petitioner could go before a Court and take proceedings against the British Government in Palestine. He pointed out that the British Government's

letter of 1922 had been written before the conclusion of the Treaty of Lausanne, which contained provisions relating to concessions. He would be glad to have an explicit statement from the British Government, and to know whether their refused to recognise any claim against themselves as Mandatory.

Mr. WILLIAMS stated in reply that it had not been clear that the petitioner was petitioning against the British Government. She was, in any event, free to bring a case to the Palestinian Courts. His Majesty's Government did not recognise the claim as valid, under the provisions of the Treaty of Lausanne.

Dr. Drummond Shiels, Mr. Young, Mr. Williams and Mr. Vernon withdrew.

POSTPONEMENT UNTIL THE NOVEMBER SESSION OF THE DISCUSSION
ON PETITIONS RECEIVED
FROM M. JOSEPH MOUANGUE AND THE INDIAN ASSOCIATION OF
TANGANYIKA
TERRITORY.

M. PALACIOS stated that he had been asked by the Chairman to submit a report on a petition relating to the Cameroons under French mandate from M. Joseph Mouangue, communicated by the mandatory Power on November 10th, 1930. The Commission had also requested him, at the opening meeting of the present session, to report on the petition of October 20th, 1930, from the Indian Association of Tanganyika Territory, communicated by the British Government on May 15th, 1931.

Although he was prepared to submit his conclusions--at all events, provisional conclusions--immediately, he would prefer to wait until the autumn session, as the examination of the annual reports on the Cameroons under French mandate and on Tanganyika had been adjourned until that session. He requested the Commission to authorise him to defer communication of his reports on the two petitions in question.

M. Palacios' proposal was adopted.

LETTER FROM THE DISCHARGED SOLDIERS OF THE JEWISH BATTALION
LIVING AT
HAIFA.

M. PALACIOS read the following report:

"I have examined the letter from the discharged soldiers of the Jewish battalion living at Haifa (document C.P.M.1137), forwarded without comment by the mandatory Power on January 23rd, 1931. In my view this document simply contains a protest against the last White Paper which, in the opinion of the petitioners, removes or, at all events, restricts the ideal object of the promises which had induced them to enlist in the Gallipoli army: I think therefore that this communication should not be considered as a petition and that, in consequence, there is no reason for the Mandates Commission to take any special action in the matter."

The Commission adopted the conclusions of M. Palacios' report.

THIRTEENTH MEETING.

Held on Wednesday, June 17th, 1931, at 10.30 a.m.

Palestine: Examination of the Annual Report for 1930
(continuation).

Dr. Drummond Shiels, Mr. M. A. Young, Mr. O. G. R. Williams and Mr. R. V. Vernon came to the table of the Commission.

HOLY PLACES.

M. PALACIOS noticed that a report had been published by the Commission appointed with the approval of the Council to determine the rights and claims of Moslems and Jews in connection with the Wailing Wall. He asked what impression this report had made on the state of mind of the population and what measures the mandatory Power contemplated taking.

Mr. YOUNG replied that he could give no account of the effect produced by the publication of this report, as it had only been published on the day he left Palestine. Up to

that time there had been no untoward incidents. He thought it could be anticipated that, as the Commission confirmed the local arrangements which had been working satisfactorily for a year or more, the present peaceful position in respect of the Wailing Wall would continue.

M. PALACIOS stated that the *Corriere della Sera* of December 13th, 1930, had published a telegram from Jerusalem to the effect that the authorities had ordered restoration work to begin at the grotto of the nativity at Bethlehem. This action appeared to have raised protests from the Franciscans of the Holy Land, who regarded it as a violation of the *status quo*. He asked whether the accredited representative could give any information on this subject and could state whether the telegram in the *Corriere della Sera* was correct, and under what circumstances the authorities at Jerusalem had ordered the restoration of this sanctuary.

r. YOUNG replied that some minor restoration work had been required on account of some plaster falling from the wall near the steps leading to the grotto. This had resulted in the displacement of two nails to which the curtains, one belonging to the Latin and the other to the Orthodox church, had been attached. When the nails were reattached, the Latin patriarch complained that the nail used for the hanging belonging to the Latin church was no longer in the same position.

M. PALACIOS observed that this proved the necessity for the appointment of the Holy Places Commission for which provision was made in Article 14 of the mandate. Questions concerning the *status quo* were always difficult.

The CHAIRMAN remarked that in his view, Mr. Young had not replied to M. Palacios' question, and asked why the authorities had intervened.

Mr. YOUNG replied that they intervened in the hope of assisting the settlement of a difficult question.

The CHAIRMAN enquired whether the authorities were asked to intervene.

Mr. YOUNG could not be certain of that. It was probable that the authorities realised the difficulties which had

arisen between the two parties and offered their services in order to settle them.

M. SAKENOBE asked whether the dispute between Moslem and Christian Arabs regarding the ownership of a cemetery at Haifa had been amicably settled, and whether this cemetery was considered as one of the Holy Places.

Mr. YOUNG replied that the dispute had been composed. Both parties claimed to have used the cemetery for many years or even for centuries, but it could not be regarded as one of the Holy Places.

CONCESSIONS. CONVENTION REGULATING THE TRANSIT OF MINERAL
OILS OF THE
IRAQ PETROLEUM CO., LTD. THROUGH PALESTINE.

M. ORTS noted that, in conformity with a promise given in the previous year by Mr. Luke, Annex II of the annual report for 1930 (pages 226 and following) gave a list of the concessions granted up to that time by the Palestine Administration. He thanked the mandatory Power for this information.

M. Orts drew attention to the text of a Convention, concluded between the High Commissioner and the Iraq Petroleum Co., Ltd., regulating the transit of mineral oils through the territory of Palestine (Annex III, page 230 of the report). This Company was incorporated in England and its registered office was in London. The Convention dealt the construction and operation of a pipeline for the transport of oil from the centres of operation of the Iraq Petroleum Co., Ltd. to the St. Jean D'Acre Bay in Palestine. M. Orts thought that certain terms of this Convention called for some explanations.

Article IV, paragraph 1, read as follows:

" No import tax, transit tax, export tax or other tax, or fiscal charge of any sort shall be levied on petroleum, naphtha, ozokerite, natural gases, whether in a crude state or any form of derivatives thereof, whether intended for consignment in transit or utilised for the industrial operations of the undertaking."

The first paragraph of Article V read:

"The Company shall be entitled to import into Palestine free of Customs duties or other

importation dues . . . all stores, equipment, materials and other things whatsoever which may be necessary for the works of the undertaking and for its transportation purposes, including all equipment for offices, houses, hospitals or other buildings, which will be the property of the Company and used for its operations . . ."

The first paragraph of Article XII read as follows:

"No property tax, income tax or any levy or fiscal charge of any sort shall be imposed on the Company in respect of its property, employees, the income or the turnover of the Company or the operation of the undertaking, save in respect of any profits accruing from sales of the Company's products for local resale or consumption in Palestine . . ."

Were these advantages and privileges accorded to the Iraq Petroleum Company compatible with Article 18 of the Palestine mandate, which provides that there should be "no discrimination against the nationals of any State Member of the League of Nations (including companies incorporated under its laws) as compared with those of the Mandatory or of any foreign State in matters concerning taxation, commerce or navigation, the exercise of industries or professions"?

M. RUPPEL also called attention to Article VI, paragraph 3, and to Article VIII. The former article referred to the payment of port dues, wharfage, lighterage and other harbour dues on schedules of special rates to be agreed between the High Commissioner and the Company, while the latter article referred to special reductions in railway rates. Article VIII stated that rates were to be reduced in so far as such a reduction was consistent with existing international obligations. This clause seemed to show that the drafters of the Convention had had doubts as to its compatibility with the terms of the mandate.

He also drew attention to paragraphs (d) and (e) on page 76 of the annual report, which stated that there was no economic discrimination in the fiscal regime or in the Customs regulations of the Palestine Government, with the exception of special privileges enjoyed by certain foreign charitable, religious and educational institutions which were granted prior to the war by the Turkish Government, but that no fresh privileges of the kind had been granted. He considered that the last statement was in disagreement

with the terms of the Convention between the High Commissioner and the Iraq Petroleum Company, Limited, by which the latter was accorded preferential treatment.

Dr. Drummond SHIELDS replied that the Iraq Petroleum Company was not a purely British company but was composed of national groups representing Great Britain, France, the United States of America and the Netherlands. Moreover, the Convention referred to a transit concession, as the Company was solely engaged in conveying a commodity through Palestine. The position would be different for a company importing into Palestine. Lastly, the Convention did not create a monopoly and there was nothing to prevent the granting to other companies of similar concessions under similar conditions. He, therefore, thought the Convention was not in disagreement with Article 18 of the mandate.

M. ORTS said the question of the nationality of the capital employed and of the Company itself was of secondary importance. Further, M. Orts was not arguing that the Convention in question created a monopoly in favour of the Company and, moreover, even if that were so, he would have no criticism to make, seeing that the mandate did not prohibit the setting up of a monopoly.

Again, the fact that the object of the Company's activity was transit traffic was not important seeing that the exemptions from import duties covered goods imported for local consumption and the exemptions from taxation applied to persons and immovable property in the territory.

This was a question of interpretation, and the point which arose was whether the advantages granted to the holders of the concession were not precisely those which were prohibited by Article 18 of the mandate, paragraph 2 of which said that the Mandatory could "take such steps as it may think best to promote the development of the natural resources of the country and to safeguard the interests of the population", it being understood that in this matter the action taken by the Mandatory would be "subject to the aforesaid . . . provisions of this mandate". The provisions in question were those which prohibited all discrimination in matters concerning taxation, commerce, the exercise of professions, etc.

Dr. Drummond SHIELDS said he had referred to the composition

of the Company as M. Orts had suggested that it was purely British. He repeated that the Government saw no discrimination in the clauses of the Convention, as such privileges as were given might be granted to any other company.

The exemption from import duties only referred to goods used in the undertaking and not to articles for sale. He therefore thought the Convention could not be accurately described as contrary to the mandate.

He could not state definitely, but he believed that, in respect of the other end of the pipeline in Syria, the Company enjoyed similar privileges.

M. RUPPEL stated that he was not satisfied with the reply, as the Company was without doubt receiving preferential treatment in various respects.

Dr. Drummond SHIELDS replied that there could be no preferential treatment where only one party was concerned. The Company received privileges but had not a monopoly of those privileges. There was no discrimination against, nor could any comparison be made with, any other company. The factors which would permit of such a charge being made were not present, as there was only one party concerned. If the products of the Company had received preferential treatment in competition with local products, this would have represented a concession in respect of fiscal charges. But Article IV, paragraph 2, of the Convention definitely stated that, if the products of the Company were marketed locally for consumption in Palestine, they would be subject to the same duties and fiscal charges, including import dues, as were leviable on similar products in Palestine.

M. ORTS stated that he also was not satisfied with the accredited representative's reply. Dr. Drummond Shiels had used two arguments. In the first place, it was claimed that there was no discrimination as the goods imported duty free were for the Company's own use and not for sale. He did not consider this argument to be valid as the fact of exempting consumption goods from taxation gave a definite advantage to the Company.

The second argument was that there was no discrimination, since no comparison could be made with other companies. It was certain that such a comparison could only be made if

another Company obtained the concession for a second pipeline, which was not likely. The only question which arose was whether the benefits granted to the holders of the concession were those which were permitted under the terms of the mandate and not precisely those which were prohibited. It must be recognised that a comparison between the terms of the Convention and those of the mandate led to the latter conclusion.

Dr. Drummond SHIELDS thought it was hardly profitable to pursue the discussion in view of the very definite difference of opinion. He would point out, however, with regard to the duty-free goods, that these were merely stores, equipment and materials necessary for the working of the undertaking. Many of them were unobtainable in Palestine and had to be brought into the country. If this represented a fiscal concession, it was a very narrow one, and of such a nature as not to justify the kind of criticisms that had been made.

M. ORTS had heard the accredited representative say that a similar concession had been granted to the same Company at the other end of the pipe-line in Syria. The Commission had no knowledge of such a concession.

M. RAPPARD said he had followed the discussion of this complex question with great interest. In his opinion, if the Company sold its products locally in Palestine on the same conditions as other companies, this did not imply equality, as the Company had the advantage of not paying import taxes, transit taxes, property taxes, etc., on its whole business. The Company's costs of production must necessarily be reduced in comparison with those of its competitors by the reason of all the exemptions it enjoys.

He wished, however, to regard the matter from another point of view. When the High Commissioner granted the concession, he was, no doubt, inspired solely by the interest of the territory. The granting of such privileges, however, were calculated to deprive the territory of considerable receipts from taxation. Probably, the High Commissioner considered that this price had to be paid in order that the pipeline might go through Palestine and that, if he had refused this privilege to the Company, there would have been a loss in total receipts from taxation. If, however, these favours were granted for the purpose of competing with another

mandated territory in order to secure the installation of the pipeline, the extraordinary position arose that the principle of fiscal equality had to be violated in order to allow one of these territories to compete with another.

Dr. Drummond SHIELDS said he could not deal with the larger question of the relations between different mandated territories, and must leave this to the Mandates Commission, but there was no question of competition involved.

With regard to Palestine, he suggested that there could be no infringement of Article 18 of the mandate, as there was no discrimination against the nationals of any State Member of the League of Nations. It might be thought that the Company had received too generous terms, but in all countries it was a common custom for Governments and local authorities to give concessions for factories and new industrial undertakings as an inducement for them to become established in the country. This, however, represented no violation of the rights of other citizens, and, in many cases, had nothing to do with competing State nationals. He was firmly convinced that there was no discrimination in the sense of Article 18.

M. ORTS replied that such privileges were no doubt given to companies in many other countries, although it was rare to grant exemption from land taxes; a fundamental difference, however, was that such countries were not under a mandate.

He asked whether any other tax-payers in Palestine were exempt from land taxes, income taxes, etc.

Dr. Drummond SHIELDS said he had made the comparison with concessions in other countries, because they were granted under similar conditions to the concession of the Iraq Petroleum Company in Palestine. In other countries they were readily granted to public utility companies such as this was, and, as in the present case in Palestine, the concessions were granted in the general interests of the country.

He said that, as far as he knew, no other tax-payer had been exempted from the same taxes, as none was in the same position.

M. RAPPARD compared the granting of fiscal exemption by the

High Commissioner to the surrendering by a guardian of rights possessed by his ward, thereby reducing the revenue of the latter. In this case the guardian was of the same nationality as the ward and this created a very delicate position. He asked whether Dr. Drummond Shiels could state that the High Commissioner in his negotiations with the Company was free to consider solely the interests of the territory, in spite of the fact that a British company was concerned.

Dr. Drummond SHIELS did not agree that the High Commissioner was giving away any advantages or was decreasing revenue. The Government would be disappointed if that were the case, as it had in view an increase in the collective revenues of the entire territory as a result of the Company's operations.

With regard to the nationality of the Company, he had already mentioned the various national groups interested. They were represented in equal proportions, and the British share was by no means preponderant. M. Rappard's point that privileges had been given to a party of the same nationality as the High Commissioner did not therefore hold good.

Consultations had taken place on this subject between the High Commissioner and the Colonial Office and both had been inspired entirely by the interests of Palestine. The charges made in this connection were therefore groundless.

M. RAPPARD did not wish his remarks concerning the guardian and the ward to be misinterpreted. *Prima facie*, the guardian's action lowered the ward's income. He thought the correct answer was that, if no concession had been granted, no pipeline would have been constructed to Haifa and future revenues would thereby be reduced.

Dr. Drummond SHIELS said he took no great objection to M. Rappard's last remarks though there was no actual lowering of income involved. He had tried to make his own position and that of the Palestine Government clear, and he had nothing to add. They believed that they had acted throughout in the interest of the territory under mandate.

M. VAN REES said that the question was a very delicate one.

The fact that he had not taken part in the discussion, must not be interpreted as indicating his assent to the suggestion which had been put forward that the action of the Palestine Government in the matter of the Convention infringed the terms of Article 18 of the mandate.

The question under discussion related to a concession. Now, Article 18 of the mandate did not refer to concessions. At the time when this article was drafted, the British Government had, for special reasons, intentionally refrained from extending the principle of equality to concessions of all kinds.⁹ Consequently, this principle did not apply in Palestine to concessions. So far as M. Van Rees was concerned, this fact alone did not settle the question under discussion but it nevertheless seemed to him to be of such a nature as to give rise to doubts concerning the theory that, in the present case, Article 18 of the mandate was infringed. The question was so complex that it deserved more detailed study, and he would therefore propose that it should be postponed to a later meeting.

M. Van Rees' proposal was adopted.

CONCESSIONS FOR THE EXPLOITATION OF THE DEAD SEA SALT DEPOSITS.

M. ORTS referred to questions asked in the House of Commons (July 16th and December 8th' 1930, and February 16th, 1931) on the subject of concessions for working the Dead Sea salt deposits.

It appeared from the replies of the Foreign Secretary that the mandatory Power was negotiating with the French Government in regard to a claim for arbitration put forward by a French group which had been deprived of rights acquired under Turkish rule, owing to the concession granted to Mr. Moses Novomeski. Was the accredited representative in a position to say how the matter stood?

Mr. WILLIAMS replied that, when he left England, no conclusion had been reached. His Majesty's Government had informed the French Government that it was willing to refer the matter to arbitration on specific conditions, but, so far as he knew, the French Government had not yet accepted this proposal.

EXECUTION AND EXPLOITATION OF PUBLIC WORKS. RELATIONS WITH
THE JEWISH AGENCY.

M. VAN REES wished to make certain observations regarding Question 2 on page 75 of the report, the text of which is as follows:

"Has it been 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?"

The French text of the Questionnaire said "Y a t-il eu lieu de s'entendre . . ." while the English text said "*Has it been found necessary . . .*" He thought that the French text was closer to the terms of the mandate (Article 11, paragraph 2), which merely said: "*The Administration may arrange . . .*"

COMMISSION APPOINTED FOR THE PURPOSE OF SCRUTINISING THE
EXPENDITURE OF THE TERRITORY
AND EVENTUALLY TO FIND MEANS TO REDUCE IT

Lord LUGARD asked whether Sir Samuel O'Donnell's Committee had yet reported.

Mr. YOUNG replied in the negative.

EFFECT ON THE PUBLIC REVENUE OF THE REDUCED SUBSCRIPTIONS
TO THE ZIONIST
ORGANISATION.

M. RAPPARD said he understood that the subscriptions to the Zionist Organisation had been seriously affected by the economic crisis. Was the accredited representative in a position to say what the extent of the falling off in the subscriptions was? He presumed that the whole balance of payments of the country had been affected thereby.

Mr. YOUNG replied that M. Rappard would note from paragraph 26 on page 13 of the report that, in spite of the falling off in the subscriptions, the Customs revenue had been well maintained. The effect of the reduction in the subscriptions was, in fact, less than might have been expected.

POLICE ORGANISATION.

M. RUPPEL referred to the re-organisation of the police force.

It appeared from the report that a number of measures had been taken during the year under review. Both sections of the force, the British and the Palestinian, had been considerably reinforced. A purification had taken place by the dismissal of unfit policemen; the disposition of the force had been rearranged to protect the Jewish settlements. A defence scheme for those colonies, including sealed armouries, had been carried out. The expenditure for the police had been increased by 25 per cent.

He thought the Commission might conclude that there was no longer any inadequacy in the police force such as there had been before the disturbances in 1929 and that the force could now be relied upon in all circumstances. The Jewish community, however, appeared to think otherwise. He quoted from the memorandum submitted to the Mandates Commission by the Vaad Leumi that month (June 1931), in which it was contended: (1) that peace and protection were by no means secured; (2) that the police force still consisted mainly of Arabs; (3) that the sealed armouries had not been returned to the villages, but had been replaced by different armouries consisting of shot-guns in place of rifles; (4) that the Arabs had unlimited possibilities of securing arms; (5) that the feeling of insecurity among the Jewish community was general.

Dr. Drummond SHIELDS replied that the memorandum had only been received a short time previously. The British Government had forwarded it to the Mandates Commission, as it did not wish to keep anything back, but it had not been given time to reply to the charges contained in the document.

Mr. YOUNG said there had been one deplorable incident, a murder near Haifa, but that, in general, he did not think there was any justification for the contention in the memorandum of the Vaad Leumi that the Jewish community was suffering from a sense of insecurity.

The murder in question was committed at night in circumstances which would not have been altered by any increased police force or any change in the armouries. He thought he could say, as a result of his visits to a large number of Jewish colonies, that the Jewish colonists in general felt much more secure. The so-called security roads were a powerful factor in this increased sense of security. The only remaining grievance of the Jewish colonists was the fact that they were provided with shot-guns (Greener guns) and not rifles. The Administration had considered whether rifles should be supplied, but, after taking expert advice, it had come to the conclusion that the Greener gun was the most suitable weapon for defensive purposes.

FOURTEENTH MEETING.

Held on Wednesday, June 17th, 1931, at 4 p.m.

Palestine: Examination of the Annual Report for 1930
(continuation).

Dr. Drummond Shiels, Mr. M. A. Young, Mr. O. G. R. Williams and Mr. R. V. Vernon came to the table of the Commission.

PROTECTION OF THE JEWISH COLONIES.

M. SAKENOBE observed that at the seventeenth session the accredited representative had told the Commission that there was a defence scheme for the protection of the Jewish colonies, in case of emergency, and had given a brief outline of that scheme; it was also mentioned in the report for 1930. He would be interested to have details and to know what part the Army was to play in the scheme.

Dr. Drummond SHIELS replied that it was not possible to add very much to what had already been said. It was not usual to give full details of a defence scheme; the last time the matter was discussed, the main criticism had been that the Jewish colonies were left with inadequate means of defence. The present plan provided for the possibility of rapid

access to each colony, for sealed armouries and for the installation of a telephone in each colony. Arrangements had also been made in connection with the location of the garrison and of the police, so that all contingencies were guarded against as far as possible. That, broadly, was the position.

M. SAKENOBÉ observed that last year the Commission had heard that the Jewish colonies would be divided into groups, each with a protective force. He had hoped that further details might be given.

Mr. YOUNG replied that it would be difficult to go into the details of the scheme for the defence of the various groups. The first line, apart from the armouries to which reference had been made, consisted of the police force, the disposition of which was intended to enable police to reach the colonies rapidly and in sufficient numbers. There were also included in the scheme both the battalions stationed in Palestine and the Trans-Jordan Frontier Force, so that provision was made for defence in the event of an attempted incursion across the Jordan into the Plain of Esdraelon.

Lord LUGARD enquired, in connection with M. Sakenobe's question concerning the defence of the Jewish colonies, whether the Jews were fairly satisfied with the present position.

Mr. YOUNG replied that his personal impression--from visits and discussion--was that, apart from the nature of the weapons provided, the Jews were actually better satisfied than would appear from the Vaad Leumi memorandum.

ARMS TRAFFIC.

M. SAKENOBÉ referred to certain complaints made by the Jewish General Council concerning the arms traffic on the frontier. On page 6 of the memorandum of the Vaad Leumi the following passage occurred:

". . . the Arabs of Palestine have unlimited possibilities of securing arms of an effective type in large quantities and with great ease. Trans-Jordan on the one side and the South of Palestine on the other side, both areas under the jurisdiction of the British Mandatory, are territories in which there is an unrestricted traffic in arms, and there can be no possible

check on the penetration of such arms from either of these territories to other parts of Palestine."

There was evidently some exaggeration in this statement, but there must be some truth in it. He enquired whether arms were registered in Palestine.

Mr. YOUNG observed that the report for 1930 contained the answer to the question put last year on this subject. He said that in the greater part of Palestine arms had to be registered.

M. SAKENOBE said that the Commission would be grateful if next year's report could contain a list of cases of the illicit handling of arms.

Dr. Drummond SHIELDS said that this would certainly be done.

PARTICIPATION OF THE PALESTINE GOVERNMENT IN THE EXPENSES
OF THE TRANS-JORDAN
FRONTIER FORCE.

Lord LUGARD referred to the cost of the Trans-Jordan forces--£250,000--of which Palestine shared a part. He enquired just what the Palestine proportion might be.

Mr. YOUNG replied that the arrangement in force as from April 1st, 1930, was that the Palestine Government paid one-quarter of the recurrent cost of the Trans-Jordan Frontier Force and the whole cost of the capital works for that Force in Palestine. His Majesty's Government bore three-quarters of the recurrent cost and the whole of the capital cost in Trans-Jordan. The fact that the arrangement had come into force only on April 1st, 1930, would account for any discrepancy as compared with the figures shown on page 85 of the report.

Notes

1/ Document C.173.1931.VI [C.P.M.1139].

2/ See Minutes, Permanent Mandates Commission. Nineteenth session, pages 72 and 73.

3/ Document C.P.M.1178.

4/ Document C.P.M.1169.

5/ Document C.P.M.1169.

6/ VAN REES, *Les Mandats Internationaux*, 1928, page 101.

7/ Report of the Commission on the Palestine Disturbances of August 1929, page 198 (Cmd. 3530).

8/ See Minutes, Permanent Mandates Commission. Seventeenth Session, page 100.

9/ See "Mandate for Palestine prepared in the Division of Near-Eastern Affairs", Washington, 1927; pages 51, 56-57, 62-63.