

DAILY NEWS BULLETIN

(Cable and Mail Despatches)
Issued by the
JEWISH TELEGRAPHIC AGENCY, LTD.

Ludgate House,
107/111, Fleet Street,
London, E.C.4.

Telegrams: Jewcorrau London.
Telephone: Central 6501-3.

Vol. XII. No. 267.

9 pages.

20th. Nov., 1931.

PALESTINE STILL SUFFERING FROM SET-BACK OF 1929 DISTURBANCES
SAYS GOVERNMENT REPORT JUST ISSUED: ALSO JEWISH INVEST-
MENTS IN AGRICULTURE AND INDUSTRY AND TOURIST TRAFFIC
DECREASED CONSIDERABLY OWING TO FINANCIAL CRISIS IN
AMERICA AND EUROPE.

London, Nov. 19th. (Jewish Telegraphic Agency).

The disturbances of August 1929 resulted in a general set-back from which the country is still suffering, Mr. K. W. Stead, Director of Customs, Excise and Trade in the Palestine Government, states in a report on the economic conditions in Palestine, which has just been issued by the Department of Overseas Trade of the British Government, the first Government report on Palestine economic conditions since 1927.

In that year (1927), Mr. Stead writes, there was an economic crisis, followed by a trade revival in 1928, and the year 1929 promised further progress favoured as it was by good climatic conditions and intensive planting of orange groves, industrial activity and fresh investments of foreign capital, but this was upset by the disturbances in August 1929.

Owing to the financial crisis in the United States and in Europe, Mr. Stead continues, the influx of foreign capital in the form of contributions to the various local institutions, investments by Jews in agriculture and industry, and the expenditure by tourists decreased considerably.

Palestine has suffered from the general fall in prices, particularly as regards cereals and vegetable oils, to the lowest level since the war, the report goes on. The plentiful harvest of cereals and olives of the 1929-30 seasons caused additional difficulties to the trading community, and in particular to the peasants who could not dispose of their products at remunerative prices. At present capital is still short, and it is difficult to obtain credits. A number of firms failed in some cases for considerable amounts.

Progress, however, is being made in certain respects, it adds. The country's exports are slowly increasing; an indication of the development in agriculture and industry. The orange season 1930-31 was satisfactory as to quantities shipped and prices realised abroad. Also the construction of the harbour at Haifa, the survey of the Haifa-Baghdad railway, and the schemes for the extraction of mineral salts from the Dead Sea, are all progressing rapidly.

Palestine Government Expenditure Exceeded Revenue In 1927
1928 And 1930: Principal Source Of Revenue Is Customs
Import Duties And Licences Taxes And Other Fees: Customs
Import Duties Alone Provided 42.23 Per Cent. Of Total
Revenue In 1930: Palestine's Share Of Ottoman Public
Debt Settled: Now Palestine 4½ Million Pound Loan Of
1927 Has Been Allocated: Balance Of £1,261,719 Still In
Hand.

The table of Palestine Government revenue and expenditure for the last six financial years given in the report shows that while there was a balance of revenue over expenditure in 1925-26, 1926-27, and in 1929, expenditure exceeded revenue, however, in the other three years. In 1925-26, with a revenue of £2,809,324, expenditure amounted to £2,092,647. In 1926-27, with a revenue of £2,451,365, expenditure amounted to £2,123,568, and in 1929, with a revenue of £2,323,572, expenditure amounted to £2,140,032.

In 1927, with a revenue of only £1,739,380, expenditure amounted to £1,944,397; in 1928, with a revenue of £2,584,317, expenditure amounted to £3,381,993, and in 1930, the last year for which the figures are given, the revenue amounted to £2,389,546, and expenditure to £2,536,505.

The principal source of revenue, it is stated, is customs import duties and licences, taxes, and other fees. Customs import duties alone form 39.8 per cent. of the total revenue in 1929, and 42.23 per cent. in 1930.

It is revealed in the course of the report that the amount due by Palestine as its share in the Ottoman Public Debt has been settled.

Of the Palestine Loan of 4½ million pounds which was raised and fully subscribed in England in 1927 for expenditure on railways, harbour construction, port improvements, public buildings, telegraphs and telephone, surveys and minor development works, there appears to be a balance in hand of £1,261,719.

£1,000,000 has gone for purchase of railway and other capital assets from the British Government, £1,532,272 on railway workshops and other railway works, £309,870 on the Haifa Harbour construction (the construction of the Harbour was commenced early in 1929, and it is expected to complete the work in 1934, the report states), £63,947 on the Jaffa port improvements, £187,965 were expended on telegraphs and telephones, and £120,302 went on cost of raising the loan.

Adverse Balance Of Trade Does Not Indicate Actual Economic Condition Of Palestine: Invisible Imports Such As Expenditure Of Zionist Funds Immigrants' and Tourists' Capital Usually Cover And Exceed Disbursements Appearing In Foreign Trade Balance: Economic Condition Of Palestine Therefore Depends Largely On Regularity Of These Sources Of Revenue.

Mr. Stead points out that the adverse balance of trade does not indicate the actual economic condition of the country, as the invisible imports of Palestine usually cover and exceed the disbursements made and appearing in the foreign trade balance. The invisible imports, he says, are numerous, the principal items being the expenditure of Zionist funds, money spent by the tourists, contributions to religious and relief missions, immigrants' capital, re-exports to Transjordan and Syria, investments by foreign companies, and remittances by Palestinians residing abroad.

The economic condition of Palestine, therefore, depends largely, he declares, upon the regularity and amount of these sources of revenue. Owing to the financial crisis prevailing in the United States, which is one of the principal sources of the funds specified, the income from these invisible items has decreased considerably since 1921.

Nearly All Business In Palestine On Credit Basis: Capital Of Local Firms Too Small For Cash Payments: Co-operative Movement With Thousands Of Members Introduced By Jewish Immigrants: Government's Interest In Promoting Co-operative Movement Among Arabs.

Dealing with the methods of business in Palestine, Mr. Stead remarks that credit is the basis of nearly all business in Palestine, and although this involves a certain risk, it is almost impossible, he says, for British firms to compete successfully with foreign manufacturers unless credit facilities are granted. The capital of local firms is usually small, and it is difficult, if not impossible, for them to pay cash with orders, or often even against documents.

Turning to the question of the co-operative movement in Palestine, Mr. Stead states that it was the Jewish immigrants from Central Europe who introduced the co-operative movement into Palestine after the war. The co-operative movement has developed considerably among the Jews, and there are agricultural, industrial and commercial co-operative societies, the total number registered until the end of 1930 being 277, embracing several thousands of members engaged in agriculture or trade. The Central Bank of Co-operative Institutions controls all co-operative societies which are financed by them, and the activities of this institution are increasing yearly. During the last eight years the Central Bank advanced £854,943 in short-term credits, and a sum of £82,739 in intermediate and long-term credits.

Mr. Stead makes reference in this connection to Mr. C. F. Strickland's appointment by the Colonial Secretary to study and report on the question of promoting a co-operative movement among the Arabs of Palestine.

Lowered Purchasing Power Of Population And General Fall In Prices Of All Commodities Resulted In Decrease Of Imports.

Mr. Stead draws attention to a decrease of £181,335 in the value of imports of merchandise for home consumption in 1930. The value of these imports (in 1930) amounted to £6,985,258, as compared with £7,166,593 in 1929. The decrease, he says, was due to the prevailing trade depression, which caused local merchants to decrease their orders on account of the lowered purchasing power of the population, and to a general fall in prices of all commodities.

A number of articles, however, he adds, showed slight increases in the quantities imported. The principal decreases were in foodstuffs. There was also a decrease in the imports of raw materials, chiefly in respect of imports of unrefined olive oil for the manufacture of soap.

Owing to the plentiful crops in Palestine of cereals and olive oil, he explains, the Government restricted the importation of wheat and flour and prohibited the importation of unrefined olive oil as from August 1st., 1930, which makes clear the considerable decrease in the imports of these commodities. (The Government restricted the import of unrefined olive oil in order to assist the cultivators of olives).

There was an increase in the imports of certain manufactured goods, chiefly cotton piece goods, woollen tissues, silk tissues, kerosene and benzine. The imports of kerosene and benzine increased on account of the growing use of these fuels in motor transport, agriculture for irrigation plants, and in industry, and the absence of coal and the scarcity of fuel-wood in Palestine.

Britain's Growing Market In Palestine: Ranks First As Regards Direct Imports Of Textile Goods: Until 1929 Germany Held Premier Position Among Countries Exporting Machinery To Palestine But In 1930 British Machinery Imports Exceeded Total From All Other Countries: Practically All Coal Imported To Palestine Comes From Britain: Altogether Britain Second In List Of Countries Supplying Goods To Palestine With Egypt First And Syria Second: Palestine A Poor Country Needing Cheap Articles Of Good Quality.

The United Kingdom ranks first as regards direct imports of textile goods, Mr. Stead states in the course of the report, but very severe competition is now experienced, he points out, from Continental cotton prints and Japanese goods which are entirely eliminating from the market similar goods from other countries. The price of Continental cotton prints is usually cheaper, he says, than the English articles, and it is difficult, if not impossible, to compete with the price and quantity of Japanese drills and greys. British cotton piece goods bleached still maintain their position, but Japan and Italy are introducing their makes in the local market. Silk goods are chiefly imported from Syria and France. Czecho-Slovakia is the principal competitor in artificial silk goods.

Palestine is a poor country, Mr. Stead remarks, and cheap articles of fairly-good quality are in most demand.

Until 1929, he continues, Germany held the premier position among countries exporting machinery to Palestine, but with the establishment of industries in which British capital is invested, the imports of machinery from the United Kingdom have increased, and in 1930 it gained the first place in the list, exceeding the total imports from all other countries. While in 1928 the value of imports of machinery from the United Kingdom was only £42,235 against £74,029 from Germany and £6,293 from the United States, and in 1929 it was £88,710 against £96,530 from Germany and £10,731 from the United States, in 1930 the imports of machinery from the United Kingdom amounted to £131,492, while the value of imports from Germany was £74,645, from the United States £20,295, and from all other countries £30,931. Internal combustion engines and electrical machinery form the bulk of the imports from the United Kingdom, but imports of concrete-mixers and agricultural machinery are also increasing.

Some 80,000 tons of coal are imported to Palestine annually, he proceeds, of which about 30,000 tons are imported by the Palestine railways, the rest by the cement factory and for the trade in general. All coal imported comes from the United Kingdom, with the exception of about 1,000 tons only, which comes from Germany and Belgium.

Imports from the United Kingdom during 1930 amounted to £1,163,619, the report states, an increase over 1929 of £152,537. Industrial machinery, cotton piece goods bleached, woollen tissues, motor cars and Government stores were responsible for this increase.

This applies to goods consigned direct from British ports to Palestine, it is added, but the actual value of British goods imported is higher, as a portion of the imports from Egypt and Syria is of British origin, bought by local merchants in those countries.

The United Kingdom ranks second in the list of countries supplying goods to Palestine (Egypt being first and Syria third), and its share in the total imports is gradually increasing.

The total imports from other parts of the British Empire amounted in 1930 to £11,462, a decrease of £2,914, as compared with 1929, caused by smaller imports of wheat-flour.

Palestine As Exporting And Industrial Country: Britain Principal Market For Palestine Goods: Before War Was Purely Agricultural Country And It Was Jewish Immigrants Arriving After War Whose Industrial Experience And Capital Established Palestine Industry.

The total value of exports of Palestine products in 1930 increased by £341,833, Mr. Stead reports, amounting to £1,096,095 as compared with £1,554,262 in 1929. The increase was in respect of increased exports of oranges and cereals, and to a smaller extent to increased exports of goods manufactured locally. The United Kingdom is the principal market consuming Palestine oranges. 37.07 per cent. of the total exports from Palestine go to the United Kingdom.

Before the war, he explains, Palestine was a purely agricultural country, and such industries as existed were of an agricultural character. Soap, manufactured from olive oil in a primitive way, and wine were the only industries established on a large scale. After the war, Jewish immigrants arrived with industrial experience and capital and considerable progress was made in the establishment of a number of small factories producing a variety of articles and a few large factories for the manufacture of cement, vegetable oils, soap, flour, stockings, etc.

At the time of the voluntary census of industries, taken by the Government in May 1928, there were 3,505 industrial establishments, factories and workshops in the country, employing more than 17,900 persons, of whom over 15,000 were males. The net annual output was estimated at £3,886,000, and the capital invested in industry at over £3,515,000.

Since the 1928 census a number of new industries have been established or are nearing completion, such as the extraction of mineral salts from the Dead Sea, the hydro-electric station on the Jordan River, the Jerusalem Electric and Public Service Corporation, a large tannery and some smaller concerns, which together raise the capital now invested in industry to over £4,500,000, and the number of persons employed to over 20,000.

Though industry is still in its early stage, Mr. Stead goes on, it has shown definite signs of progress in certain lines. The lack of raw materials, the high cost of production and transport are handicaps. Endeavours to arrange for long-term industrial credits have been made, but not with much success. Notwithstanding the general economic crisis existing in 1929 and 1930, and the considerable fall in world prices, certain branches of local industry have proved to be well established and have increased their production and developed a small export trade.

Use Of Electricity Spreading In Palestine: Carnalite Already Produced By Dead Sea Works And Production Of Potash And Other Mineral Salts Expected In Near Future: Wine And Spirit Industry Suffering From Lack Of Sufficient Markets: Capacity Far Greater Than Present Output: Hebrew Books Being Printed In Large Quantities And Exported: Cement Industry Progressing Owing To Protective Duties.

The completion of the hydro-electric station on the Jordan River, Mr. Stead writes, has been delayed on account of certain damages caused to the head-race band and transformer station. It is expected that power from this station will be available early in 1932. The use of electricity is gradually spreading, and with the introduction of the reduced rates for current, a market for domestic electric appliances may be developed.

Considerable progress has been made in the erection of the required plant for the Dead Sea Concession, he continues, and by the end of 1930 about one square kilometre was already formed into pans for the evaporation and concentration of the waters from the Dead Sea. Carnalite is already obtained and the production of potash and other mineral salts is expected to be made possible in the near future. The machinery required was bought in England.

Mr. Stead proceeds to deal with the oil and soap industry, the tobacco industry, in which over a thousand persons are at present employed, and the wine and spirit industry, of which he says that it suffers from the lack of sufficient markets for its production, its capacity being far greater than the present output.

The cement industry is making satisfactory progress, he says. 12,351 tons were exported in 1930 as compared with 7,639 tons exported in 1929. Imports of foreign cement have decreased considerably owing to a protective import duty. The most successful enterprise in the textile group is the manufacture of stockings, which were exported in 1930 to the value of £19,722 as compared with £18,919 exported in the previous year.

There is also a considerable printing industry. Hebrew books are printed in large quantities and exported.

Agriculture Still Principal Occupation Of Palestine: New Markets Will Have To Be Found For Products: Oranges Continue To Be Chief Article Of Export.

Agriculture is the principal occupation of Palestine, Mr. Stead writes. Improved methods are gradually being employed and new crops introduced. The area under cereal cultivation remains stationary, but higher yields are in many cases being obtained. Fruit-growing shows an increase, both under irrigation and in the hill districts. The production of milk, poultry, eggs and honey is increasing rapidly, and many kinds of vegetables are grown in large quantities. Production will soon, in some cases, be ahead of local demand, and new markets will have to be found for the surplus.

The chief article of export continues to be oranges. The area under orange cultivation is estimated at about 25,000 acres, and the planting of trees is still going on. The prices realised were satisfactory, an average of 12 shillings to 16 shillings per case being obtained, due to better regulated shipments, and the late arrival of the Spanish oranges on the English markets. With the growth of the younger groves in a few years, the production of citrus fruits generally should be more than double the present crop.

30,000 Jewish Workers In Palestine And General Federation Of Jewish Labour Has 29,000 Members: Actually 75 per cent. Of Jewish Workers Are Trade Union Members: Arab Workers' Unions Have Failed To Attract Any Considerable Number Of Workers: Jewish Unemployment Which Was 6,000 In 1926 And 74,00 In 1927 Was 1,000 In 1929 And 1,030 In 1930.

There are about 30,000 Jewish workers in Palestine, the report states, 7,000 engaged in agriculture, 4,500 in building and public works, 4,000 in factories and larger workshops, 3,000 in small workshops, 1,500 in transport, and 10,000 in domestic service, clerical and technical employment. The General Federation of Jewish Labour in Palestine has about 29,000 members, but this number, it is explained, includes members of co-operative agricultural settlements and wives of members. 75 per cent. of the Jewish workers in Palestine are estimated to be members of trade unions.

A small number of Arab workers are also members of the Federation, it is added. Several Arab workers' unions have been formed from time to time, some of which survive, but hitherto they have failed to attract a considerable number of workers and their influence is not yet felt in the Labour market. There are no reliable figures of the total number of Arab workers.

On the subject of unemployment, Mr. Stead reports that in 1926 there were 6,000 unemployed Jewish labourers; in 1927, 7,400; in 1928, 2,280; in 1929, 1,000; and in 1930, 1,030.

The considerable unemployment during 1926-27, he says, was mainly due to the financial and economic crisis. The conditions showed an appreciable improvement after the year 1927, but became worse again in the second half of 1930.

Jewish Immigration To Palestine 10,000 In Excess Of Jewish Emigration During Period 1926-1930 While Total Immigration Only 8,000 In Excess Of Total Emigration: Tourist Season In 1930 Was Not Satisfactory Owing To Financial Crisis And All Trades Depending Upon Tourist Traffic Been Adversely Affected.

58,832 tourists and travellers visited Palestine in 1930, the report states, as compared with 16,212 in 1929. Owing to the financial crisis in America and elsewhere, it says, large numbers of tourists cancelled their bookings.

The season was not satisfactory, it concludes, and all trades depending upon tourist traffic have been adversely affected.

Then turning to the question of immigration, Mr. Stead reports that in 1926, 13,081 out of the total number of 13,910 immigrants were Jewish, and that there were 7,365 Jews among the total number of 9,429 emigrants. In 1927 the number of Jewish immigrants fell to 2,713 out of the total of 3,595, and there were as many as 5,071 Jews among the total number of 6,978 emigrants. In 1928 2,178 Jewish immigrants arrived in the country, but 2,168 Jews, just 100 less, emigrated that year. The total number of immigrants in that year was 3,086 and the total number of emigrants was 3,122. In 1929 the number of Jewish immigrants increased to 5,249 out of the total number of 6,563 immigrants, and the number of Jewish emigrants was only 1,746, out of the total number of 2,835 emigrants.

In 1930 there were 4,944 Jews among the total number of 6,433 immigrants, and 1,679 Jews among the total number of 3,033 emigrants.

During the whole of the period 1926-1930 Jewish immigration showed an excess of 10,136 over Jewish emigration. 28,165 Jewish immigrants entered the country and 18,029 Jewish emigrants left the country. The total number of emigrants during the same period was 33,590 and the total number of emigrants was 25,397, showing a total excess of immigration over emigration amounting to 8,193, so that there was an excess of about 2,000 in non-Jewish emigration compared with immigration.

Of the total number of immigrants 19,470 were of East European origin, the report states, including 13,137 from Poland. 1,353 immigrants, with about 1,700 dependent members of families were in possession of a capital of £500 and more, and 15,065, accompanied by 5,186 members of families, belonged to the working-class.

JEWISH AGENCY EXECUTIVE FORCED TO CONSIDER WHETHER TO REJECT 350 IMMIGRATION CERTIFICATES OFFERED BY PALESTINE GOVERNMENT WHEN IT WAS ASKED FOR 1,720 DR. ARLOSOROFF TELLS PALESTINE PRESS REPRESENTATIVES: JEWISH ESTIMATES SHOW THERE ARE IMMEDIATE OPENINGS FOR AT LEAST 735 HALUZIM: LAMES INDICTMENT OF GRAND MUFTI'S ATTEMPTS TO SIDE-TRACK ARAB OPINION BY RENEWED RELIGIOUS INCITEMENT.

Jerusalem, Nov. 18th. (Jewish Telegraphic Agency).

Complaining of the action of the Palestine Government in cutting down the Jewish immigration quota for the next half-year to 350, when the Jewish Agency Executive had asked for 1,720 immigration certificates, Dr. Arlosoroff, head of the Palestine Jewish Agency Executive, told press representatives here to-day that the Executive was forced to consider whether to accept or reject the certificates offered. The Government had not included Government works in the amount of employment available, he said, and yet it had discounted the Jewish estimates showing that there are immediate openings in the country for at least 735 Haluzim.

Dr. Arlosoroff went on to complain of the renewed religious incitement carried on by the Grand Mufti of Jerusalem and other Moslem leaders with the intention of side-tracking Arab opinion.

People spreading such medieval fancies, he said, cannot expect the serious consideration of the civilised world.

WE ABHOR OUTRAGES AND SHALL NOT ASK FOR MERCY FOR MURDERERS PALESTINE ARAB ORGAN SAYS OF BEDOUINS ARRESTED FOR MURDERING JEWISH HIKERS: IF THEY ARE FOUND GUILTY WE ASK JEWS TO REMEMBER ALL PEOPLE HAVE MURDERERS AMONG THEM.

Jerusalem, Nov. 18th. (Jewish Telegraphic Agency).

The five Bedouins who have been arrested in connection with the murder of the two Jewish hikers, Zohar and Stahl, have been formally charged with murder and rape, and have been remanded for trial.

If they are guilty, the Palestine Arab organ "Felestin" writes to-day, we ask Jews and others to remember that all people have murderers among them. We abhor outrages, it proceeds, and we shall not ask for mercy on behalf of murderers.

JEWISH CEMETERY DESECRATIONS IN POLAND NOW: ANTISEMITIC
DEMONSTRATORS DISPERSED BY POLICE REVENGE THEMSELVES
BY SMASHING JEWISH TOMBSTONES AND DESECRATING JEWISH
GRAVES.

Warsaw, Nov. 18th. (Jewish Telegraphic Agency).

63 Jewish graves were desecrated last night at Sochaczew, near Warsaw, and 26 tombstones were smashed.

Earlier in the day, a group of National Democratic students arrived in the town from Warsaw and attempted to hold an anti-Jewish demonstration. The police dispersed them, however, and made it impossible for them to start any anti-Jewish agitation in the town. It is believed that some of the thwarted antisemitic students then made their way to the Jewish cemetery, and committed the outrage as an act of revenge. The police have not been able to trace the vandals.

POSEN STUDENTS DEMAND TOTAL EXCLUSION OF JEWS FROM UNIVERSITY:
ANOTHER ATTACK ON JEWS FOLLOWS MEMORIAL SERVICE FOR DEAD
VILNA STUDENT HELD IN SILESIA TOWN: MINISTER OF JUSTICE
ARRIVES IN VILNA TO ENQUIRE INTO ORIGIN OF OUTBREAKS AND
INTO CHARGES AGAINST POLICE.

Warsaw, Nov. 18th. (Jewish Telegraphic Agency).

The National Democratic students at Posen University have held a meeting and have decided to demand the enforcement of a numerus nullus, the complete exclusion of all Jews from the university. At present there are only 35 Jewish students at Posen University, less than one-half per cent. of the total number of students.

Memorial services for Stanislaw Wacławski, the National Democratic student who was killed in the anti-Jewish attacks in Vilna University, are still being held in various parts of the country, and at Cieszyn, in Silesia, not far from Czenstochowa where there was an attack made on the Jewish population this week after a memorial service in the Cathedral, groups of antisemites on leaving the Church attacked Jews and broke into Jewish houses; wrecking furniture and looting.

The Minister of Justice, M. Michałowski, has arrived in Vilna to open an enquiry into the recent anti-Jewish disturbances and especially to investigate the charges that are being made about the behaviour of some of the Vilna police force.

A semi-official report says that the Rectors of the Polish Universities intend issuing a communique announcing that the Universities will be reopened on Saturday.

DR. TENENBAUM PRESIDENT OF POLISH-JEWISH GOODWILL COMMITTEE
IN AMERICA RESIGNS AS PROTEST AGAINST POLISH GOVERNMENT'S
VACCINATION.

New York, Nov. 18th. (Jewish Telegraphic Agency).

Dr. Tenenbaum, the President of the Polish-Jewish Goodwill Committee in the United States of America, has resigned his office, as a protest against the vaccination of the Polish Government in the present anti-Jewish student outbreaks in Poland. Dr. Tenenbaum has notified the Polish Ambassador in Washington of the step he has taken.