RESTRICTED AP/24 12 April 1948

UNITED NATIONS PALESTINE CONTRISSION

Communication Received from the Advance Party Concerning <u>Government Buildings</u>.

The attached memorandum by Mr. C. Stavropoulos was received in Air Pouch No. 4 and 5 on 12 April 1948.

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UNITED NATIONS ADVANCE PARTY

GOVERMIENT BUILDINGS

(Notes by C. Stavropoulos)

I. In collaboration with the Public Works Department and with the Solicitor General, I have been examining the question of buildings housing Government Departments. It is pointed out that only very few Government buildings are owned by the Government; most of them are leased and a small number requisitioned.

In principle, the general policy of the Government has been to II. retain most of the present Government buildings for the use of the United Nations Commission if it is desired to take them over. This general policy is put into practice when the leases do not contain a prohibition against assigning or sub-letting. In cases, however, where the leases prohibited the Government assigning or sub-letting without giving a right of action to the landlord for damages and/or forfeiture, the Government has started putting an end to its obligations under existing leases either by terminating them, where that is possible under the lease, or making an amicable arrangement with the landlord where it is not. In this connection it has been reported to us that owners of buildings housing Government Departments in Tel Aviv were notified on 31 March by the District authorities of the termination of their leases. Some contracts requiring three months notice will come to an end only on 30 June; most, however, are due to expire in a month and negotiations are being conducted for the municipality to take over the leases: until 15 May, the Government staffs staying at their posts until then.

III. With regard to leases prohibiting the Government to assign or sub-let, the Government is of the opinion that the Commission would have difficulty in substantiating a claim, based on the theory of State succession, that it had succeeded to the rights of the Palestine Government under any subsisting leases. The Government of Palestine could, of course, introduce legislation authorizing assignment or sub-letting or taking away the landlords: remedies but they are unwilling to do so. Nevertheless, they are very anxious lest the United Nations Commission accuse them of deliberately making their position more difficult by putting an end to rights which the Commission might have been able to sustain. They are, moreover, of the opinion that the Commission could reacquire those rights by introducing legislation for that purpose after 15 May.

- 2 -

IV. By letter of 30 March, the Chief Secretary informed the Advance Farty that it has been necessary to decide to hand back to the owners shortly the building known as the ex "Palace" Hotel in Jerusalem. It accommodates many departments including Agriculture and Fisheries, Veterinary, Land Settlement, Land Registration and Civil Aviation. As pointed out in the same letter, for the last four months the attendance of Palestinian Staff has been speradic and it has been impossible to arrange security measures for the building adequate to satisfy their demands without a British Police Guard. These can no longer be provided, owing to the fact that Police are required for other duties. Those parts of Departments which can still work will be accommodated elsewhere, but it is intended to store most of the furniture in the basement of the building.

V. Consultations on the question continue, and a further report will follow when a more decisive stage has been reached.

2 April 1948