

cake, fuel oils, oil paints, perfumes, sweets such as Halva.. etc.,.In the second half of the 1920s the Company began to expand remarkably. The following table demonstrates this expansion:

Table 4

Year	Output In Tons	Sales In Tons	Value In P.L.	No.Of Workers
1927	2,742	2,308	96,700	122
1928	3,959	3,298	130,700	228
1929	7,706	6,462	168,700	258

Source: J. H. Simpson, Report on Immigration, Land Settlement and Development, 1930 Cmd. 3686. p. 110.

This table shows that during a period of three years, "Shemen Works" expanded its output from 2,742 to 7,706 tons or by over 280 per cent; its sales grew up by the same percent; the value of its products rose by about 150 per cent and its wage workers increased by over 200 per cent. The expansion of the oil industry on large-scale capitalist lines as will be demonstrated shortly, had remarkable consequences for the rural or indigenous oil economy.

One determining factor in the expansion of "Shemen Works" was, in fact, the importation of cheap raw materials such as decorticated groundnuts, sunflower seeds and copra (from which coconut oil was extracted). These imported articles were cheap because they entered the country duty free. In 1925 and "with an eye to encourage Palestine's developing industries", the Palestine Government introduced the "Tax Exemption Ordinance", which exempted imported raw material from taxes. (17)

The advantages provided by the "Tax Exemption Ordinance" allowed the company to import large quantities of seeds. In 1929, "Shemen Works" imported 3,467 tons of sesame, worth P.L.80,695. (18) In 1937: