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UBCHEA ARCHIVES
COLLEGE FILES
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Girling
Administrative
Material related to property
1935, 1936

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院學理文子女陵金

GINLING COLLEGE

NANKING, CHINA

RECEIVED

APR 8 1935

MISS M. E. H. ROSE

STATEMENT CONCERNING THE PROPOSED HANKOW ROAD

After the new road system for the Capital was published which shows the Hankow Road cutting across the northern part of the Ginling campus, the College presented a petition to the Capital Construction Bureau asking for a change in the course of the road to the existing road along the northern boundary of the campus. The official reply was that when this road was constructed they might re-survey this section and see what might be done. It was however pointed out clearly that no-one could change the published roads and this reply was merely to leave a way open for further consideration when the road was to be built.

In the winter of 1933 the beginning was made for opening up the Fourth Residential Section which lies just to the north of the Ginling campus taking this new Hankow Road as the southern boundary. During the absence of Dr. Wu, Miss Vautrin and Mrs. Ray Sun New did all they could to secure the help of various officials in the Government, hoping that the course of this road might be changed. Formal petitions to the Municipal Government were handed in, but the reply was that the Municipal Government was not in a position to change any road after the road system was published by the National Government.

Later the Municipal Government prepared a set of regulations according to which changes in roads might be requested. It was handed to the Executive Yuan and adopted in January, 1935. After studying it carefully it seemed that the College could satisfy all the conditions and so again the Chief Secretary of the Municipal Government was approached while the Mayor was on leave. On a separate sheet this set of regulations is roughly translated into English.

In regard to #3 in the regulations, our reasons are as follows. The proposed Hankow Road cuts just back of the library, recitation building and dormitories. The noise from the cars will interfere with instruction and reading and the proximity to the road of the dormitories takes away all privacy and will cause much inconvenience to the students.

With regard to #4, the grades and curves could be worked out through the engineer of the Bureau of Public Works.

In regard to #5, the College proposal does not affect anyone else because the change in the road is made just as the road enters the Ginling property and does not involve loss for anyone else.

On Monday, February 18, Dr. Wu was called on the telephone by the Chief Secretary of the Municipal Government to have a conference with the Head of the Land Bureau. All applicants for lots in the new residential section were very anxious to secure immediate development of the section by the Municipal Government and were blaming the authorities for having delayed it so long. Hence it was requested

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that the College accept the proposal made through Mr. Lai so that they might proceed. They wish very much to have a reply from Ginling within this week. The proposal was in regard to the large piece of land that will be cut from the college campus by Hankow Road. It was proposed that the College make application for whichever two lots they wish to keep and at the same time they be permitted to buy the triangular piece of land on the south of the campus (which the College has been negotiating to buy during the past two years and has been refused permission by the Land Bureau.) It is quite evident that the Municipal Government is not giving consideration to the change of road: first because it holds the policy of never changing the course of any road from the published plans; second because it did not consider Ginling's reasons urgent, as the road does not require the tearing down of a permanent building; and third the curve and grades of the changed course of the road, as we propose it, are not satisfactory.

The above gives the situation as it is now. The important thing to be considered is how we may get the most out of the situation.

1. Is there anything further the College can do to persuade the change in the road?
2. If the road cannot be changed at all, should the College try to control the lots on the north of the new road just opposite the campus? Each person can apply at most for two lots, that is why the Municipal Government offered the College only two lots on Monday. The Municipal Government offers \$8 per fang to the owners of the land within the residential section, but after the development of roads, water system, etc., it is to be sold by the Municipal Government at \$28 per fang, so it will cost \$20 per fang to buy back College land. For the whole piece it would be approximately \$50,000 Mex.
3. In regard to the securing of additional land by mission organizations, it seems clear it is not going to be possible in the future as proved by the experience of the past few years with the Land Bureau. With the loss of about 30 mou of land on the north of the College, provision should be made for the securing of additional pieces such as the triangular piece and the square piece on the south-east, which the College actually needs. In other words if it comes to the place where nothing can be done to change the situation with regard to the new Hankow Road and the including of the property north of the campus in the Fourth Residential Section, then the College ought to secure a promise from the Municipal Government for the securing of other land that is needed by the College.

February 21, 1935.

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APR 8 1935
MISS M. E. HODGE

REGULATIONS REGARDING CHANGES OF PROPOSED ROADS

1. Except in case of straight roads, requests for changes (in curved roads) may be made under the following conditions.
2. Any petitioner should have the following reasons in order to have his petition considered.
3. The curved road must pass through an expensive building or the change must give great inconvenience.
4. After the change the new road, in its grade, curve, and its relation to other roads, must be considered satisfactory according to the plan of development of the Municipal Government.
5. The petitioner must secure first the approval of those whose land may be affected by this change and must present a written statement to this effect.
6. The petitioner must be responsible for all loss suffered by all parties concerned because of the change.

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APR 8 1935

CONVERSATIONS WITH SECRETARY GENERAL LAI LIEN
IN REGARD TO THE ROAD PROBLEM (Dr. Wu)

MISS M. E. HODGE

On Monday morning, March 25, Dr. Wu presented to Mr. Lai Lien the result of the meeting of the Executive and Building Committees on Friday, February 22, along the following lines:

The members of the Board who were present had learned with much concern that with the building of the new road the College would lose a piece of property amounting to about 30 mou in area. As the college property was bought with funds from the Board of Founders in New York, and the Board of Directors is leasing it for the use of the College, the Board feels that the whole matter must be referred to the Founders. The Board also thought it was not right to take the land from a public educational institution for the purpose of building private residences. The building of a road for providing means of communication is quite a different question, and the Board would not object.

In view of the fact that the Municipal Government is anxious to develop this residential section, the Board suggested a way of solution. The Municipal Government might go ahead letting applicants get their lots with the exception of that triangular piece which is college property. In studying the road system in the residential section it was clear that the Hankow Road along the southern boundary serves only one row of lots which are on college land. So the suggestion was to omit the construction of this section of Hankow Road and let the College retain its property. This would solve the important issue of the transfer of land belonging to the College, which the Board of Directors would have to refer to the Board of Founders. At the same time the inconveniences to the library, resitation halls, and student dormitories because of the nearness of the main road would be avoided. From the point of view of the Municipal Government it was suggested that this plan could be taken as a change in the course of the road, according to the published regulations governing any change in proposed roads, so that it would not be any special favor granted to the College and the circumstances would make it impossible for others to take it as a precedent in the future.

Mr. Lai Lien replied that he would take the matter up with Mayor Shih and let Dr. Wu know the result as soon as possible. He further asked in case it might not be possible for the Municipal Government to follow this suggestion if the College had another proposal. For instance, if the College should be permitted to apply for all the lots on college property, would the College accept this. Dr. Wu's answer was that the College does not have the money to buy back her own land from the Municipal Government at \$28 per fang. Furthermore, the College will have no money to build the residences within six months, according to the regulations about the development of the Residential Section.

* * *

On Wednesday morning, February 27, Mr. Lai Lien talked to Dr. Wu on the telephone and gave her the proposal of the Municipal Government.

First, he said, it would be impossible to change the plan of building the new road.

In regard to the piece of college land included in the Residential Section, the Municipal Government made an offer to permit the College to apply in the name of Chinese individuals for as many lots as the College considers necessary. In view of the fact that the College does not have the necessary funds, the most considerate offer the Municipal Government might make is for the College and the Municipal Government to negotiate further for the latter to recompense in some measure the cost of these lots. The College still ought to hand in the total amount in the same way as every other applicant for lots, but after this formal procedure the Municipal Government may arrange to make a refund to the College covering a part of the money paid for these lots.

When Dr. Wu asked what was meant by "part of the cost"--for that might vary from ten to ninety percent, Mr. Lai said he was not in a position to give the amount as it had not been officially discussed. Personally he said it might not be over fifty (50) percent at the most. He added that this proposal was the final one by the Municipal Government and the most that could be done for Ginling College.

Next Dr. Wu raised the question of the assessment on the College for the road building along college property for 1800 feet. It was made clear that when the Board of Directors meets on March 1 and 2 they must know the exact amount that the College will be involved in this proposal from the Municipal Government. Mr. Lai Lien answered that he had not gone into this question and was therefore not able to answer at that time.

July 1935 17

GINLING COLLEGE
Nanking, China

Office of the President

SUMMARY OF THE DEALINGS WITH THE NANKING MUNICIPAL GOVERNMENT IN REGARD
TO THE BUILDING OF PUBLIC ROADS ACROSS THE GINLING COLLEGE CAMPUSES.

Soon after Nanking was made the capital a Special Commission was organized to do city planning for the new capital and a system of new roads was published in the winter of 1929. Announcement was made that in the future all buildings, official and private, should be placed according to these new roads.

According to the system there was a road of 18 metres in width, named Hankow Road, cutting into the northern part of the college campus and two minor roads, coloured green, the location of which is shown on the maps distributed by Miss Tyler. At the same time announcement was made that four regions were to be developed into residential sections. The Fourth is that one to the north of us, with the Hankow Road as its southern boundary. After the College knew about this Road System several petitions were made for a change in the course of the road, but always the answer was that these roads had been published and could not be changed, and furthermore that this particular road would not be built for quite a while. Beginning from the winter of 1933, plans were made for developing the Fourth Residential Section, including the building of this Hankow Road. Ever since then the College has tried again to petition for a change.

Mayor Shih was quite friendly to the educational institution, but was rather stubborn in temperament and strict in adhering to principles, so the College did not succeed in persuading him to give special consideration to an educational institution. When he followed his own principles and the published plans, there was no other alternative but to build this road and to take the piece of college land north of it into the Fourth Residential Section. He realized that the College was suffering much damage and so was willing to help out in some other ways.

1. He accepted our petition never to build those two green roads and forwarded this petition clear through to the National Government, so we have now written answers from the National Government as well as from the Municipal Government that these two green roads will never be built.

2. In the building of public roads, the owners of land on two sides are charged assessment for road building. While he was not able to waive such assessments that should be paid by Ginling, he was willing to make it as a contribution from the Municipal Government to the College. This means that we gave up the land which was taken for the road, in the value of about \$5,000, (It is figured at \$8 per fang, as the land in the Residential Section. \$ refers to Mexican Dollars.) in exchange for the assessment, amounting to almost \$20,000, for the building of this Hankow Road and the Ninghai Road which runs along our eastern boundary, and the difference of \$15,000 is the contribution from the Municipal Government.

3. The piece of land that is cut off by Hankow Road and included in the Fourth Residential Section has been paid for in full, according to the price set by the Municipal Government. It is \$8 per fang and the total amount received is \$13,545.10. The original cost of this land was on the average about \$2 per fang.

4. After we gave up hope of ever changing the course of this Hankow Road, we petitioned to have it made narrower. Again the reply we had was that even the Municipal Government is not in a position to change the width of these new roads which were published by the National Government. The mayor is very sympathetic toward the College, and so now agrees for the present to omit the side-walk along our side of the road, leaving three metres to the College. He however went on to say that if in the future it was found necessary to build this side-walk they will take three metres back according to the original plans.

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In regard to the buildings that we lose because of this road, they are all minor and inexpensive buildings, one small faculty residence, one temporary infirmary, the gate and two gate houses, and the college laundry. The new owner of the lots where the gate houses are has proposed to buy them. We need only to build the permanent infirmary, to build the new gate and gate houses, and to replace the small residence for a family. The dormitory used for single men faculty was originally built for college servants and is now in rather poor condition. It is now poorer because one new road runs along its side and another at its back, so we are planning to build a permanent dormitory for single men, and we are thinking of using part of the payment we receive from the Municipal Government for this permanent dormitory. Other uses that will have to come out of these funds will be the building of the new gate and gate-houses, the erection of a fence along the north and the provision of a new drainage system, the rebuilding of the college laundry, and landscaping along the new roads.

Taking this question of road building as a whole, the College certainly suffers damage both in the loss of a large piece of land and in the fact that Hankow Road is too near the Recitation Building and dormitories and the campus suffers from the point of view of beauty and arrangement. But on the other hand from a practical point of view the building of these two roads does help communications. In the case of the college physician, for instance, it has taken her half an hour to come by ricksha, but after the roads are finished fifteen minutes should be enough.

Yi-fang Wu,
President

July 13, 1935

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REGISTRATION OF LAND - GINLING COLLEGE - MARCH 24, 1936

"In order to help you to understand the whole situation, I shall try to give a brief account of the problem. The Municipality of Nanking required all the land owners to register their title deeds. It was for the purpose of clearing the deeds (many of which had been inaccurate since the time of the Taiping Rebellion), but it was also for the purpose of levying land taxes. The time limit for owners to apply for registration expired at the end of December 1935. At the Executive Committee meeting last November it was therefore decided that Ginling should follow the lead of the University of Nanking in this matter, and that I should get in touch with the Land Bureau before the expiration of the time. Accordingly, I went to see the Head of the Land Bureau, and he told me there would be plenty of time for the College to attend to this process because starting from January 1, 1936 they were going to consider all land still unregistered as 'presumably registered.' In a special set of regulations governing "presumed registration" the calendar year 1936 was set for completing the process of regular registration. So the College will have nine more months to work on this.

"At the November meeting of the University Board a report was submitted on the advantages and disadvantages in registering the University land in the name of the Board of Founders or in the name of the Board Directors. At the meeting last week the answer had come from the University Board of Founders. Enclosed I am sending you copies of that report and the reply from New York. The present situation of the University is this, that they have started on the preliminary process of registration without raising the question as to the official name that is to be used as the holding body.

"The important point involved is the nationality of the legal body that will hold the property, so paragraph 2 in the minutes of the Nanking Executive Committee, February 20, 1936, did not answer exactly this point. If the holding body is considered of foreign nationality, then the property is to be held on lease, while if by the Board of Directors, which is considered a Chinese legal person, then the land will be held as a straight ownership. This will put a mission educational institution in the same status as other Chinese private institutions, and that institution may enjoy the privileges of reduced land tax or be exempt from it entirely.

"At the Ginling Board meeting on March 7, the Board did not make definite recommendations to the Founders as to what name Ginling should use in registering the land, but passed one action to ask if the Board of Founders would express their willingness or unwillingness to transfer the ownership to the Board of Founders. This is for the purpose of getting some guidance from you as to how to proceed in the future. It seems to me that Dr. Speer and Mr. Lobenstine will have valuable advice to give on this point.

"One other factor I should explain. You remember the case when Ginling bought a small piece of land on perpetual lease and had to use the name of the Presbyterian Board. This was because the Municipal Government recognizes Mission Boards only as mission bodies and not an educational institution supported by missions. This will mean that if we are to register our land under a foreign legal body, we shall have to use the name of some Mission Board again. Here the complication comes. The various missions in Nanking had a special committee appointed to handle the registration of mission property in the city, but the form proposed by the Municipal Government for such land on lease is found unsatisfactory by Ambassador Johnson, and he has asked that they withhold the process until a more satisfactory form can be worked out. We all know that such a process through the Ambassador and our Ministry of Foreign Affairs usually takes

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many years. So far as I know nothing has happened since the mission committee stopped the registration process. Mr. Plummer Mills is on this committee and made a report to the Presbyterian Kiangnan Mission Meeting last year. If you look up the mission reports you will understand the situation from that angle.

"After telling you all these difficulties, I wish to add that I am not worried over the situation. Both the Mayor and the General Secretary of the Municipal Government know me well, and in the immediate future I hope to start on the preliminary details of registration as the University is doing. I think these two persons at least will understand the factors involved and how the College is not able to apply officially for a new certificate."

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INTERNATIONAL MISSIONARY COUNCIL

Composed of the following Organizations

NATIONAL MISSIONARY COUNCIL OF AUSTRALIA
SOCIÉTÉ BELGE DE MISSIONS PROTESTANTES AU CONGO
NATIONAL CHRISTIAN COUNCIL OF CHINA
CONSEIL PROTESTANT DU CONGO
DANSK MISSIONSRAAD
DEUTSCHER EVANGELISCHER MISSIONSBUND
SOCIÉTÉ DES MISSIONS ÉVANGÉLIQUES DE PARIS
CONFERENCE OF MISSIONARY SOCIETIES IN GREAT
BRITAIN AND IRELAND

NATIONAL CHRISTIAN COUNCIL OF INDIA, BURMA, AND
CEYLON
NATIONAL CHRISTIAN COUNCIL OF JAPAN
KOREAN NATIONAL CHRISTIAN COUNCIL
COMMITTEE ON COÖPERATION IN LATIN AMERICA
NEAR EAST CHRISTIAN COUNCIL
NEDERLANDSCHE ZENDINGSRAAD
NETHERLANDS INDIA
NATIONAL MISSIONARY COUNCIL OF NEW ZEALAND
NORSK MISSIONSRAAD

FOREIGN MISSIONS CONFERENCE OF NORTH AMERICA
(UNITED STATES AND CANADA)
NATIONAL CHRISTIAN COUNCIL OF THE PHILIPPINE
ISLANDS
NATIONAL CHRISTIAN COUNCIL OF SIAM
MISSIONARY SOCIETIES OF SOUTH AFRICA
SUOMEN LÄHETYSNEUVOSTO
SVENSKA MISSIONSRADET
ASSOCIATION OF MISSIONARY SOCIETIES IN SWITZER-
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Chairman: JOHN R. MOTT, 230 Park Avenue, New York City
Secretaries: J. H. OLDHAM; WILLIAM PATON, 2 Eaton Gate, London, S.W.1
A. L. WARNSHUIS, 156 Fifth Avenue, New York City
Assistant Secretaries: Miss B. D. GIBSON, Miss D. H. STANDLEY,
Miss E. STRONG

156 FIFTH AVENUE
NEW YORK, N. Y.

July 9, 1936

The Secretaries of Missionary Boards
Working in China

Dear friends:

Letters are doubtless coming to all of you about Property Ownership and the Registration of Title Deeds in China. This is no new subject but there are recent and imminent developments that raise important issues.

A letter from the Methodist Episcopal Board suggests that these issues should be considered jointly by the Boards concerned rather than by separate action. I shall be glad to serve in aiding such united consideration.

Some tentative enquiries have made it clear that it is impracticable to have a representative meeting for this purpose during July and August. I shall try to arrange it in September. Please inform me of the dates that would best suit your convenience, suggesting first, second, and third choices, as well as impossible dates.

Also, will you please send me any important information that may come to you on this subject. Then I'll prepare a report summarizing all available information.

Meanwhile, is it not desirable that each Board postpone decisions regarding these issues until such a joint conference has been held?

Yours faithfully,

A. L. Warnshuis

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July 14, 1936

Dr. A. L. Warnshuis
156 Fifth Avenue
New York City

My dear Dr. Warnshuis:

I have your letter of July 9 with regard to the registration of title deeds in China. The following is an excerpt from a recent letter from Miss Priest of the University of Nanking to Dr. Wu and was written May 25:

"In the last mail Mr. Carter wrote asking definitely concerning our deeds and the steps that we have taken at Ginling for registration of land. I wrote him rather hurriedly to make the last mail, and enclose a copy of my letter. As the University went through the whole question with a good deal of care, I enclosed the statement that was prepared for the Board of the University. In case you did not have one before leaving, I will enclose a copy in this letter.

"I believe it will be very worthwhile for you to take this question up very definitely with the Board when you reach New York. If they do not allow us to register in the name of the Board of China, we should know as soon as possible and make proper application through the American Embassy as it becomes a problem for them to settle through the Ministry of Foreign Affairs.

"Mr. Gee was at the Land Office the other day and gained the impression that it might be worthwhile to have the land posted and the posters recorded against future claims and difficulties. This is usually done for all Chinese owned land, and according to the land office will be the basis of settling future legal difficulties. I cannot see that we have anything to lose by doing so and there is the possibility of gaining recognition. What do you think for Ginling? So far the University has only tried it on 40 mow, which is a very small percentage of the whole 912 mow owned in the city."

7-14-36

Dr. A. L. Wernshuis - 2.

The Board of Founders of Ginling has taken up this matter and is awaiting action of the University of Nanking. I am sure that you are taking into consideration the registration of all of the China colleges but thought that, in view of the fact that you are asking for information, I would pass on to you what has come to me.

I am sending your letter on to Miss Hodge in order that she may know what you have in mind.

Very sincerely yours,

Florence G. Tyler, Secretary

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112 West Gravers Lane
Chestnut Hill
Philadelphia, Pa.
August 13, 1934

Rev. George T. Scott, D.D.,
156 Fifth Avenue
New York, N.Y.

Dear Dr. Scott:

You have received a copy of the action of the Board of Directors of Ginling College in China, (March 2, 1934), requesting the Presbyterian Board to hold the title of Ginling property, transmitted to you with the approval of the Ginling College Committee in the United States at its meeting of April 25th, 1934:

"TITLE: The Land Bureau of the municipal government having given permission for the college to hold land on perpetual lease in the name of a mission, on request of the college approval was given to the use of the name of the Presbyterian Mission for the holding of property on perpetual lease, with the understanding that other supporting mission boards would be mentioned in a footnote".

I presented to the Executive and Finance Committees at their joint meeting on June 5th your reasons for delay in the Board promising this, your fear that possibly the Chinese government might have ulterior purposes about the ultimate ownership of the property, etc. Miss Priest, field treasurer of Ginling, was present and thought your fears were groundless, but she also thought that perhaps it might be just as well to wait now until Ginling obtains its absolute charter, entirely separate from Nanking. We hope this can be secured in a few months now before Miss Priest returns to China.

Recently a letter from Dr. Wu to Miss Tyler, dated June 30th, 1934, arrived, and in it she says: "In reading over the Minutes I find there was some misunderstanding in regard to the title of property holding in China. This showed me how one may not explain fully something with which one is most familiar. The action of the Board of Directors refers to the new purchase of land only. It does not involve any transfer of the title of the college property. This new situation arises like this. When the college was negotiating the purchase of new land we were told by the Land Bureau that the government had issued a new set of regulations whereby foreign groups might lease land only on fixed periods and not on perpetual lease, as before. I went to the Ministry of Foreign Affairs and also to the American Consul, and found out that although this new set of regulations had been issued the old treaty still functions whereby foreign missionary bodies may hold land on the basis of perpetual lease. Then I went back to the Land Bureau and asked that the college should hold our new purchase of land on perpetual lease. It was at this point that the Land Bureau asked that we should clearly designate a Mission body and not merely use the name of the college. There was no question whatsoever raised about the property that had been purchased before this time and is held in the name of the college. In a way it was merely for the purpose of making it clear that the college is a Mission College. While we used the name of only one Board, we wrote out clearly on the deed

8-13-34

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all the names of the Boards that are cooperating in the college and also the statement that this piece of land is for the use of this Union College. I hope that Miss Priest was able to tell you a little about the situation, but in case you have any further questions will you please write me?" I have acknowledged this and promised to consult you and Miss Priest. I also asked her if she agreed that action could wait until the charter is secured, or if she wishes the matter pressed. I will let you know her reply.

Do you think Dr. Wu's explanation changes the situation? If you want further light from Miss Priest her address is: Miss Elsie M. Priest, Nelson, New Hampshire. I hope she will be in New York in the fall for a Ginling meeting, and perhaps you can talk with her then.

Sincerely yours,

Miss Margaret E. Hodge,
Chairman, Ginling College Committee

MHE/w

For Ginling
Conference Re Property Titles

Report of a Meeting of Representatives of
Mission Boards Having Work in China
Held on September 23, 1936, at
156 Fifth Ave., New York, N.Y.
For the Discussion of Problems Related to
Property Titles and Taxation in China

Rec'd Oct. 7, 1936

1. Attendance.

Mr. Harold B. Belcher (ABCFM)
 Dr. A. V. Casselman (RCUS)
 Dr. W. C. Fairfield (ABCFM)
 Dr. C. H. Fenn (Presby.USA)
 Miss Jessie R. Ford (So.Bapt.Convention)
 Dr. B. A. Garside (ABCCC)
 Miss Margaret Hodge (Ginling)
 Miss Florence Hooper (WFMS,ME) - morning session only
 Dr. E. H. Hume (China NCC) - morning session only
 Dr. G. B. Huntington (ABFMS)
 Dr. P. W. Koller (United Luth.)
 Rev. E. C. Lobenstine (China NCC)
 Miss R. B. Lustgarten (PE)
 Mr. Oliver S. Lyford (Yale) - morning session only
 Miss Bessie MacMurchy (WMS,Can.Presby.)
 Miss Elizabeth McFarland (YWCA)
 Rev. H. Spenser Minnich (Brethren)
 Dr. Alexander Paul (UCMS)
 Dr. F. M. Potter (RCA) - morning session only
 Dr. Frank Rawlinson (Chinese Recorder)
 Mrs. C. K. Roys (Presby.USA) - morning session only
 Dr. G. T. Scott (Presby.USA)
 Rev. C. Stanley Smith (Theol.Sem.,Nanking U.)
 Dr. George Sutherland (ME) - morning session only
 Miss Florence G. Tyler (FMC) - morning session only
 Rev. A. L. Warnshuis (IMC)

2. Election of Chairman. Dr. W. C. Fairfield was elected to serve as chairman of the meeting.

3. Prayer. The meeting was opened with prayer.

4. Purpose of the Meeting. Communications from China received by a number of the boards had made clear the necessity for a meeting in which representatives of the boards could together discuss the problems involved in the re-registration of deeds to mission property in China, so that policies adopted by the boards would be arrived at in the light of the total situation. Decisions reached independently by any one board would establish a precedent that would inescapably affect the position of every other board or institution. Although the conclusions of the meeting could be advisory only, the discussions might be of great assistance in the formation of a common attitude that would result in action along similar lines by the various authoritative bodies.

Mr. Warnshuis presented a paper summarizing the available data. This paper was used as a basis for discussion.

5. Registration of Deeds. It was reported that the government of China has undertaken the survey and registration of all land titles in the country. (See Legislative Record, Vol. IV, pp. 23-58, for laws governing land taxes promulgated on

June 30, 1930.) This survey is progressing with various degrees of rapidity in different parts of the country. Pressure is not felt yet in some places and is very severe in others. The necessity and value of this survey is vividly stated in the following extract from "New Life Centers in Rural Kiangsi," special Bulletin Number Two of the Kiangsi Rural Welfare Centers, May 1936, p. 26:

...The last registration of land in Kiangsi took place in the Ming Dynasty (ending in 1644). As a matter of fact, today nobody save the present owner knows exactly how much land he owns, for the land tax is still collected according to the land deeds, and the original owners may be dead long ago. Much land was omitted from the last registration of titled deeds and new land since reclaimed has not paid its taxes. No one in the Province really knows the total acreage of arable land and the ownership thereof. In view of such chaotic conditions a survey of the whole Province is an urgent necessity. In May 1932 an aerial survey of the Nanchang hsien was started and completed in June 1934 including mapping, investigation and registration of land at a total cost of \$400,000. The result was the discovery of some 300,000 mow of arable land which had not paid taxes for hundreds of years - this representing 23% of the total arable land of the hsien. Subsequently a comprehensive plan for an aerial survey of the whole province on a more economical basis was made but it called for a total budget of \$11,000,000. Because of the lack of this huge sum of money, progress in this work has been retarded and today about 10% of the whole Province has been surveyed and mapped. Unless this fundamental work is completed, the problem of land tenure cannot be scientifically studied and a wise solution thereof suggested.

The following questions were raised by the group: (1) Is there any valid reason why property titles held by aliens should be exempted from such registration? (2) Does such registration question in any way the validity of any lawful title held by a foreigner, or affect his rights under existing or earlier international treaties? (3) May not such registration offer a good opportunity to legalize title deeds that are now more or less lacking in conformity with established legal requirements? It was pointed out that in cases where property is to be sold or improved, or when building permits are required, the demand for the re-registration of title deeds is inescapable.

In consideration of these questions it was brought out definitely that the efforts of the Chinese Government to re-register title deeds are in no way discriminatory against foreigners, and it was

- VOTED (1) That the boards be advised to continue their efforts to regularize all their property titles, a procedure which has been and continues to be a matter of utmost importance.
- (2) That with reference to re-registration of deeds, it is recommended that the initiative should be on the part of the Chinese governmental authorities and not on the part of the missions.
- (3) That, whenever in the process of a re-survey of a given area the Chinese authorities request the re-registration of deeds to mission property and after consultation with the consular authorities involved, property should be re-registered, provided always that the newly registered deed does not adversely affect the existing title.

The question as to the name under which the title should be registered is considered below. (See Item 8)

6. Invitation to Dr. Wu and Dr. Chen. Feeling the need of the assistance in the consideration of the questions involved which could be given by Dr. Wu Yi-Fang and Dr. Y. G. Chen, who were in the city, the group extended an invitation to them to attend the meeting. Dr. Wu was unable to come. Dr. Chen was present for part of the morning session and presented clarifying data at many points.

(The meeting adjourned at 12:45 to reconvene at 2:00 P.M.)

7. Taxation. It was reported that the fees for registration of deeds when there is no transfer of title are reasonable and moderate. In Nanking the terms of registration published by the Government provide for a fee of one-fifth of one per cent of the value of the property when it is registered and one-tenth of one per cent when sold or transferred.

Regarding the levying of annual taxes on registered property, the principal question concerning missionary boards arises from the regulations providing for the reduction or exemption of taxes on certain classes of property. These regulations are to be found in the "National Government Gazette" of April 20, 1936, and may be summarized as follows:

Details of the regulations governing the reduction or exemption of land taxes for specified property were made known as follows: Land taxes are to be exempted for the following categories of property: (1) Private schools and academic organs which have already registered with the government and are considered to be up to the standard; (2) Registered charitable organizations which are considered to be of good standard; and (3) Public cemeteries. Land taxes are to be reduced for the following categories of property: (1) Registered civic organizations and public athletic grounds; (2) Registered agricultural experimental stations which have at least ten years' standing; (3) Public hospitals which have at least five years' standing; and (4) Private-owned railways and highways. - Chinese Economic Journal, May 1936, p.761. Reprinted in The Chinese Recorder, August 1936, p. 518.

(See also the summary printed in "The Church," the bulletin of the Church of Christ in China, May 1936, p. 10.)

This problem of taxation and the possibilities of reduction or exemption have become urgently critical issues in the case of several institutions. For example, in Chekiang the tax is levied at the rate of \$8.00 per \$1,000, and Wayland Academy in Hangchow is taxed a total of \$920.

It was pointed out that the mistaken statement has been made in some of the correspondence from China that the treaties granted freedom from taxation for mission-owned property. Article XIV of the 1903 Treaty between the United States and China is authoritative treaty provision regarding missionary property, and this Article does not mention taxes. The requirements, under this Treaty, to complete the legal title to property held by American missionary boards are as follows:

- (1) The title must be in the name of a Missionary Society in the United States.
- (2) The title must be in the form of a rental contract or of a perpetual lease.
- (3) The title deeds must be approved and stamped by the local authorities.
- (4) The property must be used for missionary purposes.

It was stated that the possibility of obtaining reduction or exemption of taxes is the principal reason that is being urged for the transfer at the present time of titles of property to Chinese ownership. In this connection, the following points were made:

a. Taxation of foreign owned property is based upon Chinese customs and laws and not upon international treaty.

b. The national law of April 20, 1936, contains no clause which would prevent foreign owned property from obtaining the exemptions allowed under the special classifications cited. Local interpretation of the national law, however, would seem to eliminate foreign owned property from these exemptions. This may be a question that should have further consideration.

c. Taxation of foreign owned property upon which are located private educational institutions recognized by the Chinese Government seems to be on the basis that the educational institution is not being taxed, since it does not own the property. The owner of the property, being other than the institution, is the party who is asked to pay the tax. To obtain exemption of taxation it seems that it would be necessary for the property to be held by the institution itself. It was felt that further information on and clarification of this point were necessary.

d. The legislation of the Chinese Government has made clear that property used for philanthropic purposes and property of benevolent institutions recognized by the Government and with good accomplishment may ask for exemption of taxation. So far none of the mission organizations has been exempted. The feeling is that property the title to which is registered in the name of a private Chinese corporation as contrasted to a mission will have a better chance of obtaining exemption from taxation and also exemption, in whole or in part, of the registration fee.

e. There is no evidence of adverse discrimination against foreigners in the matter of taxation. The requests of the Chinese Government for the re-registration of deeds is not an attempt to force the transfer of titles to Chinese ownership but is an effort to discover exactly where the titles are held - whether in China or in other countries. The action of the Government is not to be interpreted as expressing an unfriendly attitude toward Protestant missions, churches, or other institutions.

f. It should be clearly understood that the titles of property holdings of missions outside of treaty ports which cannot be fairly interpreted as being used for missionary purposes are subject to question.

The group was agreed that this financial problem has overshadowed other considerations in deciding the question of transferring titles to Chinese ownership and that this aspect should not be given consideration to the exclusion of others.

8. Transfer of Titles.

a. Actions already taken by missionary bodies. The National Convention of the Y.M.C.A. some years ago created a Board of Trustees, which was incorporated by the national government of China, which holds the title of properties in behalf of the Association. In some cases, however, local bodies have formed partnerships for the holding of local properties, and it has been found necessary to trust them without other than personal safeguards. The last biennial conference recommended that the national property holding board should be the custodian of the properties of the local associations.

It is the desire of the Y.W.C.A. to turn over all property to the National Committee of the Y.W.C.A. in China. In accordance with the request of the National Committee, however, the Board in America holds the deeds here, although they are covered by a declaration of trust lodging responsibility for the property with the National Committee in China. Whenever the National Committee expresses the willingness to accept them, the Board in America will turn the deeds over to the Committee in China.

The General Council of the Church of Christ in China in 1935 adopted a draft constitution for a Property Holding Corporation for the General Assembly. But it has not yet been found possible to obtain legal incorporation for this body.

The National Christian Council at the meeting of its Executive Committee on May 1, 1936, appointed a special committee "to devise a plan of action and to secure such assistance as may be necessary for investigation." In response to a request addressed to this committee for all available information, a memorandum prepared by Dr. Charles E. Patton was received. Copies of this memorandum were given to the secretaries of the boards represented in the meeting.

The Executive Committee of the Associated Boards for Christian Colleges in China on July 3, 1936, addressed an inquiry to all the cooperating boards asking for information regarding registration and the policies to be adopted.

The Board of Directors of Nanking University have authorized the President of the University to proceed with the necessary steps for land registration, and have referred to the Board of Founders the question of the title under which the registration is to be made. A decisive answer is requested before September 25. (See Appendix to these Minutes.)

The Board of Founders of Ginling College is asked to answer similar questions. (See Appendix)

The Board of Founders of Hua Chung College is also confronted with the question of the registration of newly acquired land, and this has raised the question of the relation of the Founders to the other properties now used by the College.

The Methodist Central Conference is reported to have put itself on record as favoring a central holding body, and is awaiting advice as to the form of organization. The attitude towards the ownership of institutional property has not been defined. Neither is there a clear understanding as to whether the property in China belongs to the Board of Foreign Missions, or is held by the Board in trust in whole or in part for the Methodist Church in China.

It is reported that the Baptist Mission (A.B.F.M.S.) is moving toward the creation of one central board for all their middle schools rather than to entrust ownership to local boards. Such a central board might also hold hospital and church property.

The churches in Hangchow have sent a petition to the Government asking for exemption from taxation on all church, hospital, and school property quite apart from the question of registration and ownership.

b. The present status of missionary property titles. A memorandum dated March 19, 1935, was circulated to all the North American boards calling their attention to the urgent necessity of action to safeguard their title to properties in China. This was based upon a detailed enquiry and information obtained from twelve boards, which was made at the suggestion of the Department of State, and which showed that the existing title deeds of missionary property have been governed largely by local customs and conditions with the result that there are about as many forms of title deeds as can be imagined, and very many of these deeds are not in complete accord with legal requirements, even if these are defined only by Article XIV of the 1903 treaty between the United States and China.

There has been serious difference in interpretation of the "perpetual lease" by which in accordance with the treaty all missionary property should be held. Recent cablegrams seem to indicate that this question has been satisfactorily settled, although details are not available.

The need was felt for further information on the following questions:

- (1) What is the interpretation of ownership rights under perpetual lease?
- (2) To whom does the unearned increment on land accrue?
- (3) When property is re-registered, what valuation is to be put in the deeds - the present value or the original purchase price?

The close relation between the question of property holdings under perpetual lease and that of extraterritoriality was pointed out. There can be no final, legal settlement of the questions arising from perpetual lease until a new treaty settles the question of extraterritoriality. It has been claimed that, under perpetual lease, if the land can be sold at all it must be sold at the original price, but here again there is a question as to what is the original price. Is it the price at which the land was originally bought or the price at which it was registered? The generally accepted opinion is that original price refers to the price at which the land was registered. This makes it important for the boards to look ahead and decide now upon a reasonable price for the land, re-register at that price, pay the taxes, and so have the deeds in order for possible sale or other disposal. With the Government of China looking now to the land as a source of revenue, it is necessary to be careful about registration and to have a clear understanding as to who is the owner of each piece of property.

The group was reminded that the 1903 treaty is now subject to revision. Both governments have agreed to enter upon the desired negotiations for such revision and a new treaty will be signed at an opportune time. Some drafts of such a new treaty have been under consideration. It is impossible to state now what the new treaty will provide with reference to the holding of property by aliens in the interior of China. The American missionary boards to a large extent have placed on record their desire that in the future their rights and privileges in China should not be dependent upon international treaties, and that these should be governed by the laws of China and the goodwill of the Chinese people.

It was agreed that in the present discussion of the question of the transfer of title to Chinese ownership only well-considered reference to international treaty rights should be made.

c. Considerations for and against transfer to Chinese ownership.

The attention of the group was called to the statement prepared by Dr. Charles E. Patton summarizing the considerations for and against the transfer of titles to property to Chinese ownership. In discussion, the group brought out the following points:

For transfer to Chinese ownership:

- (1) Exemptions from/registration fees and taxation or reductions in might be more easily obtained.
- (2) If the land is definitely owned and not held under perpetual lease, it can be developed in the most effective way. This is particularly true of educational institutions, whose development has been handicapped in some instances by inability to purchase and dispose of land in accord with the needs of the institutions.
- (3) Evidence of willingness to cooperate with the Chinese would have an excellent psychological effect on the Chinese.
- (4) The American trustees would be turning over their trust to a body of trustees who happen to be Chinese rather than Americans; they would be carrying out in regard to property the same procedure which has been followed in connection with far more significant matters. The trust of safeguarding the Christian inheritance has been turned over to the Chinese Christians.

Against transfer, at this time, to Chinese ownership:

- (1) Financial obligation involved in transferring titles. The liability for registration fees has been referred to above, but other taxes may be imposed in cases of transfer of title. (It was pointed out, however, that in many instances the transfer would not be considered a "transfer of title" but a "definition of title.")
- (2) Much of the property has been developed with American aid to a place far beyond the economic ability of the Chinese to maintain it.
- (3) Danger of foreign influence - e.g., Japanese and Communist. The educational institutions, particularly, would probably be in a stronger position in case of foreign invasion of China, if the property were held by Americans or English.
- (4) There is no body in China above the local church, except in the YMCA, which is competent to hold property.
- (5) There is danger in transferring responsibility to a small body that development of the work as a whole will be restricted.

- (6) Development of boards of directors holding property in individual educational institutions will tend to strengthen local alumni loyalties and hold up the development of a correlated educational program for all of China.
- (7) In case a school ceases to function as an educational institution, it reverts to the Government. If this refers to property, a board of founders transferring property to a Chinese board of directors would do so in the realization that in case of difficulty the property would not revert to the board of founders but to the government of China. (Dr. Chen said, in his opinion, this clause regarding the right of the Ministry of Education to take over a school which had ceased to function as an educational institution referred only to the management of the school and not to the ownership of the property.)
- (8) The severing of direct connections with the financial control of educational institutions now maintained by ownership of the property would check investments by Americans in plants in China.
- (9) What is involved with the Board of Regents of the University of the State of New York, under which these educational institutions are registered, if the board of founders no longer holds the property?
- (10) Can the American boards abdicate their trusteeship of a sacred trust? There is no assurance that the constitution of the boards of directors will remain as it is, with Christian representation. The Nanking Government can change the basis of representation and cause the loss of the Christian influence.
- (11) The Chinese laws concerning trust corporations are not sufficiently clear so that the American boards can be sure that they are turning responsibility over to a group comparable in legal protections and limitations to similar groups in this country.
- (12) The holding of property of educational institutions by American boards of founders is the only legal basis of control that the boards in this country and the donors have as to the carrying out of the original purpose of the institutions. The boards in America can well afford to carry a little longer the financial burden of increased taxation in order to be better assured that the transfer, when made, will be of such character and on such basis as to insure the carrying out of the purpose of the founders of these institutions.

The group gave careful attention to the following resolution, but in view of the foregoing considerations, the question was not put to a vote:

In the further development of transfer of administrative responsibility to the boards of directors and for the sake of equitable treatment in matters of taxation as well as

in order to facilitate the acquisition and sale of property when desired, we are favorably inclined toward the transfer of title to the boards of directors of the union universities and colleges in China in situations where a decision in the matter is necessary. We further recommend that, if possible, such transfers include a reversionary clause that would be legal under the laws of China and that would protect the moral trusts imposed by donors in America in the event of a dissolution of the institution or its ceasing to function in accordance with its present purpose.

It was

VOTED That the secretary be requested to communicate to the college and university boards and the individual supporting mission boards the accumulation of facts brought before the meeting with such report of discussions as may be available.

VOTED That the group approves of the ultimate transfer of titles to property to the union colleges and universities in China when the holding bodies in this country are satisfied that it is possible for those groups to execute the trusts these bodies in America now hold.

With reference to property of institutions other than the union colleges and universities, it was pointed out that when transfer is made of property of a kind distinctly related to the program of the church, it should be made to a body representing a larger area than a local church; ownership and control of middle schools should be in regional educational bodies; the ownership of hospitals should be through some plan worked out by the Council on Medical Missions. It was

VOTED That with reference to questions related to missionary property used by institutions other than the union colleges and universities, for missionary residences, and for church and other purposes, the chairman be requested to name a committee of three to five members to continue study of the whole subject and to report back to a conference which they will call, the results of their study to be placed at the disposal of the separate boards.

The Chairman appointed Mr. A. L. Warnshuis (convenor), Mr. E. C. Lobenstine, Dr. B. A. Garside, Dr. G. B. Huntington, and Dr. G. T. Scott.

9. A "Christian China Foundation." The suggestion was made that an incorporated body similar to the "China Foundation," which was organized to administer the American share of the 1900 indemnities, might be formed to hold property in China. It was pointed out that such action might not affect the question of taxation, as such action would not transfer the land occupied by a school or university to the institution itself, but it might have an important bearing upon the question of security of title, and the continued use in accordance with the purposes of the owners. The group felt that such a plan would meet with opposition from the Chinese alumni of the colleges and universities.

10. Distribution of Report of Meeting. The secretary was requested to send a copy of the results of the group's deliberations to the boards of founders of all the Christian colleges and universities in China and to the mission boards in North America having work in China.

11. Adjournment. The meeting adjourned at 4:00 P.M.

A.L. Warnshuis,
Secretary

The Board of Founders of Nanking University met on the next day, September 24, and we are permitted to quote from their Minutes as follows:

LAND REGISTRATION

With the docket of the meeting was distributed an extensive digest of information on this subject, including a resume of actions already taken by the Board of Directors and the Board of Founders and their various committees. The findings of a conference of missionary executives dealing with the general subject of land registration in China held on September 23rd, was distributed. President Chen, Mr. Wheeler, and Dr. Smith made statements. There followed a general discussion, dealing chiefly with the question of whether the proposed registration of the property of the University with the Chinese government should be carried out in the name of the Board of Directors or the Board of Founders. Following the discussion, it was unanimously

BF-848 VOTED that the Board of Founders of the University of Nanking authorize the Board of Directors of the University to register the property, including both land and buildings, of the University of Nanking with the Chinese Government in the name of the Board of Directors, with the understanding that the Board of Directors will give the Board of Founders, representing the original donors, formal assurance of their acceptance of the trust to carry on the University in accordance with the purpose for which it was founded.

BF-849 VOTED to instruct the Secretary to report this action of the Board of Founders on land registration to each of the four Mission Boards cooperating in the University.

BF-850 VOTED to instruct the Secretary to file a copy of this action of the Board of Founders on the subject of land registration with the American Embassy in Nanking and with the Department of State of the United States Government.

Dr. Chen pointed out that in connection with the process of land registration, the University would probably have to pay not only the registration fee but also a fee for stamping a large proportion of the deeds to the individual plots comprising the University campus. He estimated roughly that the total of these costs might amount to as much as US\$6,000, although it is possible that some portion of the fees might be remitted. He asked whether the Founders would approve the sale by the Board of Directors of certain small and isolated plots of land belonging to the University which are not adjacent to the campus and probably would never be of any direct use to the University. It was pointed out that under action BF-848 the authority for the disposal of such pieces of land in order to pay the costs of registration lies in the hands of the Board of Directors. It was, however,

BF-851 VOTED that it is the judgment of the Board of Founders that the sale of certain small and isolated plots of land belonging to the University, in order to provide funds to cover the cost of registration of the property, is in accordance with the purpose set forth in action BF-848.

The Board of Founders of Ginling College met on September 25, and we are informed that they voted for action in terms identical with those of Nanking University Founders, quoted above.

A.L. Warnshuis

9/22/36

07

Property Titles in China
Registration and Taxation

(This paper is prepared as a basis for discussion, is based upon available information, but is subject to correction in the light of fuller knowledge. Therefore it should not be quoted.)

1. Registration of Deeds. The government of China has undertaken the survey and registration of all land titles in the country. (See Legislative Record, Vol.IV, pp.23-58, for laws governing land taxes promulgated on June 30, 1930.) This survey is progressing with various degrees of rapidity in different parts of the country. Pressure is not felt yet in some places and is very severe in others. The necessity and value of this survey is vividly stated in the following extract from "New Life Centers in Rural Kiangsi," special Bulletin Number Two of the Kiangsi Rural Welfare Centers, May 1936, p.26:

...The last registration of land in Kiangsi took place in the Ming Dynasty. As a matter of fact, today nobody save the present owner knows exactly how much land he owns, for the land tax is still collected according to the land deeds, and the original owners may be dead long ago. Much land was omitted from the last registration of titled deeds and new land since reclaimed has not paid its taxes. No one in the Province really knows the total acreage of arable land and the ownership thereof. In view of such chaotic conditions a survey of the whole Province is an urgent necessity. In May 1932 an aerial survey of the Nanchang hsien was started and completed in June 1934 including mapping, investigation and registration of land at a total cost of \$400,000. The result was the discovery of some 300,000 mow of arable land which had not paid taxes for hundred of years - this representing 23% of the total arable land of the hsien. Subsequently a comprehensive plan for an aerial survey of the whole province on a more economical basis was made but it called for a total budget of \$11,000,000. Because of the lack of this huge sum of money, progress in this work has been retarded and today about 10% of the whole province has been surveyed and mapped. Unless this fundamental work is completed, the problem of land tenure cannot be scientifically studied and a wise solution thereof suggested.

Is there any valid reason why property titles held by aliens should be exempted from such registration? Does such registration question in any way the validity of any lawful title held by a foreigner, or affect his rights under existing or earlier international treaties? May such registration not offer a good opportunity to legalize title deeds that are now more or less lacking in conformity with established legal requirements? Provided always that the newly registered deed does not adversely affect the existing title, are not the answers to such questions as these arguments in favor of registration? In cases

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where property is to be sold or improved, or when building permits are required, the demand for the re-registration of title deeds is inescapable.

The principal question is the name under which the title is to be registered - should it be alien or Chinese? This is considered below.

2. Taxation. The fees for registration of deeds when there is no transfer of title are reasonable and moderate.

Regarding the levying of annual taxes on registered property, the principal question concerning missionary boards arises from the regulations providing for the reduction or exemption of taxes on certain classes of property under Chinese ownership. These regulations are to be found in the "National Government Gazette" of April 20, 1936, and may be summarized as follows:

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(See also the summary printed in "The Church," the bulletin of the Church of Christ in China, May 1936, p.10.)

This problem of taxation and the possibilities of reduction or exemption have become urgently critical issues in the case of several institutions. For example in Chekiang the tax is levied at the rate of \$8.00 per \$1,000, and Wayland Academy in Hangchow is taxed a total of \$920.

It seems to be clear that alien property owners cannot claim any reduction or exemption from taxes. It may be well to point out that the mistaken statement is made in some of the correspondence from China that the treaties granted freedom from taxation for mission-owned property. Article XIV of the 1903 Treaty between the United States and China is authoritative treaty provision regarding missionary property, and this Article does not mention taxes.

The possibility of obtaining reduction or exemption of taxes is the principal reason that is being urged at this time for the transfer of the titles of property to Chinese ownership. In judging of the reality of such possibilities, the legislation summarized above is to be considered, and also the precedent of the exemption of public schools. As has been pointed out by others, this financial problem has overshadowed other considerations to be kept in mind in deciding the question of transferring titles.

3. Actions Already Taken by Missionary Bodies. The National Convention of the Y.M.C.A. some years ago created a Board of Trustees, which was incorporated by the national government of China, which holds the title of properties in behalf of the Association. In some cases, however, local bodies have formed partnerships for the holding of local properties, and it has been found necessary to trust them without other than personal safeguards. The last biennial conference recommended that the national property holding board should be the custodian of the properties of the local associations.

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The Board of Founders of Ginling College is asked to answer similar questions.

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The churches in Hangchow have sent a petition to the Government asking for exemption from taxation on all church, hospital and school property quite apart from the question of registration and ownership.

(Here should be added reports of action by others.)

The Department of State on July 23, 1936, stated that the matter of reduction in taxes had not been referred to the Department, although incidental reference to a case in Nanking had been made in correspondence from the Embassy in China.

It may be important to add this note. Decisions regarding this issue by any one board will establish a precedent that will inescapably affect the position of every other board or institution. This is the reason for united consideration today. Although the authority of this meeting is advisory only, it may be of great assistance in the formation of a common mind that will result in action along similar lines by the various authoritative bodies.

4. The Present Status of Missionary Property Titles. A memorandum dated March 19, 1935, was circulated to all the North American boards calling their attention to the urgent necessity of action to safeguard their title to properties in China. This was based upon a detailed enquiry and information obtained from twelve boards, which was made at the suggestion of the Department of State, and which showed that the existing title deeds of missionary property have been governed largely by local customs and conditions with the result that there are about as many forms of title deeds as can be imagined, and very many of these deeds are not in complete accord with legal requirements, even if these are defined only by Article XIV of the 1903 treaty between the United States and China.

There has been serious difference in interpretation of the "perpetual lease" by which in accordance with the treaty all missionary property should be held. Whether recent cablegrams indicate that this question has been satisfactorily settled is not clear.

Moreover, it must be remembered that the revision of the 1903 treaty is now subject to revision. Both governments have agreed to enter upon the desired negotiations for such revision, and a new treaty will be signed at an opportune time. Some drafts of such a new treaty have been under consideration. It is impossible to state now what the new treaty will provide with reference to the holding of property by aliens in the interior of China. The American missionary boards to a large extent have placed on record their desire that in the future their rights and privileges in China should not be dependent upon international treaties, and that these should be governed by the laws of China and the goodwill of the Chinese people.

It would seem, therefore, that in the present discussion of the question of the transfer of title to Chinese ownership only well-considered reference to international treaty rights should be made.

5. Considerations for and against Transfer to Chinese Ownership. These considerations have been presented in a memorandum by Dr. Charles E. Patton, of which a few copies are available, and to which reference is made here.

6. Recommendations. In considering the advice that might be given to missionary boards, boards of founders, and others concerned, would it not be well at once to divide the subject, as follows:

- a. Property used by institutions
 - (1) Schools, colleges, universities
 - (2) Hospitals
 - (3) Other institutions
- b. Property used for missionary residences
- c. Property occupied by churches and chapels

As an example of incorporation under Chinese law, reference has been made above to the Property Holding Board of the National Convention of the Y.M.C.A. Another example to which attention might be given is that of the Charter of the "China Foundation," which is the body incorporated to administer the American share of the 1900 indemnities. Reference is made to these examples in order to raise the question of organizing other property holding corporations in China. Perhaps it should be pointed out that such action might not affect the question of taxation, as such a plan would not transfer the land occupied by a school or university to the institution itself. The plan, however, does have an important bearing upon the question of the security of title, and the continued use in accordance with the purpose of the owners.

9/21/36