

491. - The final settlement of the question raised by Dr. James for this section exceeds the competency of the Commission of Codification and entails in a question of policy which can only be submitted to the Revising Committee and may need the consideration of H. R. H. the Minister for Foreign Affairs.

The purpose of present section 491 is to prohibit perpetual leases in Siam, leases up to twenty years duration only being admitted. This was adopted by the Commission after the Japanese (s. 804: 20 years), and German Code (s. 567: 30 years) and French laws (99 years), being understood that perpetual leases looks rather contrary to the facilities of trade and to the transfer of properties.

The objection submitted by Dr. James is as follows:

"The objection which I brought forward to the prohibition of perpetual leases was largely based upon the provisions of the American Treaty. Under the provisions of this Treaty, as it is now interpreted, Americans while permitted to lease are not entitled to own lands under certain circumstances. They may, accordingly, as the law now stands, by means of perpetual leaseholds acquire rights in land very nearly the same in extent as though they had the right to own. As the