From the broader aspect, the construction and operation of a bus terminal capable of handling several hundred departures and arrivals per day would require a collosal investment. The Government would obviously liquidate this investment and cover operational costs by charging operators for the use of the facilities. These charges would, without doubt, be far in excess of the current cost of operating their own terminals and would probably require an upward adjustment in basic passenger and freight rates. In addition, the record of the Government in business vs. that of private enterprise speaks for itself. The chances for successful and efficient government operation of a project of this nature are very small.

There are various theories on the causes and cure of traffic congestion in the City of Manila. Our traffic problems are not primarily caused by the large provincial buses or by the urban buses which operate on the city's streets. Their capacity is 30 to 50 passengers each depending upon type, 5 to 6 times as great as that of the thousands of individual jeepneys and other similar vehicles which crowd the main arteries of traffic, whose drivers pay little attention to regulations or to the rights and safety of others.

The elimination of a few hundred provincial buses from the bridge and crowded city traffic would have no appreciable effect on current congestion. The elimination of 2,000 jeepneys and their substitution by the use of 200 buses of 40 passengers capacity each, operated by a few reputable companies, would do far more toward the desired end.

It has been stated that it is feasible for provincial operators to utilize bus terminals and reduce their fares by an amount equivalent to the cost of the additional transportation called for plus extra baggage and freight handling charges accruing to passengers. Current rates between provincial points and Manila vary from 1 to 1½ centavos per passenger per kilometer. A passenger from a point in Laguna province, 100 km. distant from Manila, pays ₱1.00 for his fare from embarkation to a bus terminal opposite the Divisoria market. Under the central terminal proposal, he might have 5 centavos deducted from that basic fare due to location of the terminal south of the Pasig River.

Additional charges, on the other hand, would involve at least 10 centavos fare in getting to his destination (possibly 20 centavos). There would also be a minimum charge of 20 centavos, and in many cases more than that, for cargadores' service necessitated by the transfer. The disadvantage to the public is obvious.

It is admitted that central bus terminals are succesfully operated in every large city in the United States, but the circumstances cannot be compared to those in Manila. In United States cities the urban service is maintained by a single bus company or at most 2 or 3 such companies whose operations are properly scheduled and efficiently operated under adequate and strict government supervision. Manila is served by literally thousands of operators whose fleets consist of from one or two small jitneys in many cases, to as many as 200 or so modern buses in others. With the exception of the operations of the larger companies, fixed routes, schedules, and fares are not followed. We have a mass of public transportation on the streets which it is impossible for the authorities to supervise except most superficially. The greatest stretch of imagination could not present a picture of the added bedlam that would be created in the traffic by the concentration of this accumulation of public carriers within and around a central terminal.

The same comparative conditions prevail with respect to bus services from outside points into Manila when considering inter-city and cross-country land transportation in the United States. Here there are approximately 1,500 bus units of one type or another operating from provincial points to Manila and vice versa. Possibly 60% of these units are owned by reputable and efficient operators who have their own terminal facilities, which might vary in rating from excellent in some cases to poor in others. The rest of these vehicles are operated by irresponsible small concerns that have no facilities and pay little attention to schedules, routes, rates, and other regulations. The problem of housing these operations would be a serious one, whereas in a typical United States city not more than 2 or 3 operators are involved; schedules, rates, and routes are fixed, and the buses are all modern and of maximum capacity.

In an American city terminal, passenger traffic only is handled. Into any bus terminal in the Philippines come not only passengers but large quantities of produce such as fruits, vegetables, and manufactured articles, in addition to the substantial numbers of chickens, pigs, and other livestock to be marketed, plus other items such as charcoal, firewood, coconuts, etc., that help to make up the load of any incoming provincial bus.

The operators, controlling a majority of the provincial buses entering Manila and who have their own terminal facilities, have developed the necessary procedure and technique for efficiently handling the loads described. Under a central terminal arrangement, the total volume of this type of traffic would be so great that it would be almost impossible to handle it efficiently.

It has been stated that the central terminal plan would eliminate over-night street parking of buses. This could be eliminated very simply by the passage of proper city regulations and their subsequent enforcement. It is difficult to visualize in Manila a central terminal facility capable of housing a minimum of 700-800 buses, plus the office and maintenance space necessary in the cases of the many operators concerned.

Bus operators as a group consider the plan to be unsound and impractical of operation.

Note by Mr. Tenny: Advocates of the bus terminal plan appear to differ with the opponents of the plan, not on the basic points involved but only on questions of detail. Private rather than governmental operation is acceptable to the advocates of the plan if this could be arranged to the satisfaction of all concerned. The matter of the exact locations of the terminals is of secondary importance and there is no intention on the part of the advocates of the plan to cause the abandonment of suitable terminals which have already been constructed by progressive operators. In view of the fact that the terminal plan has been successfully adopted elsewhere, I believe that an acceptable local plan could be worked out which would take into full consideration all of the various facts brought out by both sides.

Mining

By Chas. A. Mitke
Consulting Mining Engineer

I AM a consulting engineer, and have made the Philippines my home since March, 1938. I am one of many Americans who like the country, and believe in its future. For this reason, after liberation, in February, 1945, I did not return to the United States immediately, but remained here to see what I could contribute toward the rehabilitation of the mining industry.

After considerable effort, over a three-year period, I succeeded in interesting the largest copper-mining corporation in New York in properties in the Philippines. The corporation sent out an engineer, who remained six months, studying the properties and business conditions generally. In January, 1948, two additional engineers, one of them the late Dr. H. Foster Bain, came out for the same purpose, and an option contract was drawn up. It was understood that if preliminary investigations and drilling proved satisfactory, the American corporation would invest (apart from the purchase price of the property) some ₱50,000,000 in plant, townsite, equipment, wharf, etc. This would have given employment to many thousands of Filipinos. It would have involved large expenditures for monthly payrolls, purchase of local supplies, etc. and would have resulted in mining on a scale heretofore not seen in the Philippines.

Everything was going smoothly, when a bill to license mining engineers was introduced in the 1948 Congress which was passed by both Houses. Besides containing many objectionable and restrictive features, the wording of certain clauses in this bill (according to the copper corporation's attorneys and other legal authorities) would have prohibited American mining engineers from practicing their profession here unless a special treaty were entered into between the American and Philippine Governments. The matter was called to the attention of the President, and he vetoed the bill. It was immediately reintroduced in the Special Session of Congress and was again passed by both Houses. Then it was vetoed a second time by the President.

I was in New York at the time, endeavoring to enlist additional American capital for Philippine mining ventures, and was with the head of the copper corporation when word was received from Manila of the passage of the Licensing Law a second time. He immediately told me that he was "so shocked" at the action of Congress in passing, over the Philippine President's veto, adverse legislation which would not permit him to employ his own experts in the large mining undertaking he was contemplating, that he would cancel his option, as he felt that this was merely an indication of what he might expect in the future. He added that he would make his investments in countries that are more friendly to American capital.

Thus, an investment of ₱50,000,000, American money, was lost to the Philippines. This was not salvage or reconstruction money, but new capital; Its investment would have given a tremendous impetus to the entire mining industry, and would, unquestionably, have done much to bring additional capital here.

Lumber

By E. C. Von Kauffmann
President, Philippine Lumber Producers' Association

THERE is a slight improvement in the local market but not enough to satisfy producers as this is the time of the year when constructions should be in full swing.

Exporters are somewhat alarmed at the stiff competition encountered in the United States which has compelled them to reduce their prices considerably during the past months. In view of this, they are now trying to secure a reduction of freight rates from the Associated Steamship Lines, to somewhat compensate for the drop in prices and to assure them of continued exports. They feel that shipowners would be more than compensated by the increase in export thereafter.

The minimum quantity established for loading at outports has been 150,000 board feet instead of the pre-war 200,000 and was to have been increased to the latter figure, effective February 28. This has now been postponed to May 31. Exporters feel that the 150,000 board feet minimum should not be increased as this quantity can be loaded usually within 18 to 24 hours without entailing heavy overtime wages for the stevedores.

Copra and Coconut Oil

By Manuel Igual
General Manager, El Dorado Trading Company, Inc.
and Kenneth B. Day
President, Philippine Refining Company, Inc.
January 16, 1949, to February 15, 1949

FROM the viewpoint of Philippine copra producers and traders, the period under review was a discouraging one. In spite of the certainty of light copra production in the Philippines and rumors of a substantially oversold position, copra prices were forced to yield to the downward pull of large cottonseed, soya, and tallow surpluses pressing on the United States market, and gradually drifted downward until near the close of the period.

So strong was this influence that at one time a radical break was imminent, but the United States Government, faced by too rapid a contraction of oils and fats values and the consequent need of far greater price subsidies to farmers, took two steps. On February 2, it de-controlled the export of indigenous inedible oils and fats (which proved relatively ineffective), and on February 10 it removed all oils and fats from IEFC control. These steps were taken with the hope that increased shipments of excess oils and fats to Europe would relieve pressure on the domestic markets and thus curb the decline, domestic prices having sunk to levels considerably below what Europe considered fair values.

The catch in this action, however, was the plain fact that most European buying is predicated entirely on ECA dollars, and these dollars are available only in such quantities and for purchase at such prices as Uncle Sam may dictate. For a few days the markets hesitated on the theory that the de-control had already been discounted, but at the close of the period prices steadied, and the decline was, temporarily at least, checked.

During this entire period the weak factors were cottonseed oil, soya bean oil, and tallow, which sank in price to as low as 13-1/4¢, 12¢, and 8¢ per lb., respectively, thus dragging coconut oil down to 13¢ c.i.f. N.Y. with large buyers sitting on the sidelines and rooting for an 11¢ market. At 13¢, coconut oil is still comparatively overpriced, but it is in relatively short supply and for edible purposes becoming more attractive, although soapers, with the large differential favoring tallow, are still using minimum quantities. Incidentally, soap sales are reported very slow, and the use of soapless detergents is on a sharp upswing.

TO get back to the Philippines, copra opened the period with a steady market, sales at $190 c.i.f. P.C., and shorts indicating willingness to buy at $180 f.o.b. During the entire month comparatively little business was done, for sellers held back because of the light production and their conviction that copra was worth more. Buying was, therefore, largely confined to short coverings and sales were reported from as high as $195 c.i.f. and $200 f.o.b. to as low as $175 c.i.f. and $167.50 f.o.b. France bought some copra on f.o.b. terms, landed weights, which terms are unsatisfactory to most sellers. Canada bought 1500 tons at $195 c.i.f., one of the largest sales of the month. As the period ended, markets looked better and offers were being solicited at $185 c.i.f. and $175 f.o.b., with sellers entirely uninterested and holding their small stocks for considerably higher figures.

Of course, copra prices reflected oil prices and coconut oil dropped from 14-1/2 cents f.o.b. P.C. to 13 cents, at which figure some oil was sold for forward shipment. Sales of bulk oil were reported at from 14¢ down to 13¢ c.i.f. N.Y., but at closing, 14-1/2 c.i.f. N.Y. was indicated for reasonably prompt shipments. One sale of oil was reported to Italy at between 15 and 15-1/2¢ c.i.f and Germany was in the market for oil as the period ended. Oil offerings were sparse, as copra replacement costs were prohibitive and supplies were very scarce.