

Credit

By DUNCAN BURN

Association of Credit Men, Inc. (P.I.)

DURING the period under review, which covers the six weeks leading up to Christmas, there has been a noticeable, increasing difficulty in collections. Many firms in various types of business report more difficulty in collections than in any period since the end of the War. Most firms report larger amounts outstanding at present than at any post-war time. The proportion of past-due accounts is larger and the amounts involved are larger. Some credit executives have expressed considerable concern over this situation. Most credit executives express the belief, which is more hopeful, that the situation will quickly and markedly improve beginning early in January. These sources are of the opinion that the slowness and difficulty in collections are not as serious at this time of the year as they would be at any other season. They point out that at any time other than the Christmas season, such widespread slowness in widely different fields would undoubtedly indicate some serious underlying situation. They feel that if the anticipated improvement in collections does not result early in the New Year, there may be some basis for the feeling that the slowness before Christmas was in effect the beginning of a trend at least in some degree separate from seasonal buying. It will be important to watch credit activities and trade payments during the early part of 1948.

Insurance

By ARTHUR H. HENDERSON

President, American International Underwriters for the Philippines, Inc.

FIRE Insurance underwriters in the Philippines working cooperatively together are favorably considering action leading to recommendations to the Philippine Congress suggesting changes in the present arson laws.

It is believed by the underwriters that a model arson law similar to the recommended law proposed by the committee of the Fire Marshal's Association of North America might produce salutary effects and aid materially in the economic rehabilitation of the Philippines by reducing the incidence of fires of suspicious nature.

In the United States during the past decade, 33 States have adopted a law which in essence follows the proposed law quoted below. The various provisions of the model arson law have been sustained in the courts of the various States in the United States, and underwriters feel that the model law has been instrumental in the substantial reduction of fires of a questionable nature by reason of a substantial increase in the convictions for arson.

It is hoped that the underwriters will be successful in their attempts to have a law similar to the following enacted shortly:

CRIMES TO PROPERTY

ARSON — First Degree BURNING OF DWELLINGS

Any person who wilfully and maliciously sets fire to or burns or causes to be burned or who aids, counsels, or procures the burning of any dwelling house, whether occupied, unoccupied, or vacant, or any kitchen, shop, barn, stable, or other courthouse that is parcel thereof, or belonging to or adjoining thereto, whether the property of himself or of another, shall be guilty of Arson in the first degree, and upon conviction thereof, be sentenced to the penitentiary for not less than two nor more than twenty years.

ARSON — Second Degree BURNING OF BUILDINGS, ETC. OTHER THAN DWELLINGS

Any person who wilfully and maliciously sets fire to or burns or causes to be burned, or who aids, counsels, or procures the burning of any building or structure of whatsoever class or character, whether the property of himself or of another, not included or described in the pre-

ceding section; shall be guilty of Arson in the second degree, and upon conviction thereof, be sentenced to the penitentiary for not less than one nor more than ten years.

ARSON — Third Degree BURNING OF OTHER PROPERTY

Any person who wilfully and maliciously sets fire to or burns or causes to be burned, or who aids, counsels, or procures the burning of any personal property of whatsoever class or character; (such property being of the value of twenty-five dollars and the property of another person), shall be guilty of Arson in the third degree and upon conviction thereof, be sentenced to the penitentiary for not less than one nor more than three years.

ARSON — Fourth Degree ATTEMPT TO BURN BUILDINGS OR PROPERTY

(a) Any person who wilfully and maliciously attempts to set fire to or attempts to burn or to aid, counsel, or procure the burning of any of the buildings or property mentioned in the foregoing sections, or who commits any act preliminary thereto, or in furtherance thereof, shall be guilty of Arson in the fourth degree and upon conviction thereof, be sentenced to the penitentiary for not less than one nor more than two years or fined not to exceed one thousand dollars.

DEFINITIONS OF AN ATTEMPT TO BURN

(b) The placing or distributing of any flammable, explosive, or combustible material or substance, or any device in any building or property in the foregoing sections in an arrangement or preparation with intent to eventually wilfully and maliciously set fire to or burn same, or to procure the setting fire to or burning of same shall, for the purposes of this act, constitute an attempt to burn such building or property.

BURNING TO DEFRAUD INSURER

Any person who wilfully and with intent to injure or defraud the insurer sets fire to or burns or attempts so to do or who causes to be burned or who aids, counsels, or procures the burning of any building, structure or personal property, of whatsoever class or character, whether the property of himself or of another, which shall at the time be insured by any person, company or corporation against loss or damage by fire, shall be guilty of a felony and upon conviction thereof, be sentenced to the penitentiary for not less than one nor more than five years.

Electric Power Production

(Manila Electric Company System)

By J. F. COTTON

Treasurer, Manila Electric Company

1941 Average — 15,316,000 KWH.

	1947	1946	
January.....	17,543,000	9,286,000	K
February.....	17,503,000	8,778,000	I
March.....	20,140,000	10,122,000	L
April.....	19,601,000	9,849,000	O
May.....	19,241,000	11,132,000	W
June.....	17,898,000	11,433,000	A
July.....	22,593,000	12,333,000	A
August.....	23,358,000	14,411,000	T
September.....	23,122,000	15,018,000	H
October.....	24,755,000	16,787,000	O
November.....	24,502,000*	15,767,000	U
December.....	25,415,000**	17,984,000	R
TOTAL.....	255,671,000**	152,899,000	S

*Revised

**Partially estimated

A new record output was established in December despite interruptions caused by the typhoon "Jean". The previous daily output record of 890,160 KWH established on November 29 was repeatedly exceed during December, the highest daily output to date being 992,160 KWH on December 24.

December production was 7,431,000 KWH, or 41.3%, over December, 1946. Output for the year 1947 was 102,772,000 KWH, or 67.2%, over the year 1946.

Real Estate

By C. M. HOSKINS

President, C. M. Hoskins & Co., Inc., Realtors

REAL-estate transactions during the year 1947 had reached to the end of November P63,545,000 in value, as compared with P41,512,000 for the first 11

months of 1946. This is three and a half times the 1940 figure and six times the 1941 figure for the same period. A large part of the increase is due to the high cost of improved property, how much it is impossible to say.

The facilities in the Public Registry have not as yet made possible a factual analysis and comparison of real-estate prices and trends. However, my own observations, and rather close contact with the real-estate market, have enabled me to formulate the following broad statements on the local real-estate situation:

(a) There has been only a moderate rise in the general level of land-values in the Manila area, over those prevailing in 1941.

(b) In inactive areas, transactions have frequently been at about pre-war asking-prices, or about 10% over pre-war transaction-levels.

(c) In the Quezon Boulevard and Rizal Avenue areas, the retail trade boom caused prices to double over those prevailing before the war. A decided upward trend was already observable even in 1940 and 1941, when Quezon Boulevard was newly opened. Part of the present upward trend is a continuation of this adjustment to that major public improvement in the area.

(d) In the old established high-price sections, such as the Escolta and the financial district and their environs, prices have advanced about 50%, although land-transactions have been few in these areas.

(e) Residential lots in choice districts have advanced 20% to 30%.

(f) Dewey Boulevard and other choice apartment districts have shown increases of about 50%.

(g) Lots in subdivisions within the reach of the multitude are up 50% to 75%. The majority of subdivision sales are on the instalment plan, and instalment prices establish the market values, even for cash sales. The increase in individual purchasing power has enabled the public to meet these increases, while the tripled cost of development expenses requires subdividers to advance prices to the higher levels.

(h) The threefold increase in monetary circulation compared with 1941, has not as yet been the major factor in the increase in land values in the Manila area.

(i) The doubling of the population of the greater Manila area since 1941 (some claim it has tripled) has been the principal factor in establishing higher land-prices. There seems no likelihood of a reduction of population.

(j) There is still an abnormally wide spread between asking-prices and closing-prices.

(k) The public generally has been influenced to accept higher price-levels on land because (a) the extremely high cost of building today has greatly increased the value of improved properties, and uninformed buyers and sellers do not generally distinguish between the increased values of improved and unimproved properties, and (b) there remains a mental attitude caused by three years of thinking in terms of Japanese military currency, which has not been fully corrected.

The above is the picture as I see it today. It is a blurred picture, but gradually becoming more clearly outlined. There is a weakening in the value of improvements, as building costs gradually subside. I see no weakening in land values, nor any signs of an early upward movement in the price levels of land in the Manila area.

Ocean Shipping

By F. M. GISPERT

Secretary, Associated Steamship Lines

TOTAL exports for November were 163,331 tons, which is approximately the same figure as for October, although 90 ships called at the Philippines this month as against 68 during October.

Most commodities retained the same volume as in

previous months, although a considerable increase was noted in the export of lumber and logs and even if the approximate 1,500,000 board feet shipped for the month is only a fraction of pre-war shipments.

Shipments by commodities as compared with October are as follows:—

	October	November
Cigars.....	4 tons	8 tons
Decicated coconut.....	5,490 "	9,185 "
Coconut oil.....	4,006 "	3,632 "
Copra.....	98,427 "	90,219 "
Copra cake.....	5,243 "	6,467 "
Hemp.....	63,550 bales	66,665 bales
Logs and lumber.....	24,696 bft.	1,324,575 bft.
Ores.....	16,018 tons	14,483 tons
Rope.....	245 "	204 "
Tobacco.....	184 "	21 "
Sugar.....	—	—

Air Transportation

By V. A. BRUSSOLO

Vice-President, Philippine Air Lines

AT the time of this writing, the long-awaited and much talked-of turnover of Nichols Field by the United States Government to the Republic of the Philippines is not yet a reality, but the period of planning and organization of the proposed Manila International Airport is over

At a meeting of the Cabinet in Baguio, Col. Jesus Villamor who had heretofore been Acting Administrator by Executive Order No. 100, was appointed Administrator for the Manila International Airport, and work on the charter for this new government-owned corporation has been completed. At the same time, Colonel Villamor announced the key-personnel for the Airport to be the following: R. Zulueta, who was with the Nielson Airport before the outbreak of the war and lately with the Philippine Air Lines, as business manager, and Bartolome Cabangbang, former major in the U.S. 13th Air Force, as operations manager. Rodolfo Paras was enlisted from the ranks of the Philippine CAA to act as airport engineer. Attorney Pedro Reyes of the War Damage Commission will head the new Airport's legal division.

The first important conference with airlines, of local and foreign registry, flying in the Philippines was held recently. At this meeting, the administration of the Airport announced the proposed charges and other fees for aviation activities. These were found acceptable by the airlines, and in comparative conformity with established standards of other world airports. Present at the meeting were delegates from Philippine Air Lines, Commercial Air Lines, Amphibian Airways, Trans-Asiatic Airlines, Pan American Airways, Northwest Airlines, Cathay Pacific, and the China National Aviation Corporation.

A second meeting was held between the airport administration and aviation gasoline companies. The Standard Vacuum Oil Company (SOCONY), the California-Texas Oil Company (CALTEX), and Shell Company of the Philippines, Ltd., were represented. Charges and royalties for gas, oil, grease, and other aviation supplies were announced at this conference and also found acceptable.

Apart from aviation revenues, the M.I.A. expects a sizeable income from non-aviation enterprises. According as these purely commercial activities are developed aggressively, the charges on aeronautical entities will be reduced. It was pointed out that it is the hope and intention of the M.I.A. to profit from the experience of other world airports which have not been able to achieve self-sufficiency from aviation activities alone. To this end, various concessions are being granted at Nichols Field, as for a restaurant and bar, soda fountain and drugstore, employes snackbars, candy- and news-stands, souvenir and curio shops; limousine,