

problems in entomology, wildlife studies, sewing and dress-making, cooking and baking, carpentry, electrical work, etc.

A report on secondary school education in the Philippines was recently submitted to the Government by a committee of schoolmen headed by Dr. Pedro T. Orata, of the National Commission on Educational, Scientific, and Cultural Matters. This report recommended that the secondary school curriculum provide for just such practical activities as are comprised in the work of the 4-H Clubs. This would be a move in the right direction, but we believe that the

club-form of organization might well be adopted here for this could include young people both in and outside the high schools as well as grade-school pupils. And if the cooperation of our Department of Agricultural and Natural Resources could be obtained, and also that of the College of Agriculture, the College of Forestry, and the various regional agricultural and farm schools, and, in addition to that, of those numerous private persons who now serve as local leaders in the Boy Scout and the Girl Scout organizations, then something might soon be accomplished in the betterment of conditions in our rural communities.

Favorable Aspects of the Philippine Economy

PERHAPS a certain pessimism about the future prosperity of the Philippines may serve as a stimulus to better efforts, but to dwell on the unfavorable signs, without at the same time noting the favorable signs, tends to aggravate conditions by frightening people away from new ventures and from the expansion of existing enterprises.

There are abundant favorable signs and factors, both economic and social, which point to a steadily growing prosperity for as long a period in the future as may be prudently contemplated.

Rehabilitation. Let us start with this nation of close to 20,000,000 people. After passing through a period of enemy occupation, with unprecedented destruction of lives and property, and universal demoralization of economic, social, and spiritual patterns, the Philippines today is a pretty fine country compared with the rest of the world. Without waiting for government aid, private initiative on the part of all elements started rehabilitation immediately after liberation. Using such scrap materials as were available, homes and places of business sprang up. A shanty town, perhaps; but that was far better than a ghost town. Rehabilitation has continued as rapidly as supplies of goods became available, and nearly all of it through the private initiative of tens of thousands of little men who did not wait for the Government to help them, men who have re-established their lives on a livable basis through their own efforts.

A nation which can go through the ordeal which the Philippines passed through, and reach the degree of reconstruction to be seen today, shows survival qualities of the highest order. In this lies the greatest promise for continued and growing prosperity.

Peace and Order. Each year since 1945 has seen a steady improvement in the peace and order picture. When one looks back to 1900, and recalls that it took eight years for the "guerrillas-turned-bandit" to be brought under control and restored to peaceful pursuits, the present-day situation, involving ten times the number under arms, shows that amazing progress is being made.

The Philippine nation has shown a steady recovery from the emotional shock suffered by practically all the inhabitants, who either witnessed or heard at first hand of the horrible atrocities committed against their immediate families, relatives, and friends. A nation less imbued with the fatalistic

philosophy of life would have shown a far more serious dislocation of behavior patterns than we have witnessed here.

Filipino Participation in Trade. Consumer goods are now abundant. The shelves of the merchants are once more filled. The amateur merchants who lacked aptitude for mercantile pursuits are being eliminated in the present buyer's market, yet very many Filipinos for the first time entering the commercial field, have demonstrated their ability, and are still in business as permanent assets to the community. This broadening of the base of trade and distribution and the increase in the number of Filipinos participating in it, through free competition is indeed a wholesome sign. It gives us a more business-minded community, with greater power over the body politic.

Industrial Progress. New industries have multiplied rapidly, not big industries alone. Thousands of small new industrial establishments have been set up which in the aggregate have a marked effect on the national economy. The experience of the war years developed a large class of resourceful men and women who had to improvise to survive, and these are the pioneers who are now establishing small industries everywhere. Several large new industries have also strengthened the national economy: modern plywood plants, a steel-window factory, plastics factories, rubber-processing plants, a nail factory, a modern glass-bottle plant, and various other establishments in the heavy-industry field have created new jobs and increased national self-sufficiency. Despite the uncertain groping which is sure to characterize some of the new industrialization efforts, the people as a whole are now more industrially minded, and this augurs well for future progress and prosperity.

The sugar industry by next year is expected to be back to full capacity. This will go far toward compensating for reduced United States windfall payments.

Trade Balance. Imports continue far in excess of exports. Yet one-third of our imports continue to be imports needed to replace items destroyed by the war. Discounting this class of commodities, imports and exports approach a balance. Increased exports during the coming years, together with continuing United States disbursements in the Philippines, should give us a favorable balance of payments sufficient to com-

plete the replacement of war-destroyed items, even after war-damage payments cease.

Import control has been more of a costly nuisance than an impediment to the import trade, with the exception of a few items. Private enterprise had anticipated reduced consumer-demand long before import control took effect, and orders had been correspondingly reduced.

Labor. Labor demands have brought wage levels to an index figure of about four times pre-war. Wage levels seem now to be established at a base where they may continue, with little likelihood of general increase in the face of dropping living costs. Except for the lack of decent housing due to war damage, laborers are eating better, dressing better, and enjoying more luxuries than before the war. The gradually declining cost of living will be offset by the needs of growing families, so no general reduction in wages may be looked for. The present higher general wage level in relation to living costs should add more to the prosperity of the Philippines than any single post-war factor. Reduction in labor costs to meet competitive markets will come from greater labor output per man-

hour, rather than from wage reduction. The purchasing power of the people will therefore continue at high levels.

The Philippines with its immense undeveloped resources represents an expanding economy, and despite cyclical adjustments from time to time to bring the economy into balance, the continued progress and prosperity of the Philippines cannot be stopped. Anyone who sells the Philippines short fails to see the overwhelming long-range factors that give assurance of a continued rise in the prosperity level for all classes.

Let not the day-to-day annoyances, unjust demands, unfair decisions, and various vexations unduly influence our perspective. These troubles are not unique to the Philippines. The businessman in Washington, London, New York, and San Francisco has an equal share of gripes.

We complain and seek correction of grievances, and sometimes the situation improves. Viewing the overall picture, the percentages still favor us, or we would not be here.

The New Safety Bureau

BY FRANK S. TENNY

Executive Director, Philippine Safety Council

THE recently enacted Republic Act No. 367 (An Act creating the Bureau of Industrial Safety) has caused considerable comment in business circles and is deserving of explanation.

Probably the most important single observation to be made at this time is that the Act is definitely not intended to unduly harass the employer; considerable effort was expended by the authors to make it neither pro-, nor anti-labor. The Safety Act is intended to serve the best interest of the people as a whole. From the immediate practical view point, those firms which now afford reasonably safe working conditions have nothing to fear from the Act; other firms will certainly be given adequate time to improve safety conditions before being subjected to any form of discipline.

A good capsule description of the Act is that it is an important piece of social legislation, definitely a forward step in local progress and rehabilitation. No one can disagree with the statement that local safety-conditions badly need improvement. Some accidents rates here are from 3 to 11 times as high as those in other countries. To have a government agency of bureau rank devoted to safety, is probably the greatest advancement in public safety here since the war.

The Act provides, among other things, for the establishment of a safety research laboratory, where materials of all kinds may be properly tested for their safety-factor. This will assist in guaranteeing the safety of construction materials, for example, or of industrial chemicals, and should serve to drastically reduce the appalling number of explosions, collapses, and fires which are taking lives almost daily in the Philippines.

The activity of the new Bureau with which businessmen will most frequently come into contact is that of Industrial Safety Inspection. Trained safety engineers will from time to time inspect all industrial establishments. Recommendations will be made to the management as to safety-hazards noted and helpful suggestions will be made along these lines. Although such an inspection may appear to be for the benefit of employees alone, it is an established fact that the prevention of accidents results in great financial savings for management. The prevention of one fatal accident, for example, would save the loss of several thousand pesos represented by workmen's compensation, insurance, hospital and funeral expenses, loss of a trained employee, lost of interim production, unfavorable publicity, lowering of employee morale, etc. This is of course in addition to the human angle and the loss to the family.

Other requirements of the Act include the maintenance of adequate first-aid facilities and the creation of a company safety-committee, both of these factors of a scope appropriate to the firm concerned. Certain local firms which have already entered upon company safety-programs have found them to be of great benefit to operational efficiency. Some of these are San Miguel Brewery, Manila Electric Company, Pangasinan Transportation Company, Pepsi-Cola Bottling Company, Bachrach Motor Company, Manila Trading and Supply Company, and several others. Firms like these, of course, will have a "head start" in connection with ease in complying with the provisions of the Act.

Employers will note that they need not necessarily be held liable for accidents which happen to persons due to their own extreme negligence or violation of regulations. Once a firm has properly in-