

Glancing at Our Coconut Oil Export Market

America's proposed 5-cent per pound excise tax would exclude that market by double bars

Tables from the department of agriculture and natural resources, printed with this paper, show the reader in detail how basic the coconut industry is in these islands. One of them shows year by year the steady increase in the quantity of coconut products grown here, the main one being copra with its 23 content of coconut oil. Copra having always been on the free list of the American tariff, it is only in very late years that anyone has suggested it might some day be taxed in that market. Now however, a tax is more than a possibility.

Copra is so widely produced in the Philippines, by so many small farmers, that for it to lose the American market would probably be a greater economic blow to the islands than loss of the American sugar market; that is to say, a greater number of families would be deprived of their customary means of living. Theoretically, of course, copra that could not be sold in the United States could be sold in Europe and Japan, where a certain quantity is sold now. But the supply now taken by the United States, partly as copra and partly as oil, would glut all the other markets and profoundly depress the price. It is possible that there is

salvation from the proposed American tax in this very fact. A glut of copra on oil markets outside the United States would not only depress coconut oil prices, but prices of all vegetable oils. Some of these are on the American free list, some pay only low duties. Distressed in their usual markets, these oils would seek the American market and

defeat the purpose of the proposed 5-cent tax on coconut oil; namely this, to raise the level of prices in the United States for fats.

There is so much of panicky import in this wholesituation, that would be precipitated on the world by the proposed tax in the United States, that it is hardly to be supposed other countries, some of them large customers of the United States, will not join the Philippines in protest against the tax. Governor General Murphy has very zealously urged upon congress the extreme dangers that lie in the proposed tax: the danger of doing great injury to the Philippines as a market for American manufactures and provoking great and needless hardship here, and the danger that the aims of the tax will be defeated by an inflow of other oils not embraced in the tax. (We publish a list of such oils as Governor Murphy's message

COCONUT STATISTICS FOR THE PHILIPPINE ISLANDS

YEARS ENDING JUNE 30	VALUE OF COCONUT BY-PRODUCTS				GRAND TOTAL
	Nuts Sold To Exp	COPRA	OIL	TOTA	
1910	P6,451,350	P12,235,270	P1,448,560	P 6,023,450	P26,161,630
1911	4,649,420	17,748,470	1,980,890	1,882,490	26,261,270
1912	2,887,880	29,586,090	1,460,430	1,992,140	35,926,540
1913	5,919,240	21,005,970	1,503,160	2,107,290	30,535,660
1914	2,520,160	17,385,090	1,225,410	3,521,100	24,651,760
1915	2,097,880	18,377,180	662,499	3,324,330	24,461,883
1916	2,177,340	19,016,090	713,290	2,524,230	24,430,950
1917	2,407,430	26,553,150	831,810	2,183,100	31,975,490
1918	3,327,790	41,174,410	1,351,190	5,574,030	51,424,420
1919	3,305,580	53,950,370	1,877,200	10,071,810	69,204,960
1920	5,636,380	107,356,520	1,711,320	13,492,670	128,196,890
1921	3,951,020	59,445,980	1,427,310	11,368,220	76,192,530
1922	2,038,050	44,052,140	1,087,630	8,089,860	55,267,680
1923	1,913,760	51,959,640	911,790	9,581,030	64,366,220
1924	1,626,900	57,478,020	758,840	8,270,610	68,134,370
1925	3,830,250	59,958,920	851,660	7,207,150	71,847,980
1926	6,199,050	65,211,630	839,280	9,119,410	81,369,370
1927	6,155,290	64,509,100	875,660	10,445,920	81,985,970
1928	6,284,620	68,383,560	802,250	9,938,000	85,408,430
1929	8,265,950	67,517,910	609,830	12,699,930	89,093,620
1930	6,262,620	57,529,840	661,310	11,809,130	76,262,900
1931	3,650,080	33,637,570	508,040	7,810,530	45,636,220
1932	2,125,750	26,049,960	341,960	4,967,830	33,485,500

P1.00 Philippine currency = \$.50 U. S. currency.

COCONUT STATISTICS FOR THE PHILIPPINE ISLANDS

Years Ending June 30	Oil Produced Liters (Home-made)	Tuba Produced Liters	Average Production per tree		Average Number of Nuts			Average Price				
			Nuts No.	Tuba Liters	Copra		Oil Per 100 Liters	Per 100 Nuts	Copra		Oil Per 100 Liters	Tuba Per 100 Liters
					Kilo	Picul			100 Kilos	Picul		
1910	6,993,510	174,483,480	(a)	(a)	4 71	298	1,000	P2 07	P10 35	P6 55	P20 71	P3 45
1911	6,602,970	37,649,880	40	180	6 29	398	1,000	3 00	15 00	9 49	30 00	5 00
1912	4,868,100	39,842,910	36	180	5 15	326	1,000	3 00	17 00	10 75	30 00	5 00
1913	5,010,540	42,145,870	32	180	5 00	316	1,000	4 00	18 00	11 38	30 00	5 00
1914	3,595,330	51,048,390	25	180	4 58	290	1,000	4 00	16 18	10 23	34 08	6 51
1915	3,175,630	51,372,210	30	180	4 44	281	1,000	2 90	10 71	6 77	20 86	6 47
1916	2,688,300	53,938,610	25	180	4 50	285	1,000	3 41	13 41	8 48	26 53	4 68
1917	2,623,690	43,674,590	28	180	4 23	267	1,000	3 73	14 23	9 00	31 32	4 99
1918	4,555,330	83,922,800	38	180	3 95	250	1,000	3 63	13 17	8 33	29 66	6 64
1919	5,142,210	100,315,520	32	180	3 80	240	1,000	4 39	17 25	10 91	36 00	10 00
1920	2,879,450	98,068,840	35	155	3 90	247	940	6 70	29 69	18 78	59 00	14 00
1921	2,706,720	103,854,740	33	189	4 00	253	1,000	4 73	15 87	10 04	52 73	10 95
1922	2,872,230	105,431,050	30	173	3 74	236	1,005	2 99	12 01	7 60	37 87	7 67
1923	2,578,770	121,802,580	30	118	3 89	246	927	3 32	14 11	8 93	35 36	7 87
1924	1,863,770	114,581,800	31	212	3 90	247	1,009	3 57	14 85	9 39	40 67	7 22
1925	1,993,450	87,252,200	30	194	4 01	254	980	3 46	16 55	10 47	42 72	8 26
1926	1,787,810	99,001,810	30	212	3 99	252	1,037	4 17	17 83	11 28	46 94	9 21
1927	1,973,710	107,772,910	31	210	3 95	250	1,002	3 84	15 73	9 95	44 37	9 69
1928	1,933,580	113,694,610	31	218	3 98	252	1,015	3 85	15 80	10 00	41 49	8 74
1929	1,639,630	115,847,330	33	201	3 96	251	973	3 51	14 06	8 89	37 19	10 96
1930	1,874,510	116,796,470	30	196	3 96	251	965	2 94	12 50	7 91	35 28	10 11
1931	1,971,550	98,431,570	27	167	4 00	253	990	2 16	8 01	5 07	25 77	7 96
1932	1,614,540	93,402,470	27	118	4 34	274	970	1 29	6 41	4 06	21 18	5 32

(a) Not available

P1.00 Philippine currency = \$.50 U. S. currency

reported them to the secretary of war, who is supporting the Philippines' case).

While it is true that excise taxes are domestic questions in which foreign countries have no intervention, it doesn't necessarily follow that any movement whatever that would surely play havoc in fats and oils markets the world over, as this tax would, and break all price levels, is not a subject of international concern—as to its effects. We hardly have a doubt but that this proposed tax is already a subject of discussion among diplomats at Washington and our state department, whose advice must be against it.

Palm oil from Africa is on the American free list.

Palm kernel oil pays a U. S. duty of 1 cent a pound.

Denatured palm kernel oil is on the American free list.

Soya bean oil pays a U. S. duty of 3-1/2 cents a pound.

Whale oil pays a U. S. duty of 1 cent a pound.

Tallow pays a U. S. duty of 1/2 cent a pound.

Cottonseed oil pays a U. S. duty of 3 cents a pound.

Cottonseed, paying a U. S. duty of 1/3 cent a pound, with extraction of about 17% would yield oil at a duty of 2 cents a pound. These are the data Governor Murphy cabled to Washington, saying he greatly feared that the proposed tax on coconut oil would "sacrifice the prosperity of an Amer-

were important, Spain taking 31,020 tons and France, 20,907 tons; but note that Spain and France together bought less than the United States did, by about 22,000 tons. This indicates what a volume of oil-yielding material from the Philippines would be thrown on the world market if copra were excluded from the United States, in ostensible benefit of the tallow, lard and seed market there. The Philippine produced 686,000 metric tons of copra during 1933, in contrast with 425,000 tons during 1932. They exported 310,000 metric tons of copra during 1933, 218,000 metric tons to the United States alone; and they also exported 160,000 metric tons of coconut oil, of which 158,500 metric tons went to the the United States and not a single shipment to Europe.

There are some half-dozen crushing mills operating in the Philippines, extracting oil from copra and selling a quantity of this oil overseas. The 1932 export of coconut oil was 114,673 metric tons, invoice value ₱15,302,287. The United States took 110,259 tons of this oil. The industry is, in fact, based on the American market. Some 75% of the coconut oil made here and sold in the United States, and the oil extracted in America from Philippine copra, goes into the making of soaps and other nonedible products of important

COCONUT STATISTICS FOR THE PHILIPPINE ISLANDS

Years Ending June 30	Area Cultivated Hectares	NUMBER OF TREES PLANTED				Total Nuts Gathered	Nuts Sold to Eat	COPRA PRODUCED	
		Total	Bearing	Tuba	Young			Kilos	Equivalent Piculs
1910	164,190	32,838,540	(a)	(a)	(a)	937,927,930	311,609,150	118,140,880	1,867,840
1911	208,480	41,695,160	24,128,890	209,170	17,357,100	965,155,700	154,980,730	118,323,040	1,870,720
1912	230,680	46,136,350	28,921,720	221,350	16,993,280	1,041,181,900	96,262,490	174,035,540	2,751,550
1913	223,210	44,642,410	24,424,550	234,140	19,983,720	781,585,500	147,981,010	116,700,040	1,845,060
1914	245,950	49,190,370	23,650,660	300,270	25,239,440	591,266,400	63,057,700	107,382,690	1,697,750
1915	264,150	52,829,680	28,860,530	285,400	23,683,750	865,815,830	72,441,160	171,573,850	2,712,630
1916	270,770	54,153,850	29,720,840	299,100	24,133,910	735,275,750	63,818,410	141,764,120	2,241,330
1917	301,220	60,244,050	30,965,470	242,640	29,035,940	880,588,810	64,586,490	186,510,970	2,948,790
1918	331,390	66,278,400	37,173,020	466,240	28,631,140	1,397,796,110	91,612,160	312,592,880	4,942,180
1919	368,600	73,720,100	41,997,410	557,310	31,255,380	1,344,950,600	75,358,580	312,718,120	4,944,160
1920	397,030	79,406,100	43,585,410	630,860	35,189,830	1,509,504,290	84,216,090	361,605,310	5,717,080
1921	417,960	83,591,900	46,459,180	550,330	36,582,390	1,547,583,130	83,556,120	374,622,160	5,922,880
1922	444,570	84,536,710	49,379,910	609,860	34,546,940	1,467,684,000	68,239,000	366,808,890	5,799,350
1923	456,440	86,707,380	49,809,380	1,028,520	35,869,480	1,515,253,000	57,556,000	368,130,810	5,820,250
1924	460,440	87,460,000	51,154,600	540,460	35,764,940	1,576,629,000	45,588,000	387,036,240	6,119,150
1925	472,050	89,637,770	53,165,880	449,210	36,022,680	1,584,519,000	110,678,000	362,220,100	5,726,800
1926	485,030	91,908,700	54,650,430	465,790	36,792,480	1,627,379,000	148,759,000	365,629,270	5,780,700
1927	500,010	94,877,740	58,414,390	513,680	35,949,670	1,800,027,000	160,276,000	410,160,440	6,484,750
1928	515,510	98,056,330	61,068,390	520,400	36,467,540	1,906,804,000	163,211,000	432,663,520	6,840,530
1929	531,040	101,527,030	65,082,800	574,770	35,869,460	2,155,530,000	235,411,000	480,191,470	7,591,960
1930	550,840	105,269,040	68,734,310	594,460	35,740,270	2,056,761,000	212,986,000	460,129,830	7,274,780
1931	561,450	107,089,420	69,633,890	590,470	36,865,060	1,869,034,000	168,781,000	419,636,550	6,634,570
1932	566,100	107,926,120	71,542,490	792,880	35,590,750	1,943,863,000	165,187,000	406,187,700	6,421,940

(a) Not available ₱1.00 Philippine currency—\$.50 U. S. currency

ican territory to little or no advantage to anyone under the flag and merely to the profit of foreign producers of the above listed cheap oils."

The value at primary markets of the islands of all coconut products during 1932 (the 1933 figures being unavailable until next month) was ₱33,485,500. The quantity of copra that year was 6,421,940 piculs, or a little more than 400,000 metric tons. Last year's crop was more bountiful. The islands have approximately 80 million coconut trees in bearing, about 110 million planted; 25 provinces have upward of 1 million trees, 18 have upward of 2 million each, 7 upward of 4 million each; Laguna has upward of 10 million, Samar upward of 6 million, Cebu nearly 8 million, Leyte nearly 5 million, Tayabas upward of 21 million; in these and several other provinces (proving coconuts much more widely distributed than sugar), coconuts are the principal crop. The accompanying tables give many additional and interesting details, such as the number of trees yielding tuba, or coco wine, used exclusively for this purpose and therefore yielding no copra. (Which answers a question asked in London's *Tropical Life*, January issue).

During 1932 the Philippines sold 137,241 metric tons of copra overseas of which 83,029 tons were sold in the United States, more than 60% of the total. Only two other customers

American factories. Coconut oil may be said to be the base of the soap industry in America. Philippine manufacturers of coconut oil are interested in keeping the market for their product offered by the margarine industry in the United States, in which of late the use of coconut oil has been growing, but soaps are the main chance.

The soap manufacturers' statement that forcing them to use other oils than coconut for soap would raise the price of that necessity is true: coconut oil has long been standard for soap, and it grows more plentiful and cheaper all the time. It is, too, probably the market for edible oils that the proposed excise tax is designed to bolster up. Yet it is obvious that the tax would be ineffective for this purpose, so little coconut oil going into edible products. It is equally obvious, however, that, aside from visiting ruin upon hundreds of thousands of small Philippine farmers whose one cash crop is coconuts, the tax would demoralize the fats and oils markets of the whole world. The curtailment of buying power here, that would be general and drastic in extreme, would be felt at once by American manufactures sold here.

Given all the circumstances, this journal guesses that the Philippines may, for the time being, escape the menace of the proposed tax on its coconut oil in the United States. But

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Attractive Philippine Homes . . .

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are beyond his purse. We recently saw a reception room walled with calantas, one of these very woods. The wood was as burlled as a Scotchman's brogue, it of course made a beautiful wall wood. Anyone intending to build a home could do no better than to consult the forestry bureau about woods and choose such as would, within the sum planned to be laid out, serve his purposes best. The present is a time when even the hardwoods can be bought at great bargains. Which reminds us to say, now is a good time to buy hardwoods against a time in the future when you may wish to build. For hardwoods keep, and stacking hardwood boards away to season only makes them the more fit to utilize when you want them.

If you want hardwood floors, as who does not, it is better to buy the lumber and season it at least a year before you plan to lay it. Which completes what this magazine has to say on its own account about more intelligent home building in the Philippines, trying to develop a home architecture fitting to this climate. But further suggestions on the subject will be welcome from our readers. Why not keep the discussion going until something practical comes of it. In particular, we should like to hear from architects.

Glancing of Our Coconut . . .

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it does not hold out the hope that products of our coconut industry will much longer enjoy an unlimited duty-free market in the United States, unless the whole question is ironed out soon for intelligent action by congress. This industry is one whose perilous market situation strongly recommends itself to unbiased study by a joint Philippine-American economic commission; to the end that when regulation does come it will be supportable, based upon the reciprocal advantages of Philippine-American trade.

RAIL COMMODITY MOVEMENTS

By M. D. ROYER

Traffic Manager, Manila Railroad Company



The volume of commodities received in Manila during the month of January, 1934, via the Manila Railroad are as follows:

Rice, cavanes	225,894
Sugar, picul	1,059,731
Copra, picul	94,008
Desiccated Coconut, cases	7,406
Tobacco, bales	348
Lumber and Timber, Bd. Ft.	572,400

The freight revenue car loading statistics for four weeks beginning December 23, 1933 and ending January 13, 1934 as compared with the same period for the year 1932-33 are given below:

FREIGHT REVENUE CAR LOADING

COMMODITIES	NUMBER OF FREIGHT CARS		FREIGHT TONNAGE		Increase or Decrease	
	1933-34	1932-33	1933-34	1932-33	Cars	Tonnage
Rice	833	591	9,372	6,343	242	3,029
Palay	146	138	1,534	1,494	8	40
Sugar	1,698	1,371	47,447	39,746	327	7,701
Sugar Cane	11,292	9,985	209,399	189,071	1,307	20,328
Copra	519	644	4,311	4,803	(125)	(492)
Coconuts	40	43	424	309	(3)	115
Molasses	266	106	8,260	2,939	160	5,321
Hemp	5	11	48	64	(6)	(16)
Tobacco	1	4	6	20	(3)	(14)
Livestock	6	11	28	55	(5)	(27)
Mineral Products	281	286	3,622	3,701	(5)	(79)
Lumber and Timber	138	149	3,712	3,773	(11)	(61)
Other Forest Products	4	3	47	16	1	31
Manufactures	115	98	1,329	1,085	17	244
All others including LCL	2,580	2,895	16,195	21,624	(315)	(5,429)
TOTAL	17,924	16,335	305,734	275,043	1,589	30,691

SUMMARY

Week ending Saturday, December 23, 1933	4,647	4,687	79,229	77,109	(40)	2,120
Week ending Saturday, December 30, 1933	3,519	2,695	57,971	44,301	824	13,670
Week ending Saturday, January 6, 1934	4,325	4,300	73,298	72,974	25	324
Week ending Saturday, January 13, 1934	5,433	4,653	95,236	80,659	780	14,577
TOTAL	17,924	16,335	305,734	275,043	1,589	30,691

NOTE: Figures in parenthesis indicate decrease.

The Kindley Reports On Cotabato

I

In the education bureau's records is one curious batch of reports from an invincible humorist, George C. Kindley, who was, 15 years ago, the bureau's school inspector and supervising teacher in one of the more primitive sections of the Mindanao wilderness where farm schools for pagan boys were being established. Excerpts from Kindley's inimitable reports are very diverting. At Maramag, for example, he had a teacher named Aniceto Ykat. Traveling to see him on a Sunday, he found him spending the day with some of his patrons whose house was 30 feet up a tree in a small and handy accessible clearing.

"His friends were doing work in the higher branches . . . the ease and dexterity with which he scaled down that 30-foot bamboo pole suggested he is probably the proper man for that settlement."

At Maramag, Kindley found "everything up to the taste of even North H. Foreman";

who was a fastidious bachelor then master of the bureau's division under which Kindley worked.

From Maramag the party pushed on to Dumolog. "In this small clearing of less than 8 hectares were 12 very primitive sheds and houses, a teacher's house and a house for school that goes under the name of *municipal building*. Here the flourishing school had for pupils 21 Manobos, 2 Bukidnons, 2 Mohammedans and 7 nondescripts seated in a single row around the room, some well clothed, while "others as long a hoe handle were as naked as the stork landed them in the settlement." The teacher explained the absence of girls, "they had no clothes." Kindley asked the teacher to explain to the parents that in the clamor for education clothing was not a *sine qua non* in Dumolog; it was as far away as the third stem among civilized people; in fact it had almost disappeared along the coast of the United States, and that "we would be glad to have the girls come to school robed just as their brothers were."

When school dismissed that afternoon in Dumolog, the village headman divested himself of his Sunday shirt and donned a banana leaf in which he made an official call on Kindley. It was a custom to give food to strangers, so many villagers sanctioned the custom that Kindley soon had around him rice, chickens, eggs and fruits enough to ration a regiment. But it was his custom, and a bureau regulation, to pay for what he got; he chose what he wanted, paid for it, and returned most of the gifts with thanks for the villagers' sincere and practical hospitality.

The Christian teacher here, "in this most primitive settlement where a school has been established," had been there less than 2 months, but in that time had cleared 2 hectares of land, a hectare being 2 1/2 acres, and had planted part of it the second time, deer having destroyed the first planting. It had cost P72 to deliver classroom equipment, books and carpenter's tools to Dumolog from Kindley's station at Malaybalay, would cost P40 more to deliver garden tools there. Lace, tatting and teneriff were then stressed as needlework for girls; at Dumolog, Kindley supposed, "the entire

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