

ident. Under the contract, Mr. Marsman, a local industrialist who is a naturalized Filipino citizen, is engaged "to clear, cultivate, develop and operate at his own expense, an abaca plantation on a large-scale basis, for and under the administration and control of the NAFCO for a period of 15 years. . ."

The planter would develop at least 250 hectares of land a month; all abaca produced will be the property of NAFCO, but NAFCO agrees that in consideration of the services rendered under the contract, it will pay the planter 92% of the gross production, subject to the payment of existing government charges on forest products, the planter may utilize the lumber resources of the reservation for his own requirements on the premises but lumber in excess shall be supplied at cost to NAFCO for its plywood plants and other projects; the planter will use modern methods and will employ the services of engineers and experts; he will produce stripped abaca by spindle machine similar to the Hagaton type; he will pay NAFCO P2 for each hectare included in the agreement, payable in advance; all property erected and improvements made by the planter will become the property of NAFCO at the expiration of the contract; the planter agrees that at least one year before the expiration, NAFCO may decide that the entire area shall be subdivided into lots of 10 hectares each for distribution among individual tenants and this subdivision will be done at the planter's expense; to carry out the project the planter agrees immediately to organize a corporation with an effective capitalization of not less than P3,000,000; the planter agrees to file a bond of not less than P100,000 which shall be forfeited to the Government if he fails to comply with any term or condition included in the agreement. Secretary Magsaysay said that the contract has been gone over thoroughly by the Department of Justice and was found to contain no provision violating the Constitution or any existing laws.

The President appoints Ignacio Santos Diaz, former Congressman from Rizal, as Mayor of Quezon City.

Jan. 7 — The President leaves on the PAL plane *Mindoro* for the United States to undergo a surgical operation at the Johns Hopkins hospital in Baltimore. He is accompanied by former Speaker Jose Yulo, several members of his family, Dr. Agrerico Sison, and a number of secretaries and aides. The President is accompanied by Mr. Yulo in his capacity as member of the Council of State and as his personal adviser. Before his departure, the President issues an executive order naming the Vice-President of the Philippines Chairman of the Government Enterprises Council and creating the office of Economic Administrator, and he appoints H. B. Reyes to the latter position. Mr. Reyes will be in active supervision of the corporations and will be directly responsible to the Vice-President.

In his first official act for and in the name of President Quirino, Vice-President Fernando Lopez administers the oath of office to Under-Secretary Regino Padua as acting Secretary of Health.

Jan. 9 — Acting on President Quirino's cabled instructions, Commissioner Asuncion A. Perez of the President's Action Committee on Social Amelioration (PACSA) appoints a committee to carry out the President's instructions that government employees who may be laid off under the reorganization plan will be given employment priority in the new industrial and production projects being undertaken by the Government under the economic development program.

Malacañan announces that the President has approved a resolution of the National Economic Council accepting the proposal of the United Nations Research Commission to send a team to the Philippines to make a survey of the scientific research facilities and needs of the country.

Vice-President Lopez administers the oath of office to former Congressman Juan V. Borra of Iloilo as manager of the Philippine Charity Sweepstakes Office.

Jan. 10 — Favoring the copra producers, the Cabinet decides to continue the present practice which authorizes the Commissioner of Customs to grant special permits to foreign vessels to load export cargo at the outports when the cargo amounts to more than 500 tons. Philippine oil millers had protested that direct shipments benefited only the millers in the United States who are able to crush copra at prices which place the local refineries at a disadvantage.

Jan. 11 — The Department of Foreign Affairs announces that the issuance of Philippine visas to prospective Chinese tourists and visitors desiring to enter the Philippines on temporary permit have been ordered stopped, effective this week.

Jan. 12 — Philippine Consul J. V. Rodriguez in Hongkong informs the Department of Foreign Affairs that Chinese tourists and visitors traveling on Chinese Nationalist passports will not be granted re-entry permits in Hongkong according to a new order issued by the Hongkong immigration authorities.

Dec. 13 — Vice-President Lopez appoints a 5-man committee to study the reorganization of all government corporations: H. B. Reyes, Chairman, Oscar Ledesma, Salvador Araneta, Delfin Buencamino, and Deputy Auditor Pedro Gimenez, members.

Dec. 14 — Secretary of Finance P. Pedrosa invites a group of private citizens to constitute a reorganization committee to recommend means of improving the Government's tax administration. They are: Francisco Dalupan, Guillermo Gomez, Jose M. Hilario, Aurelio Periquet, Ramon V. del Rosario, Francisco Ortigas, Fermin Francisco, and Prisco Evangelista.

Jan. 15 — Vice-President Lopez discloses that the Government has taken steps for the apprehension and punishment of the murderers of Professors Robert J. Conklin and Marvin S. Pittman, of the University of the Philippines, whose bodies were found in the Hungduan district of the Mountain Province yesterday after a dramatic 3-week search. On a Christmas week hiking-excursion, they were speared to death by men of the Kankanaei group living on the Benguet-Igugao border. The Vice-President expressed deep regret and conveyed his condolences to the families of the victims.

Commissioner Perez, PACSA chairman, announces that her organization is engaged on a project to define a fair and realistic standard-of-living index for various parts of the country.

Jan. 17 — The Vice-President telegraphs President Quirino expressing the nation's rejoicing over the successful outcome of an operation for kidney-stones which the President underwent on the 16th (Manila time) at Johns Hopkins hospital, Baltimore.

The Vice-President at a Cabinet meeting directs the authorities concerned to take special measures to eliminate the congestion of goods at the piers which has resulted from difficulties in implementing the import control measures.

The Vice-President receives Mr. Lawrence Wilkinson, of Dillon Read & Company, American investment bankers, who is here in a "general over-all survey of the Philippines to try to find ways and means of bringing in American dollars from private capital in the United States through investments here". He was accompanied by Secretary Pedrosa and Mr. Eugene Clay, economic adviser for the American Embassy.

## TREND OF MONEY AND REAL WAGES OF SELECTED INDUSTRIAL WORKERS IN MANILA, BY OCCUPATION: JANUARY TO JUNE, 1949

By the Bureau of the Census and Statistics

Occupation	Daily Real Wages (Pesos) <sup>1</sup>					
	Jan.	Feb.	Mar.	Apr.	May	June
Blacksmiths . . . . .	1.79	1.89	1.88	1.87	1.87	1.86
Boilermens . . . . .	1.96	2.08	2.07	2.05	2.05	2.05
Carpenters . . . . .	1.98	2.07	2.06	2.14	2.04	2.04
Cigar makers . . . . .	1.42	1.51	1.51	1.48	1.48	1.48
Compositors . . . . .	2.22	2.34	2.33	2.31	2.32	2.32
Drivers . . . . .	1.79	1.92	1.93	1.91	1.91	1.90
Electricians . . . . .	2.03	2.18	2.21	2.21	2.21	2.20
Foremen . . . . .	2.47	2.65	2.60	2.58	2.58	2.58
Lathemen . . . . .	2.20	2.33	2.32	2.30	2.30	2.30
Linetypists . . . . .	2.97	3.11	3.12	3.09	3.08	3.08
Masons . . . . .	1.76	1.89	1.86	1.87	1.87	1.86
Mechanics (auto) . . . . .	2.20	2.31	2.33	2.31	2.31	2.31
Painters . . . . .	2.12	2.24	2.24	2.21	2.21	2.21
Plumbers . . . . .	2.07	2.19	2.18	2.16	2.16	2.16
Tinsmiths . . . . .	2.24	2.37	2.35	2.34	2.34	2.34
Average						
Skilled laborers . . . . .	2.08	2.20	2.20	2.18	2.18	2.18
Common laborers . . . . .	1.29	1.39	1.42	1.41	1.41	1.41

<sup>1</sup>Revised  
<sup>2</sup>Data on wages and number of workers in selected occupations are collected monthly from industrial establishments including auto dealers, brokerage, construction firms, cigar and cigarette factories, furniture making, lumber yards, electrical contractors, printing and publishing, transportation, painting contractors, and machine shops.

<sup>3</sup>Weighted  
<sup>4</sup>Wage in terms of goods and services it can buy. This is obtained by dividing the wages for the year and month, as the case may be by the corresponding cost-of-living index for the year and month. For a more detailed explanation of the Commonweath Act No. 444 limits working hours to eight a day.

Acting Secretary of Foreign Affairs Felino Neri conveys condolences to the families of Professors Conklin and Pittman.

Jan. 18 — President Quirino is reported to have indicated "deep concern" when informed of the killing of Col. Valentin Salgado, senior aide to Maj. Gen. Mariano N. Castañeda, head of the Armed Forces of the Philippines, in an attempt on the latter's life yesterday afternoon. The General's small party, out riding, was ambushed near Camp Murphy, just outside of Manila.

The Vice-President, Ambassador Cowen, and a number of public works and American Embassy officials meet at Malacañan to discuss various public works projects of this year and the turnover of the activities of United States federal agencies in 1951.

Jan. 22 — Secretary of Finance Pedrosa leaves for the United States to join President Quirino.

Jan. 20 — U. S. Ambassador-at-large Philip C. Jessup, on a fact-finding tour of the Far East, arrives in Manila from Hongkong for a four-day stay after which he will proceed to Saigon. Later he will preside at the conference of American diplomatic officials to be held in Bangkok. [Despite his crowded official schedule, a luncheon was given in his honor by the American Chamber of Commerce on the 23rd to which representatives of the other chambers of commerce and the Rotary Club were invited.]

Jan. 21 — According to a report submitted to the President by Secretary of Education Prudencio Langacon, the enrolment in the public school system is now around 4,500,000, over 1,000,000 more than the previous school year.

Jan. 23 — The First Session (100 days) of the Second Congress of the Republic of the Philippines opens. President Quirino's "State-of-the-Nation" address, recorded in his hospital room in Baltimore, is broadcast from San Francisco.

Jan. 24 — The Vice-President, in a speech before the 34th annual communication of the Grand Lodge of F. & A. M. of the Philippines, attended by some 500 delegates from different parts of the Philippines and from Japan, Guam, and Saipan, issues an appeal for national unity "during these times of confusion" and praises the masons for having "stood firm in your principles — liberty, equality, justice, truth, and fraternity".

According to a report submitted by Under-Secretary of Finance Crispin Llamado, government revenues during the 6 months from July 1 to the end of the year declined by 14%, compared with the same period last year, ₱111,078,361 as against ₱130,494,330. Largest decreases were registered in revenue from licenses and business and occupation taxes (drop of ₱14,238,141), and from excise taxes on imported goods (drop of ₱7,496,812).

The Cabinet rules that a government entity which takes over the assets of a defunct government enterprise must also assume the latter's liabilities. The decision was taken in connection with the Government Marine, Railway, and Repair Shops on Engineer Island which was transferred to the National Development Company.

Jan. 25 — The President and Acting Secretary of Foreign Affairs Felino Neri send telegrams of congratulation to the President and the Foreign Minister of the Republic of India on the occasion of the inauguration of the Republic.

The President in Baltimore receives as a souvenir the first cakes of Camay soap manufactured in the Philippines by the Philippine Manufacturing Company, and on the occasion "renews his assurances to American investors that they will receive fair returns for their participation in production activities in the Philippines."

Secretary of Education Langacon announces that a 135-page report of the UNESCO Consultative Educational Mission, which conducted a comprehensive survey of the Philippine educational system, is now in the press and will shortly be released. The Mission was headed by Floyd W. Reeves, Professor of School Administration, University of Chicago. The survey cost ₱120,000 and represents the biggest UNESCO gift to the Philippines.

Jan. 26 — President Quirino felicitates Premier Nehru in a message from Baltimore.

Vice-President Lopez receives the second case of "Camay" soap manufactured in the Philippines. F. N. Berry, general manager of the Philippine Manufacturing Company, tells the Vice-President that the soap represents the first "important American brand of toilet soap to be manufactured entirely in the Philippines", as well as a capital investment of around ₱1,500,000.

Jan. 27 — Announced that President Quirino has decided against further suspending the enforcement of the pre-war ban on amusement and gaming places in prohibited zones, —not within 1,000 lineal meters from any city hall or municipal building, provincial building, public plaza, public school, church, hospital, athletic stadium, public park, or any institution of learning or of charity, and 200 lineal meters in the case of bars, bowling alleys, and pool halls.

Acting Foreign Secretary Neri discloses that the Philippine draft of a proposed bilateral barter trade pact with SCAP has been completed and will be sent to Japan for negotiation. A similar treaty with Thailand is under negotiation at the present time.

Secretary of Finance P. Lopez refers to the Cabinet the text of a statement he made recently before the House Committee on Import Control in order to clarify his position in view of charges from some quarters that his statement ran counter to the Administration's established policy. He states that he holds that import control is "absolutely essential. . . if we are to salvage our economy", but that he pointed out

the effects of the control on employment, wages, and prices so that the "harsh effects" upon the workers could be minimized as much as possible.

Jan. 28 — Mayor D'Alessandro of Baltimore presents President Quirino with the "keys of the city".

Dr. Charles Tambu, former Indonesian Consul General in the Philippines, presents his credentials as Charge d'affaires of the Embassy of the United States of Indonesia here. Ambassador Alexander Maramis, first diplomatic envoy from Indonesia, is expected in Manila shortly.

The Department of Foreign Affairs has received from the Israeli Government the nomination of Ernest Simke, a Philippine citizen residing in Manila, as Honorary Consul for Israel in the Philippines.

Jan. 31 — The Cabinet concurs in the decision of the Import Control Board to waive technicalities in order to solve the congestion at the piers. Secretary of Commerce and Industry notified the Cabinet that the Board had already taken certain steps, including the issuance of release papers for the goods held up at the piers provided that the importers concerned post bonds to guarantee that the goods fall within their respective authorized quotas, and the cessation of the investigation of alleged anomalies by Hilario Bernonilla which was interfering with the release of the goods. The Secretary pointed out that "a large percentage of the goods are perishables rotting at the piers".

Vice-President Lopez, as Chairman of the Government Enterprises Council, issues rules restricting the exclusive use of government vehicles by officials of government corporations. Under the new order, only the chiefs of the corporations are allowed the exclusive use of motor vehicles and only on official business; no official or employee may be paid any allowance for the use of his own automobile.

## Banking and Finance

By R. E. RUSSELL

Sub-Manager, National City Bank of New York

### COMPARATIVE Statements of Conditions of the Central Bank:

	As of Jan. 31	As of June 30 (In thousands of pesos)	As of Nov. 30	As of Dec. 31
<b>ASSETS</b>				
International Reserve.....	₱714,969*	₱641,617*	₱469,137*	₱460,689
Contribution to International Monetary Fund.....	30,000	30,000	30,000	30,000
Account to Secure Coinage.....	113,106	113,306	113,306	113,306
Loans and Advances.....	—	—	109,178	77,047
Domestic Securities.....	—	9,739	46,784	92,197
Due from Treasurer of Philippines.....	—	7,626	—	—
Other Assets.....	19,320	22,681	20,797	20,390
	<u>₱877,395</u>	<u>₱824,969</u>	<u>₱789,202</u>	<u>₱793,629</u>
<b>LIABILITIES</b>				
Currency: Notes.....	₱621,512	₱534,425	₱573,614	₱555,576
Coins.....	73,035	74,293	73,880	74,384
Demand Deposits: Pesos.....	169,351	135,438	96,591	117,682
Dollars.....	—	40,649*	286*	—
Securities Stabilization Fund.....	2,000	2,000	2,000	2,000
Due to International Monetary Fund.....	—	22,499	22,499	22,498
Due to International Bank for Reconstruction and Development.....	—	—	2,392	2,389
Other Liabilities.....	1,488	2,128	1,777	2,636
Capital.....	10,000	10,000	10,000	10,000
Undivided Profits.....	—	3,537	6,163	6,464
	<u>₱877,395</u>	<u>₱824,969</u>	<u>₱789,202</u>	<u>₱793,629</u>
<b>CONTINGENT ACCOUNT</b>				
Forward Exchange Sold.....	—	—	—	₱ 6,460

The closing statement for 1949 reveals the reduction in the International Reserve of over ₱250,000,000 during

\*NOTE: The Demand Deposit liabilities in U. S. Dollars are deposits of the Treasurer of the Philippines which temporarily are being kept in foreign currency. These amounts are included on the Asset side as part of the International Reserve.