

MESSAGE
OF
The Governor-General
TO THE
EIGHTH PHILIPPINE LEGISLATURE

Delivered by His Excellency in the Hall of the House of Representatives on July 16, 1929

GENTLEMEN OF THE LEGISLATURE:

Because I have arrived in the Islands so recently, my message to you today will necessarily be brief and along general lines. I shall from time to time forward other messages to the Legislature with specific recommendations and suggestions for your consideration.

As I said in my inaugural address, I sincerely desire to do my part in maintaining a close, cordial, and constructive cooperation with your honorable body. I agree with the farsighted view of the distinguished President of the Senate, Honorable Manuel Quezon, when he said: "It is the duty of both (branches) mutually to respect the powers and prerogatives of each and to seek through a frank and full interchange of views a common ground for action." I also agree with a similar view expressed by the eminent Speaker of the House of Representatives, Honorable Manuel Roxas: This cooperation, he said, does "not mean either renunciation or abdication by each other of fundamental principles or the surrender of powers recognized by the Organic Law; nor . . . absorption by one of the other, but merely helpful cooperation, thereby insuring the normal functioning of the Government for the promotion of the best interests of the country."

Accordingly, I shall continue to use the Council of State established by Executive Order No. 130 of my able predecessor, ex-Governor-General Stimson, as an instrumentality for friendly advisory contact between the executive and legislative branches, without in any way affecting the independence and the freedom of action of either branch. Knowing the ability, sincerity and public spirit of the members of the Legislature, I am certain that you also will do your part in

maintaining this spirit of cooperation. With such cordial sentiments of good will, our mutual understanding is assured.

As you well know, there has been a determined effort recently made in the Congress of the United States to limit the importation of Philippine sugar. I am strongly opposed to this proposal. The Philippine Commission in the United States is doing very effective work in fighting against its adoption.

Many American friends, both in and out of Congress, have worked hard to insure the continuation of those trade relations with the United States to which in my opinion the Philippine Islands are justly entitled. By far the larger part of the American press ably and generously supported these efforts. The House of

Representatives, after full hearings in the committee, at which ex-Governor-General Stimson gave an effective exposition of the facts, registered its emphatic disapproval of the disturbance of the present trade relations between the Philippine Islands and the United States. I hope that the Senate will take a similar wise and just course.

This fight has not been without some practical advantages. It has tended to cement the union, in the common cause of the welfare of the Philippines, of all elements, Filipino and American alike, who have that cause at heart. It has also emphasized the importance of such a sound and progressive solution of the existing economic problems of these Islands as may tend to insure that material prosperity which is so essential to political, industrial, and social well-being and as may also tend to give these Islands, in case a similar tariff question should again arise, that additional active assistance on the part of the business interests of the United States which would be the natural result of increased reciprocal benefits that are susceptible of establishment, under the existing trade relations.

However, we must not fail to heed the danger signals raised by this agitation. The wise sailor avoids the typhoon whenever he can possibly do so. With a world overproduction of certain agricultural products such as wheat and sugar; with an under-production of other food products in the Philippines for current consumption; with an enormous demand in the United States and elsewhere for tropical products which could profitably be raised in the Philippines; it would seem to be only enlightened self-interest to devote our energies, capital, and initiative to the development of profitable products for which there is a great demand, rather than increasing the production of products in which there is already a large oversupply. In other words, wise foresight on the part of Philippine business interests themselves would bring about a diversification of crops and a voluntary limitation of an unduly increased production of crops of which there is already a world overproduction.

Diversification of crops is universally recog-

*The life of any governor
Is difficult extremely,
He may not be a lover, or
He's branded as unseemly;
He may not play or frisk about
Or sing a roguish ditty;
He dare not let his waistline out
Or diet, more's the pity;
Nor dare he serve into the net
Nor volley out of bounds;
He may not even swear, and fret
Around official grounds;
He must not seem to have imbibed
(That's if he has ambitions),
His life is tightly circumscribed
By countless inhibitions;
He may not smuggle opium
And risk a fine or prison,
Without the dirty dope o' him
Is yours as well as his'n.
The poor unfortunate is doomed—
What price we pay for glory!—
To spend his wretched term entombed
Within a goldfish dory.*

L'envoi
Please keep this under cover. Lor',
I wish I were a governor!

—A. R. E.

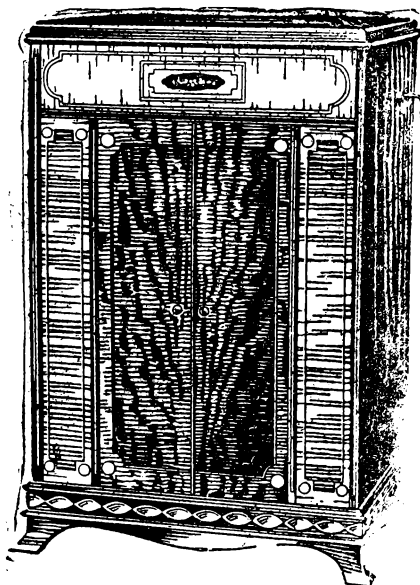
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Message of the Governor General

(Continued from page 15)

nized as sound agricultural policy. The periodic disastrous consequences of relying solely on one crop have been repeatedly emphasized in the experience of countries or sections of countries which have disregarded the lessons of history. Before it is too late, the Philippines may wisely avoid this danger.

Diversification is only good business judgment. The wise merchant tries to diversify the goods he sells. The careful capitalist diversifies his investments. In the same way, the successful farmer seeks to diversify his crops. He may not make quite as much money in the years when his principal crop is selling at a high price, but he often saves himself from ruin when the price falls to a low level.

Even today the Philippine Islands are relying on three crops for some 82 per cent of their total exports. These crops and the products thereof are all vulnerable to competition from similar and identical products from other markets. It is unmistakably apparent that if the Philippine Islands are not to continue to rely for their exports on an extremely limited variety of products, all of which are meeting increasingly strong competition abroad, the prime necessity is the development of a more diverse agriculture, bringing into production on a commercial scale many of the now neglected crops which can readily be grown in the Islands and for which there are waiting markets. To mention but a few of these products, the United States alone can consume all the quinine, camphor and coffee that the Islands can produce for many years. Diversification is especially desirable in a rich agricultural country like the Philippines which, although able easily to raise ample supplies for its own needs, imported during 1928 foodstuffs to the value of over ₱54,000,000.

Not only is there need of diversification but also of a fuller development of all our resources. Such an expansion is essential if we are to carry out the public improvements so earnestly desired. The Insular revenues are practically stationary, with urgent needs constantly expanding. That this vital need of increasing the revenues exists was forcefully brought out by a former Secretary of the Interior and Senator, who is now the head of the University of the Philippines, President Rafael Palma. In a recent speech he said:

"Everybody, even the most skeptical, accepts the fact that we have mounting necessities to satisfy, that for lack of resources hygiene, elementary education, our railroads and highways, the irrigation system, the means of maritime transportation, and other elements vital to modern life, have not received the impetus that progress demands; that in the absence of local industries we import numerous articles which we can very well produce here in great abundance such as eggs, rice, canned fruits and fishes, refined sugar, cotton, paper, silk, etc.; that our barrio lacks the attractions and incentives to retain the hands that it needs but which are forced to emigrate to other lands lured by high wages and a more decent existence; that conditions in the towns are sadly antiquated and reveal how primitive still are the ways of living of their inhabitants. We do not need to be

told that we are not keeping abreast of the progress of the world, that as yet we are considerably behind other nations in industrial and scientific achievements and that even our agricultural industry proceeds, under the most primitive and crude methods. This is the picture insofar as concerns our public life. Now with respect to the private life the picture is still gloomier. Very few of our people are moneyed people; the great rank and file of our citizens lead a life of abject poverty, of penury that inspires pity and commiseration. They do not have more than is necessary to supply their daily needs, the morrow is ever to them a question mark and a constant worry. To see people under-nourished and poorly clad is a common sight in our barrios. Whoever would judge and grade our civilization on the social level of our peasants and laborers would form an idea not altogether complimentary to our people."

As long as these conditions exist, so long does the responsibility of the Legislature to correct them exist. They can only be corrected by the expenditure of large sums of money. Increased governmental revenues are essential to the future welfare of the Philippines from every standpoint, social, educational, cultural, and moral, as well as physical, commercial, and political. I recommend this whole subject most strongly to the earnest consideration of the Legislature.

How the revenues can best be increased is a complicated problem, involving other related problems, such as a careful revision of the system of taxation with a view of realizing fully and effectively our present sources of revenue, and also by gradually increasing the sources from which revenue may be derived in the future.

to the people.

Yet there are people to whom the words "economic development" immediately raise the bogey of "exploitation". If "economic development" meant "exploitation," I should favor fighting it to the finish. I shall never favor the exploitation of the resources or the people of the Philippine Islands either by capital, labor, or politics, foreign or domestic.

But the two ideas are not at all synonymous. To develop our waste lands and create new wealth for the people and the Government; to encourage industry and thus afford employment for labor; to increase the revenues and thus foster education, sanitation, and public improvements; to furnish opportunities to the great mass of the people to improve their material conditions; these things are not exploitation. They are enlightened statesmanship.

How the Philippines can achieve economic development under adequate safeguards against improper influences is a problem which demands the best thought of the Legislature. Leaders of public opinion seem to realize the need for additional capital. To quote again the Senate President: "No country in the world has ever been able to develop economically without the aid of outside capital, and the Philippines cannot be the single exception." The United States, now one of the most powerful economic nations in the world, until very recent years developed its economic resources largely through the assistance of foreign capital. As the national wealth increased, the American people were gradually able to supply their own capital needs themselves, until today they are no longer borrowers, but have become lenders to other nations. Their use of foreign capital as instrument to develop the national wealth a

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The present wealth of the country is obviously not sufficient to provide adequate taxation with which to care for even the most essential needs of today. The expansion must come principally through increasing the wealth of the people. Industry must be encouraged. Idle lands must be brought into cultivation. Improved lands are a valuable asset; idle lands a wasteful liability. Our enormous potential natural resources must be developed. Trade and commerce must be promoted. The Government will then share in the increased prosperity of the people. Only in this way can the pressing and ever-expanding needs of the Government be satisfied. Only through economic development can the Government become self-sustaining and fulfill its duties

their encouragement of the coöperation of outside capital did not bring with them any danger of foreign exploitation of the national resources. Nor did it mean any attempt at foreign political domination.

I can find no evidence that outside capital clamoring to enter the Philippines for the pur of exploitation. Rather is outside capital hesitant, reluctant, unwilling. Owners of capital are usually very cautious in their investment. What they seek and properly demand are a chance of fair treatment, just laws, sound government and a chance to earn reasonable dividends. They fear that they will meet with hostilities, uncertainty, or unfairness they will seek fertile fields where they will eagerly be welcomed.

The fear of foreign capitalistic domination would seem to be the unfounded night-mare of those who lack a vision of the future. To belittle the Philippine people by intimating that they have not the intelligence, the ability and the courage to coöperate with outside capital without being controlled by it.

The economic problem here is two-fold: to bring capital in and to keep labor from going out. The solution of the first will materially aid the solution of the second. Unfortunately due to changes in the economic life and to increased needs without the means of satisfying them, our labor is emigrating to other lands. With economic development will come an increasing demand and need for Philippine labor which today is promoting the prosperity of other countries rather than building up the own. It is vitally important to both the present and future prosperity of the Islands that the energies of our citizens should be profitably

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applied here and should not, in the present stage of our economic development, be diverted to employment in building up the industries of other lands. Measures adapted to bring about the needed conservation of the Islands' limited supply of labor may well receive your careful consideration. Where only 2 per cent of the thirty million hectares of public domain have been taken up, where less than 12 per cent of the lands are in cultivation, with ten million hectares of potentially agricultural lands subject to settlement, where enormous natural resources are undeveloped, there would seem to be plenty of opportunities within the Islands, instead of following the will-of-the-wisp of waiting wealth in other lands.

Labor is the backbone of industrial development. Capital furnishes the life-blood. Both are necessary for a healthy growth. A sound economic life demands that capital earn reasonable dividends which in turn enables labor to be profitably employed. If labor is forced to emigrate from the country, and capital is discouraged from entering into the country, economic growth will stop.

Capital and labor, two corner-stones on which sound economic development rests, depend largely upon communication and transportation

for their strength. In the Philippines splendid progress has been made upon a comprehensive system of land communication by the construction of good roads. The completion of this system should be carried out as rapidly as funds permit. But another medium of communication, of vital importance in a country consisting of thousands of islands, a natural system of highways built by nature itself, the sea, has been seriously neglected. Other countries, especially the United States, are spending enormous sums to develop their waterways. In the Philippines our laws have in some ways retarded rather than encouraged the development of interisland shipping.

Transportation is the life of trade. If its growth is stunted by restrictive laws, the growth of trade is stunted. If it is encouraged to expand, trade will expand. A sound, adequate, modern system of transportation by land, sea, and air is essential to a healthy growth of both foreign and domestic trade.

The report which was made in 1927 by the able Advisory Committee appointed to study this subject is illuminating. It showed that interisland shipping was utterly inadequate; that most of the ships were antiquated, unsatisfactory, inefficient, and dangerous; that there

were many abuses and discriminations; and that there were inadequate provisions for the safety and comfortable convenience of passengers. Although the recent change in the law, which relieved interisland shipping from its monopolistic control and placed it on a competitive basis, is resulting in substantial improvements, many of the unsatisfactory conditions above described still exist. The Committee very strongly recommended important modification in the law regarding the replacement of tonnage operated by certain foreign owned corporations. These modifications, with appropriate safeguards for Filipino and American interests, would result in bringing immediately into interisland shipping a considerable number of modern well-equipped vessels.

If, however, the improvements which are taking place and which, with proper encouragement, will take place in interisland shipping are to be used to the best advantage, an adequate system of ports should be developed. An Advisory Board on Ports and Harbor Improvements, composed of technical and business men, was appointed last year and made a careful survey of port facilities of the Archipelago. The report of this board, as well as the report of the Secretary of Commerce and Communications, should receive your consideration. The proposal to place all wharfage fees in a special fund for the development and maintenance of insular ports is especially meritorious.

The development of interisland shipping and of ports is necessary in order that products of agriculture may reach the domestic and foreign markets expeditiously and cheaply. Agriculture is, and for many years will be, the basic industry of the Islands. Every possible encouragement should be given to its sound development. The welfare of the small farmer must be our constant care. Upon his prosperity depends the prosperity of the Islands. Merchants, manufacturers, transportation agencies, banks, dealers in every line of trade, share in his prosperity, suffer with him in his reverses. Upon the land and the use that is made of it, depends largely the future prosperity of the Philippine Islands.

The problem of expediting the settlement of the public domain and the prompt registration of land titles continues to be a serious one. Several proposals will be submitted for your consideration by the Secretary of Agriculture and Natural Resources. Among the more important are: development of public lands on the sugar central principle, known as the Alunan plan; more rapid disposition of agricultural public lands through the creation of a special revolving fund for the survey, subdivision, and settlement of vacant lands, to be carried out and financed either by the Government directly or in cooperation with private capital.

The Secretary of Agriculture and Natural Resources will also present bills designed to protect the forests and to provide a more effective supervision in the Bureau of Forestry; to encourage the development of the mineral resources of the Islands by liberalizing the law governing investment in more than one mining corporation; exempting exported refractory ores from payment of wharfage taxes; the coordination and specialization of agricultural experimentation; and the promotion of the cattle raising industry by the imposition of higher import duties.

In order to encourage agricultural, industrial, and commercial development steps should be taken to supply, preferably through private agencies and capital, the existing need of facilities for granting small loans to worthy individuals of limited means and business enterprises of narrow scope, at fair rates of interest and under reasonable conditions. There should also be a thorough revision of the present laws governing rural credit associations so as to bring them under adequate supervision and control and make them function according to their original purpose. A bank devoted exclusively to agricultural loans and designed to supplement the work of the rural credit associations is another agency needed to encourage agricultural development.

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age unable to obtain even the most elementary education due to the lack of school revenues, the development of an informed public opinion is difficult of attainment. The keen desire of our Filipino youth for education, always the object of commendatory comment by trained observers, should be gratified as rapidly as funds will permit.

Through the generous appropriations of previous years, an excellent system of public schools is now in operation. The large appropriation made at the last session of the Legislature in further aid of elementary education has been most beneficial. Gradually school facilities are being extended, and as rapidly as the income of the Government will warrant, further extension should be made. The first obligation of the public school system is to overcome illiteracy and provide the individual a sufficient knowledge to enable him to meet adequately his own personal needs and discharge properly his social obligations. In keeping with this principle, primary and intermediate education should have first claim on available Government funds. Secondary and higher education, while important, should not be promoted at the expense of basic training essential for all children. Above the elementary grades, preference should be given to vocational, industrial, and agricultural education. It is gratifying to learn that this principle found recognition two years ago in a liberal appropriation for the promotion of vocational education. This has done much to stimulate and develop the excellent vocational work which the public schools have been doing for many years. Further encouragement and financial support are needed. We should continue to adjust the educational program so that those who are educated at public expense will be economically efficient. Purely academic education should be supported more and more by those who seek it.

Another principle to be recognized: that the purpose of education is not merely to open the mind but to increase the interest in health education. It is hoped that this phase will be given generous consideration.

Approximately two thirds of the financial support of the public school system comes from the Insular Government, the rest being provided by the provinces and municipalities. It is believed that there should be a gradual increase in the proportion which is carried by the local entities. In order to enable the provinces and municipalities to do so, there have been proposed from time to time certain bills authorizing additional local taxation, such as an increase in the land tax, an increase in the cedula tax, and the creation of a provincial school fund. Serious consideration of these proposals is desirable.

The importance of wholesome recreation in education should not be overlooked. Aside from the physical value, sport has an educational as well as a moral influence. Some lessons can be taught better on the playground than in the school. Fair play, respect for others, self-sacrifice, square dealing, honesty, ability to work with others, these fundamental qualities are developed by recreation. Juvenile crime is lessened by properly supervised playgrounds. When the more pressing needs are cared for, our municipalities may well foster the development of their recreational systems.

The ability of a country to advance in civilization is largely influenced by the health of its people. Diseases, epidemics, and bad sanitation directly affect progress and prosperity. The evil effects of under-nourishment particularly are often not recognized. Preventive measures are more important than curative, although both are necessary.

The achievements in public health and sanitation in the Philippines are well known. There is no more important field of Government activity. It should continue to receive liberal support. It is gratifying to know that special attention is being given to the thorough training of public-health officers by means of the recently established School of Public Health and Hygiene. The Islands are fortunate in that the International Health Board has taken an interest in this work and has contributed so generously to its support. On the curative side, very satisfactory progress has been made in the establishment of a

system of provincial hospitals. This work should go on. Several years ago the Legislature inaugurated a plan for an adequate institution for the care of the insane. The new Psychopathic Hospital at Mandalayon is the result. Several additional buildings should be supplied before the institution is complete.

We may take pride in the fact that the Philippines lead the world in the treatment of leprosy. With the Leonard Wood Memorial Fund for the Eradication of Leprosy, amounting to more than ₱2,000,000, we should be able to realize still greater achievements. A new leprosy hospital located near Manila is necessary in order to do away with the very unsatisfactory conditions, due to overcrowding and inadequate facilities, prevailing at San Lazaro and to provide an adequate station for the care and treatment of lepers in this part of the Archipelago.

Other diseases taking a heavy annual toll of human life and seriously impairing the vitality of thousands are tuberculosis, malaria, and beriberi. The special activities being carried on with respect to these diseases should be

continued and adequately supported.

The Quarantine Service of the Philippines is one of the most effective in the Far East and deserves credit for having protected the Islands from an invasion of any of the highly communicable diseases which afflict this part of the world. There is great need of an adequate detention station at Mariveles in order that the service may be prepared to handle any emergency.

A balanced budget is the keystone of good government. If expenditures habitually exceed revenues, that keystone will fall, and with it a good government will fall. The Philippine Government today is on a sound financial basis. We must be willing to make any sacrifices necessary to keep it on a sound basis.

The Government finances are in good condition and the budget is made under a strictly cash basis. The integrity of our credit must be retained, regardless of what desirable improvements must be eliminated from the budget. I cannot agree to any material increase in the total amount fixed in the Budget.

There is nothing at present to indicate that

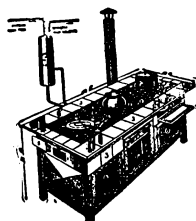
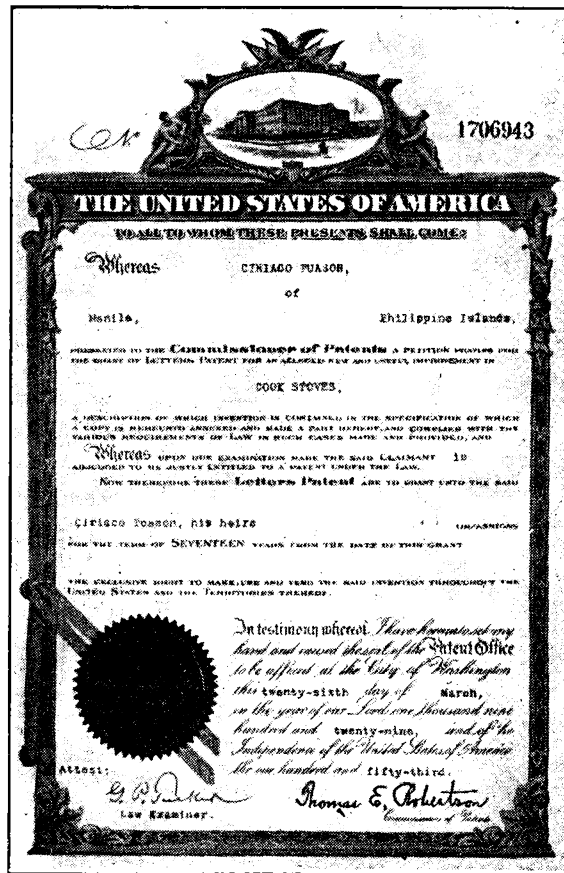
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the revenue collections will increase next year. The average annual revenue for the last ten years, including receipts from the currency reserve fund which by its nature are special and not expected to recur, is ₱76,834,000; the annual average for the last five years is ₱78,863,000; and the annual average for the last three years is ₱80,366,000. Therefore, in the absence of any sure indication of probable increase in collections, it is believed that the estimated income of ₱80,100,000 for 1930 is the safe limit for the budget. Of this amount the sum of ₱2,500,000 is proposed to be set aside exclusively for port works, and the balance of ₱77,600,000 for general expenditures.

The budget general fund revenues for 1928 were ₱85,214,000, an increased of ₱7,486,000 over 1927. This increase is mainly due to the first payment of ₱2,853,000 made by the Philippine National Bank on account of the Government's fixed deposits with said bank which were cancelled in accordance with the provisions of the Philippine National Bank Rehabilitation Act No. 3174, to the greater collection

in import duties due to the heavier importation of rice and textiles, in income tax and in excise tax where kerosene and distilled spirits figured prominently. The budget general fund expenditures for 1928 were ₱79,626,000 as compared with ₱74,346,000 for 1927, or an increase of ₱5,280,000. This increase is chiefly explained by the purchase of Manila Railroad Company stock in the sum of ₱1,000,000 under Act No. 3116, and by the larger amounts expended for public works, postal service, and aid to local governments.

The prevailing low prices of our principal products, coupled with the devastations of hemp and coconut plantations caused by the typhoons in the month of November of last year and in the month of May of this year will undoubtedly diminish the purchasing power of the country and this will be reflected in the Government revenues. It is, therefore, reasonable to expect that there will be a general decline in the import duties, income tax, and sales tax. Moreover, the Philippine National Bank will not be able to pay to the Government, on account of the

fixed deposits cancelled, as much this year as it paid last year. Consequently, after a thorough consideration of the various items of the budget general funds revenues, the same were estimated at ₱80,362,000 for 1929, or ₱4,852,000 less than the revenues collected in 1928. The total appropriations authorized for 1929 amount to ₱80,207,000, an increase of ₱581,000 over the expenditures in 1928 and ₱155,000 less than the estimated revenues for 1929.

The cash surplus at the close of 1928 was ₱13,179,000. Following sound finance principles, it is recommended that this surplus be reserved for the following purposes: (a) To redeem during 1930 the 5½ per cent Manila port works bonds amounting to ₱12,000,000. These bonds were issued in 1920 and are payable in thirty years but redeemable after ten years. As the rate of interest earned by these bonds is the highest paid by the Philippine Government (usual interest is 4½ per cent), it is only sound business policy that the same be redeemed promptly. This will also reduce the annual interest charges and will permit the amount saved to be devoted to public improvements hereafter. (b) To provide for the revolving fund authorized to the amount of ₱5,000,000 for the construction of permanent bridges under Act No. 3500. In accordance with the provisions of this Act, tolls must be charged on these bridges until the cost and interests thereon are fully covered. The tolls collected are to be paid into the revolving fund and may be expended for the construction of other permanent bridges. By the provisions of said Act 3500 the appropriation of ₱5,000,000 may be made available in whole or in part at the discretion of the Governor-General and consequently the entire sum may be gradually completed as future surpluses may permit.

With regard to public works, the Budget contemplates approximately ₱7,500,000 for general public works, ₱2,500,000 for port works. The total amount is approximately ₱10,000,000. That of last year and is believed to be a record. In considering the amount for public works it is well to note the progress which has been made during the past few years. In 1924 the total expenditures of all kinds for the construction of public works was approximately ₱12,000,000. In 1928 it was ₱26,000,000. This represents an increase of more than 100 per cent. Considering the slight increase which has been realized in general Government revenues, it would seem that public works have received a very generous share of our income. The total of all expenditures for public works during the past five years reaches the enormous sum of approximately ₱94,000,000. To this should be added the cost of maintenance and repairs of public works which during the same period amounts to over ₱48,000,000. We must realize that with the construction of new public works the annual maintenance charge will necessarily increase and will become a fixed liability against the operation account.

Important changes in the banking laws were enacted at the last session. At that time it was recognized that a revision of the various provisions of the law relating to banks and trust companies should be made. This revision has been prepared and will be submitted for your consideration by the Secretary of Finance. Many of the suggested changes are of minor character and are submitted for the purpose of clarifying the existing law. Others, however, are important changes and merit careful consideration. This revision will afford additional protection to the public, to the depositors, and to the stockholders, while liberalizing in some respects the powers of these institutions under adequate safeguards.

Frequent complaint is heard concerning the character of the tax laws and the method of collecting taxes. The main complaint has been against the sales tax. This matter has received much consideration in recent years, and valuable reports prepared by the Secretary of Finance and the Collector of Internal Revenue are available. The various commercial organizations as well as representatives of the important commercial houses have submitted extensive memoranda. It is believed that this subject is so important to the industrial and business interests

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dominantly black, the mariposa negra has white
spots and other small markings. It is harm-
less except in its character as a foreteller of ill
tidings, appearing as regularly each year as the
first wet monsoon. With the fearlessness of
butterflies in general, it often forsakes garden
foliage and enters houses. It will even perch
upon one's hand or fly in erratic circles above
the head of a pedestrian. It may be this pen-
chant for familiar contact, as well as its sinister
color, which has given the natives their super-
stition about it. — If something does not
happen within twenty-four hours, he who con-
siders himself warned goes about with a gloomy
feeling that he has been somehow cheated.

The troubadour, José Garcia, called Pepe,
had his superstitions, concerning the number of
scales on the legs of his favorite fighting-cock,
or marked cards in *juego del monte*; but he was
not in the least troubled by black butterflies.
Pepe, whose name might be translated into
English as *Joe Smith*, so common a Castilian
cognomen is it, dwelt, during the latter part of
the eighteenth century, in the suburb of Santa
Cruz, now quite a downtown district of Manila,
outside the walls of the old city. He was mar-
ried to a stout mestiza, Maria, who had brought
him no dowry, but had endeavored to compensate
the musician for this neglect by presenting him
with an addition to the family each year. And
for this numerous household rice and *vianda*,
clothes, money for masses, an occasional ride
in the rickety coaches of the day, all had to be
provided by Pepe from his earnings with his

the Legislature sh
tion very early in th
changes were made in th
the last session of the I
ed by a Joint Com
ations, was also
with the an
laws but due to la
for serious consideration. The
the uniform Corporation Law
and is designed to facilitate
consolidation of corporations.
for accomplishing this is
difficult to follow.
and independent judiciary
If justice is not equal to
to the rich, to the most hum-
the most powerful, then justice
Judicial officers, from
of the peace to the Chief Justice of
are protectors of the rights
of the people.

to improve the administration
presented in previous years.
will be submitted by the
for your consideration.
important proposals are: re-
Court in the handling of
the appeal cases by the appoint-
of additional judges or the creation of a
of Appellate, transferring the functions of
provincial governor to a
by the Secretary of
of the proper Judge of
amendments to the marriage
laws, the transfer of Bilibid Prison,
of San Ramon Penal Farm, and
of other penal farms.

The problem of an efficient control of im-
migration and the administration of the laws
governing the same is a serious and complicated
one. The Secretary of Finance will present for
your consideration bills designed to secure
more efficient administration of the immigration
laws. There is an imperative need for an ade-
quate detention station for immigrants.

Gratifying progress has been made in beautify-
ing the City of Manila and in providing for es-
sential public works. This has been made pos-
sible by the authorization of ₱1,000,000 for filling
of the lowlands, and another of ₱10,000,000
for the erection of new public buildings and
bridges and for street improvements. Inas-
much as street improvements largely benefit the
owners of abutting real estate, the Secretary of
the Interior recommends that the law should be
so amended as to require special assessment
against such property of not less than 60 per
cent of the cost of the improvements.

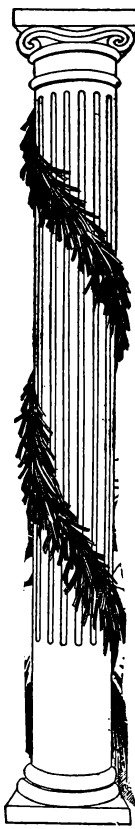
I have called your attention in many subjects
which in my opinion merit your earnest consid-
eration and which need wise and effective leg-
islation. I have no specific legislative program
to urge upon you. Every responsible official
will cheerfully give his assistance you may
desire in carrying out your important duties.
We are united in seeking but one end, the wel-
fare of all the people.

In conclusion, I can only reiterate my sincere
expressions of good will, my earnest desire to
coöperate with the Legislature. This is not
merely an oratorical gesture. It comes from
the heart. Our problems cannot be solved by
oratory. As President Coolidge once said,
"Government is a practical business which
depends largely for its success on sound com-
mon sense rather than high-sounding phrases."
The problems we must meet are essentially
practical. Upon the practical way in which we
meet them depends the future welfare of millions
of people. Words cannot solve them. The
great patriot Rizal said: "Too many words, too
little work." Action, sound, wise, and far-
sighted, is necessary. I have every confidence
in the ability and the vision of the Legislature
to solve these problems. In their solution I
offer you again my close, cordial, constructive
coöperation.

DWIGHT F. DAVIS,
Governor-General

THE PHILIPPINE LEGISLATURE,
Manila, P. I.

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