Inter-Island Shipping

By G. F. VANDER HOOGT Manager, Everett Steamship Corporation

DURING the month of July inter-island vessels have moved considerably less freight and passengers than business is not unusual at this time of the year. And is brought about by the rains and by the passing of the schoolopening season. It was further aggravated in the case of freight by advance shipments of commodities made during previous months, prior to the passage of legislation which increased taxes.

This situation very much affects some operators who, with present high costs of operations, find that vessel revenues do not cover expenses. As a result of this condition, some of the operators keep changing the routes of their vessels in a desperate effort to seek more revenue. Some turn over the operation of their ships to other parties, sometimes with little regard for their financial standing or business experience, while still other operators tie up their ships. Competition is very keen, and the granting of rebates and special concessions has been noticed.

Most of the inter-island operators are members of the Philippine Shipowners Association which strives to maintain fair trade practices. If one carrier allows rebates or discounts, the shippers soon begin clamoring for similar treatment from all the others.

The Association recently held a meeting to discuss such unfair practices, and have scheduled further meetings in order to find a solution to this particular problem. It is hoped that the Shipowners Association will find a method which will enable them to maintain fair and reasonable rates and eliminate deliberate unbusinesslike tactics.

Air Transportation

By V. A. BRUSSOLO Vice-President, Philippine Air Lines

Some activities of the Civil Aeronautics Board during the past several weeks are worthy of note. Among these are the following: (1) An application of the South Eastern Airways for an air commerce permit and letter of authority for a Rome-Manila and Manila-Australia flight, was endorsed to the Civil Aeronautics Administration for study and recommendation. This airline is owned by Mr. Martin Tinio. (2) A request of the Philippine Airlines for a flagstop at San Andres, Tayabas, of Flight 111, 12, and 144 was approved. It was explained that these stops are for the purpose of loading and unloading cargoes and materials for the Philippine Oil Development Company. (3) A request of the Commercial Airlines to sell two of their C-64's to the Philippine Air Force was approved.

At one of the executive sessions of the Civil Aeronautics Board, the request of the Legation of the Republic of China for an increase in the exchange of flights by the Chinese and the Philippine commercial aircraft between the two countries, was held in abeyance because of the fact that there is a protest against the practice of the Chinese air carriers of operating from Amoy direct to Manila, — a privilege which is not granted to Philippine carriers.

At the CAB meeting held July 17, the application of the FEATI Institute of Technology for an air commerce permit and letter of authority to "operate air service in furtherance of business," was opposed by the Philippine Airlines in view of the fact that the purpose of the application—"in the furtherance of business"—which includes flights for sight-seeing, photography, crops-dusting, etc.,

