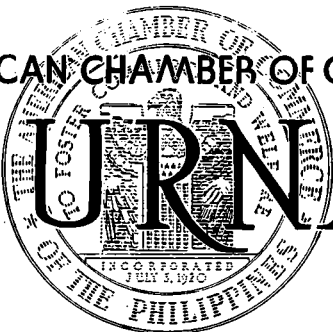


# THE AMERICAN CHAMBER OF COMMERCE

# JOURNAL



Published monthly in Manila by the American Chamber of Commerce of the Philippines  
Fourth Floor, El Hogar Filipino Building—Telephone No. 2-96-70

**A. V. H. Hartendorp**  
*Editor and Manager*

Entered as second class matter at the Manila Post Office on May 25, 1921, and on December 10, 1946  
Subscription rate: ₱5.00 the year; \$5.00 in the United States and foreign countries

Officers and Members of the Board of Directors of the American Chamber of Commerce of the Philippines:  
*Frederic H. Stevens, President; J. T. Hicks, Vice-President; F. C. Bailey, Treasurer;*  
*F. C. Bennett, J. H. Carpenter, C. H. Hirst, N. Most, R. J. Newton, and F. L. Worcester.*  
*Marie M. Willimont, Executive Vice-President; I. T. Salmo, Secretary.*

Vol. XXV

May, 1949

No. 5

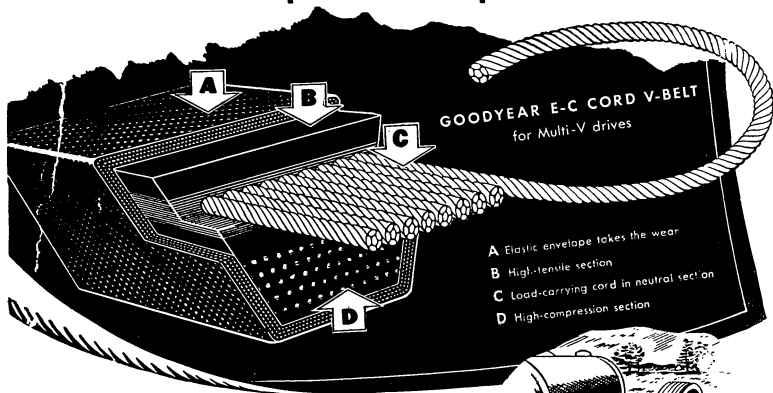
## Contents

<b>Editorials</b>		
The Nameless Crime	182	
Step One, Step Two... Step Three?	183	
Stupidity Thrice Compounded	184	
Our Abaca "Monopoly"	185	
Hongkong Makes Its Bid	185	
The "Reciprocal Immigration Bill" and the "White Australia Policy"	186	
Formosa	186	
Israel	186	
Importance of the English Language in the Philippines	188	F. H. Stevens
The 1949 Metropolitan Water District	192	M. Mañosa
Gold and Recovery, With some Observations on a Managed Currency	194	J. S. Lawrence
<b>Foreign Trade of the Philippines:</b>		
By Countries, 1948 (Tables)	196	
By Nationality of Trader, 1948 (Tables)	197	
Ten Principal Exports, 1947 and 1948 (Tables)	197	
Ten Principal Imports, 1947 and 1948 (Tables)	198	
<b>The Business View</b>		
Office of the President of the Philippines		Official Source
Banking and Finance		C. V. Grant
American Stock and Commodity Market		R. Ewing
Manila Stock Market		A. C. Hall
Credit		W. J. Nichols
Electric Power Production		R. J. Baker
Real Estate		C. M. Hoskins
Real Estate Sales in Manila, 1940-1949 (Table)	202	Bureau of the Census and Statistics
Building Construction in Manila, 1940-1949 (Table)	204	Bureau of the Census and Statistics
Ocean Shipping		F. M. Gispert
Land Transportation (Bus Lines)		L. G. James
Mining		C. A. Mitke
Gold and Silver Production, 1949 (Table)	205	Bureau of Mines
Production of Metals and Ores other than Gold and Silver, 1948 (Table)	205	Bureau of Mines
Lumber		E. C. Von Kauffmann
Copra and Coconut Oil		M. Igual and K. B. Day
Desiccated Coconut		H. R. Hick
Sugar		S. Jamieson
Manila Hemp		K. Robertson
Tobacco		Conde de Churrucua
Automobiles and Trucks		C. H. Helling
Food Products		C. G. Herdman
Textiles		J. Toyus
Legislation, Executive Orders, Court Decisions		E. E. Selph
Philippine Safety Council		F. S. Tenny
Weekly Changes in Retail Prices (With Graph)	217	Bureau of Commerce
Cost of Living Index, 1946-1949 (Table)	219	Bureau of the Census and Statistics
The "Let Your Hair Down" Column	220	
Notice	222	United States Information Service

50 Centavos the copy

# THE "HEART"

of superior V-Belt performance!

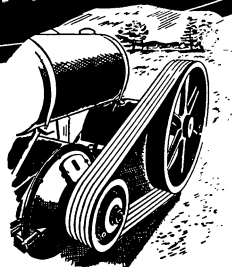


- A Elastic envelope takes the wear
- B High-tensile section
- C Load-carrying cord in neutral section
- D High-compression section

HERE you see the inside, the "heart," of Goodyear's E-C Cord Multi-V Belt — and the reason why it consistently delivers finest performance, highest efficiency and longest life on Multi-V drives.

Note the large diameter of the endless, heavy-duty cord — unequaled in tensile strength and stretch resistance. This construction makes it possible to concentrate the load-carrying cord in the neutral section where it is not subject to extreme tension or compression in bending around the pulleys. Buckling, distortion and internal friction are thus eliminated. And Goodyear engineering insures perfect belt balance, with each cord pulling its full share of the load.

It will pay you to contact us for full data on this and other Goodyear Industrial Rubber Products — all proved by performance to be highest in quality, lowest in ultimate cost.



BELTS  
MOLDED GOODS  
HOSE and all  
INDUSTRIAL  
RUBBER  
PRODUCTS

THE GOODYEAR TIRE & RUBBER CO.  
OF THE PHILIPPINES, LTD.



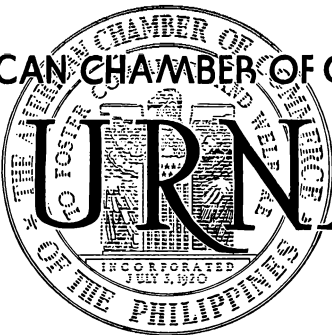
BACOLOD

MANILA

CEBU

# THE AMERICAN CHAMBER OF COMMERCE

# JOURNAL



## Editorials

*"...to promote the general welfare"*

We share in the people's grief over the tragic deaths of the noble wife and the beloved elder daughter of the late great leader, President Quezon, and of those others who, while on their way to Baler, his birthplace, were killed in a machine-gun ambushade by a ruthless band of criminals. It is impossible to conceive of anything more heinous and more pitiful. It is an appalling thing to have to write down in the annals of the nation. Americans feel this deeply and wish they could aid or comfort. But there are abysses of the spirit which a people must traverse alone. What is there to say except perhaps that all nations must pass through times of tribulation and shame, and that human beings are so constituted that in the end they are the stronger for them.

Executive Order No. 193 (December 28, 1948) set up the machinery for the control of the importation of certain so-called "luxury" and "non-essential" articles, cut down the volume **Step One**, ... of these imports by an average 50%, **Step Two**, and set aside 20% of the volume permitted to be imported for so-called "new" importers. That was the first step.

Now, by Executive Order No. 209 (March 30, 1949) which amends Order No. 193, the 20% set aside for new importers is to be "allocated exclusively to Filipino importers". That was the second step.

What is the third step to be?

There may not be a third step, but what guaranty has established business that there will not be; that, some months or a year from now, there will not be another Executive Order amending Order No. 193 as amended and providing that 50% or 75% or the whole 100% of the import volume will be allocated exclusively to Filipino importers?

What would be the difference, in principle? There would be no difference, for whether discrimination be

rated at 5%, 10%, 20%, 50%, or 100%, it is always discrimination.

For any government deliberately to take away anything from one group of people and to serve it nicely wrapped up to another group, introduces an element into government and society the working of which is unpredictable and which may stop at no length whatsoever.

Once any government, even in the name of its own citizens, begins deliberately to discriminate against any element in the population, we have the beginning of a regime of injustice, and injustice knows no limits.

This Executive Order No. 209 was issued, of course, with a view to quickly forcing an unearned improvement in the position of Filipino importers as against non-Filipino importers and largely at the expense of the latter, but we are sure that the discriminatory policies upon which the Philippine Government is today acting can never work out to the real benefit of either Filipino business or the over-all economy of the country.

It is much more likely, if these policies are persisted in, that we shall all descend together into a slough of economic despond and stagnation.

The vicious engineers licensing bill, twice passed last year and twice vetoed, has been reintroduced a third time; this third time, at first, with most of the objectionable provisions removed,

**Stupidity**  
**Thrice**  
**Compounded** but now with amendments which make it, if possible, even more objectionable than it was at the outset.

In the "Mining" column of the March issue of this Journal, we printed the story of how the reintroduction of this bill over the first presidential veto (by Mr. Roxas) resulted in the loss to the Philippines of a projected investment by an American mining company which would have reached approximately ₱50,000,000.



That was a very heavy price for this country and for us all to pay for any lesson. But this lesson has still not been learned by the persistent individuals who are behind the bill, nor by those others who give it their support.

Let our Filipino mining engineers, whose careers are tied up with the resumption and the development of our once prosperous mining industry, — let our people here who have invested money in our still abandoned mines and those who have money they would like to invest in new mining ventures, — let the people as a whole whose welfare and prosperity depends on the economic development of the country, — let the Government which presides over all our fates, give this matter even the briefest earnest thought and they should understand how suicidal all this type so-called legislation is.

In a series of three able articles published last month in the Manila *Evening News* in defense of the Bell Act and in criticism of the "Limited Free Trade" notion, by former Senator Jose E. Romero, a competent economist, there occurred one statement to which we have to take exception, though our observation will only strengthen his general argument.

In referring to the desirability of increasing the production of abaca (Manila hemp), he stated that this is a product "of which we have a monopoly".

That was true at one time, but is so no longer. The Japanese were producing abaca in Borneo and the Dutch in Sumatra before the war and the production there was rapidly increasing.

But even more significant, not only in this connection but with the whole problem of the economic development of the Philippines, is the fact that of late a large Manila corporation, of Filipino and American ownership, has undertaken to develop an extensive abaca plantation in British North Borneo.

In other words, Philippine capital is by voluntary choice leaving the Philippines to seek profit elsewhere in the production of abaca and will thereby unavoidably take a part in breaking the monopoly which up to recently placed the Philippines in such a favorable position.

The reasons for this migration of Philippine capital in this instance are said to be: (1) definite encouragement and assistance extended to the investors by the British North Borneo Government; (2) no or less onerous restrictions on land ownership; (3) fewer difficulties with labor; (4) no such troubles, as in Davao at present, with "squatters".

Hongkong continues to make a strong bid as an entrepot and industrial and business center in the

### Hongkong Makes its Bid

follows:

"An increasing portion of the commerce of the Far East is being transacted through Hongkong. Since the war, merchants have found in this island colony, British law and order, the financial stability which comes of being part of the

sterling area, the dignity and confidence which arise from its association with the (British) Commonwealth.

"British justice guarantees a fair deal and British administration a square deal for all. There are no special privileges for any race or class, there are no racial barriers, no colour bars, no 'isms' to tear society apart. All peoples, irrespective of race, colour, nationality, or creed find a welcome within its borders. There is liberty of thought, speech, and action common to all. There is freedom of trade and freedom to trade for all.

"These are the characteristics which have made Hongkong the largest entrepot in the Far East, the largest city in the British Colonial Empire, and one of the main commercial centers of the world.

"There is room for you in Hongkong.  
"Modern commercial discovery is still the search for new 'wealth' represented by new markets and new sources of supply.

"You are invited to discover the Far East and having discovered the potentialities of the Orient, to set up your Far Eastern Headquarters in Hongkong, the Commercial Capital of the Orient."

We have quoted the foregoing, though it constitutes a "free ad.", to show what the Philippine Government is up against in the natural and beneficial rivalry between a number of places in the Far East in inducing outside capital to come in to aid in their economic development.

In our opinion, Manila and the Philippines have certain very definite advantages over Hongkong, — Hongkong is too small in area, for one thing, and too close to the continuing chaos in China, for another, but today our own Department of Commerce and Industry could not truthfully publish an announcement similar to that of its counterpart in the great British crown colony.

That it can not be due to the fact that the Government is still following the narrowly nationalistic trend which this Journal is opposing. It is a tragic thing, for if it were otherwise we should see the Philippines thriving as perhaps never before.

The so-called "Reciprocal Immigration Bill", filed in retaliation upon the action of the Australian Government in the Gamba case, has

### The "Reciprocal Immigration Bill" and the "White Australia" Policy

at this writing been approved by the House in third reading and now goes to the Senate.

If this bill becomes law, we shall be very sorry, — as many Filipinos, even among those members of Congress who voted for the bill will no doubt be sorry, for the difficulties this will result in for the few score of Australians who live among us. However, we can not oppose or even criticise the bill, not so much because it is retaliatory for an existing wrong, but because it is aimed at establishing reciprocal privileges, which is no more than right.

In this connection, however, and for the sake of clarity, which we should always seek, it may be well to give thought to the fact that the so-called "White Australia" policy is not very different from the policies implied in such slogans as "Indonesia for the Indonesians" and "the Philippines for the Filipinos", — the latter first enunciated by a great American, William Howard Taft. Nor is the determination behind the "White Australia" policy very different from the decision of the people of the United States, some decades ago, to take certain measures to prevent the Pacific Coast region from becoming an Asiatic outpost.

It would appear to be undeniable that a people, if they have a right to self-determination and self-gov-

ernment, also have the right to self-preservation, and this must include the right to determine in so far as that is possible what is to be the racial make-up of their nation. It is very natural that people should wish to remain themselves, and to take all possible measures to insure that their country shall belong to their own descendants rather than those of some other people.

Just as the members of a family have the right to determine whom their guests shall be or whom will be allowed to live in their home, so does a nation have that right, although it must be admitted that that right may be overborne, as it was in the case of Australia itself which once was a black men's country, and in the case of America which once was a red men's country. But there enter factors of population pressures and great racial and cultural migrations which must be excluded from a brief discussion.

Biologists know that racial intermixture invigorates and enriches a race; anthropologists and sociologists know that racial intermixtures enriches and stimulates the social culture. It is held, indeed, that all progress comes from such contacts and minglings. We may therefore hope that at some future time the world may become so much one that the various primary races will hardly be distinguishable anymore. But for that man is still not as yet mentally and morally prepared.

In the meantime, however, the determination of a people to maintain itself racially is not necessarily an expression of racial hatreds, dislikes, or even mere prejudices. Such a determination may be fully explained as simply a matter of racial pride and of a half-instinctive urge to racial (and also cultural and political) survival.

That much being granted, the political policies which are the result of this determination should be carried out with a view not only to incurring as little hostility as possible, but with a view to avoiding injustice especially in individual cases.

Allowing Gamba, for instance, to visit his Australian wife and half-Australian children, allowing him even to live out his entire life there, would not affect the basic White Australia policy; nor would any number of such cases at all likely to arise, and met in a simple, human way, affect that policy.

We have, in this Journal, protested during the past few years against various forms of discrimination against non-Filipinos by the Philippine Government. We have, however, never challenged the natural right of the Filipinos to the Philippines or their right to govern themselves as they deem wise.

We have spoken up only for a truly wise government, a government that does not discriminate against minorities in the population, including non-Filipino minorities. That is no more than an appeal to statesmanship, the high statesmanship which must rest on the fundamental concept of democracy, equality and justice for all.

As a part of wise statesmanship, a government must know how to maintain its rights and the rights of its citizens under civilized conceptions. Gamba and some others are being cruelly treated by a department of the Australian Government. Protests and appeals have had no effect. We can not argue that two wrongs make a right; that making difficulties for Australians is, even under the circumstances, to be defended or condoned. But it must be admitted that

it represents a natural reaction, as a blow in return for a blow.

If the so-called "Reciprocal Immigration Bill" becomes a law, we sincerely hope that it may have the desired effect, which appears to be the establishment of a true reciprocity between the Philippines and Australia in matters of immigration.

---

We in the Philippines, including the Philippine Government, might well show a keener interest in our nearest neighbor to the north, Formosa, where, since the forces of liberation were withdrawn, things have not been going well and are likely to grow worse.

During the 16th and 17th centuries, Formosa, which is approximately one-third the size of Luzon, was fought over by the Portuguese, the Spaniards, and the Dutch, but at the close of the latter century it became a part of the Manchu Empire. After the Sino-Japanese War in 1895 it became a colonial possession of Japan and in 1942 the Japanese Government declared it an integral part of Japan proper. Now, in accordance with the Cairo Agreements, it is under temporary occupation by the Chinese Nationalist Government pending decision as to its future when the peace treaty with Japan is drawn up.

Though a considerable part of present population of over 6,000,000 is Chinese or of Chinese descent, the original inhabitants were Malay, akin to our Mountain Province people, and the population as a whole has always hated both the Chinese and the Japanese rule. They have become especially bitter against the present inept and corrupt Chinese Nationalist regime, and a strong movement now exists which aims at emancipation, independence, and membership in the United Nations.

Formosa is actually in sight of our northernmost islands and was in fact the base for the Japanese attack on the Philippines. Especially in view of the recent developments in China and the threat of a hostile "communist" regime being established there, Formosa becomes of far greater immediate concern to us than either Korea or the East Indies.

Our own thought is that SCAP should again take over in Formosa, this to be followed by an American civilian regime which would prepare the country for independence. However, the Philippine Department of Foreign Affairs might well undertake a study of ways and means by which the appeal of the Formosans for self-government could be strengthened.

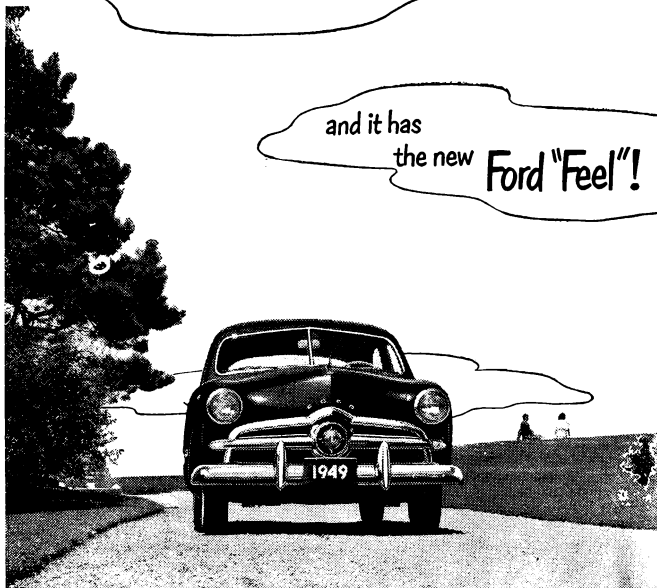
---

"Both Government and business have indicated an increased interest in the investment of private United States capital in Israel. The Economic Israel Department of the Jewish Agency is preparing handbooks and indexes of firms. The Minister of Finance and the Economic Coordinator are planning tax-benefit legislation to encourage foreign investment, and the Manufacturers Association is pursuing an active program to obtain concessions. . . ." This is from the *Foreign Commerce Weekly* of the U. S. Department of Commerce.

They're all working together in Israel. They're losing no time in Israel.

Too Beautiful for Words

and it has  
the new Ford "Feel"!



White sidewall tires available at extra cost.

There's a <sup>BEAUTIFUL</sup>  in your future! *Come in and see it today*

### FORD SERVICE THROUGHOUT THE PHILIPPINES

BICOL TRADING, INC.  
Iriga, Camarines Sur

DAYAO MOTOR SALES  
Banquerohan, Davao City

EAST VISAYAN MOTORS, INC.  
3 R. Palma, Cebu City

MINDANAO MOTORS CORP.  
Cagayan, Or. Misamis

MONTILLA BROS. CO.  
Bacolod City

PANAY MOTORS, INC.  
Muelle Loney, Iloilo City

MANILA TRADING & SUPPLY CO., Port Area, Manila

# Importance of the English Language in the Philippines\*

By Frederic H. Stevens

President, American Chamber of Commerce

IT is still a fairly general impression that a Junior Chamber of Commerce is a juvenile organization, but actually *junior* only means young or younger, and not immaturity which is what *juvenile* means.

So, in speaking to you today as the juniors which you — believe me — may be glad you are, I do not mean to reinforce the erroneous impression I have mentioned or to relegate you to an inferior position with reference to my own senior generation.

Rather, I am very well aware of the fact that you have the advantage over us not only in years and in vitality, resilience, strength, courage, enthusiasm, but also, in the time still left to you in which you may be active and creative and accomplish great things, — as we have done in our time! . . .

About the only real advantage over you to which we may lay claim is our longer experience, which may mean more knowledge and more wisdom, but which does not always mean that and which may also mean a moribund conservatism, over-cautiousness, timidity, and do-nothing-ism.

I would like to say that each generation has its own good qualities and its own weaknesses, which do not offset each other within the same generation and which are best offset through some sort of combination between the two generations.

This is generally recognized. Even the most primitive peoples have their warriors, — and their council of elders. It has long been political wisdom, embodied in our representative government institutions, to have a legislature composed of two houses, one of younger men and the other of seniors, a senate. A chief executive may be a comparatively young man, but he is generally counselled by older advisers. In business, too, most organizations have found it wise to find a place for junior partners.

Thus, in business, as in the state, and church, and also the school, we, in fact, follow the scheme of Nature itself, for all of life is a matter of generations, of a development from infancy to youth and maturity and old age. Nature has proved for itself that that process is of racial survival value. We can not always be young, and we can not long be old; but of whatever age, we can do our part.

The junior chamber of commerce movement is a fine thing, as it allows our younger men to set up and run their own show, perform their own tasks as they see them, in their own way. Yet we of the ordinary, established chambers of commerce would suffer great loss if many of our younger members were to withdraw to join the junior chambers. I feel that we should have both the young and the old in our regular chambers of commerce.

At any rate, I make a plea for frequent contacts between us, for consultation, collaboration, cooperation, joint action, whenever that can be agreed upon.

We may agree on all things, we may not, but we could, I am sure, all work for one common end, — the welfare and prosperity of the Philippines.

A practical step in this direction might be to create a liaison committee between the junior and the regular chambers of commerce.

## Business in Politics

I CONFESS to a feeling of admiration when, some weeks ago, I saw the call your organization issued through full-page displays in the newspapers for the Philippine Congress to get down to work.

I would not say that what Congress is alleged to be doing now, — cleaning house, is not the best thing it could do. Certainly, whatever it is doing is better than grinding out legislation which, as during recent past sessions, has been harmful to the country, especially our economy, rather than helpful.

But I liked your courageously seizing upon a role in the political life of the Philippines. Your organization, predominantly Filipino, has a right to that role, and, in fact, it is your duty to assume it. General MacArthur and I, as Americans, may not have that right, though who will say we have no right to express our personal opinions?

Under our democratic form of government, Filipino businessmen at least have as much right as other citizens to seek to guide government policies in their own interests, though as they constitute only one class of citizens, they have no right to seek to control the government or to take an actual part in the government except as honest voters at election time.

Where industrial and business organizations take an actual part in government, as they do or have done under some fascist regimes through so-called corporative chambers, we no longer have democracy, but a government frankly by the vested interests.

Businessmen and business entities and organizations, Filipino or alien here, may properly petition the Government, they may call certain facts, as they see them, to the attention of the Government, they may interest themselves in the passage of certain legislation or in the amendment or abrogation of it, — all this is honest and above-board and no one can reasonably object to that any more than they could object to other groups of people, whether citizens or only residents, doing the same thing.

Industry and business, regardless of nationality, represents the great basic material interests of the community, the nation, the world, which are fundamental to all the higher social and cultural interests. It has the duty to stand up for itself. However, attempts at coercing the government or at corrupting government officials is evil in itself and destructive of the whole community or nation.

## Corruption in the Government

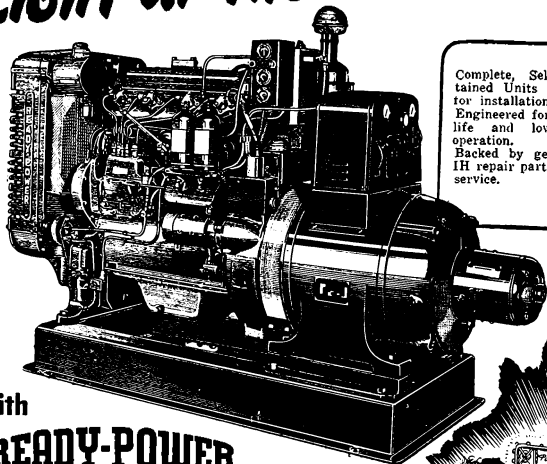
It is to be emphasized that in the Philippines of late it was not business that corrupted the Government, but the Government that corrupted itself, like some sick dog will bite itself.

The scandalous corruption here was due not only to the decline in private and public morality which generally follows war and an enemy occupation of a country, but to the abnormal opportunities for dishonesty presented by the existence of enormous stocks of army surplus goods which it was difficult to

\* From an Address before the Manila Junior Chamber of Commerce, April 26.



# LIGHT UP THE PROVINCES!



Complete, Self-contained Units ready for installation. Engineered for long life and low-cost operation. Backed by genuine IH repair parts and service.

with  
**READY-POWER  
 GENERATORS**

Ready-Power Generators powered by International diesel engines make electrical power available anywhere in the Philippines. Complete, self-contained Ready-Power Generators have unlimited applications . . . in towns, barrios, construction projects, manufacturing plants, lumber camps, mines, and many other fields.



Where there's Light  
 there's Progress.

Write or see us for full  
 particulars.

## INTERNATIONAL HARVESTER COMPANY OF PHILIPPINES

104 Marquero de Comilla, Manila  
 Magallanes Street, Cebu  
 Zambo, Davao — Lumbao St., Bacolod



McCORMICK International  
 Tractors and Farm Equipment  
 International Tractors  
 International Refrigeration  
 International Industrial Power

and by the inflow of vast rehabilitation funds from the United States, and also to the extremely low salaries paid to government personnel in the lower grades. This latter factor, however, does not apply to some of the more prominent malefactors whose criminal operations have lately been exposed.

But more basic than any of these factors in the government corruption is the indifference and slackness of the electorate which has failed to exercise the vitally necessary discrimination in the choice of its representatives in the Government. That was why I was glad to see those full-page newspaper displays of your chamber. I was glad to see your organization of young men taking the initiative in this way, reading the members of Congress a lesson, setting an example to the rest of the electorate.

Not because of race or nationality so much, but because of age, this is your country, this is your opportunity rather than ours of the older generation. Though we do not by any means consider ourselves has-beens and we are not ready to assume a role of innocuous desuetude, we of the older generation are ready to see you take the lead, as we did ourselves in our time.

### Importance of the English Language in the Philippines

I SHOULD like to see the Junior Chamber of Commerce take the lead in one matter of what I believe to be of paramount importance to the future of the Philippines as a nation, as well as to the advancement and welfare of the common people here as a class, — the retention of the English language. That is a highly political question and of an importance it is not possible to over-emphasize. It is tied in with no less than the survival of our nascent democracy here.

There has been agitation, especially in connection with the observance last month of "National Language Week", against English as the language of instruction in the primary schools, one proposal being that this should be carried on in what is misleadingly called the "national" language, actually Tagalog, with English taught only as one of the subjects one-half hour a day. There have also been appeals that Tagalog be made the medium of government publication and correspondence.

As against such and other similar proposals, I should like to give you the following in the way of background:

It was some fifty years ago, and immediately after the establishment of the American regime here, that English was introduced, to all intents and purposes, as both the official language and the language of the schools. I believe this to have been what was basically the most constructive measure ever adopted here. To support this statement, I may mention that the colonial policies of the Spaniards here and of the Dutch in Indonesia were in the respect of language, at least, essentially the same. Instruction in the public schools was in the vernacular. I ask you now to compare the Filipino people, after fifty years of English, with the Indonesians, as to their general educational level, their international outlook, their ability to carry on as independent nations, their government processes. I believe that you will not be able to escape the conclusion that the Filipino people are in the more advantageous position.

It was not part of any "imperialistic" plan, nor was it part of any deliberate effort to "Americanize" the country. It was a step which was forced on the

new government authorities because of the practical impossibility of doing anything else. No national language existed, or exists, and were the vernacular languages to have been adopted for government purposes, rather than Spanish, government procedures and correspondence would have had to be carried on, and government publications and also school books would have had to be published, in at least some eight or ten of the principal Philippine vernacular languages.

The purpose of the American Government from the first was to instruct the people in the ways of democracy and self-government, to unite them and mold them into a modern nation, and to induct that nation into the world concert of nations.

That three-fold purpose was accomplished and could only have been accomplished through the resort made to the English language, — a language which has long ceased to be merely the language of Englishmen and which, through the centuries, in the derivation of its magnificent vocabulary, its rich local variations, and its universal use, has become the cosmopolitan world tongue.

In introducing English, the early American authorities here did no violence to any established national language, for, as I have said, there was none; neither were there any public schools, — only a few scattered parochial schools in the larger towns run by the parish priests and a few higher schools and colleges for the upper classes in Manila where Spanish was the language of instruction.

The measure did no violence to any established national literature, for there was none. The genius, Rizal, was among other things, a great novelist, but he wrote in Spanish. Balagtas wrote in Tagalog, but he was no more than a parochial poet, although a good one. While Filipinos before the American regime had distinguished themselves in art, especially in goldsmith work, woodcarving, and in painting, there was practically no development in native literature. The ancient Filipinos had an alphabet or alphabets, but the art of writing was never general, and in the later rustic Philippines there was hardly time and certainly no great stimulus for the development of a literature, whether oral or written. What little there is is much mixed up with medieval European church and chivalric literature, and some Indian.

It is very natural, of course, for you to love and to cling to the vernacular tongue of whatever part of the country you may come from. As the language of your home and childhood, as perhaps still the language of your most intimate relationships, as the language of your own division of your people and race, you do well to love and treasure it. But as such, you should not be ready, merely in the name of so-called "nationalism", to give your language up in favor of Tagalog, which, though the language of the people of this part of Luzon, is not even the language spoken by the largest number of Filipinos. That distinction belongs to Visayan. I ask for the destruction of no language. I would urge the preservation of them all and their continued frank use so long as this is functional.

The eighty or so vernacular tongues of the Philippines are also of great scientific interest in the study of comparative linguistics and in ethnology in connection with the peopling of these Islands and your relationships with other peoples of this part of Asia. I have the greatest respect for such studies.

But to develop these languages or any one of them into a medium for modern communication, especially with respect to government and law, let alone science

and technics, or into a medium for distinguished literary expression, would seem to be as hopeless as it is unnecessary and futile.

And you must understand that for the public schools now to be forced to teach Tagalog and to teach in Tagalog, imposes a task on them the nature of which the early American authorities thought impossible of accomplishment because of the lack not only of school books in any of the vernacular languages but because of the lack of a sufficient number of teachers lacking. And do not forget that while it proved that the people of the Philippines, young and old, were eager to learn English, no such eagerness is being displayed outside of the Tagalog provinces to learn Tagalog.

The English program here has been magnificently successful and it is only to be sustained to bring it to full fruition. English is understood everywhere in the Philippines today. It is used in the legislature, the courts, and in all government offices; in churches, schools, colleges, libraries, museums, hospitals, prisons; in banks, postoffices, and telegraph stations; in factories, shops, stores, and offices; in clubs and associations of all kinds, including chambers of commerce; even probably in the majority of homes; certainly in all cultured homes. The press is almost entirely English. Only in radio-broadcasting, which at the beginning was wholly in English, has there lately been, I regret to have to say, some back-sliding, and that may be one reason why the better types of radio-reception instruments which permit of tuning in on American and British stations, are meeting with good sales. It is our rightful boast that English has been brought to a point where Filipino writers in English have begun to make a truly notable contribution to world literature in the form of poems, short stories, essays, novels, and plays.

English has opened world civilization to the Philippines. In English the Filipinos are in communication with all the world, are able to keep abreast of modern progress and themselves to take part in contributing to it. In Tagalog they can only talk to themselves, some of them, and read *Livawayway*.

Proposals that would turn the Philippines from the great international language of English to a so-called "national" one, again exemplify the spirit of a "nationalism" turned to the service not only of parochialism, but of reaction. For English, besides being the world tongue, is also the language of what a well-known historian calls those "elemental forces", democracy and industrialism, and it is those forces that will build the great world federation that is already forming.

We all, Americans as well as Filipinos, should determine to think internationally rather than nationally, for that is the way progress points. The other way, for us here, leads back to the mangrove swamp and the *kaingin*, and worse, to a renewed serfdom to an *ilustrado* class which will always have the money to educate its sons at home and abroad while the outlook of the poor would be confined within the narrow limits of the vernaculars.

What I have said are the broad considerations of the question, broadly sketched. But such "nationalistic" proposals become truly despicable when one senses that at least some of the impetus behind them comes from those who have an eye to the profit there might be in locally publishing school texts in the vernacular. To such "business" schemes the progress and whole future of the country would be callously or stupidly sacrificed. I myself, as the agent of the monotype typesetting machine, naturally support the development of local publishing enterprise, but I, for one, would not want any profits at such terrible cost. All that this country has spent and may continue to spend for text books published in the United States remains a small price to pay for what has been and is being accomplished through them in our public schools, our technical schools, and all our institutions of learning.

I would urge that you, young businessmen, take thought to realize the importance of retaining English here as the common language medium because of its importance culturally, politically, and, although I have hardly mentioned it, economically, for English is also, of course, the world language of business. I hope that you will be able to restrain the schemers and zealots among us, and see to it that English will not become, in the future, merely a "secondary" language in your schools, like German and French and Spanish in our American schools. As such it could not continue to play its great, its overwhelmingly great part, in the advancement of the Philippines.

If you wish to keep the feet of our mutually beloved Philippines on the path of progress, hold on to English and develop its use here more and more, rather than permit that use to lessen.

It was we, of the older generation of Filipinos and Americans who set the Philippines on that path. We must leave it to you of the younger generation not to abandon it, and I am deeply convinced that as the English program was our greatest basic achievement, which made everything else possible, so the lapse of that program would bring with it bitter failure in every other field....

---

"IT is tragic that our people in recent elections have tended to support the theory that the government should be the source of all planning, of all control, and of bread and circuses for the multitude. It is tragic, because at this very moment we see the magnificent success of a system of liberty in the United States as contrasted with the comparative poverty and dissatisfaction of many foreign nations. Liberty has succeeded in the United States in developing original thinking, original methods, and new ideas. It has succeeded in giving a wide distribution of property and income to our people. It has succeeded in building up a tremendous production of material things and a standard of living higher than has ever been seen before in the history of the world. A man from Mars who studied the world today would of necessity come to the conclusion that only the free can solve the problems of production."

Senator Robert A. Taft  
In the April Fortune

# The 1949 Metropolitan Water District

By Manuel Mañosa  
Manager, Metropolitan Water District

SOON after my assumption of office in the Metropolitan Water District in 1947, I wrote two articles for this Journal in which I gave an account of conditions as I found them and tried to analyze some of our problems at that time. Now that we have accomplished some of the things we had to do, I believe it is time to attempt another exposition of our future plans, all aimed at the further improvement of our public service. We have always considered that the Metropolitan Water District's business is very much the public's business.

For the sake, therefore, of public information, I shall start by enumerating some of the 1947 projects which have recently been completed.

Quietly on the 11th of this month (April), the second parallel Ipo-San Juan Aqueduct was formally opened for public use by the Secretary of Public Works and Communications. This is an accomplishment of great importance as it doubles the District's supply from the Angat River and completes the plan dreamed of years ago by Stroebe, Williams, Mack, and Gideon, to deliver to consumers in Manila and neighboring municipalities some 80,000,000 gallons of water a day. This aim should have been achieved a long time past, but, because of conditions which developed before and during the last war, financial difficulties, and other factors which were briefly summarized in the article in the September, 1947, issue of this Journal, realization was postponed until this day, and meanwhile the demand has risen during the dry season to the well-near incredible volume of 85,000,000 gallons a day, or 5,000,000 gallons more than the system, even as enlarged, can yield. Much to our regret, therefore, we must confess that the demand still surpasses the present maximum capacity.

Worthy of mention is the change in our billing system from quarterly to monthly. This is a marked improvement in the accounting system and we are beginning to feel its benefits. Our income is becoming steadier, and fewer complaints are received from consumers, and those we do receive are not so serious as before. We are sending out over 60,000 bills every month, three times the pre-war number. However, the system is not yet operating at maximum efficiency mainly because of the difficulties of fitting the available equipment of the International Business Machines Corporation to the numerous requirements of our government entities. As soon as we succeed in simplifying the auditing and some other official procedures, we shall be able to render more satisfactory service with respect to billing.

The completion of 5 out of the 12 originally planned branch offices in the more densely populated and the more distant areas has also helped the administration of the District considerably without increasing the personnel. Two more are now under construction. These branch offices bring the District closer to the public and have relieved the over-crowding in our main office during business hours. The branch offices also give us more efficient area control.

Another achievement is the recent re-assignment and general promotion of our personnel, which up to the last fiscal year, was still drawing pay on the pre-



The Ipo-San Juan Aqueduct while under construction.

war scale. This measure has impressed upon the minds of all our employees that efficiency and initiative are better means of attaining advancement and promotion than the pull-the-string method and attempts at exercising "political" influence. With regard to the effect on our laborers, we keep our fingers crossed, as it seems that they prefer complete freedom of action in their own affairs. Nevertheless, there seems to be a strong feeling of goodwill and a desire to cooperate with the management.

By the end of this fiscal year, we shall have completed 5 standard laborers' quarters, 2 engineer's bungalows, and a tenement house sufficient to accommodate 8 bachelors in our Balara Compound; 1 barrack with an officer's quarters, 1 engineer's residence, and 4 laborers' quarters to accommodate the Constabulary guards and the District personnel at the Ipo Dam; and 4 duplex and 3 standard laborers' quarters at the Novaliches head-gates. With the exception of the duplex quarters, all of these buildings are of strong materials, equipped with modern sanitary conveniences, and are surrounded by ample pieces of ground for gardening.

Another delayed structure that is nearing completion is the P400,000 covered distributing-reservoir which will triplicate the water-storage capacity of the San Juan Reservoir. Completion of this project has been delayed a few weeks because of the scarcity of reinforcing-steel in the market. When completed this reservoir will stabilize the water-pressure throughout Manila.

Good progress is also being made in the rehabilitation and reconditioning of the old sewer-system of Manila. Without the means to acquire new equipment from the United States to replace the worn-out and obsolete electric motors and sewage-pumps which were installed over 40 years ago, our shops have striven to recondition those in use for further utility. The accompanying picture will give an idea of the reconditioning work we had to do on our Tondo pumps. Plans for the enlargement of the present net of sewers as well as that for the new Capital City are being drafted; our hydrological and current studies along

Manila Bay are progressing; and the negotiations for the sites for sewage-treatment plants are reaching their final stages.

We can state that of the items calling for reconstruction and repair, such as the Main Office Building, the property bodega, and the garage, to be paid for out of the P2,000,000 awarded to us by the War Damage Commission, all are now about to be finished. The work of reinstalling destroyed fire-hydrants is two-thirds completed. We are, however, handicapped in the rehabilitation and extension of the water-mains because of certain difficulties beyond our control: some of the streets through which lines have to pass are not yet owned by the City; in some projects the laying of pipes has had to be subordinated to traffic conditions; and, in the case of one extension, the cast-iron pipes, the furnishing of which was awarded to a local contractor through public bidding, had to be rejected for not meeting the specified standards. But even with these difficulties, we are still confident that these projects will be completed long before the period of grace set by the Rehabilitation Act expires.

We can also report the near completion of the construction of the Pilot Filtration Plant at Montalban, financed by the U. S. Public Health Service, work on which was stopped for a while due to Huk activities in that area. And, finally, we can announce the completion of the water distribution system, valued at about P500,000, in the "Morning Side" portions of the Singalong, Mandaluyong, and Santa Mesa Heights subdivisions, the cost of which was advanced by the respective real estate companies.

#### Future Plans

EVERYBODY is aware of the fact that the Master Plan of the Capital City was recently signed by the President of the Philippines. This was the "go-ahead" signal for starting the development.

Under Sec. 4 of its Organic Act (Republic Act 333), the planning and physical development of the Capital City is entrusted to a Commission directly responsible to the President and independent of any other government instrumentality. To finance its undertakings, Sec. 9 of the Act authorizes the President of the Philippines to issue, in the name and on behalf of the Republic of the Philippines, bonds in the amount of P20,000,000, the proceeds of which will be used as a revolving fund. On the other hand, the new Capital City site lies northeast of Manila, within the territory of the Metropolitan Water District.

From these facts it may be inferred that there will be a number of interrelated administrative functions in the future Capital City government and the governments of surrounding cities and municipalities, which situation will call for thorough study. The phases affecting the Metropolitan Water District are not the least important, but the best that can be done now is to wait until the nature of the government of the New Capital will have been determined by legislation. In the meantime we may continue to study in what way the redistribution of the population will affect the Metropolitan District Area, how the various sections are likely to develop, what revenues may be expected, etc.

As a temporary measure we have proposed a small and independent system to supply the Capital Hill area with water during the construction period. This plan, which was described in the article published in the September, 1948, issue of this Journal, was favorably indorsed by the Capital City Planning Commission and has been approved by the Secretary of Public Works and Communications. For the permanent water-supply system of the Capital City, probably the most convenient solution would be to develop a new source under the financial responsibility of the National Government.

As to Manila itself and the neighboring municipalities, bearing in mind that the Montalban source of supply as redeveloped will take care of the towns of Montalban, San Mateo, Marikina, Taytay, and Antipolo, all of which are at present drawing on the Ipo-Navaliches system, and bearing in mind, too, that a separate supply system for the Capital City should also take care of all the areas lying in the upper sections of the municipality of San Juan, including the People's Homesite Development, the War Damage Housing Compound, Camp Murphy, and Fort McKinley, which are now being supplied by what is known as "Kubao high-pressure system", we do not entertain the slightest doubt that if we perfect the Ipo-Navaliches system and improve the very old distribution system of Manila and its environs so as to encircle the outlying areas with larger mains, we would have a reconditioned system which would meet all public needs for some years to come. We should also proceed definitely with the extension of the old sewer-system of Manila so as to include the outlying districts within the net-work. Measures should be taken, too, to treat all collected sewage before it is discharged into the sea for the protection of our beautiful Manila Bay.



Worn-out Impellers



One of the new Branch Offices

The following long-term program of improvement, to be executed in 5 years' time, has been submitted to higher authorities:

<b>A. WATER SOURCES AND TREATMENT:</b>	
1. Enlargement of Filters .....	\$ 1,500,000
2. Additional Settling Basins .....	785,000
3. Mixing Basins .....	585,000
4. Completion of San Juan Covered Reservoir .....	270,000
5. 54" By-Pass at Covered Reservoir .....	40,000
6. Additional 25,000,000 Gallon Covered Reservoir .....	825,000
<b>SUB-TOTAL FOR WATER SOURCES ..</b>	
	<b>\$ 3,955,000</b>
<b>B. WATER FEEDER MAINS and DISTRIBUTION SYSTEM:</b>	
1. Completion of 42" Feeder Main at Santa Mesa Boulevard .....	\$ 388,000
2. Completion of Aviles-Arlegui Feeder Main (42" and 36") .....	42,000
3. España Feeder Mains (48" Conc. and 36" and 30" C. I.) .....	1,900,000
4. 24" C. I. Feeder Main along Antipolo, Tecson, N. Harbor Boulevard, Del Pan, Bonifacio, I. Peral .....	1,358,000
5. Santa Mesa-Paco-Rizal City (Pasay) Feeder Main .....	1,534,000
6. 16" C. I. Main along Manuguit Street ..	275,000
7. 1,000 cu. m. Tank at Balintawak .....	210,000
<b>SUB-TOTAL FOR WATER FEEDER MAINS AND DISTRICT SYSTEM ..</b>	
	<b>\$ 5,657,000</b>
<b>C. SEWERAGE SYSTEM:</b>	
1. Additional North Sewer Outfall .....	\$ 1,700,000
2. North side Sewage Treatment Plant .....	1,500,000
3. South side Sewage Treatment Plant .....	1,500,000
4. Sanitary Sewer Mains Extension .....	1,500,000
<b>SUB-TOTAL FOR SEWERAGE SYSTEM</b>	
	<b>\$ 6,200,000</b>

<b>D. MISCELLANEOUS IMPROVEMENTS:</b>	
1. Miscellaneous Improvements .....	\$ 2,188,000
(Necessary Water Main Extensions, Buildings, etc.) .....	
<b>SUB-TOTAL FOR MISCELLANEOUS IMPROVEMENTS .....</b>	
	<b>\$ 2,188,000</b>
<b>GRAND TOTAL FOR FIVE-YEAR CONSTRUCTION .....</b>	
	<b>\$18,000,000</b>

In formulating this program we have tried our best to coordinate the capital requirements with the operating budget for each year. The list as well as the period is long enough to offer sufficient flexibility for necessary changes in priorities in the execution. The estimates of cost have also been made purposely liberal in order to enable us to meet unforeseen market conditions or changes in methods of construction. The reason for doing so is principally the short-period terms for repayment of the loans to be obtained from our Central Bank.

Before concluding it would not be amiss to say that in addition to this 5-year program of construction and improvement, we propose also to wage an intensive campaign for water-conservation. A comparative study of the water-consumption during the last 3 years has led us to the conclusion that a large part of the supply delivered to the system is wasted or unaccounted for. If this loss or waste could be prevented, we would be able to satisfy all requirements for some years to come. The success of the conservation campaign would of course depend on the cooperation extended by the public not only by promptly repairing leaks on private premises and by avoiding wasteful use of the water, but also by reporting leaks, damaged pipes, and open hydrants wherever seen to the Metropolitan Water District. We earnestly solicit the cooperation of the public.

## Gold and Recovery\*

*With some observations on a managed currency*

By Joseph Stagg Lawrence  
Vice-President, Empire Trust Company, New York

ONE of the major problems confronting the Government and the people of this country in the post-war period has been inflation. Since 1939 the cost of food has gone up 147.3%, wages 182.2%, wholesale prices 112.4%, and transportation, as measured by railroad freight-rates, 62%. This rise in prices has pervaded almost every field in our economy, with the single exception of gold. Even the President's salary and his expense account reflect the changing value of the American dollar.

I need hardly mention to this audience that the decline in the value of the dollar has presented us with one of the most acute political issues of the post-war period. On three separate occasions, in his capacity as President of the United States, Mr. Truman has asked Congress for extraordinary powers to deal with this problem. Throughout the recent campaign he taxed the 80th Congress with inflation responsibility for its failure to continue the OPA and grant him the necessary authority to keep prices at reasonable levels.

In his analysis of the problem, the President has accused, at various times, the grain speculator, the high profits of corporations, the conspiratorial monopolies of big business, and the alleged failure of our banks to keep credit within bounds.

At no time and on no occasion did he place his finger on the single valid cause of the distressing rise in prices from which this country has suffered. That cause, as every monetary economist has long since pointed out, is the excessive issue of currency and the enormous expansion of bank credit necessitated by the fiscal practices of the Federal Government itself.

Mr. Hoover has the President, or any of his advisers, pointed out that the only effective check on prices which all the experience of history has ever demonstrated has been the check which an honest gold standard provides.

As we move from the President to the Federal Reserve authorities, we find a similar concern for inflation. Here, again, remedies are periodically proposed to correct this prevailing ailment. In the 1945 annual report of the Federal Reserve Board, Mr. Eccles suggests that the Board be granted authority to impose any reserves upon the banks of the country which it might deem desirable. It also asks for the right to determine the character of a bank's bond portfolio. It asks for further qualitative credit controls similar to the limits on borrowing for security purchases and the regulation of consumer credit. Here is an official body charged particularly by law to operate the American central banking system in a fashion that will promote a sound banking structure and an honest currency. It has ample funds for research and is able to employ outstanding experts in the field. Yet, in spite of this peculiarly responsible and competent position, the

\* Address before the Colorado Mining Association, Denver, Colorado, Tuesday, February 1, 1949.

Board has failed in the last fifteen years to call attention to the one condition which alone will serve to check the infinite expansion of bank credit and the unlimited issue of folding money — namely, an honest gold standard.

What is the reason for this startling failure? Why is it that the Administration and the executive agencies capable of diagnosing our price problem and prescribing authentic remedies have meticulously avoided the only possible sound prescription? The answer is to be found in a *seductive ideological importation known as a managed currency.*

This theory, like so many others that have confused and bedeviled the American people in recent years, has come from England. Probably the chief exponent of a managed currency in the last generation has been the late Lord Keynes. Immediately after the First World War, John Maynard Keynes was one of the stoutest supporters of an honest gold standard. In fact, some of the most eloquent encomiums ever penned on behalf of the yellow metal have come from the hand of Lord Keynes himself.

However, during the period of the early 30's, particularly after Great Britain was forced off the gold standard in 1931, the views of Mr. Keynes changed. He not only believed it best for a government to control credit and currency to regulate the price level, but that it was a solemn duty for every government to do so. Because of their great importance, this injunction applied particularly to Great Britain and the United States.

Under his skillful exposition Mr. Keynes found converts both in England and, this country. As corollaries of a managed currency, he added the theories of pump-priming and government control of the bond market. He was frankly committed to a program of continuous inflation. Only in this way could England find relief from the succession of crises which had plagued that country during the 30's and the continuation of which he apprehended after the Second World War.

As a result of this thinking, the early discussions of the Bretton Woods agreement revealed a strong objection on the part of the English to any use of gold or even to any reference to it in the agreement. It was argued by them that gold was an anachronism, a relic of barbaric usage which had no validity as a monetary factor in the modern world.

They argued that the production of gold was an actual social waste. It involved the laborious abstraction of the yellow metal from the mines of Utah and South Dakota, the placers of California and Alaska, and the re-burial of this same gold in the bowels of the earth in Kentucky.

Repeatedly they pointed out what to them seemed a self-evident truth. If by design or through some natural calamity, the gold at Fort Knox were to disappear without the knowledge of the American people, it would make not the slightest difference in the acceptance of the American dollar or in the value of that dollar.

This bland sophistry has made such headway in American thinking that the authorities, wrestling today with the problem of inflation, fall even to mention gold as a possible check on the evaporating value of the dollar. In spite of an official conspiracy of silence which shrouds this subject, we know that the American people, like all other people, have a deep-seated longing for the security which a gold unit of exchange affords.

Elsewhere in the world men are eagerly bidding for the precious metal. In Mexico the peon, in France the peasant, in China the coolie all seek this tried and tested haven for their savings.

It is a shocking comment on the deterioration in the American concept of freedom that this country leads the way in denying to the individual the right of refuge in gold which is still enjoyed by people in other parts of the world.

I do not mean to imply that gold will automatically stabilize the price level and establish a permanent and invulnerable value for the dollar. Fortunately, wherever gold is used as a base for a currency, it affords considerable breathing space for price levels and business fluctuations.

The competent advocates of gold have never argued that it prevents price fluctuations or eliminates the peaks and the

valleys of the business cycle. However, it does place definite limitations on the range of price fluctuations. It does so because it acts as a check upon the infinite expansion of currency and credit. It makes impossible the type of extreme price behavior which is now taking place in other parts of the world, price behavior whose ultimate correction can come only in the form of currency confiscation or repudiation by the government.

With this limited but vital function in mind, what can we do in this country to return to a solid currency basis? Many students who understand the operation of a gold standard and who believe that monetary salvation can be found only in a return to gold, fear the resumption of specie payments by our Government. They argue that any attempt to redeem currency at \$35 an ounce of gold might result in a rush on the American Mint which would denude the Treasury of its gold stock.

This fear is probably well founded. Bear in mind that the price of gold was fixed in 1934 at \$35 an ounce and that since then the wholesale price index has gone up 125%, hourly wages 154% and fuel 88%. Only gold retains a nominal value of \$35 an ounce.

Economists know that supply and demand at any time depend upon price and that a fair price is that which equates supply and demand. If, as a result of arbitrary price fixing, a commodity is set at a price that is too high, supplies become redundant. This was illustrated by the pre-war accumulations of cotton and grain by our Government.

On the other hand, if prices are fixed at too low a level, we have scarcities and grey markets. The illustration of that is the present situation in steel and automobiles. Scarcity here is due entirely to a price that is too low.

Let us assume now that our Government were to offer wheat at 95 cents a bushel, hogs at \$5.00 a hundred, and cotton at 12 cents a pound. These are the prices that prevailed in 1934. I am sure, in spite of the growing supplies of these commodities at the present time, they would prove unable to satisfy demand at these price levels.

Even though we have approximately two-thirds of the known gold stocks of the world, even though we have 5.6 times as much gold as we had in 1929, even though the ratio of gold stocks to total demand deposits and currency is more favorable today than it was during the 20's or the period prior to the First World War, an unrealistic price of \$35, if maintained in an open market, would probably cause a disastrous drain on our gold stocks.

It is in the light of this possibility that we suggest an intermediate step. Let the Government change the provisions of the Gold Reserve Act of 1934 and permit a free open market in gold. There is no reason in equity, morals, or good economic sense why the miner should not be permitted to take his gold to the mint, accept 35 paper dollars for it, or receive it back in properly certified form and sell it in the best market he can find.

After all, every other producer, whether of services or of tangible goods has precisely this same right. It is a right which every one takes for granted in a free economy, a right which is enjoyed by people elsewhere who presumably do not have the advantages that we possess.

In such a market where bidders are free to pay any price they choose and where sellers can offer their supplies, a fair value would be developed. If, in the light of this value ascertained over a period of time, it seems that the Government could resume specie payments at \$35 an ounce, then certainly it would be safe for it to do so without incurring the danger of a disastrous drain of gold stocks.

On the other hand, if such a market should demonstrate over a period of time a value of some higher level — say \$45 to \$50 — then, obviously, it would be unrealistic for our Government ever to attempt to return to a \$35 an ounce basis.

Here is a sound test of the possible return to a gold standard, a practical test of the value for gold on which such a return could be effected. The men who argue that a free gold market will tend to confuse the public and create chaos are simply afraid to submit to this on a fair, practical basis.

---

"There is no communism in the Marxist sense in the Soviet Union, and no capitalism in the United States as it is conceived in *Das Kapital*." — Anne O'Hare McCormick in the *New York Times*.

# Foreign Trade of the Philippines, by Country: 1948

*By the Bureau of the Census and Statistics*

Country	Total Trade Value (Pesos)	Per cent Distribution	Imports	Per cent Distribution	Total Exports	Per cent Distribution	Domestic exports	Re-exports
<b>Total</b>	<b>1,774,819,524</b>	<b>100.00</b>	<b>1,136,409,068</b>	<b>100.00</b>	<b>638,410,456</b>	<b>100.00</b>	<b>594,644,435</b>	<b>43,766,021</b>
United States	1,357,413,940	76.48	939,228,876	82.65	418,185,064	65.51	405,472,913	12,712,151
China	49,834,803	2.81	45,784,484	4.03	4,050,319	.63	2,169,164	1,881,156
Dutch East Indies	40,383,621	2.27	30,083,974	2.65	10,279,647	1.61	769,880	9,509,817
Japan	35,227,715	1.98	4,192,546	.37	31,035,169	4.86	29,144,725	1,890,444
France	32,499,543	1.83	1,751,232	.15	30,745,311	4.82	30,730,106	15,205
Canada	26,328,765	1.48	14,998,174	1.32	11,330,591	1.77	11,134,890	196,201
Great Britain	17,235,124	.97	10,587,158	.93	6,649,966	1.04	6,475,249	172,717
India	16,676,785	.94	13,142,718	1.16	3,534,067	.55	3,417,808	116,259
Denmark	16,125,907	.91	613,894	.06	15,512,013	2.43	15,608,771	3,242
Poland	14,356,548	.82	—	—	14,356,548	2.26	14,356,548	—
Italy	13,375,588	.76	2,300,526	.20	11,074,862	1.73	11,074,031	831
Belgium	12,469,590	.71	8,414,244	.74	4,055,346	.64	4,053,136	210
British East Indies	11,956,552	.67	11,745,060	1.03	211,492	.03	7,957	205,935
Germany	11,412,272	.64	894,564	.08	11,017,708	1.73	11,017,708	—
Switzerland	8,511,849	.48	4,954,224	.44	3,557,625	.55	3,548,125	9,500
Sweden	7,927,903	.45	3,945,604	.35	3,982,299	.62	3,982,299	—
Hongkong	7,618,896	.43	1,795,250	.16	5,823,646	.91	2,605,745	3,217,901
Netherlands	6,927,534	.39	1,069,586	.09	5,857,948	.92	5,857,948	—
Arabia	6,906,851	.39	6,578,412	.58	328,439	.05	328,439	—
Austria	6,762,323	.38	779,760	.07	5,982,563	.94	5,982,563	—
Norway	6,696,083	.36	893,136	.08	5,502,947	.86	5,502,947	—
Argentina	5,370,126	.30	2,834,126	.25	2,536,446	.40	2,655,576	2,271,071
Ecuador	5,253,533	.30	5,253,566	.46	1,967	—	1,967	—
Brazil	4,993,187	.28	4,898,092	.43	35,095	.01	35,095	—
Australia	4,326,697	.24	2,515,550	.22	1,813,147	.28	42,623	1,770,524
Spain	4,251,101	.24	2,428,636	.21	1,822,465	.29	1,814,935	7,530
Hawaii	4,246,168	100.00	2,507,038	.22	1,739,120	.27	1,287,132	451,988
Persia	3,644,336	.21	3,644,336	.32	—	—	—	—
Korea	3,423,719	.19	136	—	3,423,583	.54	11,245	3,412,338
British Africa	3,359,883	.19	94,792	.01	3,265,091	.51	2,558,291	706,800
Colombia	3,170,158	.18	12,410	—	3,157,748	.49	3,157,748	—
Venezuela	2,818,468	.16	32,944	—	2,785,524	.43	2,785,524	—
Siam	2,812,059	.16	1,051,140	.09	1,670,919	.26	1,179,596	491,323
Czechoslovakia	2,500,959	.14	415,818	.04	2,085,041	.33	2,085,041	—
French East Indies	2,314,059	.13	199,740	.02	2,114,319	.33	339,111	1,781,908
Malaya	1,864,200	.11	205,612	.02	1,658,588	.26	1,099,299	559,289
Mexico	1,542,400	.09	1,515,662	.14	26,738	—	9,762	17,016
Cuba	1,470,440	.08	1,465,600	.13	4,840	—	4,840	—
Panama, Republic of	1,338,633	.08	12,000	—	1,326,633	.21	1,326,633	—
French Africa	1,189,633	.07	—	—	1,189,633	.19	1,215	1,188,418
Costa Rica	952,563	.05	900,290	.08	52,273	.01	52,273	—
Guam	915,270	.05	—	—	915,270	.14	668,662	246,608
Egypt	769,420	.04	769,420	.07	—	—	—	—
Uruguay	730,952	.04	608,592	.05	122,360	.02	105,574	16,786
Syria	706,191	.04	—	—	706,191	.11	706,191	—
Porto Rico	691,171	.04	19,306	—	611,865	.10	611,865	—
Portugal	536,165	.03	264,112	.02	331,053	.05	331,053	—
Ceylon	554,140	.03	554,140	.05	—	—	—	—
British New Guinea	438,131	.02	—	—	438,131	.07	—	438,131
Russia	421,588	.02	421,388	.04	—	—	—	—
Palestine	332,000	.02	—	—	332,000	.06	203,000	129,000
Chile	277,542	.02	546	—	276,996	.04	272,290	4,587
Portuguese China	229,800	.01	—	—	229,800	.04	—	229,800
New Zealand	188,396	.01	182,078	.02	6,318	—	6,318	—
Panama (Canal Zone)	149,103	.01	—	—	149,103	.02	149,103	—
British West Indies	148,900	.01	49,108	—	99,792	.02	99,792	—
Portuguese Africa	100,037	.01	—	—	100,037	.02	37	100,000
Peru	88,031	.01	42,314	—	45,717	.01	45,717	—
Turkey	83,354	.01	142	—	83,212	.01	73,600	9,612
Dominican Republic	68,112	—	60,776	.01	7,336	—	7,336	—
Dutch West Indies	54,408	—	200	—	54,208	.01	54,208	—
Paraguay	53,809	—	52,608	—	1,201	—	1,201	—
Haiti	47,175	—	—	—	47,175	.01	47,175	—
Dutch Guiana	45,221	—	—	—	45,221	.01	45,221	—
British Oceania	33,070	—	33,070	—	—	—	—	—
Ireland	31,080	—	16,808	—	14,272	—	14,272	—
Finland	26,662	—	26,662	—	—	—	—	—
British Honduras	25,972	—	—	—	25,972	—	25,972	—
Aden	17,941	—	—	—	17,941	—	17,941	—
Nicaragua	13,685	—	8,668	—	5,017	—	5,017	—
Hungary	9,156	—	9,156	—	—	—	—	—
Other (U. S.) Insular Possessions	4,517	—	—	—	4,517	—	2,493	2,024
Salvador	3,103	—	—	—	3,103	—	3,103	—
Honduras	1,582	—	—	—	1,582	—	1,582	—
Guatemala	1,460	—	—	—	1,460	—	1,460	—
Azores and Madeira Islands	1,004	—	1,004	—	—	—	—	—
Liberia	872	—	—	—	872	—	872	—
British Guiana	180	—	—	—	180	—	180	—
Jugoslavia	84	—	—	—	84	—	84	—



# Foreign Trade, 1948, by Nationality of Trader

Nationality	Total Trade	Imports	Exports (Dom. Re-exports)	Domestic	Re-exports
Total	P1,774,819,524	P1,136,409,068	P638,410,456	P594,644,435	P43,766,021
American	659,983,109	319,219,012	340,764,097	321,678,796	19,085,301
Chinese	541,325,558	427,799,594	103,525,964	100,899,540	3,123,424
Filipino	383,740,919	259,501,708	124,239,211	108,320,273	15,918,938
British	73,777,645	50,037,898	23,739,747	22,424,342	1,315,405
Spanish	36,603,780	8,046,964	28,556,816	28,422,915	133,901
Swiss	27,274,004	27,031,392	242,612	201,420	41,192
British Indian	13,784,970	13,487,028	297,942	102,978	194,964
French	8,449,226	2,582,116	5,867,110	4,568,073	1,309,033
Danish	7,447,981	1,049,998	6,397,983	6,397,683	300
Syrian	6,944,327	6,668,536	285,791	285,791	—
Panaman	6,087,984	6,064,920	23,064	22,139	925
Dutch	3,220,182	483,830	2,736,352	509,860	2,226,502
Swedish	1,671,714	1,663,230	8,484	2,884	5,600
German	1,175,354	142,212	1,033,142	1,033,142	—
Argentinian	1,064,051	851,168	212,883	211,723	1,160
Turkish	676,620	676,620	—	—	—
Dutch-Malayan	354,305	262,586	91,719	—	91,719
Siamese	274,072	170	273,902	—	273,902
Belgian	235,684	235,684	—	—	—
Jewish	181,685	118,652	63,033	63,033	—
Armenian	133,080	131,020	2,060	460	1,600
Norwegian	95,564	94,864	700	700	—
Italian	77,618	77,118	500	500	—
Australian	39,366	3,316	36,050	800	35,250
Austrian	38,492	38,492	—	—	—
Polish	25,202	22,654	2,548	—	2,548
British-Malayan	13,890	13,890	—	—	—
Egyptian-Malayan	13,132	13,132	—	—	—
Portuguese	12,613	7,220	5,393	5,393	—
Greek	10,232	10,232	—	—	—
Hondurian	7,752	7,752	—	—	—
Abyssinian	7,614	7,614	—	—	—
Cuban	5,953	—	5,953	—	5,953
Czech	3,066	2,656	400	—	400
Russian	2,238	2,238	—	—	—
Irish (Free)	1,354	1,354	—	—	—
Paraguayan	674	674	—	—	—
Slovak	560	560	—	—	—
Indochinese	476	476	—	—	—
Ecudorian	100	100	—	—	—
Hungarian	30	30	—	—	—
Others	60,358	60,358	—	—	—

## Ten Principal Exports, 1948 and 1947

Country of destination	Unit	1948		1947	
		Quantity	Value (Pesos)	Quantity	Value (Pesos)
<b>1. Copra—</b>					
Total—Kilo	586,993,362	309,400,124	1,008,402,700	354,415,334	
United States	333,826,462	181,153,992	586,801,096	207,023,362	
France	62,510,851	30,031,385	96,386,038	33,643,953	
Poland	26,791,637	14,356,648	13,405,132	3,864,711	
Japan	28,309,887	11,940,473	10,261,600	3,507,900	
Denmark	20,715,617	10,670,418	44,768,937	16,837,796	
Italy	19,817,820	9,327,071	42,152,431	13,219,481	
Canada	15,717,416	8,954,540	26,321,738	10,291,466	
Germany	17,998,440	8,918,525	8,661,400	2,468,475	
Austria	10,160,001	5,864,256	10,210,800	3,819,111	
Netherlands	8,260,094	4,537,053	9,074,000	1,991,288	
Other countries	42,802,093	21,645,743	160,359,486	57,705,247	
<b>2. Abaca, unmanufactured—</b>					
Total—Bale	592,837	60,294,087	690,691	63,432,374	
United States	267,344	30,377,821	480,739	44,870,176	
Japan	127,489	11,548,370	6,663	676,251	
Great Britain	62,660	5,031,115	59,002	3,326,345	
Denmark	23,180	2,317,192	20,591	1,861,984	
Norway	19,871	2,283,432	13,310	1,221,060	

Country of destination	Unit	1948		1947	
		Quantity	Value (Pesos)	Quantity	Value (Pesos)
<b>3. Desiccated coconut—</b>					
Total—Kilo	61,432,545	57,491,099	21,181,338	19,014,656	
United States	60,058,156	56,124,011	20,966,653	18,821,257	
Canada	1,192,778	1,164,782	77,115	77,792	
Norway	92,519	100,000	—	—	
Hawaii	62,991	74,630	37,800	58,607	
Belgium	27,001	27,676	—	—	
Norway	—	—	99,770	105,600	
<b>4. Sugar, centrifugal—</b>					
Total—Kilo	216,770,574	41,580,077	18,849,585	4,081,188	
United States	216,770,008	41,580,077	18,849,585	4,081,058	
France	106	152	—	—	
Netherlands	60	24	—	—	
Hawaii	—	—	450	150	

Country of destination	Unit	1948		1947	
		Quantity	Value (Pesos)	Quantity	Value (Pesos)
<b>5. Coconut oil (Inedible and edible)—</b>					
Total—Kilo		47,278,774	40,138,181	18,144,916	13,940,403
United States		44,481,182	38,014,146	11,898,020	9,145,270
Italy		1,412,144	1,274,432	3,071,326	2,186,804
British Africa		190,047	189,711	102,271	573,470
Venezuela		400,000	445,208	—	—
Austria		121,060	118,107	—	—
British West Indies		111,100	99,792	—	—
Arabia		52,991	67,758	—	—
Haiti		53,987	45,989	—	—
Japan		18,924	17,204	—	—
Guam		15,602	15,118	—	—
Other countries		13,037	10,716	2,669,335	2,035,159

Country of destination	Unit	1948		1947	
		Quantity	Value (Pesos)	Quantity	Value (Pesos)
<b>6. Embroideries—</b>					
Total		—	13,917,276	—	2,335,116
United States		—	13,906,135	—	2,326,764
Guam		—	7,739	—	5,153
Hawaii		—	2,803	—	2,799
Panama Canal zone		—	472	—	—
Australia		—	102	—	—
Denmark		—	25	—	—

Country of destination	Unit	1948		1947	
		Quantity	Value (Pesos)	Quantity	Value (Pesos)
<b>7. Pineapples (Canned)—</b>					
Total—Kilo		15,339,787	7,648,327	—	—
United States		15,339,787	7,648,327	—	—

Country of destination	Unit	1948		1947	
		Quantity	Value (Pesos)	Quantity	Value (Pesos)
<b>8. Copra Meal or Cake—</b>					
Total—Kilo		53,670,638	7,425,325	27,088,523	4,391,434
Denmark		18,029,905	2,472,489	9,535,973	1,356,632
Sweden		15,681,133	2,300,314	8,034,111	1,461,080
United States		14,147,009	1,799,210	—	—

Country of destination	Unit	1948		1947	
		Quantity	Value (Pesos)	Quantity	Value (Pesos)
<b>9. Chromite—</b>					
Total—Kilo		241,979,841	5,191,779	16,151,200	446,500
United States		220,111,141	4,780,274	16,151,200	446,500
Great Britain		20,044,000	571,500	—	—
Japan		1,625,600	56,000	—	—
Belgium		100	5	—	—

Country of destination	Unit	1948		1947	
		Quantity	Value (Pesos)	Quantity	Value (Pesos)
<b>10. Rope—</b>					
Total—Kilo		3,862,251	4,066,177	2,342,574	2,904,420
Malaya		868,920	903,801	373,054	487,393
United States		697,441	686,997	914,714	1,031,274
Dutch East Indies		613,776	660,030	15,718	78,849
Chile		261,288	272,209	156,819	195,765
Hongkong		228,498	231,914	95,073	118,985
British Africa		117,106	213,365	118,488	195,265
French East Indies		175,191	191,611	22,142	33,593
Arabia		125,533	180,214	8,090	11,414
Siam		151,210	133,802	54,365	73,389
Porto Rico		127,794	116,511	31,504	36,105
Other countries		455,290	476,121	492,107	646,888
Other exports (including re-exports)		—	46,891,007	—	66,095,079
Total exports		—	594,644,435	—	531,096,704

## Ten Principal Imports, 1948 and 1947

Country of Origin	1948 Value (Pesos)	1947 Value (Pesos)
<b>1. Cotton and manufactures</b>		
Total	137,363,424	153,442,326
United States	111,813,212	139,561,292
China	19,676,188	8,069,832
Great Britain	1,839,546	1,038,198
Switzerland	1,566,550	458,968
Japan	1,516,438	1,842,836
France	447,932	213,422
Hongkong	179,636	5,462
Belgium	123,026	40,632
Canada	57,006	11,072
Czechoslovakia	45,266	10,060
Other Countries	98,584	2,190,152
<b>2. Rayon and other synthetic textiles</b>		
Total	105,019,904	90,584,900
United States	104,694,694	90,312,468
Switzerland	117,134	112,418
China	66,044	50,472
Italy	39,510	57,070
France	21,882	18,596
Belgium	20,760	41,486
Hongkong	10,236	34
Japan	6,474	1,818
Spain	6,372	1,388
Sweden	5,492	5,326
Other Countries	11,306	35,144

Country of Origin	1948 Value (Pesos)	1947 Value (Pesos)
<b>3. Grains and preparations</b>		
Total	84,110,422	98,834,050
United States	68,549,862	70,588,056
Canada	6,872,646	16,444,314
Ecuador	5,806,400	4,541,016
China	1,539,788	1,717,840
Siam	983,462	4,980,922
Great Britain	100,640	14,486
Denmark	313,232	152,182
Australia	204,152	88,982
Germany	43,514	—
Hongkong	23,900	16,268
Other Countries	32,626	290,004
<b>4. Mineral oils (Petroleum products)</b>		
Total	68,503,810	36,842,052
Dutch East Indies	28,403,796	4,264,780
United States	18,271,370	15,236,064
British East Indies	11,601,316	5,790,004
Arabia	6,578,412	6,637,078
Russia	3,644,078	4,861,592
Switzerland	3,650	—
Great Britain	1,188	4,528
Australia	—	46,774
Italy	—	1,232
<b>5. Automobiles, parts of and tires</b>		
Total	63,910,034	51,414,052
United States	63,513,932	50,924,822

Country of Origin	1948 Value (Pesos)	1947 Value (Pesos)
Great Britain	339,020	196,822
France	33,248	67,700
Canada	14,358	141,118
Italy	5,624	70,422
Switzerland	4,151	—
Australia	1,400	—
China	—	13,168
<b>6. Iron and steel and manufactures</b>		
Total	51,888,764	46,144,372
United States	45,013,710	40,327,770
Belgium	4,173,418	1,984,976
China	2,654,050	2,493,690
Italy	1,206,514	3,480
Great Britain	1,169,682	992,012
Japan	854,650	40
Hongkong	387,154	59,566
Sweden	137,948	92,122
Germany	72,224	—
Canada	38,242	18,516
Other Countries	179,172	166,200
<b>7. Tobacco and manufactures</b>		
Total	49,391,482	43,962,246
United States	49,311,484	43,929,936
Canada	75,012	6
Hongkong	744	424
Great Britain	148	10
China	78	30
Siam	10	—
Dutch East Indies	6	40,756

(Continued at bottom of next page)

# The Business View

A monthly review of facts, trends, forecasts, by Manila businessmen

## Office of the President of the Philippines

From an Official Source

March 28—The National Economic Council approves in principle the establishment of an Applied Science Laboratory under the National Development Company to be directly responsible to the general manager. It will not conflict with the Institute (formerly the Bureau) of Science as the latter is engaged principally in basic research. An initial appropriation of \$300,000 is recommended. The Council also considers a proposal to amend the Philippine Flag Law by reducing from 75% to 60% the amount of Filipino capitalization of firms entitled to the benefits of the law and refers the matter to Secretary of Commerce and Industry C. Balmaceda for further study. A proposal to reduce the tariff of imported cement from 65 to 32 centavos per 100 kilos is rejected by the Council, the action being said to be based chiefly on objections of the general manager of the government Cebu Portland Cement Company who stated that the Company "is able to supply all cement requirements".

March 29—The Cabinet on recommendation of Secretary Balmaceda approves granting the 20% import quota reserved under present regulations for allocation to new importers, exclusively to Filipino importers. Balmaceda pointed out that the "80% allocation open to all nationalities is mostly in the hands of alien importers, so that the measure to reserve 20% exclusively for Filipinos can not be described as discriminatory". The Cabinet also decides to send an air mission abroad to negotiate air-transport agreements with Siam, India, Pakistan, Greece, Saudi Arabia, and Egypt, along the pattern of agreements already concluded with the United States and the United Kingdom. The mission will be composed of representatives of the Department of Foreign Affairs, the Civil Aeronautics Administration, and the Philippine Air Line.

Secretary of Finance Pio Pedrosa announces that in line with a recent Cabinet decision, the Government will shortly issue two kinds of government bonds to be turned over to the Central Bank in exchange for cash advances which the Bank will make to the Government for rehabilitation and development purposes. They will be 10-year (1) registered and (2) bearer bonds, bearing 4% interest, in denominations of ₱20, ₱50, ₱100, ₱1,000, ₱5,000, and ₱10,000.

Felipe Buencamino, director of the government rice production program, states that the program envisages not only the three projects in Ala Valley, Malling, and Mindoro, on which the Government will concentrate for the first 3 years, but also the eventual cultivation of previously surveyed areas in Agusan, Bohol, Panay, Nueva Ecija, Cagayan, Camarines, and the Tablas Plateau in Negros. By the end of 3 years, the 10,000 hectares of each of the first three will have been fully developed and after the 10th year over 500,000 hectares of land will be producing rice at an expected rate of 30 cavans a hectare. The program calls for an outlay of ₱200,000,000 but will be self-liquidating after the third year. NDC general manager V. Sabalvaro states that over 100 tractors are now in operation on the various government rice projects.

March 30—Secretary Balmaceda informs the Cabinet that

the U.S. Department of Agriculture has endorsed the restoration of the 2-cent differential in favor of Philippine coconut oil which would enable the Philippines to receive approximately ₱120,000,000 a year in excise-tax rebate. President Truman is expected to issue a proclamation soon. Last month President Quirino asked Ambassador Elizalde to explore this possibility, as under the Bell Act this differential in favor of the Philippines applies. It was suspended after Liberation by the International Emergency Food Council because of the then worldwide shortage of oil, recently the IFEC discontinued the allocation of fats and oils because of a presently sufficient world supply.

The President approves a loan of ₱1,900,000 for 40 passenger coaches for the Manila Railroad Company to be purchased from SCAP which submitted the lowest bid. Previously, 7 locomotives were purchased from the Vulcan Iron Works and 22 passenger coaches from the Pullman Standard Car Company, both in the United States.

March 31—The President signs Executive Order No. 209, amending the Import Control Executive Order No. 193, the amendment providing, among other things, that the 20% reserved for "new importers" of controlled goods is reserved exclusively to Filipinos.

The President administers the oath of office to Col. Amado N. Bautista, newly appointed general manager of the National Development Company.

The President instructs Secretary R. Nepomuceno of the Department of Public Works and Communications to start construction of the ₱200,000 permanent grandstand on the Luneta.

April 1—The Philippine Government extends *de jure* recognition to Israel: 27 nations had already granted the new Jewish state *de jure* recognition and 18 others have granted *de facto* recognition.

The President instructs Secretary of Education P. Languaon to direct all farm schools to make full use of their lands for food production.

April 2—The President authorizes the National Land Settlement Administration to borrow ₱500,000 from the Philippine National Bank to finance principally its rice and corn projects. The loan will bear 5% interest and will mature in a year. Estimated income from current NISA projects is ₱3,101,400.

April 3—The President returns from a two-day inspection trip to Zambales.

April 4—A resolution to impeach the President is filed in the House by followers of the deposed Senate President Jose Avelino. The President urges immediate action on the resolution "so as not to allow the people a moment of suspense in their judgment as to my personal and official integrity". Various responsible officials issue statements denying the truth of the charges brought against him.

The National Economic Council is reported to have decided to recommend favorably on the proposal to establish a steel mill and machinery department under the National Development Company. The mill would have an initial monthly capacity of 1,500 tons and would produce bars and rods, utilizing scrap for raw material. The machinery department would make use of Japanese reparation machinery to manufacture plows, harrows, and other farm implements. The steel mill calls for an initial investment of ₱6,000,000; the machi-

### 8. Dairy products

Total	45,824,662	42,425,172
United States	44,071,700	38,970,063
Switzerland	479,422	136,236
Netherlands	406,020	1,479,044
Australia	335,856	1,321,750
Denmark	181,226	189,822
New Zealand	180,788	324,426
Canada	92,036	14,002
China	60,662	114,780
Italy	6,612	34
Argentina	2,512	2,702
Other		
Countries	3,748	72,308

### 9. Paper and manufactures

Total	44,714,054	38,887,246
United States	31,734,400	33,034,490
Sweden	2,114,028	1,238,350
Canada	1,721,728	960,192
Hawaii	1,506,382	886,800
Austria	753,074	42,940
Spain	690,712	408,968
Norway	617,890	1,171,238
Belgium	306,088	118,230
France	213,520	374,170
Italy	176,898	14,934
Other		
Countries	799,294	636,954

### 10. Machinery, machines and parts, except agricultural and electrical

Total	43,170,350	36,422,882
United States	39,910,466	34,512,994
Great Britain	1,323,254	964,316
Canada	662,982	43,690
Switzerland	373,532	89,788
Sweden	304,500	199,274
Hawaii	279,322	101,856
Australia	80,000	62,318
Belgium	38,572	77,336
China	36,518	100
Japan		
Other		
Countries	67,710	156,928
Other import	438,512,362	383,541,310
Total imports	1,136,409,068	1,022,700,608

nery department P6,500,000. Action on the request of the Cebu Portland Cement Company to be allowed to purchase P100,000 of shares in the Marble Corporation of the Philippines, is left pending. Reported that the Sugar Quota Office and the Bureau of Customs are enforcing the recent decision suspending the export of scrap metals but export licenses issued on or before March 23 for which royalty has been paid, are being given due course, including unshipped balances.

Eulogio B. Rodriguez, Director of the Bureau of Public Libraries, dies of heart ailment.

April 5—A delegation of businessmen headed by R. V. del Rosario, president of the Philippine Junior Chamber of Commerce, call on the President to bid him goodbye previous to their departure for the International Chamber of Commerce conference in Brussels; total membership in the Philippine delegation will reach 20.

April 6—Secretary of Health A. Villarama reports to the President that Philippine health conditions have greatly improved, the general deathrate having dropped from 15 per 1000 population in January, 1946, to 12 at the end of 1948. The tuberculosis deathrate has dropped from 170.06 per 100,000 to 165.35; malaria from 92.56 to 56.38.

April 8—The President affixes his signature to the Master Plan of the Capital City Planning Commission. It is expected that work will start before the rainy season.

April 9—Preliminary steps are announced to have been taken for the sale of the Insular Sugar Refining Corporation of the National Development Company to the National Federation of Sugarcane Growers. The Federation has also entered a bid for the Binalabagan-Isabela Sugar Company, which is 42% government-owned.

The President leaves Manila for Baguio to spend Holy Week there.

April 11—The President tells the press in Baguio as he enters his second year as Chief Executive that the ground-work for economic rehabilitation has been laid and that "from now on it will be just a matter of execution."

April 12—The President at a meeting of the Cabinet in Baguio instructs Secretary of Justice S. Padilla in his capacity as chairman of the board of the Philippine National Bank, to establish as many branches of the Bank as possible in regions of the country where there are possibilities of economic expansion, especially in the Koronadi area (Cotabato), Iligan (Lanao), Maasin (Leyte), Ilaean (Isabela), and Aparri (Cagayan). He also instructs Secretary Neputuceno to submit a list of irrigation projects already blueprinted to determine the priority construction, stating that the money is available from the P200,000,000 earmarked for economic development by the Central Bank. Secretary of National Defense R. Kangleon is instructed to tighten the Naval Patrol guards of the coast in connection with the illegal entry of aliens and alleged smuggling in of arms to the Huks. In connection with recently increased Huk raids, Under-Secretary of the Interior M. Roque is instructed to circularize municipal governments in the trouble spots to inform them they may enlist special policemen as temporary members of the local police forces, though the so-called "civilian guards" may not again be called into being as the Government has adopted the policy to employ only such law enforcement agents as are under the control of the regular police forces.

April 13—The Cabinet decides to allot P10,000,000 immediately to start construction on a number of irrigation projects including those at Rosales (Pangasinan), San Pablo City, Balanga (Bataan), Calabanga (Camarines Sur), the Santo Tomas river projects (Zambales), the Dumacaca river project (Tayabas and Quezon), Taoblan and Hinunangan-Hinunduan (Leyte), Candon-Santa Lucia (Ilocos Sur), Paopao Valley (Davao), Hinamay (Negros Occidental), Malinao Plain (Iloilo), Jalar river (Iloilo), Dingras and San Nicolas (Ilocos Norte), and Palinat and Pulangi (Albay). Standing appropriation acts authorize P24,000,000 for the purpose.

April 13—The Cabinet approves the selling of concrete blocks to government employees at reduced rates by the People's Housing and Homesite Corporation which, following a protest by private block manufacturers, was recently ordered to sell its blocks only for government use.

A fire in Cebu City does damage estimated at P8,000,000. April 18—The President announces that the appointment of Maj. Gen. Jonathan Anderson as Chief of the Joint United States Military Advisory Group (JUSMAG) has been accepted by the Philippine Government. General Anderson replaces Maj. Gen. Albert M. Jones who left for the United States last month.

April 19—According to a report of Secretary of National Defense R. Kangleon, good progress is being made in building up the country's defense structure, during the period from April, 1948, to March 31, 1949. Defense plans have been adopted based on both maximum and possibly minimum aid

from the United States; the Military Academy at Camp Allen, Baguio, has been rehabilitated, with 187 cadets presently enrolled; enrollment in the ROTC training in colleges and universities has passed 20,000; and 96 officers and 188 enlisted men have taken specialized courses in different United States service schools. The Philippine Veterans Board has approved 10,411 claims for death pension benefits; 1,191 disabled veterans have been granted pensions; and 8,118 applications for educational benefits have been approved.

April 20—The President has instructed the government entities concerned to find means of making immediate payments to persons who have been defrauded of their army benefits by forgers. The Philippine National Bank has denied responsibility because such payments were made only upon presentation of supporting army papers, but army authorities contend that the Bank should assume the loss because it has the responsibility of guarding against forgery. The determination of the legal responsibility has been referred to the Secretary of Justice, but in the mean time steps are being taken to hasten payments to the victims.

April 21—N. Warren Waterhouse, head of a special fact-finding mission representing the Canadian company, Aluminum Limited of Montreal, which came to the Philippines last month to leave Manila for home. The mission came at the invitation of the National Power Corporation to study the proposed hydro-electric developments in the country, particularly those on the Agus river, Mindanao. The production of aluminum requires large quantities of electric power and the company is always on the lookout for areas where economic factors and the availability of low-cost power show promise of possible future development. Hydro-electric power in the Philippines would tie in well with large company deposits of bauxite in Malaysia where there is insufficient power.

April 22—Announced customs and internal revenue collections for the one-year period from April, 1948, to March, 1949, amounted to P278,131,333.30, or around P67,000,000 more than was collected during the preceding year.

The Cabinet approves the immediate establishment of a Philippine Legation in Bangkok, Siam.

The Cabinet decides that the remaining explosives (some 33,000 bombs) at Bataan, Batangas, will be dumped into the sea to avert further explosions. More than P600,000 has been realized from the sale of metal to private contractors on the condition that they demilitarize the material.

April 23—The Council of State approves a number of Administration bills, including one authorizing the National Power Corporation to increase its power to contract indebtedness from the present P20,000,000 to P175,000,000 and a companion bill authorizing it to contract loans from the International Bank for Reconstruction and Development in the amount of P60,000,000; also a bill appropriating P10,000,000 to finance the operation of the Philippine Veterans Board, and another appropriating P6,000,000 for the next elections in November. The Social Security Bill was referred to the Labor-Management Board for further study.

Brig. Gen. Alberto Ramos, Chief of Constabulary, reports that since the termination of the Amnesty period on August 15, 1948, to March 30, 1948, the organization took part in 375 major encounters with dissidents, with 22,000 dissidents "either killed, captured, or surrendered." Constabulary losses "included 25 officers and enlisted men, with 135 wounded in action and 9 missing." He states that the backbone of the Hukbalahap movement has broken and that it "has lost the sympathy and support of the masses". The Amnesty was "not altogether unsuccessful... as it showed the dissidents in their true colors, offered the government and the people an opportunity to gauge their sincerity toward returning to peaceful life, and gave the government sufficient justification to promulgate a new policy to be pursued in dealing with the problem."

April 25—The new members of the Oil Commission are sworn in. Secretary of Justice S. Padilla, Senator Prospero Sanidad, Representative Domingo Paguirigan, and Manager Amador Bautista of the National Development Company.

April 25—The President administers the oath of office to three of the four new members of the Oil Commission.—Secretary of Justice Padilla, Senator P. Sanidad, and Manager Bautista of the NDC. Representative D. Paguirigan was absent from Manila. The other members of the Commission, which is to conduct a study of the oil industry and to make recommendations for its development, are Senators V. Francisco and T. Cabili, Representatives R. T. Luterio and S. Moll, and Jose Paez.

The National Economic Council rejects a proposal from Lorenzana & Sons for the lease of the Manila Hotel on the grounds that the Hotel is at present one of the chief assets of the Manila Railroad Company. The Council refers a plan to rehabilitate the gold mining industry to the Central

Bank. The plan, prepared by V. A. Brussolo, of A. Soriano & Company, would provide that the Government would have the option to purchase domestic gold at a price calculated to induce a resumption of mine operation; the price would be "appreciably better than the statutory price of \$35 U.S. currency per troy ounce and also higher than the present free market price obtainable by producers." All payments by the producers to the Government would be made in bullion and all bullion purchased by the Government would be paid for in Philippine currency. The Council decided to give further study to the request of the Metropolitan Water District for a P18,000,000 loan to finance a 5-year plan for the rehabilitation of the sewer system; the District claims that its income in 5 years would suffice to cover the loan.

April 26—The National Economic Council submits to the President a specific proposal for government assistance to the abaca industry which would provide for loans by the Reconstruction Finance Corporation and the Philippine National Bank to be covered by mortgages on the lands of the producers. Experimental stations would be established in Davao and Cotabato under the responsibility of the Department of Agriculture and Natural Resources, and seedling banks and tractor pools would also be established under the Bureau of Plant Industry and the National Development Company. The Director of Lands would take control over the disposition of former Japanese abaca lands now under the control of the National Fiber Corporation and sell them to bona fide occupants without public bidding. Loans of P800 per hectare would be granted to planters in a number of instalments in accordance with the stage of growth of the crops. The Council also recommends to the President the acceptance of the offer recently made by the General Electric Company of the services of one of its experts, Dr. George B. Waterhouse, professor emeritus in metallurgy, Massachusetts Institute of Technology, to act in a consultative capacity in determining the possible industries which might be able to make use of the power generated from the proposed Maria Cristina hydro-electric plant.

April 29—The President in Baguio issues an appeal for the cooperation of all law-abiding citizens in eliminating "the last vestige of lawlessness and savagery in our land," following the shocking murder yesterday of Mrs. Quezon, her daughter Maria Aurora, her son-in-law, Philip Buenacamo III, together with nine others including Mayor P. Bernado of Quezon City, while on their way to Baler, birthplace of the late President, in a machine-gun ambush laid by a band of Hukbalahaps. Later in the day the President returns to Manila by plane to attend the funeral services. He issues a proclamation providing for the half-masting of the national flag for 9 days. He also summons army and consular chiefs to a meeting at which he issues fresh orders for the "summary elimination of dissident depredaters."

April 30—Reported that the place where Mrs. Quezon and her party met their deaths, near the border of Nueva Ecija and Tayabas provinces, will be converted into a national forest preserve to be known as the Aurora Memorial Park.

## Banking and Finance

BY C. V. GRANT

Sub-Manager, National City Bank of New York

**C**OMPARATIVE figures of assets and liabilities of the Central Bank for the first three reporting dates follow:

	ASSETS (In thousands of pesos)		
	As of January 31	As of February 28	As of March 31
	P714,969	P648,758	P672,387
International Reserve..			
Contribution to Monetary Fund .....	30,000	30,000	30,000
Account to Secure Coinage .....	113,106	113,306	113,306
Loans and Advances .....			469
Other Assets .....	19,320	19,411	20,851
	<b>P877,395</b>	<b>P811,475</b>	<b>P837,013</b>
	LIABILITIES		
Currency: Notes .....	P621,521	P697,472	P580,377
Coins .....	73,035	73,322	73,493
Demand Deposits:			

Pesos .....	169,351	127,139	127,361
Dollars .....	—	—	40,072
Securities Stabilization Fund .....	2,000	2,000	2,000
Other Liabilities .....	1,488	1,542	1,604
Capital .....	10,000	10,000	10,000
Undivided Profits .....	—	—	2,106
	<b>P877,395</b>	<b>P811,475</b>	<b>P837,013</b>

The deposit liability in U.S. Dollars of the equivalent of P40,072,000 is included on the asset side under International Reserves. Thus the actual International Reserves were P16,000,000 less than the previous month which decrease compared with a drop of P66,000,000 during February. At the end of March the International Reserves totalled 116% of the note issue and covered 82% of total liabilities of the Central Bank.

It has been reported that the National Treasury has redeemed P11,162,566 in legally issued Philippine National Bank circulating notes and has accepted for registration P7,291,012 in notes illegally issued. The Treasury also has accepted for registration P238,313 of circulating notes of the Bank of the Philippine Islands. It is understood that plans for redemption of the latter will be announced later.

Merchants report that inventories are still excessive in some lines and importers appear to be following a more conservative policy in placing new orders. This situation has resulted in a somewhat lessened demand for dollars during April. The trend of recent months towards tighter money conditions continues.

The rates within which the commercial banks are permitted to operate remain the same:

	Selling	Buying
U.S. Dollars T.T., over \$500.00 ..	P201.50	P200.50
U.S. Dollars Demand over \$500.00	201.375	200.375
U.S. Dollars T.T. and Demand under \$500.00 .....	202.00	200.00

The rates given last month as being quoted by Banks for prime business are unchanged at T.T. P201.50 selling and P200.75 buying.

## American Stock and Commodity Markets

BY ROY EWING

Swan, Culbertson & Fritz, Inc.

March 28, 1949, to April 28, 1949

**F**OR about three weeks of the past month the New York Stock market held firm at around 177.00 in the Industrial Average, but in the last week declined to near the minor lows made about two months ago. The high for this period was 178.45, recorded on March 30, and the low, 173.24 on April 21. A direct reason given for the weakness was the worsening political situation in the Far East, but the primary factor is the fact that practically all business clues continue to record a negative performance.

The news of increased supplies of every kind of goods and commodities continues, even the auto and steel industries reporting the virtual disappearance of premium prices. U.S. Steel's announcement that first quarter earnings were \$5.04 a share as compared to \$2.48 last year, caused only a mild rally in the common shares and this held for but a few days. The introduction of some fourth-round wage demands was an additional bearish factor.

Technically, the market moving in narrow range

for so long leaves the primary trend obscure. A decline now through the lows of last February would imply that a further market shake-out is to be expected and that in months to come the business recession will continue to spread. Conversely, should the average hold at current levels and begin to plot a bullish pattern upward, the implication would be that further readjustment in the economy is to be mild and has already been discounted.

**M**OST commodities fluctuated narrowly and remained firm in spite of the Bureau of Agriculture's estimate of normal to bumper crops in almost everything for 1949. The strength reflected the highly favorable Administration's Farm Program announced by Secretary of Agriculture Charles Brannan in early April. New York spot cotton is 33.84 as compared to 33.51 a month ago, due to a tight spot condition. May Chicago wheat is 225 against 213-7/8 on May 29. The winter crop is estimated at over 1,000,000,000 bushels, second only to the 1947 record. Loans on the 1948 crop fall due on April 30. May Chicago corn is 135-7/8, up from 132 last month. Producers have until June 30 to take the loan, and most distressed selling appears passed.

The May contract of No. 5 sugar is practically unchanged from a month ago at 5.28 bid. Refiners are reported booked two or three months ahead on raw needs but the warm weather generally increases raw purchases.

In addition to the foregoing, over-the-counter business during the month included about 10,000 shares Balatoc Mining Company from P2.50 to P2.70 shares at the latter price, and 48,000 shares Benguet Consolidated from P2.95 to P4.10 closing at P3.85, also 30,000 shares Taysan "A" at 9 centavos.

### Commercial and Industrial

There was increased activity in this section during the month. San Miguel ex 100% stock dividend was active and fractionally higher. Sugar shares easily absorbed some profit-taking at small price concessions.

1948-49 Range		High	Low	Close	Change	Total Sales
High	Low					
770.00	715.00	Bank of the Philippine Is.	600.00	600.00	Off P .400	350
620.00	500.00	Central Azucarera de Bais	615.00	610.00	Off P 1.00	43
171.00	98.00	Central Azucarera de la Carlota	113.00	115.00	Off P 2.00	474
107.00	70.00	Central Azucarera del Pilar	103.00	103.00	Off P .20	21
60.00	40.00	Central Azucarera de Tarlac	50.00	50.00	Off P 10.00	21
181.00	173.00	China Banking Corporation	—	152.00	—	—
22.10	22.00	Filinvest Cia. de Seguros	—	22.00	—	—
1.00	3.71	Manila Wine Merchants, Inc.	4.00	3.71	Off P .05	2,500
143.00	140.00	Metropolitan Insurance Co.	—	140.00	—	—
1.00	1.00	Philippine Oil Development	.11	.11	Off P .03	281,500
1.16	.60	Pampanga Bus Company	.60	.60	Off P .22	1,000
1.42	1.16	Philippine Racing Club	1.20	1.16	Off P .04	33,421
21.10	26.50	San Miguel Brewery	30.10	29.50	Up P .10	20,449
100.00	75.00	Williams Equipment Co.	71.00	71.00	—	80
10.00	7.00	Williams Equipment Co.	7.50	7.50	Up P .10	1,600

Over-the-counter commercial business during the month included 200 shares Jai Alai at P9.50 and P7; 1,600 shares Manila Jockey Club at P2; 25 shares Pamplona Plantation at P85; and 435 shares Victorias Milling Co. at P150.

## Manila Stock Market

BY A. C. HALL

A. C. Hall & Company

March 19 to April 22, 1949

Mining Shares

**B**ASE metal issues have weakened in sympathy with the easier trend of non-ferrous metal prices in the United States market, but leading gold-mining issues have remained steady to firm, particularly Atok-Big Wedge and Benguet Consolidated. As the post-war inflationary boom dissipates itself, and is replaced by a deflationary tendency, we may expect to see a broadening in demand for gold-mining shares, because producers of the precious metal stand to benefit by reduced costs.

As in former recent months, trading has again been very slow. The market has been in a narrow trading area since the middle of March, with the mining-share average fluctuating between a high of 78.10 and a low of 74.67. Price movements of this nature reflect indecision, and, technically are called line-formations. Penetration of either of the above mentioned points, on expanding activity, would provide a reliable indication as to the direction of the next sizeable market movement.

1948-49 Range		High	Low	Close	Change	Total Sales
High	Low					
122.48	45.38	Manila Stock Exchange Ave.	78.42	74.67	75.49	Off 3.58
P .175	P .24	Atok Mining Company	P .28	P .26	P .26	Off .04
.028	.01	Antamok Goldfields	.028	.028	.028	—
.25	.45	Atok-Big Wedge Mining Co.	.44	.52	.62	Up .05
.075	.035	Baguiio Gold Mining Co.	.055	.05	.05	Up .009
.0072	.0025	Batong Babuy Gold Mines	.004	.0038	.0038	Off .0002
.035	.02	Coco Grove, Inc.	.03	.05	.021	Up .001
.015	.01	Consolidated Mines, Inc.	.0135	.013	.013	Off .0005
.005	.028	Itegan Mining Company	.06	.05	.0073	Off .0073
.011	.01	I. K. L. Mining Company	.03	.03	.03	Off .018
.14	1.0	Lepanto Consolidated	.66	.55	.55	Off .10
1.26	.33	Mirandosa Mother Lode Mines	.72	.45	.48	—
.015	.01	Misamis Central Mining Co.	.11	.14	.15	—
.08	.065	Paracale Gumsan Cons.	.08	.08	.065	—
.26	.105	San Maurice Mining Co.	.19	.105	.12	Up .01
.45	.215	Sulphur Cons. Mining	.35	.25	.018	Off .028
.04	.015	Suroc Cons. Mining Co.	.015	.015	.015	—
.091	.04	United Paracale Mining Co.	.06	.045	.055	Up .011

## Credit

BY W. J. NICHOLS

Treasurer, General Electric (P.I.) Inc.

**A**RATHER interesting case of fraud involving collectors' receipts has recently been uncovered. It may well serve as a warning to credit executives to review their internal accounting routines to make sure that they are adequate and carefully followed.

The device employed in this particular embezzlement is known in auditing language as "lapping". Most collection procedures provide for the collector's filling out receipts in duplicate whenever payments are received. The originals are given to customers and the duplicates retained for record purposes. By post-dating duplicate copies and covering up shortages from subsequent collections, the employee was able to continuously withhold cash for his own use. The method can only be successful when numerous cash collections are made and record copies are not promptly audited. The theft in this instance was discovered only after it was noted that receipt numbers were not being used in sequence. This led to examination of record copies and a comparison with originals which disclosed the discrepancy.

Bonding companies report an increase since the war in the number of cases of theft or estafa by employees in positions of trust. While no hard and fast rules can be established which will preclude all possibilities, we believe there are certain precautions which can be taken as protection against such losses. Collectors' receipts should be closely accounted for and not made available to unauthorized persons. Sometimes it is a good idea to rotate collectors in their routes so that they do not collect from the same customers all the time. Verification of accounts by independent means is another good precaution, although not always effective.

# Electric Power Production

## Manila Electric Company System

BY R. J. BAKER  
Manila Electric Company

	1949	1948	
January	33 745 000	27 301 000	K
February	31 110 000	26 021 000	I
March	34 776 000 *	26 951 000	L
April	32 813 000 **	26 871 000	O
May		28 294 000	W
June		29 216 000	A
July		31 143 000	T
August		31 993 000	T
September		32 012 000	H
October		33 943 000	O
November		32 661 000	U
December		35 104 000	R
TOTAL		361 510 000	S

\* Partially estimated  
\*\* Revised

April output was lower than March on a daily basis, and the increase of 5,942,000 KWH, or 22% over April, 1948, was a smaller increase than the previous months. This may indicate that the output is temporarily levelling off at about present figures.

## Real Estate

BY C. M. HOSKINS  
C. M. Hoskins & Co., Inc.

REAL estate activity in Manila continued strong during April, with sales totalling P6,184,801.00, compared with P2,122,443.10 for January, P2,701,667.64 for February, and P3,362,635.32 for March. The April figure of P6,184,801.00 includes one transaction of P1,350,000.00 the sale of the Myers Building in the Port Area to Jose Soriano.

Comparative sales figures for the first four months are:

1946	P11,190,645
1947	29,025,271
1948	16,789,179
1949	14,371,546

Mortgages registered were off from the previous month, P4,256,694.00 as compared with P5,891,250.00 for March.

Subdivision operators report that collections continue satisfactory.

## REAL ESTATE SALES IN MANILA, 1940-1949

Prepared by the Bureau of the Census and Statistics

Note: A large percentage of 1945 sales and a diminishing percentage of 1946 sales, represent Japanese Occupation transactions not recorded until after liberation.

	1940	1941	1945	1946	1947	1948	1949
January	P 6,004,145	P 962,970	P 7,943,605	P 4,385,011	P 6,030,012	P 3,644,734	P 3,965,420
February	918,873	779,783	1,337,830	2,267,151	7,217,317	3,879,633	2,701,668
March	1,415,246	1,532,104	(?)	2,622,190	7,166,866	4,243,719	3,362,635
April	883,207	988,380	213,262	1,916,293	8,611,076	5,021,093	3,677,630
May	403,866	1,129,736	962,008	3,684,937	4,618,181	3,129,799	
June	542,187	598,431	1,212,780	3,637,956	3,988,560	8,019,246	
July	1,324,861	559,742	1,123,565	4,974,862	4,097,183	5,146,529	
August	1,905,828	1,239,414	699,740	4,438,510	5,627,572	6,192,676	
September	1,141,114	815,112	1,870,670	4,698,896	7,437,213	4,737,581	
October	993,103	1,182,678	2,096,893	5,545,800	6,083,486	5,350,376	
November	938,416	858,235	2,555,472	3,340,384	4,177,054	3,046,237	
December	1,504,004	(?)	2,874,408	4,025,926	3,205,584	5,386,248	
TOTAL	P17,974,844	P10,647,285	P22,890,133	P45,537,914	P68,260,104	P67,798,121	P10,029,723

# Ocean Shipping

BY F. M. GISPERT  
Secretary, Associated Steamship Lines

OFFSHORE shipping during March was exceptionally active. Heavy sugar bookings boosted the total exports to 223,640 tons for the month as against 141,396 tons for the same month last year.

For the first time since Liberation, space for the U.S. Atlantic Coast was tight and the same situation would be felt during April, but it was expected to ease off during June as the bulk of the sugar crop would be shipped or booked by that time.

Exports for the month of March, 1949, as compared for the same period last year, were as follows:—

	March, 1949	March, 1948
Alcohol	10 tons	—
Beer	25 "	—
Buntal fiber	10 "	—
Cigars	10 "	11 tons
Coconut, desiccated	9,550 "	6,533 "
Coconut oil	4,178 "	3,320 "
Concentrates, copper	2,114 "	126 "
Concentrates, gold	175 "	22 "
Copra	42,150 "	51,460 "
Copra meal	6,124 "	4,459 "
Embroideries	129 "	55 "
Empty cylinders, etc.	524 "	458 "
Fish, salted	33 "	13 tons
Fruits, fresh	172 "	—
Furniture, rattan	814 "	590 "
Glycerine	298 "	72 "
Gum, copal	—	71 "
Gum, elemi	14 "	—
Hemp	49,300 bales	40,088 bales
Household goods	132 tons	109 tons
Junk, metal	5,766 "	9,710 "
Logs	2,339,874 board feet	1,143,761 board feet
Lumber	4,201,214 "	343,060 "
Molasses	2,185 tons	3,887 tons
Ores, chrome	26,860 "	11,500 "
Ores, iron	18,317 "	—
Rattan	170 "	177 "
Rope	376 "	492 "
Rubber	129 "	143 "
Shells	23 "	113 "
Skins	128 "	101 "
Sugar	79,367 "	23,218 "
Tobacco	620 "	17 "
Vegetable oil products	23 "	—
Wines	30 "	—
Transit cargo	550 "	102 "
General merchandise	2,743 "	7,592 "

# Land Transportation

## (Bus Lines)

BY L. G. JAMES

Vice-President and Manager,  
A. L. Ammon Transportation Co., Inc.

**A**N analysis of the records of a number of transportation companies, covering operations for the year 1948, indicates the extent to which the ever increasing tax burden affects the operator who conducts his business efficiently and keeps proper books of account, at the same time conscientiously meeting his obligations to the Government by way of tax responsibilities. A summary of the taxes and fees of various categories paid from January, 1948, to December 31, 1948, by one of the well known companies illustrates the tax problem confronting the industry in general. This particular operator paid:

1. Common carrier tax (2% of gross revenue) .....	P 55,000
2. Corporate income tax .....	27,000
3. Registration fees .....	74,000
4. Supervising fees .....	4,000
5. Tolls — (bridges and barges) ....	125,000
6. Gasoline tax at P.07 per liter .....	190,000
7. Lubricating oil tax at P.04 per liter .....	1,500
	<b>P476,500</b>

In addition, the 50% sales tax on all purchases of equipment and supplies, as a hidden feature of the tax bill, amounted to an additional P40,000. Exclusive of this latter item, an amount in excess of 17 centavos out of every peso of gross revenue went to the Government in taxes and fees. The total obligation represented 32% of the paid-up capital of the corporation and 16 times its net earnings.

There is no field of enterprise in the Philippines where competition is so keen and so unregulated. There is likewise no general classification of business which offers such a relatively high potential as a source of government income. In actual practice, a premium is placed upon the ability of the operator to run his business without maintaining proper records of accounts and to evade his obligations to the Government.

In the case of one of the larger land transportation companies, a corporation with hundreds of stockholders and obviously required to maintain its records in accordance with the principles of sound business practice, a force of several Bureau of Internal Revenue auditors spent a number of weeks in making a complete investigation of every transaction appearing in the company's books for the year 1945-1946 and 1947. This company had met its tax responsibilities in all respects in accordance with its records of accounts. When the investigators were questioned as to why similar investigations were not made in the cases of the multitude of competitors operating within the same territory, the reply was that no investigation was possible. The other operators either kept no records or they were kept in such a manner that it would be impossible to compute tax responsibilities.

Thus, the operator who maintains proper records and meets his tax obligations conscientiously is at a great disadvantage. His cost of operation is obviously higher than those of his irresponsible competitors, whose failure to keep records of income and expense results in evasion of tax obligations.

The most flagrant evasions are in connection with the Common Carriers' Tax of 2% on gross revenue and with the corporate and/or individual income tax, as a result of keeping incomplete or improper records. One authority estimates that there are in excess of 30,000 public utility vehicles in daily operation in the Philippines with an average daily gross revenue of P25 each (including jeepneys and similar small units). It is further estimated that the Government collects less than 30% of the Common Carriers' Tax on these gross revenues which should amount to a minimum of P15,000 per day or in excess of P5,000,000 per year.

## Mining

BY CHAS. A. MITKE  
Consulting Mining Engineer

### MARCH PRODUCTION at the Mines.

Benguet-Balatox . . . . .	P619,150.00	Surigao Consoli-	
Atok-Big Wedge . . . . .	400,146.00	dated . . . . .	P196,790.00
Mindanao Mother		Lepanto . . . . .	592,100.00
Lode . . . . .	256,954.00	Taysan Gold . . . . .	52,519.00

### BUILDING CONSTRUCTION IN MANILA: 1936 TO 1949

Compiled by the Bureau of the Census and Statistics from data supplied by the City Engineer's Office.

MONTH	1936 (Value)	1937 (Value)	1938 (Value)	1939 (Value)	1940 (Value)	1941 (Value)	1945 (Value)	1946 (Value)	1947 (Value)	1948 (Value)	1949 (Value)
January . . . . .	P 540,000	P 426,230	P 694,180	P 463,430	P1,124,550	P 891,140	P —	P 1,662,245	P 3,645,970	P 6,571,660	P4,807,320
February . . . . .	720,110	479,810	434,930	1,063,050	1,025,920	467,790	—	2,509,170	3,270,150	6,827,095	7,286,630
March . . . . .	411,680	396,890	1,300,650	662,840	671,120	641,040	—	3,040,010	3,398,910	7,499,560	8,100,700
April . . . . .	735,220	659,680	770,130	1,029,310	962,420	408,640	462,020	3,125,180	8,295,640	8,370,292	5,496,345
May . . . . .	400,220	670,350	1,063,570	1,139,560	740,510	336,210	1,496,700	3,968,460	5,564,870	8,570,410	7,286,630
June . . . . .	827,130	459,360	754,180	809,670	542,730	418,700	2,444,070	3,904,450	5,898,580	10,217,840	
July . . . . .	302,340	691,190	756,810	495,910	357,680	609,920	1,741,320	3,062,640	9,875,435	7,771,487	
August . . . . .	368,260	827,660	627,790	622,050	661,869	306,690	1,418,360	4,889,840	7,428,260	7,568,950	
September . . . . .	393,100	777,690	684,590	554,570	590,380	590,830	1,015,250	7,326,570	7,770,310	7,095,860	
October . . . . .	663,120	971,780	718,190	645,310	738,700	699,400	639,030	4,630,550	6,747,240	5,368,800	
November . . . . .	460,720	320,890	972,310	461,580	485,100	315,930	1,364,310	4,373,390	7,088,283	3,424,125	
December . . . . .	648,820	849,160	503,230	1,105,910	335,490	67,553	1,605,090	5,034,600	4,924,320	4,507,580	
<b>TOTAL . . . . .</b>	<b>P6,170,750</b>	<b>P7,530,690</b>	<b>P9,280,560</b>	<b>P9,053,250</b>	<b>P8,234,460</b>	<b>P5,692,273</b>	<b>P12,186,150</b>	<b>P47,526,905</b>	<b>P73,907,248</b>	<b>P82,792,569</b>	<b>P25,690,995</b>
<b>Annual Average</b>	<b>P514,229</b>	<b>P627,557</b>	<b>P773,380</b>	<b>P754,438</b>	<b>P686,265</b>	<b>P474,356</b>	<b>P1,015,513</b>	<b>P3,960,575</b>	<b>P6,178,937</b>	<b>P6,899,381</b>	<b>P7,162,620</b>



Consolidated Mines  
(tons chrome). 18,360

Acoje Mining  
(2 weeks)  
(tons chrome). 3,000

GOLD AND SILVER PRODUCTION FOR 1949  
By the Bureau of Mines

**S**PEAKERS for the Philippines claim they are anxious to enlist foreign capital, particularly American capital, in the development and up-building of the country. At the present moment, a group of young Filipino business men are touring the United States, telling capital it will be welcome if it comes to the Philippines.

Looking at the reverse side of the medal, we find small organized minorities here at home doing all they can to hamper, or make it difficult, for foreign capital to invest in this country.

Mining, was one of the major industries of the Philippines before the war. It ranked second to sugar, and promised, in 1942, had there been no war, to surpass it. Now everything has been done to put the sugar business back on its feet and spokesmen for the industry state it will achieve normalcy this year.

Little or nothing has been done for mining. The mines were as badly damaged as the sugar centrals, but there has been no government assistance, and, to date, but very small war-damage payments.

Last year, a Mining Engineer's Licensing Bill was introduced in Congress and passed. It was vetoed by the President, and re-introduced and passed in the Special Session, and again vetoed by the President. This bill contained a clause which legal experts stated would have prohibited American mining engineers from practising their profession in the Philippines. The result of this legislation, even though finally vetoed, was that one large American corporation which had taken options on mining property in the Visayan Islands, and planned, if preliminary work proved satisfactory, to spend approximately P50,000,000 in mine development, plants, etc., threw up its option and pulled out; while two other corporations, almost as large, which had, jointly, maintained an examining engineer in the Philippines for nearly a year, recalled their man, and decided to invest elsewhere.

This same bill has been re-introduced in the 1949 Congress a third time. The objectionable clause referred to was modified, but amendments have been made to the bill which render it equally objectionable, not only to American interests, but to the entire mining community in the country—Filipinos and foreigners alike.

Under this particular bill (H.B. 2338) as amended, a Board, composed of three Filipino engineers would be appointed by the Secretary of Public Works and Communications, which would have absolute control over the mining industry. If this measure becomes a law, the Board would not enforce mining legislation previously enacted by Congress, but would make its own rules and regulations, (which would have the force of law); inspect mines and mining properties; examine mining companies' books (if it deems necessary); "determine the complement of mining engineers and personnel needed in said plants and works," and "whenever necessary, recommend to the Secretary of Public Works and Communications, the adoption of such measures as may be deemed proper for the maintenance of the ethics and technical standards in the practice of mining engineering in the Philippines for the public well-being and safeguarding of life, health, and property."

Names	JANUARY		FEBRUARY	
	Quantity in Troy Ounces	Value in Pesos	Quantity in Troy Ounces	Value in Pesos
Atok-Dig Wedge	Au - 5,178.070	P 362,464.89	Au - 4,838.969	P 338,727.82
	Ag - 2,937.775	4,171.63	Ag - 2,890.329	4,104.27
Balatoc	Au - 4,562,000	2,984,340.00	Au - 4,166,000	2,811,620.00
	Ag - 2,531,000	3,543.40	Ag - 2,582,000	3,604.20
Denguet Cons.	Au - 3,967,000	277,600.00	Au - 3,495,900	244,650.00
	Ag - 2,375,000	3,797.00	Ag - 2,999,900	2,838.60
Mindanao Mother Lode	Au - 2,883,980	196,341.36	Au - 2,978,130	202,751.00
	Ag - 4,420,000	5,890.57	Ag - 3,960,000	5,266.80
Surigao Cons.	Au - 1,750,000	140,605.00	Au - 2,060,000	144,200.00
	Ag - 2,400,000	3,456.00	Ag - 2,900,000	4,176.00
Surigao Placer	Au - 319,803	22,284.21	Au - 180,900	12,960.00
	Ag - 98,992	148.49	Ag - 2,999,900	72.00
Tayasan Mining	Au - 912,944	63,976.98	Au - 791,358	55,395.06
	Ag - 2,670,600	3,372.90	Ag - 1,655,460	2,482.19
Tambis Gold	Au - 376,000	14,000.00	Au - 196,000	15,800.90
	Ag - None	None	Ag - None	None
Totals	Au - 19,450,797	P1,375,803.84	Au - 18,705,457	P1,365,743.98
	Ag - 17,422,266	23,871.99	Ag - 16,957,789	22,546.04

Metals and Ores Other than Gold and Silver, 1949

Names	Remarks	January		February	
		Quantity L. Tons	Value in Pesos	Quantity L. Tons	Value in Pesos
Acoje	Metallurgical Chromite	6,022.00	P 140,616.00	8,373.00	P 234,444.00
Luzon Stevedoring	Manganese	1,800.00	56,400.00	None	None
Mission Chromite	Metallurgical Chromite	1,100.00	57,200.00	None	None
Consolidated	Refractory Chromite	23,000.00	468,000.00	25,000.00	502,000.00
Lepanto Cons.	Copper	1,767.50	553,508.00	1,877.00	617,408.00
Cia Minera de Filipinas	Manganese	172.00	6,980.00	123.00	4,920.00
Semar Mining	Iron	None	None	None	None
Pailwan Mang.	Manganese	640.00	22,400.00	640.00	22,400.00
British-Am. Eng.	Manganese	1,200.00	48,000.00	1,200.00	48,000.00
Phil. Iron Mines	Iron	14,586.00	204,204.00		
Luzon Steve.	Metallurgical Chromite	None	None	1,130.00	14,250.00
Totals			P1,643,208.00		P1,343,414.00

This would create a virtual dictatorship over one of our leading industries.

For these unwelcome services, the mines would pay whatever amount the Board decides, as

"with the advice of the Commissioner of Civil Service and the approval of the Secretary of Public Works and Communications, [the Board may] adopt rules, regulations and code of ethics as may be necessary to carry out the provisions of the Act, including inspection fees to be charged from the mines, metallurgical plants, etc. . . from which to defray expenses incurred by the Board in connection therewith and for other purposes."

"In addition to the above compensation . . . each member performing such inspection and investigation shall . . . receive a professional mining fee of fifty pesos per day, during the investigation and examination, which shall be drawn and disbursed from the inspection fees charged of mining, metallurgical works . . . as authorized in this Act."

Penal provisions for non-compliance accompany the bill.

From this it will be seen that the entire cost of the proposed Board, including the P50 per day inspection fee, would be paid by the mines.

The mining companies are already suffering from conditions imposed by the Court of Industrial

Relations, the officials of which are apparently unfamiliar with mining, as, among other restrictions imposed, 20% additional pay has been ordered for employees on night shifts, because "the tunnels are dark... and the laborer is hampered by his boots, his heavy clothing, and his indispensable lamp." Anyone familiar with mining knows that the tunnels and drifts are just as dark in the daytime as at night, and the carbide lamp is just as necessary on the day shift as on the night shift, as are also the boots.

The mines are still struggling for existence. Only 5 gold mines out of the pre-war 35 are in operation, and less than half the chrome and manganese properties are shipping, yet they are burdened with heavy demands and restrictive legislation before they get well started.

It seems poor business policy to kill the goose that once laid the golden egg, and which, if treated right, would do so again.

## Lumber

BY E. C. VON KAUFFMANN

*President, Philippine Lumber Producers' Association*

**L**UMBER exporters have requested the Associated Steamship Lines to reduce the rate of freight from Philippines to the United States by \$10 per 1000 board feet, in order to help them offset the recent drop in prices and the stiff Central American and South African competition.

On the other hand the exporters are willing to share in the cost of an advertising campaign in the United States which the Philippine Mahogany importers there will undertake. The exporters believe

that the Philippine Government should also contribute to the advertising fund as this form of help would increase production and export by further establishing the name of Philippine Mahogany in the United States.

The local market continues unchanged as follows:

Red Lauan, rough, delivered buyer's yard	— P165.
Apitong	" " " " — 145.
White Lauan	" " " " — 140.

## Copra and Coconut Oil

BY MANUEL IGUAL

*General Manager, El Dorado Trading Company, Inc.*

AND KENNETH B. DAY

*President, Philippine Refining Company, Inc.*

March 16, 1949 to April 15, 1949

**O**UR last report left copra and coconut oil in the doldrums with little to support them in world markets, but in a particularly vulnerable position to pressure either from without or within. The story of the period under review shows little change in this situation, with an initial continuance of the downward drift of the market, followed by a mild recovery, and ending just about where it began.

The period opened with buyers at \$175 c.i.f. and f.o.b. and sellers' ideas about \$5 higher. On very sparse trading, and influenced by general market weakness in domestic fats and oils, prices gradually

# ENGINEERS CONTRACTORS MANUFACTURERS

SPECIALIZING IN THE FABRICATION AND ERECTION OF BRIDGES, TANKS AND BUILDINGS

Operating:

MACHINE SHOPS FOR MANUFACTURING AND REPAIRS  
FOUNDRY FOR CAST IRON, BRASS AND BRONZE  
STRUCTURAL STEEL SHOPS  
STEEL PLATE SHOPS  
MARINE REPAIR SHOPS • WOOD PRESERVING PLANT



FOR 48 YEARS THE GREATEST NAME IN ENGINEERING & CONSTRUCTION

## ATLANTIC, GULF & PACIFIC COMPANY OF MANILA

ENGINEERING DIVISION

Barrio Punta, Santa Ana, Manila

Tels. 6-75-31 — 6-75-32

ceeded until the end of March by which time copra sold as low as \$170 c.i.f. and \$160 f.o.b. Neither sellers nor buyers were very active however, sellers because production was still light, and buyers because there were few ECA dollars for European purchases and because American oil buyers still considered copra heavily overpriced. The best interest was on the part of speculators covering in previous sales, mostly at a reasonable profit.

Meanwhile cottonseed oil dropped to 10½ cents, soyabean to 10¼, and tallow finally broke through 5 cents, lower pre-war levels. This decline came in spite of quite heavy exports from the United States, and showed the true weakness of the situation, a weakness which European critics were inclined to consider somewhat overdone.

After the 1st of April, however, competing oils and fats (particularly tallow) commenced to improve, and copra became in demand with but small stocks available. A short-lived squeeze consequently developed which drove copra up to \$195 c.i.f. and gave sellers hopes of seeing \$200 copra again. After about ten days of this situation, the pressure was again off, copra broke sharply, and at the end of the period buyers were once more down to \$175 both c.i.f. and f.o.b. and sellers were beginning to reconcile themselves to eventual trading on this or a lower basis. European buyers were conspicuous by their absence during the first half of April, both because of their lack of dollars and because they were substantially filling their needs from sterling areas. Thus the main support against the bearish tendency in American markets was wiped out. Trading throughout the period was anything but lively, and volume relatively small.

**MEANWHILE**, coconut oil prices, as was to be expected, followed closely the pattern of the copra market. Commencing with sellers offering immediate oil at 15 cents f.o.b.P.C. shading downward for futures, prices dropped by the end of March to as low as 12½ cents for prompt and 12¼ for May. They recovered mildly in April and by the 15th were back to 14 cents. Bulk oil to the East Coast was in but slight demand, buyers ideas ranging from 13 cents c.i.f.N.Y. up and sellers from 15 cents down. Some few parcels were sold between 14 cents and 15 cents, but the volume was small and buyers in general continued to purchase on a hand-to-mouth basis for absolute minimum requirements only.

**LOCAL** copra prices, particularly in Manila where arrivals continued light, were above world levels, but did drop and rise in consonance with export prices. Thus we saw resacada prices per 100 kilos dropping from a high of P37 to a low of P32, only to recover to P36 and then decline to P33 at the close. This is the shortest season of the year in Manila, and available supplies were at a minimum. Cebu markets were somewhat lower, but were more influenced by temporary export shortages.

Preliminary figures covering copra exports for March showed 42,150 tons as against 38,655 tons in February and 52,838 tons in March, 1948. These shipments were broken down as follows:

Pacific Coast .....	15,761
Gulf Ports .....	4,929
Canada .....	450
Europe .....	20,198

consider  
offset  
printing

FOR YOUR SALES  
LITERATURE  
POSTERS • HANDBILLS  
FOLDERS • LABELS

**CARMELO & BAUERMANN, INC.**  
OFFSET LITHOGRAPHERS • PRINTERS  
2067 AZCARRAGA • MANILA, PHILIPPINES

FOR MORE SPEED  
MORE VOLUME  
MORE VERSATILITY

South America .....	100
South Africa .....	712
	42,150 tons

Oil exports for the same month amounted to 4,178 tons, consigned as follows:

Atlantic Coast .....	3,020
Europe (chiefly Germany) .....	1,158
	4,178 tons

Some little improvement in exports is to be expected in April.

Copra cake and meal markets continued their decline of the previous month. European quotations were nominally down to \$35 to \$37 per long ton f.o.b., and meal on the Coast sold down to P53 per short ton c.&f., a better equivalent than the European market offered. Trading was light, but fair quantities were shipped unsold to the Coast.

The period ended with copra and oil stagnant and with all signs pointing to lower prices in the future. It was hard to discover any promise of real strength anywhere, this in spite of the feeling in Europe that American oils and fats are rapidly becoming underpriced. Still without dollars to purchase, and with constant direction from Washington, European buyers cannot do very much, and are more and more turning to cheaper American fats and to sterling areas for their needs, and this condition is likely to continue through the quarter.

One fact is becoming apparent. Coconut oil, because of its particular lauric acid value, has broken away from its pre-war close relationship with tallow and the prices of the two are not comparable. The

trouble with this is that, with the price spread, buyers naturally hold their coconut oil requirements to a minimum. The copra and oil industries in the Philippines cannot really stabilize or prosper until demand is constant and ample to look after maximum production at reasonable prices. Not until dollars are considerably more plentiful in Europe and a better relationship between the European and American price structures exist; and particularly not until the price differential between tallow and coconut oil narrows, can we look for substantially better and more stable conditions. When this may come about is anybody's guess. But as the season of heavier copra production draws nearer, the problem becomes increasingly acute. The next two or three months may well indicate in what direction the answer may lie.

## Desiccated Coconut

BY HOWARD R. HICK

President and General Manager,  
Peter Paul Philippine Corporation

THIS report covers the period from March 15 to April 15. During this period copra prices remained steady, fluctuating within narrow limits and following world market prices more closely than at any other time since the war. The last two months have been a test period for the copra market. Prior to this time competitive fats and oils prices were much under copra and coconut oil, this creating a false market.

## ENGINEERING EQUIPMENT & SUPPLY COMPANY, Inc.

MACHINERY • MECHANICAL SUPPLIES •  
ENGINEERS • CONTRACTORS

### AIR CONDITIONING

For Offices, Theatres, Hospitals, Stores,  
Restaurants, Hotels, Clubs and Homes

★ ★ ★  
Suppliers of

MACHINERY, EQUIPMENT and INDUSTRIAL  
SUPPLIES

For Sugar Centrals, Mines, Sawmills, Power Plants,  
Machine Shops and All Industrial Plants

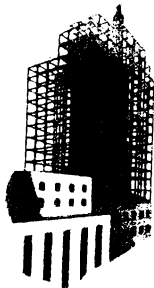
★ ★ ★  
ENGINEERING — DESIGN — APPLICATION — ESTIMATES  
INSTALLATION — MAINTENANCE — SERVICE — REPAIRS

★ ★ ★  
Operating:

MACHINE SHOPS • STEEL PLATE SHOPS  
STRUCTURAL STEEL SHOPS • WELDING  
SHOPS • BLACKSMITH SHOPS • SHEET  
METAL SHOPS • MARINE RAILWAY

Gen. & Sales Office  
174 M. de Comillas  
Manila  
Tel. 3-26-20

Engineering Shops  
No. 1 Calle L. Segura  
& Pasig River  
Mandaluyong, Rizal  
Tel. 6-65-68



This unstable condition terminated in January and now despite sellers' resistance and their attempts on several occasions to take advantage of local conditions, copra prices (seller's basis) reflect world factors, and unless unforeseen circumstances present themselves, the copra market will follow a world pattern and remain near present levels. In consonance with these developments raw coconut prices have followed the copra pattern.

During the period the desiccated coconut products factories have curtailed operations, with the industry operating at about 80% capacity due to oversupply in the United States. Over-production at present and general business conditions in the United States indicate a slight reduction in production for the remainder of the year.

The shipping statistics for the month of March are as follows:

Franklin Baker Co. ....	4,371,600 lbs.
Blue Bar Coconut Co. ....	1,698,490 "
Peter Paul Philippine Corp. ....	3,975,300 "
Red V Coconut Products, Ltd. ....	1,492,100 "
Sun-Ripe Coconut Products, Inc. ....	1,026,000 "
Standard Coconut Products ....	30,000 "
Isabelo Hilarion ....	0 "
Cooperative Coconut Products ....	100,000 "
Tabacalera ....	500,000 "
Luzon Desiccated Coconut Corp. ....	340,570 "
<b>TOTAL</b> .....	<b>13,534,060 lbs.</b>

I REGRET that the shipping statistics for the month of February in the April issue of this Journal were in error.

The figures submitted were the cumulative figures for January and February which were inadvertently placed

in my report by my secretary. The correct figures for the month of February are as follows:

Frankling Baker Co. ....	2,795,100 lbs.
Blue Bar Coconut Co. ....	810,730 "
Peter Paul Philippine Corp. ....	2,133,600 "
Red V Coconut Products ....	1,072,400 "
Sun Ripe Coconut Products ....	551,000 "
Standard Coconut Corp. ....	272,000 "
Isabelo Hilarion ....	0 "
Cooperative Coconut Products ....	0 "
Tabacalera ....	100,000 "
Luzon Desiccated Coconut Corp. ....	188,800 "
<b>TOTAL</b> .....	<b>7,923,530 lbs.</b>

I regret very much having made this error and call it to your attention so that persons using this information will be informed of this.

— H. R. H.

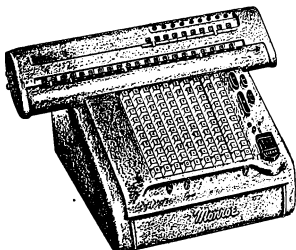
## Sugar

By S. JAMIESON

Alternate Secretary-Treasurer,  
Philippine Sugar Association

THIS review covers the period from March 28 to April 29, 1949. *New York Market.* The period opened with small sales of Puerto Rican and Philippine sugar at 5.80¢ to operators. This brought out heavy offerings in the same price from all quarters, but as refiners showed no interest in supporting the market, it developed an easier tone. As the result, refiners were later able to buy fairly large quantities at 5.70¢ for prompt arrival and prompt shipment. Second-hand holders of Puerto Rican and Philippine afloats became uneasy over their holdings, and,

Complete, compact. Efficient, economical. Nine columns, 100 keys. All controls set on panel, within easy reach.



*"That's Gold In Them Thar Hills"*

**MONROE**

Adding - Calculator

Cast 10



Gold is where you find it . . . where you save it! There's gold in the saving of time, effort, the highly paid technical brains of the men you employ in your finance office. Save . . . by installing a MONROE ADDING-CALCULATOR . . . CUT DOWN on operating expenses, on over-head. A MONROE saves on costly errors in assay reports, mill figures, mill-office accounting work! Strike it rich . . . keep on the vein recover high . . . keep tails low — with MONROE!

**H. E. HEACOCK CO.**

The Store of Quality

454 Dasmariñas                      Phones: 2-79-78 & 2-79-79  
16th & Atlanta Sts., Port Area                      Phone: 2-94-89

faced with refiners seemingly well supplied with raws for their current needs, had to sell at a sacrifice, some sales being made at as low as 5.55¢. First-hand sellers practically withdrew from the market during this phase, and when it passed, were able to dispose of large quantities at from 5.70¢ to 5.75¢. At the close, there are further sellers at 5.75¢ for May/June arrival and at 5.80¢ for later positions, with buyers indicating 5.75¢ for the later positions. We give below a list of the Philippine sales reported during the period:

March 28 — 7,000 tons	May/June	5.80¢
30 — 2,000 "	afloat (resale)	5.70¢
31 — 13,000 "	" "	5.65¢
April 1 — 2,000 "	" "	5.55¢
8 — 2,000 "	June	5.75¢
25 — 5,500 "	April/May	5.70¢
26 — 5,500 "	May/June	5.75¢
28 — 1,000 "	May/June	5.75¢
2,000 "	afloat (resale)	5.72¢
40,000 tons		

It will be noted that about half the quantity represents resales, — that is, sales made by second-hand holders.

Quotations on the New York sugar exchange for the period March 23 to April 23, 1949, under contracts Nos. 4 and 5 were as follows:

*Contract No. 4 (World Market)*

	High	Low	Close	Sales
May . . . . .	4.22	4.05	4.06	16,100 tons
July . . . . .	4.19	4.05	4.05	26,100 "
September . . . . .	4.08	3.95	3.92	4,050 "
March . . . . .	3.45	3.32	3.30	3,600 "
May . . . . .	3.45	3.45	3.31	100 "
July . . . . .	3.45	3.40	3.31	150 "
Total . . . . .				50,100 tons

*Contract No. 5*

May . . . . .	5.36	5.25	5.25	56,300 tons
July . . . . .	5.38	5.27	5.27	51,650 "
September . . . . .	5.36	5.26	5.26	50,950 "
November . . . . .			5.27	.....
December . . . . .	5.30	5.17	5.17	350 "
March . . . . .	4.96	4.88	4.88	1,200 "
May . . . . .	4.89	4.88	4.87	300 "
July . . . . .	4.89	4.89	4.88	300 "
Total . . . . .				161,050 tons

*Local Market.* (a) Export Sugar. The period opened with buyers generally paying P13.40 per picul ex mill warehouse. Pending the recovery of the New York market from the pressure of distressed parcels, exporters were not keen buyers and reduced their prices, at one time quoting nominally P13 per picul. However, as the New York market recovered, they again became active buyers for the rather limited quantities available, and the closing quotation is P13.40 per picul.

(b) Domestic Sugar. The market was firm and prices advanced. At the close, there are buyers at P17 to P18 per picul for centrifugal sugar and P18.50 to P19.50 for washed sugar, ex mill warehouse.

*General.* The distribution of sugar in the United States for the first quarter of 1949 was 1,691,000 short tons, against 1,290,663 short tons in 1948.

The Puerto Rican crop is estimated at 1,240,000 short tons, indicating a surplus of 150,000 short tons, after allowing for their United States quota allocation, local consumption, and a normal carry-over.

The revised estimate of the 1948-49 Philippine crop is 9,825,025 piculs or 685,012 short tons, a reduction of 38,337 short tons from the previous estimate. After allowing for domestic requirements, this would indicate that there will be about 500,000 short tons available for export.

**Get**

**MAXIMUM ENGINE LIFE**

**FOR YOUR CAR**

with **Mobil Oil**

*The World's Largest Selling Motor Oil*

AT THE SIGN OF  
*Friendly Service*

STANDARD—VACUUM OIL COMPANY  
PHILIPPINES

## Manila Hemp

By H. ROBERTSON

*Vice President and Assistant General Manager,  
Macleod and Company of Philippines*

**T**HIS review covers the period from March 16 to April 15, 1949. Throughout this period, the market has remained very quiet and price changes have been small. We are still confronted with the unusual feature of seeing the better Davao grades selling for a cheaper price than the corresponding non-Davao grades.

Business to the United States has been limited and commercial buyers have operated with the greatest caution. Further softness in commodities in general is probably responsible for this attitude of consumers who are most anxious to carry the smallest possible inventories to minimize inventory losses. Both the Stockpile and the U.S. Navy have bought during the period.

SCAP bought less than usual during the past four weeks. It appears that SCAP is most dissatisfied with the weights and quality of deliveries from certain Philippine shippers and contemplates buying on different terms from July onward. There has been some demand from Europe, although generally

speaking its buying does not make it an important factor in the market. During March, however, shipments to the Continent of Europe amounted to 14,625 bales out of total shipments of 52,836 bales.

Local provincial prices closed the period fractionally higher than a month ago. As prices in terminal markets closed fractionally lower, the local trend may be attributed to technical reasons. Production for the first quarter in 1949 ran slightly higher than for the last quarter of 1948, and there is some reason to believe that Davao production will show a slight improvement for the remainder of the year.

The following figures covering local provincial values and c.i.f. New York prices illustrate the price changes over the period:

### CONGENIAL CLASSICS



A CENTURY of pioneering in the Art of Brewing and the modern Science of Blending has resulted in this great beer we so proudly distribute—Pabst Blue Ribbon.

**33 FINE BREWS  
BLENDED INTO  
ONE GREAT BEER**

## Pabst Blue Ribbon

Sole Distributors:

F. E. ZUELLIG, INC.

55 ROSARIO ST., MANILA

TEL. 2-95-43

Hear **MUSICANA - DZRH—SUNDAY, 9 P.M.**

**KEEP COOL!**  
*Equip Your Home and Office*  
with  
**FRESH 'N' AIR**  
CIRCULATOR  
SUCCESSOR TO THE FAN

**OFFICES**

**HOMES**

**FRESH 'N' AIR CIRCULATORS**—adequate, full-powered, scientifically designed to move air masses—provides proper air circulation without drafts  
... cools your home for comfortable living  
... keeps your office pleasant to work in!

**MODELS AVAILABLE**

- 14-inch Table Model, with high or low stand: P121.000 (Tax included)
- 23-inch model with high or low stand: P235.95 (Tax included)
- 35-inch model with high stand: P587.56 (Tax included)

# Williams

**EQUIPMENT COMPANY, LTD.**

Per Picul  
Dasis Loose

Davao I . . . . .	₱63.00	— Up	₱0.50	per picul from	March 15.
Davao J1 . . . . .	61.50	— Up	0.50	"	"
Davao G . . . . .	65.00	— Unchanged	"	"	"
Non-Davao I . . . . .	65.00	— Up	₱0.50	"	"
Non-Davao G . . . . .	47.50	— Up	0.50	"	"
Non-Davao K . . . . .	28.00	— Unchanged	"	"	"

New York quotations on April 15:

Per lb.  
c.f.  
New York

Davao I . . . . .	28½¢	— Unchanged	from	March 15.
Davao J1 . . . . .	28	— Down	¼¢	"
Davao G . . . . .	25¼	— Down	½	"
Non-Davao I . . . . .	28¾	— Down	¼	"
Non-Davao G . . . . .	22	— Down	¼	"
Non-Davao K . . . . .	15	— Unchanged	"	"

Production for March, 1949, was 53,859 bales, — an increase of 8,018 bales from February, 1949. Non-Davao balings totaled 33,768, — up 3,190 bales from February. Davao balings were 20,091 bales — up 4,828 bales from February. Exports for

March totaled 52,836 bales. Production for the first quarter of 1949 was 146,497 bales, while shipments for the same period totaled 142,270 bales.

## Tobacco

BY THE CONDE DE CHURRUA  
President, Manila Tobacco Association

**T**HE crop of Western Luzon (Pangasinan, Union, Ilocos) has practically all been harvested and is substantially bigger than last year. The quality of the tobacco is good, as the rains came at the right time.

We estimate a production of 35,000 quintals in Pangasinan, 45,000 in La Union, and 6,000 in Ilocos. Besides there are about 23,000 quintals of Batec Tobacco which is sold by the leaf in the native markets.

Buying will start around the middle of this month (May), and prices will probably be lower than last year. If they are low enough, it will be the first step toward the rehabilitation of the industry, as exports will increase and the cost of production of the local factories will be lower.

The Cagayan Valley crop suffered very much because of lack of rain, and some regions lost more than 60% of the tobacco. In spite of that, however, there will be no less than from 140,000 to 150,000 quintals, which will easily cover the needs of the local market, and leave enough to increase the exports provided foreign countries have the necessary dollars to buy. Probably buying will not start in these provinces until August or even later, and the prices will be influenced by those paid in Union and Pangasinan.

Here is your  
**NEW UNDERWOOD TYPEWRITER**



with

**RHYTHM TOUCH**



You'll sense something different when your fingers touch the highly responsive keys. It's Rhythm Touch... to make your typewriting easier.

Your fingers will find comforting ease in the lightning key response. You'll note better-balanced finger action... the free-and-easy rhythm of Underwood's finest typewriter... the popular choice of secretaries and executives.

With Rhythm Touch... plus other new refinements... you get all the time-tried famous Underwood features... they make typing easier. See this new Underwood Standard Typewriter... with Rhythm Touch... NOW!

EXCLUSIVE DISTRIBUTORS IN THE PHILIPPINES  
**SMITH, BELL & CO., LTD.**  
TRADE AND COMMERCE BLDG. MANILA  
BRANCH OFFICES: CEBU, ILOILO, BACOLOD, LEGASPI, DAVAO

The

**BACHRACH MOTOR CO., INC.**

PORT AREA, MANILA

★

**NASH-ENGLISH AUSTIN**  
AUTOMOBILES

★

**WHITE-FEDERAL-NASH**  
TRUCKS

— OPERATING —

**RURAL TRANSIT**

PASSENGER—FREIGHT SERVICE

BETWEEN

MANILA—APARRI

AND

**BMC TAXI CABS**



## Automobiles and Trucks

BY C. HAROLD HELLING  
General Motors Corporation

**T**HE United States automobile manufacturers produced during the first 2½ months of 1949 1,073,206 cars and trucks, of which 810,390 were passenger cars and 262,816 were trucks. This exceeds by 55,825 the number of units produced during the same period of 1948.

The plants hope to achieve schedules which will result in the production of 414,000 cars and 112,700 trucks during the month of March, for a post-war high total of 526,700 units. The industry's present post-war record was made in March, 1948. With these record-breaking production schedules, the automobile manufacturers are catching up with the public demand for new cars, which has hit the black-market and used-car dealers very hard. Prices of used cars have been reduced more than 10% on the overall average in the last two months.

**T**HE Manila Chapter of the Army Transportation Association and all the automobile distributors in the Philippines are planning an automobile show at the Fiesta Pavilion, Manila Hotel, May 23, 24 and 25.

The show as planned will give the public an opportunity to inspect all the different makes and models (post-war designs) of the various manufacturers. In addition to the automobile display, the Army Transportation Association, Manila Chapter, is planning to include various pieces of army equipment which should be of great interest to the public. The Army Transportation Association's main function in sponsoring shows of this type is to promote and effect cooperation between the various segments of transportation, including, rail, water, highway, air, warehousing, packaging, and others.

It is the aim of the Army Transportation Association to assist in the coordination of all modes of transportation in the Philippines; to bring to the attention of the people the necessity for efficient transportation; and through meetings, conferences, and publications, endeavor to achieve this goal.

All the automobile distributors in the Philippines are giving 100% support to make the show a big success.

## Food Products

BY C. G. HERDMAN  
Director, Trading Division  
Marsman & Company, Inc.

**T**HERE has been no improvement generally in local conditions as far as food products and kindred lines are concerned during the past month, with the exception that overstocks in flour and canned milk have disappeared to a great extent and importers have again been placing orders for shipments of such merchandise in fair volume. The market continues to be materially overstocked on all other lines of imported foodstuffs.

Retailers all complain of very limited sales. There is always a big drop in consumption of imported foodstuffs during the present season, but their re-

**NOW!** We have Ansco Superpan Press...

**THE FAST DAY AND NIGHT FILM**



This film is fast... fast enough to take pictures indoors at night with flood or flash lights.

It's easy to use, surer, more dependable... gives you beautiful prints with crisp, clear detail.

Our professionals specialize in quick, expert photofinishing service. Bring your exposed films to us for developing and printing.

**BOTICA BOIE, Inc.**

Photo Department  
On the Escolta, Manila

CEBU • ILOILO • LEGASPI • DAVAO

## THE COLLINS COMPANY

Established 1826.

Incorporated 1934.

COLLINSVILLE, CONNECTICUT



Commonwealth Axes Dayton Pattern

also  
Double Bit Patterns  
for swamping and falling

The Collins name on any axe is your guarantee of high quality

Obtainable in all the leading Hardware stores everywhere

Exclusive Agents

**CHAM SAMCO & SONS, INC.**

P.O. Box 928, Manila

300-308 Sto. Cristo, Manila

Phone: 2-81-72

**HUME PIPE AND ASBESTOS COMPANY**

Notice to Builders, Architects, Contractors.

Take advantage of this offer of special sizes:

— **"Elephant Brand"** —

Asbestos-Cement Sheets, Plain

1/4"	3/16"	3/16"	3/16"
7' x 4'	8' x 3'	6' x 45"	3' x 3'
6' x 4'	8' x 45"	5' x 4'	2' x 3'
5' x 4'	7' x 4'	4' x 4'	2' x 2'
4' x 4'	7' x 45"	3' x 4'	6" x 2'
3' x 3'	6' x 4'	2' x 4'	12" x 14"

**P0.20**  
per square foot

**P0.15**  
per square foot

Cash, F. O. B. factory Mandaluyong

**Reduce building cost!**

**THEO. H. DAVIES & CO., FAR EAST, LTD.**

AYALA BLDG., MANILA

TEL. 4-79-41

port indicate that the falling off in retail sales is even greater than usual. This is undoubtedly induced by decreased prices obtained for Philippine products and the big drop in the export of these products.

## Textiles

BY JAMES TRAYNOR

**C**ONDITIONS in the local textile market have shown no appreciable change since the last report. Importers generally are finding collections slow and sales are being made from a highly unsatisfactory basis. Inventories stayed approximately even due to arrivals during the month of April which about equalled sales.

During April few or no new orders were placed in the United States. Due to the fact that pending orders now are about completed, importers for the first time in three months feel somewhat optimistic and it is expected that price levels will improve and come into line with replacements. Some dealers have shown interest in making new commitments on a selective basis and within the next four to eight weeks, there is the probability that buying will become general.

In conversations with some of the larger importers, there is an indication that the over-buying which took place last December and January will not occur again. Importers feel that from now on greater care will have to be taken in order to avoid the depressed conditions such as have been seen during the past several months which were largely the result of over-buying.

## Legislation, Executive Orders, and Court Decisions

BY EWALD E. SELPH

Ross, Selph, Carrascoso & Janda

**I**N Case No. L-2179 (April 19, 1949) the Supreme Court published a decision on grounds for discharge of an employee and this decision contains the following statement of principle:

"It is well settled that an employer or principal may discharge or dismiss his employee or agent for just cause or for malfeasance or misfeasance in the performance of his duties.

"When the law does not, directly or inferentially, define the kind of misfeasance or malfeasance for which an employee or laborer may be dismissed or discharged, but the law leaves it to the court to determine whether or not an act or omission on the part of the employee may be considered as a just cause for his dismissal in view of the facts and circumstances of each case, the question for the Court of Industrial Relations to determine is one of fact. It is a question of fact because there is no law or rule which serves as guide to the Court in deciding it, and the Court of Industrial Relations may decide it in a way or another without violating any law, but it may gravely abuse its discretion if its decision is arbitrary or whimsical, that is, contrary to reason, logic or equity. The Court's decision in such a case is final and can not be appealed to this Supreme Court by certiorari, because only questions of law may be raised in the appeal or petition for certiorari according to Sec. 2, Rule 44. And if the Court decides the question of fact with grave abuse of discretion, a special civil action of certiorari filed with the Supreme Court is the proper remedy.

"But where the law provides or defines what acts or omission, misfeasance or malfeasance, constitute a just cause

for PURE enjoyment

# Welch's

JAMS  
JELLIES  
PRESERVES



CONNELL BROS. COMPANY  
Manila • Cebu • Iloilo • Davao

for which an employee or agent may be discharged by his employer or principal and those acts or omissions are found by the court to have been established or proven, the question whether or not the former has been legally and properly dismissed by the latter is a question of law, and the decision of the Court of Industrial Relations on that question is appealable to this Supreme Court by certiorari.

"In the present case the Court of Industrial Relations, according to the above quoted conclusions of fact, has found that the relationship between the petitioner and the respondent Fortich was that of agency or of principal and agent, because the respondent was a manager of the branch office of the petitioner in San Pablo, Laguna; and that the respondent Fortich has actually violated his trust as branch manager of the petitioner's office in San Pablo, Laguna, for the sale of automobiles and trucks. The relationship between them being of trust, based on the confidence of the principal in the agent, Article 300 of the Code of Commerce is applicable.

Said Article 300 provides:

"ART. 300.—The following shall be special causes for which merchants may discharge their employees, even though the term of the contract has not expired:

1. Fraud or breach of trust in the transactions entrusted to them.
2. Engaging in any commercial transaction for their own account, without the express knowledge and permission of the principal. • • •

"In the case of Barretto vs. Santa Marina, 25 Phil. 440, this Supreme Court held that 'even though a period is stipulated during which the agent or employee is to hold his position in the service of the owner or head of a mercantile establishment, yet the latter may, for any of the special reasons specified in Article 300 of the Code of Commerce, dismiss such agent or employee even before the termination of the period.' The provision of said Art. 300 of the Code of Commerce as well as the above quoted decision of this Court rendered before the promulgation of Act No. 103 as amended, are still applicable although the respondent was a member of the Manila Trading Laborers' Association, a labor union, because there is nothing in said Act which is in conflict with said Art. 300.

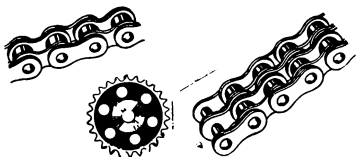
"To order the petitioner as principal to reinstate the respondent Fortich would be to compel the former to continue with the employment of the latter as its agent, in whom the petitioner has lost its confidence and whose continuance in the service is patently inimical to its interest.

"The fact that the respondent Fortich had been laid off for almost nine (9) months without pay during the pendency of this case in the Court of Industrial Relations, can not be considered, as the lower court does, as a sufficient punishment for said respondent's breach of trust and a justification for his reinstatement in the service of the petitioner. As the respondent Fortich has violated his trust as branch manager, and the petitioner was justified, under Art. 300 of the Code of Commerce, in dismissing and discharging him, the former has no right whatsoever to receive any salaries or compensation from the latter for services he had not rendered during the time he has been laid off, and consequently his having been laid off or discharged not only during said period but definitely cannot be considered as a punishment in lieu of his discharge or dismissal.

"In view of the foregoing, the decision of the lower court ordering the reinstatement of the respondent Vicente Fortich in the service of the petitioner is hereby reversed."

It is of interest to note that three justices concurred in the opinion as written, five justices concurred in the result, and the Chief Justice and one other justice dissented on the ground that reliance on the old section of the Code of Commerce was a backward step from the later laws and decisions on social, labor, and industrial questions.

## LINK-BELT ROLLER CHAINS AND SPROCKETS



An accurately made finished steel roller of high tensile strength and excellent wear value made to ASA standards for power transmission at either high or low speeds. Widely used on all types of machinery for drives and conveyors. Made in pitches 3/8" to 3" in single and multiple widths for drives to 1000 H.P. and above and various attachments for conveyor applications. Stock sizes.

OTHER LINK-BELT PRODUCTS INCLUDE:

Malleable Iron, Promal, Steel, and Silent Chains and Attachments... Babbitted, Ball and Roller Bearings... Shaft Couplings and Collars... Clutches... Speed Reducers and Increasers... Variable Speed Changers... Conveyors of various types, etc.—builders of the most complete line of materials handling and power transmission machinery. Let us figure on your needs.

Official Link-Belt Representative

### THE EARNSHAW'S DOCK & HONOLULU IRON WORKS

Cor. Tacoma & 2nd Sts.  
Port Area, Manila

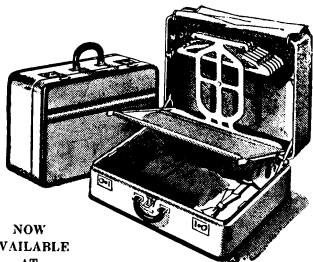
Branch Office at:  
Bacolod, Negros Occidental

TELEPHONES:  
2-68-48 & 2-67-47

### NEW ARRIVALS of

## "OSHKOSH" luggage

COMPLETE  
SETS



NOW  
AVAILABLE  
AT

# HAMILTON-BROWN

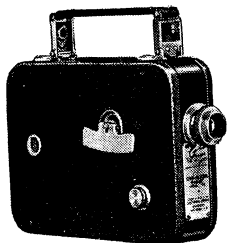
GREAT EASTERN HOTEL BLDG. ECHAGUE

## HAP HONG HARDWARE COMPANY

Ship-Chandlery, Mill & Mining Supplies, Mechanics  
Tools, Construction Materials, Paints, Oils, etc.

78-88 Rosario, Manila

Tel. 2-91-04



## • CINE-KODAK EIGHT-25 •

Home movies are so easy and so certain with the Cine-Kodak Eight-25. And it's not only low in price, but also economical to use. Come in and see this outstanding movie camera today.

### Two Convenient Locations

The Kodak Store  
138 Escolta

Kodak Philippines, Ltd.  
104-13th St., Port Area

## Philippine Safety Council

BY FRANK S. TENNY  
*Executive Director*

**A**LL members, clients, and friends of the Philippine Safety Council are urged to lend their active support to the passage in the Senate of HR No. 1460, "An Act to Create the Commission of Industrial Safety". This Act was passed at the 1948 session by the House of Representatives and is now pending before the Senate.

In short, the Act contains many of the elements to establish which the Safety Council was created and for which it exists. The Act originated in the Advisory Safety Council and is largely the work of Chairman Primo G. Maluanag. It is designed to create safe working conditions in Philippine industry which would at once protect the working man and greatly benefit the employer.

Some of the purposes of the Act are: To guarantee safe machinery through adequate safeguards; to insure that emergency first-aid attention is nearby wherever required; to enforce basic industrial safety rules and regulations as adopted by the International Safety Codes; to cause periodic safety-inspections of all industrial establishments; to create employee-safety committees in all companies of any size; to enable safety research and tests by means of a national safety laboratory; to implement safety regulations in connection with boilers, fire prevention, etc. No great expenditure of money is involved.

The passage of this Act would comprise one of the longest forward steps taken in Philippine social and industrial legislation in a long time. Its effect on the saving of life and the preservation of property would be almost unlimited. Your help in obtaining passage of the Act is therefore urgently solicited. A telephone call or a personal note to one of your Senator friends would no doubt be of great value in this connection. If you would care to read a copy of the Act, please notify this office.

(Safety Council members will note that our interest in this type of safety is an indication of the fact that the PSC is not only a "traffic organization", as some persons think. We have fully recognized the necessity for industrial safety activity, fire prevention etc., and are working almost daily in these lines.)



BY APPOINTMENT  
SUPPLIERS OF CANADIAN CLUB WHISKY  
TO H.M. THE KING  
HIRAM WALKER & SONS, LIMITED

"Canadian  
Club"

WHISKY

SOLD  
THROUGHOUT THE WORLD



*Hiram Walker & Sons  
Limited*  
*Whisky and Beverage Company*

Sole Distributors in the Philippines

**KUENZLE & STREIFF, INC.**

31 Tayuman, Tondo, Manila Tel. 2-64-94  
Branch Office: 306-308 Dasmariñas, Manila

FOR

RE-WINDING OF  
GENERATORS—MOTORS

CALL

**E. J. MORA ELECTRIC CO., INC.**

Address:

170-2 M. de Comillas

Tel. 6-65-85

## Weekly Changes in Retail Prices

Bureau of Commerce, Market Division

April 25-30, 1949

WITH consumers' buying activities generally confined to routine purchases resulting in a comparatively weakened demand, prices of both local and imported commodities suffered moderate reductions, thus bringing down further the Bureau of Commerce Price Index to the 225.23-mark, off 0.22 point compared with the level prevailing a week before. The drop of the index conversely raised further the purchasing power of the Philippine Peso to 44.39 centavos compared with the pre-war (1941) peso.

As in the previous week, eggs conspicuously featured in the recession of prices. Duck, eggs, fresh and salted, registered 5-centavo decrements at P1.35 per dozen.

Marked improvement in arrivals of fresh fish supplies in City markets precipitated appreciable reductions in prices of bangus, apahap, dalag, and hito. Slashes ranged from 3 to 10 centavos per kilo. Dried fish items displayed a mixed trend. Tunsoy tuyo recorded a drop of 7 centavos at P2.48 per hundred; tinapa registered a gain of 5 centavos at P3.50 per hundred.

Also attributed to increased arrivals were the widespread decreases in prices of several important imported canned goods. Evaporated milk (Carnation and Darigold brands) led off with a 4-centavo reduction at P0.35 per tall tin; powdered milk; Klim and Lactogen brands, recorded

**KARKOTE**  
UNDERBODY COATING  
PREVENTS  
RUST • ROT • RATTLE

Makes New Cars  
STAY NEW



One application of Insul-Mastic Karkote prolongs the life of any auto... new or old. It insulates the exposed underbody against further rust and rot... deadens road noises, too. Inexpensive... quickly applied... get full details today.



Authorized Karkote Dealers:

Manila Trading & Supply Co.  
Philippine Motors  
Reliance Motors  
United Motors

Distributed by:

**MARSMAN & CO., INC.**

Trading Division

Sta. Lucia at Arda Tel. 2-79-31  
Intramuros, Manila  
"Boy Scouting is Nation Building"  
Do Your Part

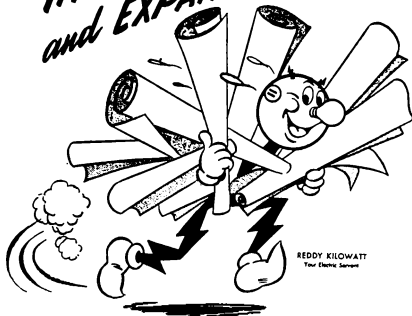
★

# LUZON STEVEDORING COMPANY, INC.

MANILA

★

Pushing Ahead on  
**IMPROVEMENTS**  
and **EXPANSION**



REDDY KILOWATT  
Your Electric Servant

Work on the Rockwell Station at Makati is progressing as rapidly as arrival of equipment allows. The completion of this new power station will make an additional 50,000 kilowatts available to supply the increased demand for electricity in Manila and its environs.

**MANILA ELECTRIC COMPANY**

134 San Marcelino, Manila

### CHRYSLER CORPORATION

AIRTEMP packaged Air Conditioning and Refrigeration

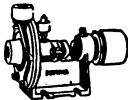
Exclusive Distributors:

**W. A. CHITTICK & CO., INC.**

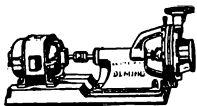
111, 13th Street, Port Area, Manila

# DEMING

Look to The Deming Company for the right pump for the job! The complete line includes Deming Figure 4700 deep well turbine pump (capacities 15 to 3000 gallons per minute); a full line of suction centrifugal pumps; and a complete line of water systems in all capacities.

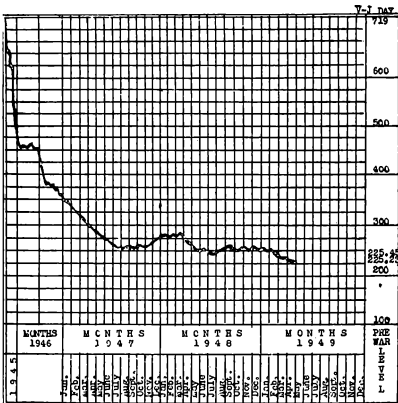


Deming side suction centrifugal pumps are available in single and two ball bearing types. Can be furnished for belt drive or with electric motor.



## Exclusive Distributors MANILA MACHINERY & SUPPLY CO., INC.

233 David (YWCA Bldg.) and 675 Dasmarinas  
P. O. Box 607 Manila Tel. 2-72-98



5-centavo decrements at P1.95 and P2.45 per pound tin, respectively. Sardines, in tomato sauce, registered declines ranging from 5 to 7 centavos at P0.55 to P0.63 per tin depending on the brand. Corned-beef lost from 2 to 5 centavos at P0.90 to P0.98 per tin also depending on the brand.

Fresh vegetable items were almost totally unchanged except for the rise in price of chayote from P0.18 to P0.27 per kilo.

The first important break in the continuous rise in prices of cement during the past few weeks occurred during the week on review when Rizal was pared down to P4.25 per 94-lb. bag, off P0.23; and imported, to P4.30 per bag, off P0.35. The sudden drop in prices of cement was attributed to the reappearance of Apo cement in the market at prices ranging from P4.30 to P4.50 per bag.

Despite the arrival of a sizeable shipment of Japanese galvanized iron sheets, prices in the open market were steady.

Notwithstanding the brisk construction activity now going on, prices of lumber of the second and third group classifications suffered 1-centavo decreases at P0.19 per board foot for aptingor or palosapis, and P0.18 for almon or white lauan.

Prices of other commodity items such as textiles, fuel, meat, footwear, etc., were reported unchanged.

## PEIRCE

Dictation Wire  
Records



Greatest Improvement in Dictation Technique Since the Invention of Shorthand!

- PERFECT, ERROR-FREE DICTATION — Perfect fidelity plus "magnetic tracing" makes dictation smoother, faster for you.
- TRANSCRIBING TIME REDUCE 25% — No cylinders to shave — no breakable records to handle — no clumsy discs.
- SAVES 83% IN COSTS — Studies made for the government prove conclusively PEIRCE saves you up to 83% on long term usage, in competition with conventional disc and cylinder machines. Ask for cost study!
- HUNDREDS OF USES — Ideal for inventory taking — educational purposes — police work — conventions — sales training — recording telephone conversations.

TELEPHONE TODAY  
FOR FREE DEMONSTRATION AND TRIAL  
SOLE DISTRIBUTORS

O. E. S. & S. Co., Inc.



675 Dasmarinas (Gibbs Bldg.), Manila  
TEL. 6-72-36

## MANILA SHIPYARD, DRYDOCK AND ENGINEERING CO.

OFFERS COMPLETE HULL AND ENGINE  
REPAIR  
THREE SLIPWAYS AND DRYDOCK AVAIL-  
ABLE.

Shipyards: Navotas, Rizal Tel. 40 Ask 499  
Office: Room 507 Insular Life Bldg., Manila  
Tel. 2-89-06

**COST OF LIVING INDEX OF WAGE EARNER'S FAMILY<sup>1</sup> IN MANILA BY MONTH, 1946 TO 1949**  
(1941 = 100)

*Bureau of the Census and Statistics  
Manila*

1946	All Items	Food (59.15)	House Rent (8.43)	Clothing (0.62)	Fuel, Light and Water (13.94)	Miscellaneous (17.86)	Purchasing Power of a Peso
January	603.4	769.2	236.4	984.0	363.8	434.8	.1657
February	547.2	656.3	236.4	940.3	369.5	460.5	.1827
March	525.9	631.0	236.4	940.1	340.4	445.2	.1902
April	556.2	684.1	236.4	910.3	346.5	435.9	.1798
May	545.1	675.6	236.4	762.5	342.3	409.6	.1835
June	538.7	666.4	236.4	737.9	343.3	404.2	.1856
July	552.7	704.3	236.4	598.9	341.3	364.6	.1809
August	477.9	690.0	236.4	384.7	320.9	346.3	.2092
September	477.9	591.3	236.4	378.7	314.5	347.2	.2092
October	487.4	587.2	236.4	382.7	405.8	342.7	.2052
November	484.8	607.8	236.4	406.4	346.5	305.2	.2063
December	461.9	570.8	236.4	371.9	344.7	302.1	.2165

1947<sup>2</sup> (100.00)(63.43)(11.96)(2.04)(7.73)(14.48)

January	426.2	368.2	453.9	381.9	326.2	282.5	.2346
February	418.5	454.9	453.9	356.2	344.8	281.4	.2389
March	406.8	440.1	453.9	295.2	334.7	279.4	.2458
April	387.7	413.3	453.9	209.2	328.9	271.6	.2579
May	381.0	404.4	453.9	250.9	325.4	269.4	.2625
June	386.3	414.4	453.9	235.8	315.3	268.6	.2599
July	393.4	426.8	453.9	217.7	309.3	269.9	.2542
August	387.4	419.8	453.9	210.2	292.0	269.1	.2581
September	368.9	392.1	453.9	216.4	283.3	266.8	.2711
October	358.7	376.3	453.9	212.7	280.5	267.7	.2788
November	358.4	376.3	453.9	215.1	280.5	266.3	.2790
December	371.9	395.8	453.9	219.1	298.2	262.9	.2689

1948

January	391.2	428.3	453.9	224.5	304.6	249.9	.2556
February	368.5	392.0	453.9	223.8	301.1	254.4	.2714
March	349.4	361.0	453.9	214.6	308.1	255.9	.2862
April	356.1	374.1	453.9	209.4	289.7	254.8	.2808
May	349.8	360.2	453.9	214.2	289.7	271.6	.2859
June	354.3	370.4	453.9	205.2	283.2	262.9	.2823
July	356.4	374.2	453.9	201.3	281.6	262.4	.2806
August	363.6	385.7	453.9	199.8	281.6	261.7	.2751
September	370.6	397.2	453.9	199.2	279.6	260.6	.2698
October	374.9	404.0	453.9	204.8	283.2	257.9	.2668
November	368.7	394.4	453.9	202.0	281.6	258.7	.2712
December	365.9	389.9	453.9	202.0	282.4	258.9	.2732

1949

January	363.8	386.8	453.9	202.0	279.0	258.9	.2750
February	343.8	355.5	453.9	203.0	277.5	258.9	.2909
March	346.3	358.2	453.9	202.0	276.3	258.5	.2896
April	348.7	362.6	453.9	197.6	287.5	257.1	.2868

<sup>1</sup> Average number of persons in a family = 4.9 members.

<sup>2</sup> Revised in accordance with the new survey on the "Levels of Living, in Manila" by Department of Labor and the Bureau of the Census and Statistics conducted in December, 1946.

**MOTOR SERVICE CO., INC.**

**AUTOMOTIVE PARTS • ACCESSORIES**

**GARAGE & SHOP EQUIPMENT**

**BATTERIES • TIRES • TUBES**

230 13th ST., PORT AREA

TEL. 2-65-27

**SILVER AND JAVA PACIFIC LINES**

SILVER LINE, LTD.  
London, E. C. 2

JAVA PACIFIC LINE  
N. V. S. M. "Nederland"  
N. V. Rotterdamsche Lloyd  
Amsterdam—Rotterdam

KERR STEAMSHIP CO., INC.  
General Agents  
17 Battery Place  
New York

JAVA PACIFIC LINE, INC.  
General Agents  
25 Broadway  
New York

**MANILA**

**ILOILO**

**CEBU**

VANCOUVER

SEATTLE

PORTLAND

LOS ANGELES and SAN FRANCISCO

and

BOMBAY and CALCUTTA



**SILVER LINE, LTD.**

KERR STEAMSHIP COMPANY, INC., GENERAL AGENTS  
17 Battery Place, New York 4, N. Y.

FROM  
U. S. ATLANTIC COAST PORTS  
TO  
MANILA

FROM  
PHILIPPINES

TO

HALIFAX and U. S. ATLANTIC COAST PORTS

For Particulars See:

**ROOSEVELT STEAMSHIP AGENCY, INC.**

AGENTS

3rd Floor, Trade & Commerce Bldg., Juan Luna

Tel. 2-82-61

**WELDED STEEL**

All Ball Bearing



**FILING CABINETS**

designed for

those who recog-

nize the overall

worth of a qua-

lity product.



INQUIRIES AT

**F. H. STEVENS & CO., INC.**

4th FLOOR, EL HOGAR FILIPINO BLDG.

Manila—Tel. 2-86-13

# PHONE

# 2-79-35

*and  
we will do  
the rest!*

- **Customs Brokers**
- **Warehousemen**
- **Trucking**
- **Packing & Crating**
- **Freight Forwarding**
- **Ship Husbanding**
- **Cargo Superintendence**
- **Armored Car Service**
- **Air Cargo Agents**

MR. R. L. BARY

# LUZON BROKERAGE COMPANY

Derham Building Port Area

## The "LET YOUR HAIR DOWN"

### Column

**T**HE editor came busting in one morning around ten, but he looked a little pale. "My son-in-law, — one of them, Roberto de Leon, sure knocked me out last night," he said.

"So?" we said.

"Yes," said the editor. "He is a young fellow, of course, and in the employ of an American firm here. Well, he told me last night that he had been talking with another young Filipino about a number of things and that finally this man had said:

*"We're independent now. Everything belongs to us, and we can do what we please."*

"Bert chuckled," the editor went on, "but I winced. I may have ducked. Anyway, I sat down, and I couldn't find a word to say..."

"Unusual," we cracked.

"Of course," said the editor, "those ideas were not new to me, I knew some of the people here were thinking them, but stated so baldly, with such crystalline clarity, such engaging candor, such pristine innocence, such a natural delight... well, it was just too much for me. It was as primitive as a blow; natural, straight to the chin. I admit it knocked me for a loop. What could anyone say against a declaration like that, at least until he has had time to rally.

"So natural, so human," groaned the editor. "So self-evident, so incontestible, so just and right on the face of it!

"And yet," he cried, "it is so wrong, so dangerously wrong, so terribly wrong!

"But how explain that? How prove that to the people who believe it, who want to believe it?"

"And it's not just a fantastic notion. Much that the Philippine Government itself is doing these days, in some of the laws that are enacted, in some of the decisions rendered by the courts, in some of the administrative actions, just that seems to be the both underlying assumption and actual determination!

"And here I have spoken I don't know how many words, and I haven't even begun to prove that the whole thing is impossible, crazy, suicidal, — I mean, prove it to the minds which can entertain such a proposition.

"An examination, an analysis, a refutation of it would only tire such minds; they'd never follow it; and they would end up still unconvinced.

"Looked at closely, the meaning of every clause disappears. '*We're independent now*.' What does 'independent' mean? Are any people really independent, even politically? Are not all the nations of the world rather interdependent? And isn't the Philippines economically still far from independent? As a matter of fact, can any modern nation ever be economically wholly independent? Isn't every nation dependent not only on the goodwill but on many material things it must obtain from other people? other countries?

"*'Everything belongs to us.'* Then what of the principle of property right? If non-Filipinos here

## E. E. ELSER, INC.

GENERAL AGENTS for

ATLAS ASSURANCE CO. LTD.—THE EMPLOYERS' LIABILITY ASSURANCE CORP. LTD.

CONTINENTAL INSURANCE CO. OF NEW YORK—ORIENT INSURANCE CO.

THE INSURANCE CO. OF NORTH AMERICA

404 Ayala Bldg., Manila

Phone 2-77-58

Cable Address: "ELSINC"



# RADIOTYPE

YOUR  
MESSAGES

*Around the Globe  
"via. Globe"*



For **GLOBE MESSENGER**  
Tel. 2-95-17 — 2-97-91

## GLOBE WIRELESS Ltd.

Main Office  
Sixth Floor  
China Bank Bldg.

Branch Office  
Lobby, Filipinas Bldg.  
Plaza Moraga

For **PROTECTION**  
and **BEAUTY!**

Pacific's Shasta  
Prepared House  
Paints give  
your house  
the most  
protection.



Also, they  
give your  
house that  
surface beau-  
ty you want.

Use

**PACIFIC** Paints

Exclusive Philippine Distributors:

**Marsman & Co., Inc.**

Sta. Lucia at Anda, Manila

Tel. 2-79-31

Branches: Cebu — Iloilo — Davao

had no such right, then what would become of the Filipinos' own right to hold property? And isn't the right to acquire and hold property the basis of civilization, the root stimulus to all human effort? And who is 'us'? Would the confiscated property be divided? Among whom? Who would get it? Who could keep it?

"We can do what we please". Again, who is 'we'? The Government? The people? All of them? Who of them? Would they all 'please' to do the same? What about our laws? the Constitution? Treaties with other nations?

"Wouldn't this whole crazy thing result in absolute chaos, with no one sure of anything, least of all the Filipinos, except that disorder, injustice, poverty, misery, corruption, crime, national disgrace and humiliation would be sure?"

"The principles of reason and right and justice rule over all men everywhere in the long run. Neither men nor nations are independent of them; neither men nor nations can do what they please, if they please to do wrong."

The editor was breathless. "Maybe that will convince them," we said.

"Think so?" he asked anxiously. "As an editor", he said, "I'm going to edit that statement; I'll try to recast it. . . How's this? —

*"The Philippines is a sovereign state and a member of the United Nations. The Government is our own. We shall promote the general welfare . . . under a regime of justice, liberty, and democracy."\**

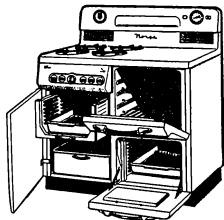
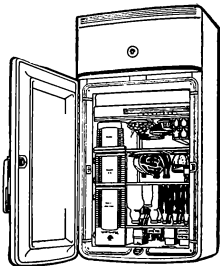
\* From the Constitution of the Philippines.

"YOU are always putting stuff into this so-called column which puts me on the defensive", said the editor toward the end of last month. "Here, take a look at this. How about putting this in?"

And he showed us a letter to Mr. Stevens from a prominent American lawyer which Mr. Stevens had kindly passed on to him and which started out as follows:

"The editorials in the Journal are getting better and better with every issue. Even if you are fighting an uphill battle, you are doing a wonderful work. . ."

"That's enough," said the editor. "Just the first paragraph.



DROP IN TODAY FOR A  
DEMONSTRATION

**ERLANGER  
& GALINGER, Inc.**

123 T. Pinyan, off Escolta

## C. F. SHARP & COMPANY, INC.

STEAMSHIP OPERATORS — AGENTS  
SHIP BROKERS

GENERAL ORIENTAL AGENTS:

WATERMAN STEAMSHIP CORPORATION  
Mobil. Alabama

THE IVARAN LINES — FAR EAST SERVICE  
(Hotter-Sorosen — Oslo, Norway)

PACIFIC ORIENT EXPRESS LINE  
(DITLEV-SIMONSEN LINES)  
Norway

(TRANSATLANTIC STEAMSHIP CO., LTD.)  
Sweden

GENERAL STEAMSHIP CORPORATION  
San Francisco

SIMPSON, SPENCE & YOUNG  
New York

V. MUELLER  
Kobenhavn, Denmark

Head Office:

57H FL., INSULAR LIFE BLDG.  
MANILA, PHILIPPINES  
TEL. 2-81-29  
2-96-17

Branch Offices:

SAN FRANCISCO—SHANGHAI  
SINGAPORE—PENANG  
TOKYO—YOKOHAMA—KOBE  
NAGOYA—OSAKA  
SHIMIZU—FUSAN (KOREA)

Cable Address: "BUGARCRAFT" all offices

Now isn't that something! And don't forget that as one of the foremost counsellors-at-law in this great city, Mr. X ordinarily gets big money for expressing his opinion. If the Chamber had to pay for that it would have cost thousands! Regardless of that, it seems he just couldn't restrain himself from sending it free. That's how good the editorials are!"

"Ya," said we, "but ponder those words 'better and better.' Don't get swell-headed. Do they not imply very clearly that you have not reached perfection? Worse than that. If you read those words backward, you get 'worse and worse.' So what, according to Lawyer X himself, can you have been writing two years or so ago when you first blessed these premises with your presence?"

"Well, that's logical," said the editor disconsolately. "Or is it? 'Better and better' read backward *may* imply 'worse and worse,' but they may also imply what lies in between, which is 'good.' Ha-ha!" he crowed, "I've got you!"

"What Mr. X *may* have meant, is beside the point," we answered. "Our suggestion is that you get another opinion from him that will stand up. Find out, if you can, what he actually meant."

"I for one," said the editor, "am sure that he meant well, and all of you can go to... grass!"

### NOTICE

(Special to the American Chamber of  
Commerce Journal)

THE United States Information Service, a section of the American Embassy, maintains a 16mm motion-picture service. In the USIS Library are films on a variety of educational subjects which are made available to schools, individuals, and organizations throughout the Philippines. A recent edition of the USIS Audio-visual Catalogue included films available from the Ford Motor Company. It is clearly stated in the catalogue that the films are not available from USIS but can be obtained by contacting the Ford Motor Company office in Manila. A brief synopsis of each film is given in the catalogue.

It has recently come to the attention of USIS that other American firms in the Philippines have secured motion-picture films for publicity or educational purposes from their home offices in the United States. USIS will be glad to include descriptions of these films in forthcoming issues of the films catalogue in cases where the company has no objection to lending the films to Filipino individuals, schools, or organizations.

Firms wishing to take advantage of this USIS service should phone or write Mr. Harold L. Goodwin, USIS, American Embassy, Manila.

USIS also has available projectors and a small projection room which the organization would be delighted to place at the disposal of American firms at any time.

## EVERETT

STEAMSHIP CORPORATION  
GENERAL AGENTS

### AMERICAN MAIL LINE

To and From  
Portland Seattle  
Vancouver Tacoma

### PACIFIC TRANSPORT LINES

To and From  
California Philippines

### BARBER-FERN LINE

Service to U. S. Atlantic  
Via Straits, Suez, Mediterranean

### FERN LINE

To and From  
North Atlantic Ports  
Gulf Ports — Philippines

### EVERETT ORIENT LINE

Serving the Orient  
Philippines to China, Japan,  
Korea, Straits and India Ports

### 'PHILIPPINE STEAM NAVIGATION CO.

Serving the Philippine Islands  
223 Dasmariñas St., Manila  
Tel. 2-98-46  
(Priv. Exch. All Lines)

## For PROTECTION and BEAUTY!

Pacific's Shasta  
Prepared House  
Paints give  
your house  
the most  
protection.



Also, they  
give your  
house that  
surface beau-  
ty you want.

Use

## PACIFIC Paints

Exclusive Philippine Distributors:

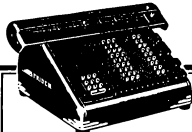
## Marsman & Co., Inc.

Sta. Lucia at Anda, Manila.

Tel. 2-79-31

Branches: Cebu — Iloilo — Davao

## FRIDEN Automatic Calculators



To all who need  
accurate figures  
in a hurry...

PHONE OR WRITE US  
FOR DEMONSTRATION  
ON YOUR OWN WORK

EXCLUSIVE DISTRIBUTORS IN THE PHILIPPINES  
**SMITH, BELL & CO. LTD.**  
TRADE AND COMMERCE BLDG. MANILA  
BRANCH OFFICES: CEBU — ILOILO — DAVAO — LEGASPI — SMOOR



## GIVES YOU MORE IN YOUR NEW TIRES

This B. F. Goodrich passenger car Silvertown costs *less per mile*. It is wider, flatter, so that *more tread rolls on the ground*. Hundreds of curved tread edges give you quicker, *safer stops* and better traction. And the cord body is stronger. Tests *prove* it outwears prewar tires.

## MORE

### Safety with Seal-o-matic Puncture-Sealing Tubes

Seal punctures as you ride. A *gum-like* rubber lining grips sharp puncturing objects instantly. No air is lost. When the object is removed, this lining fills the hole permanently — and still no air is lost. These tubes *outlast 2 or more sets of tires*.

PUT THIS COMBINATION ON YOUR CAR—PUT AN END TO TROUBLESOME FLATS

# B.F. Goodrich

FIRST IN RUBBER



*Out of Little Acorns  
Great Oaks Grow...*



Start a Savings Account  
with the NATIONAL CITY BANK OF NEW YORK  
**TODAY!**

**THE NATIONAL CITY BANK  
OF NEW YORK**  
FIRST IN WORLD-WIDE BANKING

Branches in the Philippines  
MANILA

Main Branch: Juan Luna Street corner M. de la Industria  
Port Area Branch: Bonifacio Drive corner 13th Street

PAMPANGA: Clark Field

CEBU: Cebu City

**AMERICAN EXPRESS**



**TRAVEL SERVICE**

When thinking of TRAVEL always consult  
AMERICAN EXPRESS TRAVEL SERVICE

REMEMBER it costs no more to buy your travel tickets  
by Air, Rail or Steamship through AMERICAN EX-  
PRESS.

A chain of offices throughout the world is maintained  
to render service to our clients.

NEVER TRAVEL WITHOUT  
AMERICAN EXPRESS  
TRAVELERS CHEQUES

**THE AMERICAN EXPRESS CO., INC.**

El Hogar Filipino Bldg.—Juan Luna St.—Tel. 2-71-56

General Foreign Agents

NEW YORK CENTRAL RAILROAD

**BETTER  
LIGHT  
AT  
LESS  
COST**



**LAMPS**

G-E lamp research is constantly at work to give you more light for  
less money, to make G-E lamps stay brighter longer! Be sure your  
lamp is G-E... for utmost light value and economy.

**GENERAL ELECTRIC**  
INC.

120 13th Street, Port Area, Manila

Tel. 2-98-31