

# The Business View

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

## Office of the President of the Philippines

From an Official Source

**APRIL 1**—Malacañan announces that Executive Order No. 384, issued December 21, 1950, goes into effect today, having been suspended for the first quarter of 1951 by Executive Order No. 388. By virtue of the order the licensing for the importation of 26 items listed as urgently needed by the country is transferred from the Import Control Office to the Price Stabilization Corporation, among them, rice, milk, canned fish, beef, coffee beans, tires, fuel and lubricant, cotton textiles, medicines, shoe-leather, belting, certain machinery, truck and tractor spare parts, jute bags, fertilizers, seeds, commercial glue, paper bags for cement and desiccated coconut, wire for nail factories, building materials, etc.

The Cabinet resolves to await action by the United States Congress on the recommendation of the State Department authorizing the U. S. Maritime Commission to extend the charters of ships now used by certain Philippine shipping companies in the inter-island service. The Filipino Shipowners Association opposes the extension, while the Philippine Shipowners Association (not the same) urges it.

**April 3**—President Elpidio Quirino administers oaths of office to Alfredo Montelibano as Chairman of the Import Control Board and to Alfonso Calalang and Francisco Ortigas, Jr. as members. He also administers an oath to Aurelio Periquez as a member of the Board of Regents of the University of the Philippines and as member of the Board of Directors of PRISCO. Import Control Commissioner Faustino Sy-Changco will return to his former post as Deputy Budget Commissioner.

The Cabinet decides to make representations to the International Wheat Council for an increase of the Philippine flour quota from 6,222,261 bags to 8,400,000 bags. It also decides to make available ₱748,150

for the completion of the Pines Hotel in Baguio. It creates two inter-departmental committees, one to screen applications for permits to export strategic materials, and the other, headed by Director of Fisheries Deogracias Vallado, to study a plan of the President to convert the 800-square-mile Candaba swamp in Pampanga, now a hide-out for Huk, into fish-ponds.

**April 4**—The President orders the preservation of the buildings of the refugee camp at Giliuan, Samar, set up by the International Refugee Organization of the United Nations, for possible use as a political prisoners' detention camp. The camp was opened in January, 1949, and the last of over 6,000 refugees, most of them White Russians from China, are scheduled to leave the country shortly; the refugees have been settled in Australia, the United States, South America, and Europe.

The President issues Executive Order No. 428 allowing the addition of the 1% Manila municipal tax to the ceiling prices fixed in previously issued executive orders.

**April 5**—In an effort to halt the rising trend in prices of prime commodities, the President authorizes PRISCO to import without quota allocation and in such quantities as may be necessary, six essential commodities,—rice, flour, milk, canned fish, canned meat, and coffee beans.

**April 6**—The President signs the Minimum Wage Bill, which becomes Republic Act No. 602. The main provisions are:

- 1) A daily wage of ₱4 for industrial workers on the effective date of the Act and thereafter in Manila and its environs.
- 2) A daily wage of ₱3 for industrial workers on the province on the effective date, provided that the Act shall not apply to any retail or service enterprise that regularly employs not more than 5 employees.
- 3) A daily wage of ₱1.75 for agricultural workers everywhere on the effective date of the Act for one year thereafter, and no allowance for board and lodging shall reduce this wage below ₱1.50 in cash during that year.
- 4) One year after the effective date of this Act, ₱2 a day, and no allowance for board and lodging shall reduce this wage below ₱1.75 in cash, and one year thereafter, ₱2.50 a day and no allowance for board and lodging shall reduce this wage below ₱2.00 a day.
- 5) These rates of wage shall apply to government workers effective on July 1, 1952.

## Ambassador Cowen says Philippines has Complete Assurance against Aggression

**“GUARANTEES** and assurances that the United States will defend the Philippines from aggression from any source, are already provided to an extent unequalled in its relations with any other nation in the world,” was the statement of Ambassador Myron M. Cowen to a group of editors and publishers gathered at the American Embassy this morning.

Representatives of leading Manila newspapers met with the Ambassador today at his invitation, to discuss leading issues in Philippine-American relations. Ambassador Cowen is to leave for Washington on Saturday of this week to confer with State Department and other high government officials in the United States. He asked the assembled newsmen to tell him of the current problems now being discussed by the press and public with reference to relations with the United States, so that he might bring them to the attention of appropriate officials in the United States Government while conferring with them in Washington.

In reviewing the policy of the United States in regard to the security of the Pacific area, Ambassador Cowen explained that a treaty guaranteeing the Philippines assistance against aggression had been in effect since 1946, and that statements had been made by various high and responsible officials of the United States Government from time to time reiterating these guarantees. He called attention to a speech made by Secretary of State Acheson more than a year ago in which the Secretary said, “the defensive perimeter runs from the Ryukus to the Philippine Islands. Our relations, our defensive relations with the Philippines, are contained in agreements between us. Those agreements are being loyally carried out and will be loyally carried out. Both peoples have learned by bitter experience the vital connections between our mutual defense requirements. We are in no doubt about that, and it is hardly necessary for me to say that an attack on the Philippines could not and would not be tolerated by the United States.”

Ambassador Cowen then pointed out that on February 10, 1951, Dean Rusk, Assistant Secretary of State, made a public address in which he stated, “we cannot leave our friends in the Philippines... under the impression that we do not take our commitments seriously and that we might lack courage in the face of adversity.” The Ambassador also called attention to the statements made by President Truman last week in which it was stated, “In the Philippines the United States is accorded certain military operating rights and facilities pursuant

to an agreement with the Government of the Philippines, and the whole world knows that the United States recognizes that an armed attack on the Philippines would be looked upon by the United States as dangerous to its own peace and safety, and that it would act accordingly.”

The following day Secretary of State Acheson, in a speech before the Women's National Press Club in Washington, said, “As for the Philippines, no one can be under the slightest misapprehension about our concern for the security of that nation. Existing arrangements register our partnership and the practical means for giving effect to it. But apart from formal arrangements, the United States would not tolerate any aggression against the Philippines from any quarter. Our history, our mutual esteem, and our practical interests powerfully reinforce our agreements.”

The Ambassador said that the naval installations at Cavite were well-known to most Filipinos, and that the Air Force activities at Clark field were still another proof that the agreements as to defense of the Philippines were being implemented as agreed between the two Governments. In addition, the Ambassador called attention to the powerful Seventh Fleet and the Air Force operations in Japan, Okinawa, and other places in the so-called defense perimeter, pointing out that no power was at present equipped to mount a large invasion force on the shores of the Philippine in the face of such opposition as could be mustered in case of need.

According to Ambassador Cowen, the occasion for President Truman's statement last week on the security of the Pacific was to announce negotiations between Australia, New Zealand, and the United States whereby “no one of the three would be indifferent to an armed attack upon the other in the Pacific.” The Ambassador said that it was not necessary to include the Philippines in these negotiations, for there already exist between the United States and the Philippines formal agreements and other commitments far stronger than any contemplated at present in the Australia-New Zealand talks. In fact, according to Ambassador Cowen, the Australia-New Zealand arrangement only provides for common action in accordance with constitutional processes, and establishes consultation to strengthen security, and anything accomplished along these lines will only serve to bring the relationships between the two Governments and the United States somewhat nearer the relationship already existing between the Philippines and the United States.

—United States Information Service, Manila, April 26