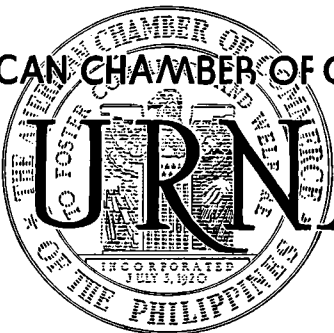


THE AMERICAN CHAMBER OF COMMERCE

JOURNAL



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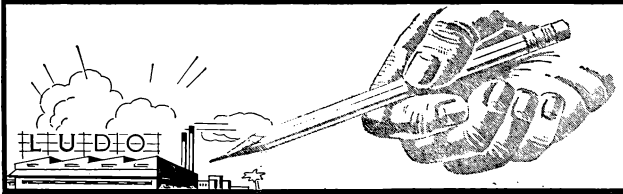
November, 1954

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*—Lu Do and Lu Ym
Coconut Oil Mill
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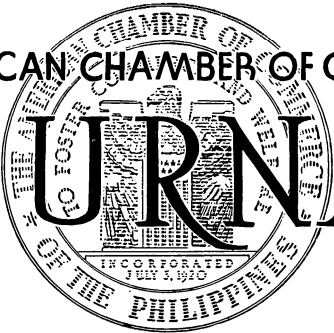
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THE AMERICAN CHAMBER OF COMMERCE

JOURNAL



Editorials

"... to promote the general welfare"

The October 30 *McGraw-Hill American Letter*, Philippine Edition ("An exclusive advisory service for executives in the Philippines"), contains the following interesting paragraphs on the Philippine-American Trade Act negotiations now in progress in Washington, D.C., which the *Journal* is privileged to reproduce by special permission:

"U. S. WILL OPPOSE INCREASES IN MARGIN OF PREFERENTIAL TRADE WITH ISLANDS: Reliable sources in Washington report that Philippine-American trade act negotiations are proceeding with American position unchanged. This country will continue to resist modifications which would increase margin of preferential treatment granted the Philippines. Washington will consider sympathetically any tariff adjustments suggested by Manila delegates, as long as they are reciprocal and do not increase margin of preferential trading. You can even expect some attempt by U. S. representatives to get margin narrowed.

"American officials believe increase would harm Manila in long run. Much of Philippine trade with U. S. is considered basically un-economic because of high transportation costs involved. Key aim of Bell Trade Act was to gradually lessen heavy dependence of Island economy on U. S. Washington still feels this is important. Opinion here is that Manila must expand trade with nearby areas, notably Japan, rather than tighten preferential trading ties with this country. At the same time, U. S. officials point out that under General Agreement on Tariffs and Trade this country is committed not to increase preferential trading margins. Conclusion is that such increases would be unpopular at home and abroad.

"AMERICAN BUSINESS INTEREST IN THE FAR EAST SHOWS SHARP UPTURN: Recent New York conference of Far East-America Council of Business and Industry reveals wide range of interest in Asian economic affairs among businessmen here. Attendance this year doubled 1953 session. Far East representatives place major stress on U. S. need to bolster democratic Governments against Communism through aid programs. Although this view is gaining support, some high U. S. officials still believe that Asian Governments need U. S. more than this country needs them. This thinking will continue to influence American action."

Philippine policy makers may well take such information as this into consideration, as also our businessmen.

The decision of the Philippines to become a member of the group of nations, now numbering seventeen, which have associated themselves under the so-called Colombo Plan aimed at increasing the productivity and raising the standard of living in the countries of South and South-East Asia, is a development well worth noting.

The idea for the Colombo Plan originated at a meeting of the prime ministers or foreign ministers of the British Commonwealth of Nations in January, 1950, held in Colombo, Ceylon. The situation of the countries of this region was taken up and it was decided to create a consultative committee which would survey the needs of the area and assess the resources of capital and technical man-power available, and also seek both to focus attention on the problem and to provide a framework around which an international cooperative effort could be developed. The committee initially comprised Australia, Canada, Ceylon, India, New Zealand, Pakistan, and the United Kingdom and its territories in Malaya and Borneo, but it was intended from the first to invite other countries in the region to participate, and it was hoped also that other countries outside the area would wish to assist in the program.

The first meeting of the Consultative Committee was held in May, that same year, in Sydney, Australia, where it was decided that the various associate countries would draw up their own development programs to cover a period of six years from July 1, 1951. Agreement was also reached on the so-called Technical Cooperation Scheme to which the Commonwealth Governments agreed immediately to contribute an amount up to £8,000,000 over a three-year period ending June 30, 1953. A Council for Technical Cooperation was constituted to operate the Scheme under a Bureau with headquarters in Colombo.

A second meeting of the Consultative Committee was held in London, still that same year (September, 1950), and here the development programs meanwhile prepared by various countries in the region were considered and incorporated in a report entitled "The Colombo Plan for Cooperative Economic Development in South and South-East Asia". The total cost of the programs presented was then estimated at £1,868,000,000 over the six-year

period, and while it was thought that a good part of the funds required could be raised within the region itself, it was estimated that £834,000,000 would have to come from sources outside the region besides a sum of around £250,000,000 which would be made available in the form of releases of blocked sterling balances due to countries in the area. For the first year, the estimated external capital requirement was £156,000,000 in addition to £50,000,000 from the sterling balances. At this meeting, Burma, Cambodia, Indonesia, Laos, Thailand, and Vietnam were represented by observers.

RELATING the Colombo Plan to the general world background at the time, with special reference to American efforts at post-war rehabilitation, it is to be noted that the Marshall Plan and the United States Aid to European Recovery had been initiated in 1947, that the Economic Cooperation Act became law in 1948, and that the North Atlantic Treaty, the Mutual Defense Assistance Act, and the International Development Program, better known as the Truman "Point Four Program", all dated from 1949.

As for the Philippines, American aid had begun immediately upon Liberation, at first extended mainly by the U. S. Army, and aid was continued under the terms of the Tydings War Damage Act of 1946 and through the Quirino-Foster Agreement of 1950 which provided for the operation in the Philippines of the ECA (Economic Cooperation Administration), the first ECA Mission arriving in 1951.

Meanwhile the United Nations' Economic Commission for Asia and the Far East had been established in 1947, the Philippine Committee on ECAFE Matters being created by an executive order of President Quirino in 1951.

The 1950 (London) Report, already referred to, acknowledged the considerable contribution already being made or planned for the South and South-East Asia region by the United Nations and its Specialized Agencies and by the United States, as well as by private enterprise, but concluded that the need both for capital funds and technical aid was sufficiently great and urgent to warrant further action under the Colombo Plan.

After the Report had been drawn up, Vietnam and subsequently Cambodia and Laos accepted the Committee's invitation to participate in the Plan, and toward the end of the year (1950), the United States expressed its willingness to take part in the work of the Consultative Committee. Liaison with the International Bank for Reconstruction and Development was also established.

THE third meeting of the Consultative Committee was held in Colombo in February, 1951, and was attended by delegates from the United States and a representative also of the International Bank. Non-member countries again sent observers including, for the first time, the Philippines.¹ At this meeting the Commonwealth Governments outside the area announced the financial contributions they would make,—Australia offering to make £A31,250,000 available over the six years of the Plan; Canada, \$25,000,000 the first year for development projects in India and Pakistan; New Zealand, £1,000,000 a year during the first three years; the United Kingdom, the release of some £250,000,000 in accumulated sterling balances over the six-year period. The United States made around \$70,000,000 available to the countries associated under the Plan during 1950-51, and during the year ending June 30, 1952, approximately \$150,000,000 more was to be extended in grants under bilateral agreements with the individual countries. In addition, around \$280,000,000 had been authorized for loans to the various countries in the area after July 1, 1950, this including a loan of \$190,000,000 to India for wheat. The International Bank also negotiated loans with the individual governments, part of the proceeds of which were received by them during this period.

THE fourth meeting of the Consultative Committee was held in Karachi, in March, 1952, Burma attending for the first time as a full member. Nepal also attended and became a member.² After this meeting, "The First Annual Report of the Consultative Committee on Economic Development in South and South-East Asia" was published under date of May, 1952. Appended was the "Report of the Council for Technical Cooperation". This Council had held meetings independently of the Consultative Committee meetings, and while the original members were Australia, Canada, Ceylon, India, New Zealand, Pakistan, and the United Kingdom, Vietnam and Cambodia joined in 1951 and Indonesia, the Philippines, and Thailand were represented at many of the meetings, as were members of the staff of the United Nations Technical Assistance Board.

THE fifth meeting of the Consultative Committee was held in New Delhi, in October, 1953. It was attended by delegations from Australia, Burma, Cambodia, Canada, Ceylon, India, Indonesia, Laos, Nepal, New Zealand, Pakistan, and the United Kingdom, including representatives from the Federation of Malaya and Singapore, the United States, and Vietnam, all of whose governments now were full members. The meeting was also attended by observers from Thailand, the International Bank for Reconstruction and Development, the U. N. Economic Commission for Asia and the Far East, and the Director of the Colombo Plan Bureau for Technical Cooperation.³

JUNE 30, 1953, marked the end of the second year of activity under the Colombo Plan. During this second year, the public authorities of India, Pakistan, Ceylon, Burma, Indonesia, and the Federation of Malaya, Singapore, and British Borneo spent £420,000,000 on development, as compared with £345,000,000 the preceding year. For the third year, the estimated expenditures was put at £528,000,000. Broadly, 30% of the 1952-53 expenditure was on agriculture and multi-purpose projects, 25% on communications and transport, 20% on social services, 10% on industry, fuel, and power, and the remainder on research and miscellaneous items. In most of the countries there was also an appreciable increase in private investment and several governments took special measures toward encouraging the investment of foreign as well as domestic capital.

The following table is taken from a 1953 Report:⁴

EXTERNAL CAPITAL AID: EXPENDITURES AND COMMITMENTS, 1951-53

Expressed in £ sterling (millions)

Donor Country	India	Pakistan	Ceylon	Indonesia	Nepal	Burma	Cambodia	Vietnam
Australia (1).....	5.36	4.56	.56	20	—	—	—	—
Canada (2).....	10.30	7.00	.70	—	—	—	—	—
India (3).....	—	—	—	—	1.13	—	—	—
New Zealand (4).....	25	.50	.50	—	—	—	—	—
United States (5).....	34.68	8.10	—	4.71	25	7.46	17.30	—
Norway (6).....	50	—	—	—	—	—	—	—

- (1) Australia has pledged £25.0 million during the 6-year period; by the end of 1952-53, £10.68 million had already been spent or committed for expenditure in India, Pakistan, Ceylon, and Indonesia.
- (2) Canada has voted a further \$9 million for 1953-54.
- (3) India has pledged a total of £1.5 million of aid to Nepal.
- (4) New Zealand has pledged £3 million over the first 3 years; already £1.378 million has been spent or committed for expenditure in India, Pakistan, Ceylon, and Indonesia.
- (5) United States has also met food shortages in India and Pakistan with about £107 million in the form of grants and loans for the purchase of wheat.
- (6) Norway has authorized so far £0.2 million for a joint fisheries development project in Travancore-Cochin.

*These and the foregoing figures were taken from various British publications on the Colombo Plan. Wilfrid Malenbaum, in a U. S. Department of State Bulletin, dated September 22, 1952, states that up to June 30, 1952, United States aid to the countries in the area amounted to \$250,000,000, including the Wheat Loan to India plus \$40,000,000 in technical aid, making a total of \$290,000,000.

¹Dr. Andres Castillo and Mr. Leonides Vireta, both of the Central Bank.






²Mr. Teagatota Soto, Charge d'Affaires in Karachi, attended this meeting as an observer.

³The Philippines did not send an observer to this meeting.

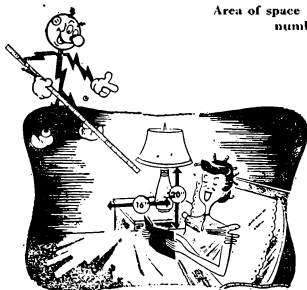
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<p>KITCHEN</p>  <p>200 W. BULB 48' FLU. 510 COOL WHITE</p>		<p>BATHROOM</p>  <p>150 W. Bulb or Circline Fluorescent</p> <p>18' FLU. 510 COOL WHITE OR WARM WHITE</p>

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prolonged periods	40
Writing	20
Mirrors	
Dressing table	20
Bathrooms	40
Kitchen	
General illumination	10
Supplementary illumination for work counter, range and sink	40

THE sixth and latest meeting of the Consultative Council was held in Ottawa, Canada, last month (October). At this meeting Japan and Thailand were admitted to full membership, leaving the Philippine delegation, composed of Representatives Ramon M. Durano, Augusto Francisco, Ferdinand E. Marcos, and Counselor Eduardo Quintero, as the only observers remaining. Encouraged by the United States delegation, and after an unsuccessful attempt to obtain definite instructions from the Manila Government, the Philippine panel applied for membership on its own responsibility, this being granted. A day or two later, Malacañang endorsed this action. It is still to be ratified by the Senate.

A report of the proceedings at this meeting is not yet at hand, but according to a 1954 publication of the Bureau of Technical Cooperation, Colombo,—

"The total amount of external aid which the four countries of the Commonwealth received or were authorized to receive during the first two years of the plan was \$305,000,000. . . . If the countries of Burma, Nepal, and the Associated States of Cambodia, Laos, and Vietnam are also included, the total amount of external aid came to about \$370,000,000, excluding private investments from foreign countries. These figures do not include expenditure on technical assistance.

"The flow of external aid into the area continued in 1953 to 1954 and while details are not yet available, it is likely that the total aid offered to the region exceeds \$470,000,000.

"The aid has taken the shape of capital aid and technical assistance. Capital aid includes a variety of manufactures, plant and machinery and equipment for the development of agriculture and irrigation, hydro electric power, transport and communications, and industry, as well as social services. . . .

"Up to June 30, 1954, 263 experts had been provided and 1,653 trainees trained under this scheme, the United Kingdom, followed by Australia and Canada having made the largest contributions."

As Frederic Benham said in the May, 1954, issue of *Economica*:

"The Colombo Plan is one of those voluntary and flexible arrangements, based on goodwill, which are not subject to any formal rules. It is not really a Plan at all. It may be regarded as an envelope covering the programs of member countries in South and South-East Asia. But each of these countries is completely free to revise its development program whenever and however it may wish: it is not subject to any control by other members over either its general planning or its detailed administration of its various projects. The plan promotes co-operation, mainly in the provision of financial aid and technical assistance, between the countries of the area and member countries outside the area, and also between the countries of the area themselves. But every offer of help is the subject of direct bilateral negotiation between the two countries concerned, who settle all the details entirely by themselves.

"There is, however, a Consultative Committee of all member countries. This holds annual meetings . . . to review the progress achieved and the outlook for the future. . . . At these meetings, ministers and officials from the various countries exchange information and views about the economic problems of the area; they learn at first-hand what is happening in each country in the economic field. The account given by one country of the devices it had adopted to tackle particular difficulties, and in what respects they have succeeded or failed, may be helpful to another country faced with similar difficulties."

Samuel C. Waugh, U. S. Assistant Secretary of State for Economic Affairs, who attended the Ottawa meeting, said some days later in a speech in New York that "while in its origins, the Colombo Plan was a Commonwealth concept" and it initially included, on the one hand, the economically developed countries of the Commonwealth and, on the other, the economically underdeveloped Commonwealth countries of the region, "the geographic scope of the membership has been so radically enlarged that it can no longer be thought of as being, in any way except historically, a Commonwealth project."

Assistant Secretary Waugh also emphasized that the Colombo Plan is simply an inter-governmental committee, and that there are no contributions to any central pool from which various amounts are allocated by any international organization. "Our assistance to the countries in the area," he said, "like that provided by Canada, Australia, New Zealand, and Great Britain, is bilaterally given and bilaterally received. . . . We are not under any contractual obligation either to provide any definite amount of

assistance to any one country or to all of them taken together. Our contribution. . . is the sum total we do in the various countries of the area to promote the economic development of these countries."

Mr. Waugh pointed out that while it has been customary to draw a "loose line of distinction between the so-called recipient countries and the so-called contributing countries," this distinction is becoming "more and more a tenuous one because,—and this is one of the great virtues of the Plan, there has been engendered a process of co-operation and mutual aid among the recipient countries such that almost all of them are, to a greater or lesser extent, contributing countries to each other. They borrow technical skills and technical assistance from each other according to their respective needs and their respective capacities to assist."

The Philippines has been receiving training scholarships under the Plan from Australia, India, and the United Kingdom for some years, even while it was sending only observers to the meetings of the Consultative Committee and to the policy meetings of the Council for Technical Cooperation.

THE Philippines' joining the Colombo Plan is in consonance with the Government's announced policy of bringing about closer and more friendly relations with its neighbors.

The Colombo Plan offers a ready means through which the Philippines can implement those provisions in the Pacific Charter and the South-East Asia Collective Defense Treaty, done in Manila last September, which call for cooperation among the signatories "in the economic, social, and cultural fields in order to promote higher living standards, economic progress, and social well-being in the region."

One thing the Philippines can do is to assist in the technical training field, and an offer to this effect was, in fact, made at the Ottawa meeting.

There could be some overlapping in the training programs of various specialized agencies of the United Nations, of the U. S. Foreign Operations Administration, and, now, of the Colombo Plan, but it has been reported that the National Economic Council will eliminate unnecessary duplication in the carrying out of these various programs. The programs being carried out by the U. S. State Department under the Fulbright and Smith-Mundt Acts, have to do with cultural and educational, rather than technical matters.

THERE have been some indications lately pointing to the fact that there are those in the Philippines who view Philippine membership in the Colombo Plan with some dubiety because they think the United States does not look with full favor on this development. The nature and history of the Plan, the fact that the United States almost immediately associated itself with it as a full member and from the first contributed largely to the external capital aid given to the region, as well as the encouragement shown the Philippine delegation at Ottawa by United States representatives, should convince anyone that it is not true that the United States looks upon Philippine membership unfavorably. Such an attitude would indeed be most unwise as well as very small.

THE Colombo Plan is a dynamic one, as its history shows, precisely because it emphasizes autonomy and self-help as well as cooperation and outside assistance, of which it is not suspicious. Although the original six years set are now a little more than half over, there is no reason why the Plan should not be maintained in operation over a long period of time. It is a fine thing for the Philippines to join with the others and take part in bringing about the development of the whole region, upon which its own further development so largely depends.

A handsome and most impressive 98-page booklet, 10-1/2 by 7-1/2 inches (a little smaller than the dimensions of this *Journal*), printed throughout on a "What Can a Man Do?" good coated-book paper, in a black stiff-paper cover, with the title and an illustration in white of a human hand holding a sprig of rice running diagonally across the page, reached the *Journal* this month. The title is "WHAT CAN A MAN DO?"

At first sight, the book seems to be made up mostly of pictures, reproductions of photographs, excellent in quality, and one of the first of them is that of a man, a barefooted man in a straw hat, a common *tao*, seated, with a serious and thoughtful look on his face,—as good a thing in its way as Rodin's sculpture, "The Thinker". Below the picture are a few printed lines: "When a man is discouraged, and sick at heart... When tomorrow seems hopeless... What can a man do?"

The book is published by the U. S. Foreign Operations Administration Mission in the Philippines and the Government of the Philippines,—it contains a signed introduction by President Ramon Magsaysay. According to the title-page, it is "an adaptation of a work by Arthur Goodfriend", and a telephoned inquiry revealed that he is a man who spent many years in China and who wrote a book for the "Point Four Program" of the U. S. State Department, entitled "What Can a Man Do?" which was reproduced all over the world. However, we were also told that the Philippine adaptation, although it follows the general plan of the original, is completely new except for the title. The author of the actual text is E. L. Cross, a FOA technician in Manila who recently returned to the United States. The "Jamir" credited with the photographs is Napoleon Jamir, a Filipino commercial photographer, who was engaged especially to take them. The book as a whole is the work of the FOA Information Division, headed by Ward E. Melody, presently on home leave. Frank Wilder, now the acting Information Officer, handled the layout and did the final editing.

The notable thing about the book is that it is the most simple, practical, and down-to-earth publication we have ever seen. As President Magsaysay says in the Introduction:

"I have read this book. I have studied its words and its pictures. It is a book about Filipinos and for Filipinos. It is so simple that a child can understand it; yet it carries a message that men must heed,—and apply.

"In our country a new hope is rising—a new day, with its promise of progress, of better living, and—we devoutly hope—of peace. This book poses the question: What can Filipinos do to make this promise come true?"

"What does every man want?"

"How can a better life be attained?"

That is only a part of a moving introduction by the country's Chief Executive to a moving work.

There has so far been only an initial distribution of a small number of copies of the book, but no less than 350,000 copies, printed at the Far East Regional Production Center in Manila, will shortly be ready for distribution, and still more copies are on order. The whole country will be blanketed with them, going to "action people"—town and barrio officials, teachers, doctors, nurses, agricultural advisers, etc., everywhere. Translation of the book into the various vernacular languages was considered, but it was finally decided to put it out only in English, leaving the translating to be done, if necessary, locally, as the book is read and studied at community gatherings.

The book contains, first, photographs, some of them double-page spreads, of ramshackle houses along muddy and untended roads, and, toward the end of the book, in

vivid contrast, photographs of honey rows of well-built nipa houses along clean and attractive streets, bordered with flowering hedges. The book begins by telling about the basic need of good crops if people are to better their lives, keep their children healthy, stay out of debt, and then there are pictures of poor soil and it is explained that land, which feeds a family, must itself be fed. And when Pedro says, "I have no money... I have only my carabao, my pig, and my chickens", he is told, "You have everything you need, and you have it here." Then there is a simple lesson on making compost, much of it in pictures. Pictures follow about the preparation of the soil, about the planting, the reaping; there is a picture of richly full rice-ears, covering a whole page, and then a picture of a happy man taking a cart-load of sacked rice to market. Part of the money he gets for it is used for buying better seed and fertilizer.

The book goes on about taking care of domestic animals, building pens for them, protecting them against disease, and there are also sections on building sanitary toilets, digging wells, and on generally improving the home. Community improvement is taken up, all in few words but with many pictures which speak volumes, of people themselves working on their streets and roads, putting up better school houses and other community structures. There are pictures of interested-looking people organizing cooperative associations of various kinds. The last pages are filled with pictures of busy men and women, and healthy and happy children.

There is a short section on the organization and growth of "puroks" in the country, a *purok* being a sub-division of a barrio, a group of families whose dwellings are separated from others usually by some geographical feature, such as a stream or hill. These small units, of closely associated people, it is believed can be most advantageously used in encouraging direct self-improvement and community development.

Here is a social movement, and a publication to inspire and guide it, which may well transform the whole Philippine countryside within a very few years.

Two articles in the October issue of the *Sugar News* are most suggestive of the further industrial opportunities

Possibilities for an Organic Chemical Industry in the Philippines

open to the Philippine sugar industry,—"Bagasse Grows Up", by Salvador B. Oliveros, Technical Consultant, Philippine Sugar Institute, and "Conversion of Excess Sugar into Useful Products", by Luis Gonzaga, a chemist and sugar planter.

Mr. Oliveros states in his article that "the waste material, bagasse, could be as valuable as, if not more, than the main product, sugar", and Mr. Gonzaga states that even the main product, sugar, can be converted into other "marketable products".

Mr. Oliveros writes principally about furfural and adipic acid, essential materials in the production of nylon, both of which can be made from bagasse, and Mr. Gonzaga writes mainly of acetic acid and cellulose acetate used in making photographic films, lacquer, acetate rayon, and various plastic materials.

Both articles are short and do not go into detail, but they support the statement of Mr. Oliveros that "there is the challenge to open up in the Philippines an organic chemical industry," and he adds that "this ties up with the urgent need for increasing the income from the sugar industry if the industry is to keep on an even keel."

The Washington Trade Act Negotiations

TEXT of the notice issued September 28, 1954, regarding Hearings before the United States Delegation for Philippine Trade Negotiations to begin November 1, 1954:

UNITED STATES DELEGATION FOR PHILIPPINE TRADE NEGOTIATIONS NOTICE OF PHILIPPINE TRADE NEGOTIATION HEARINGS

NOTICE is hereby given by the United States Delegation for Philippine Trade Negotiations of intention to conduct negotiations with the Republic of the Philippines for the purpose of revising, subject to the approval of the Congresses of the two countries, the Agreement on Trade and Related Matters entered into between the United States and the Philippines on July 4, 1946, pursuant to Public Law 371 of the 79th U. S. Congress ("Philippine Trade Act of 1946"). A continuation through December 31, 1955, of the reciprocal free trade provisions of the Agreement was recently approved by the two Congresses (Public Law 474 of the 83rd U. S. Congress) to permit time for the consultations and negotiations to which this notice refers.

The negotiations will cover all aspects of the 1946 Agreement and particularly the provisions regarding tariff preferences (Article I), commodity quotas and their allocation (Articles II and III), exchange rates and controls (Article V), national treatment for Americans in the development of Philippine natural resources (Article VII), and nondiscrimination and termination (Article X).

Any persons who have views or information which they wish to present to the Delegation with respect to possible modification of the 1946 Agreement in these or other respects are invited to do so in the public hearings which will be held before the Delegation beginning at 10:00 a.m., November 1, 1954. The Delegation will also receive information and views in writing. Presentations will be given equal consideration, whether written or oral. Anything which is confidential should be so labeled on the cover sheet and separated from non-confidential material.

Applicants for oral presentation, and the submission of written statements or briefs, must be made to the Delegation not later than 12:00 noon, October 22. All such communications should be addressed to "The Chairman, United States Delegation for Philippine Trade Negotiations, Department of State, Washington 25, D. C." Twelve copies of written statements, either typed, printed or duplicated, shall be submitted, of which one copy should be sworn to.

Only those persons will be heard who have presented written briefs or statements and filed applications to be heard by the closing date indicated in the preceding paragraph. The hearings will be held in the Hearing Room of the Tariff Commission at 7th and F Streets, N. W., Washington, D. C. Applicants for oral presentation will be advised regarding the time of their individual appearance. Statements made at the public hearings shall be under oath.

By direction of the Chairman of the United States Delegation for Philippine Trade Negotiations this 28th day of September, 1954.

F. PATRICK KELLY
Executive Secretary
United States Delegation for
Philippine Trade Negotiations

DEPARTMENT OF STATE FOR THE PRESS

October 26, 1954

No. 606

UNITED STATES DELEGATION FOR PHILIPPINE TRADE NEGOTIATIONS NOTICE OF PHILIPPINE TRADE NEGOTIATION HEARINGS

THE United States Delegation for Philippine Trade Negotiations today issued the schedule of appearances at public hearings to be held beginning November 1, 1954, in the hearing room of the Tariff Commission, 7th and F Streets, N.W., Washington, D.C., with respect to possible modification of the 1946 Agreement on Trade and Related Matters between the two countries. Preliminary notice of these hearings was made on August 11, 1954 (Press Release No. 436), and formal notice was made on September 28, 1954 (Press Release No. 539).

Appearances at these hearings have been scheduled for all applicants who have submitted written statements or briefs and asked to be heard in accordance with the provisions of the formal notice.

The schedule of the hearings is as follows:

Monday, November 1, 1954

- 10:00 International Tobacco Company, New York, N. Y.
- 10:30 Cordage Institute, New York, N. Y.
- 11:00 National Institute of Oilseed Products, Washington, D. C.
- 11:30 United States Cuban Sugar Council, Washington, D. C.
- 12:00 Writing Paper Manufacturers Association, New York, N. Y.
- 2:00 Millers' National Federation, Washington, D. C.
- 2:30 National Milk Producers Federation, Washington, D. C.
- 3:00 General Foods Corporation, White Plains, New York
- 3:30 Tanners' Council of America, Inc., New York, N. Y.
- 4:00 Handkerchief Industry Assn., Inc., New York, N. Y.

No hearings on Tuesday, November 2, 1954

Wednesday, November 3, 1954

- 10:00 Tobacco Associates Inc., Washington, D. C.
- 10:30 National Cigar Leaf Tobacco Association, Washington, D. C.
- 11:00 Insular Lumber Company, Philadelphia, Pennsylvania
- 11:30 Laidlaw Brothers, Chicago, Illinois
- 12:00 American President Lines, Washington, D. C.
- 2:00 California Packing Corporation, San Francisco, California
- 3:00 Embroidery Industry of the Philippines; Feltman Brothers, Inc., New York, N. Y.—Alfred Leon Inc., and Tiny Tots

Written statements or briefs have been submitted by a number of others who have not asked to be heard.

Statement of the Philippine American Chamber of Commerce, Inc. (New York)

THE PHILIPPINE AMERICAN CHAMBER OF COMMERCE
INCORPORATED
50 Broad Street
New York 4, N. Y.

October 19, 1954

The Chairman
United States Delegation for Philippine Trade Negotiations
Department of State
Washington 25, D. C.

Sir:

THE Philippine American Chamber of Commerce is a non-profit organization incorporated in 1920 in the State of New York. The purpose of this organization is to foster and promote trade, commerce, mutual welfare, and other business relations between the United States and the Philippines, and their respective peoples, and to serve those persons and organizations having financial, trade, business, and professional interests in either or both countries. As of October 1, 1954, the Chamber membership consisted of 121 individuals and business firms, as per the list attached, all of whom have substantial investments or trade interests in and with the Philippines.

The Chamber appreciates the opportunity of making its views known to the American Delegation that is now considering possible revisions to the Philippine Trade Act of 1946.

Before stating our position on what appear to be the specific points at issue, we would like to state what we believe to be certain overall fundamental considerations. These are:

(a) The trade and economic relationships between the United States and the Philippines should be considered with reference to the close political associations that have existed between the two countries for such a long time, and the close ties of friendship which we hope will continue to exist indefinitely.

(b) The basis of Philippine-American economic relationships from the end of World War II until July 4, 1954, has been the Philippine Trade Act of 1946 and its associated executive agreements. During that period the Philippines has made a most impressive recovery from the devastation brought about by the war and is presently enjoying a far higher level of prosperity and standard of living than are its neighbors. While the achievements of the Republic of the Philippines are due in large measure to the ability and resourcefulness of its people, we submit that the Philippine Trade Act was also a most important factor in this progress.

The Report of the [Philippine] Panel of Experts on the Need for Revision of the Executive Agreement under the Provisions of the Philippine Trade Act of 1946 states that the basic reason for the desired revision is the program of industrialization in which the Philippines is presently engaged. The Report says, in part:

"It is obvious that if we are to expand employment to a level which will put to use our available labor force, there must be a radical shift in the pattern of the economy from the present agricultural raw-material export economy to one which emphasizes industrial development for the home market."

The Report maintains that some protection must be afforded for [the Philippines'] infant industries against competition from similar products produced in the United States. The Panel also refers to certain

alleged inequalities in the Trade Act. It appears therefore that the primary objective of the Philippine Delegation is the negotiation with the United States of a modified agreement on trade and related matters which will provide the framework for a program of industrialization of the Philippines. It is assumed that the agricultural economy which has become the most viable economy in the Far East will be maintained and that the objective is to add to this industrial economy to alleviate unemployment and to raise the standard of living.

Each of the provisions of the Trade Agreement thought to be subject to modification has therefore been considered by the [Chamber] Board in its relation to the maintenance of the existing economic advantages of the Philippines as well as in its relation to a program of industrialization.

Finally, we believe that wherever possible the provisions of a revised Trade Act should be of a mutual and reciprocal nature, as only in this way can an enduring relationship be established.

At a meeting on October 13, 1954, our Board decided that its views should be restated on the proposed changes as follows:

(1) *Tariff Preferences.* (Article I)

The maintenance of tariff preferences is considered essential to the continued prosperity of the agricultural export economy of the Philippines and should not be abandoned. The Board suggests consideration of a change to a system of straight tariff preferences which would permit the Philippines to impose whatever duties it feels are necessary to increase governmental revenues and to protect infant industries. Under the suggested system Philippine products would enjoy a tariff preference which would assure a continued market in the United States and American products would have a tariff preference in competing in the Philippines with products of other foreign countries but would not compete with local Philippine products. The Board realizes that this must be accomplished in a manner not in conflict with G.A.T.T.

(2) *Commodity Quotas and their Allocations.* (Articles II and III)

We recommend that the commodity quotas and their allocation, as provided for in Articles II and III of the Philippine Trade Act of 1946, be retained without modification.

(3) *Exchange Rates and Controls.* (Article V)

The Board feels that the maintenance of the 2 to 1 ratio of the peso to the dollar has been a very stabilizing influence in the economic development of the country, and will remain so for the future. Any devaluation of the peso would produce unfortunate results in the economy of the Philippines. However, we offer no objection to the elimination of the currency stabilization clause, realizing that the argument for its removal is based on infringement of sovereignty, and recognizing that the Philippine Government is a member of the International Monetary Fund. The Board recognized the splendid accomplishments of Governor Cuaderno of the Central Bank and his associates in maintaining the stability of the Philippine peso. We suggest that the elimination of the currency stabilization clause be accompanied by the strongest possible declaration of the Central Bank that the existing ratio will be maintained.

(4) *National Treatment for Americans in the Development of Philippine Natural Resources.* (Article VII)

The Board feels most emphatically that the parity clause should be retained.

A legal study conducted for this Chamber demonstrates that many substantial American business enterprises now engaged in the Philippines in the activities covered by the parity clause could not continue to do business if it is terminated. A very substantial investment of American capital playing an important role in Philippine economy has been made under the terms established by the 1946 Act and a withdrawal or a substantial diminution of these rights would be a breach of faith and would have a catastrophic effect upon the economy of the Philippines. The present legislative situation in the Philippines presents almost insurmountable obstacles to the participation of foreign capital in any program of industrialization except in the fields covered by the parity clause. Termination of that clause, in addition to damaging the confidence of foreign investors in the stability of any program to invite foreign capital would also destroy the only existing legal basis for the participation of American capital in a program of industrialization.

As we have stated above, to the greatest extent possible a revised Trade Act should be mutual and reciprocal. Even with Article VII of the Trade Act of 1946, existing Philippine laws do not provide treatment equal to that which Philippine nationals receive in the United States under the law of most of the several States. Therefore, a continuation of Article VII or a broadening of its scope is strongly urged.

(5) *Non-discrimination and Termination.* (Article X)

We believe that the provision for suspension and termination should be included in the agreement but that such provisions should be equally available to both parties.

(6) *Immigration.*

We believe that Filipinos should be permitted to enter the United States for the conduct of business without restriction as to number. Such action has already been taken by the United States in Public Law No. 419 of June 18, 1954. Similar rights of entry for Americans into the Philippines is essential to the continued conduct of business of existing American enterprises in the Philippines and is a basic requisite in any program of industrialization which seeks to induce new American capital. We feel that the Philippines should enact legislation similar to Public Law No. 419. We wish to emphasize that our concern is for a "treaty merchants" status and not immigration which might involve change in citizenship.

Yours very truly,

W. E. MURRAY
President

ATTEST: The foregoing statements are to the best of my knowledge true and correct.

W. E. MURRAY, President

Investments by Nationality and Nature of Business, 1945-1953*

PREPARED BY THE RESEARCH AND PUBLICATIONS DIVISION
DEPARTMENT OF COMMERCE AND INDUSTRY

Nationality	Corporate Investments		Partnership Investments		
	No.	Subscribed Paid-up	No.	Capital	
AGRICULTURE					
Filipino	394	118,309,458	9,747,320	123	7,252,693
Chinese	2	185,600	46,450	21	1,241,233
American	13	1,673,400	1,159,300	—	3,500
Others	4	142,000	32,375	5	273,693
Totals	413	20,310,458	10,985,454	149	8,771,119
COMMERCE					
Filipino	3,098	160,539,241	84,008,342	854	34,522,818
Chinese	193	30,272,450	13,344,921	1,400	87,511,060
American	777	12,782,744	7,418,862	50	1,532,629
Others	61	5,146,590	2,632,742	184	11,217,146
Totals	3,329	209,196,025	107,484,867	2,488	134,783,653
CONSTRUCTION					
Filipino	131	14,151,200	5,532,230	65	2,274,764
Chinese	2	260,000	65,000	6	284,000
American	11	44,405	35,000	6	153,300
Others	1	50,000	12,500	5	137,250
Totals	145	15,271,605	5,932,635	82	2,849,314
ELECTRICITY					
Filipino	56	3,553,953	2,083,324	15	433,440
Chinese	—	—	19,800	—	—
American	1	20,000	20,000	—	—
Others	—	—	—	—	—
Totals	59	3,801,953	2,837,824	15	433,440

MANUFACTURING					
Filipino	677	86,937,169	48,023,800	338	11,835,365
Chinese	158	28,587,160	9,956,720	526	29,028,208
American	56	3,970,329	1,825,349	18	1,477,000
Others	31	7,222,547	3,872,497	23	572,358
Totals	922	126,717,205	63,701,366	905	42,912,931
MINING					
Filipino	91	5,758,515	4,074,524	28	354,730
Chinese	1	45,750	25,902	—	30,000
American	18	728,780	568,835	4	55,500
Others	1	20,010	20,010	1	43,500
Totals	111	6,506,055	4,689,271	33	483,730
SERVICES					
Filipino	725	23,262,893	10,851,189	327	5,529,600
Chinese	29	1,477,570	807,795	139	2,943,986
American	39	1,634,991	802,140	26	7,476,321
Others	6	68,223	33,500	31	564,202
Totals	790	26,443,789	12,494,624	514	16,514,109
TRANSPORTATION					
Filipino	255	21,245,854	9,462,932	52	2,390,810
Chinese	3	322,000	82,000	2	30,500
American	26	1,790,602	1,191,306	1	45,000
Others	2	76,000	30,500	3	148,456
Totals	286	23,434,456	10,766,738	58	2,614,766

* From a mimeographed publication, dated June 22, 1954. Figures based on reports of the Securities and Exchange Commission. Table condensed by the Journal Editor.

The Business View

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

The Government

From Official Sources

OCTOBER 3 — President Ramon Magaysay makes an unannounced visit to the Manila Railroad Company offices and is given a short ride in a coach converted from third- to first-class, one of a number which have been thus converted at a cost of P14,000 each as against the cost of new coaches from Japan which would cost P100,000 each, as Col. Salvador Villa, General Manager of the Company, informs the President. The President instructs Colonel Villa to find means of lowering the first-class fare so that the more comfortable accommodations will be available to more people.

Oct. 4 — The President receives a group of 46 district foresters headed by Director of Forestry Felipe Amos and accompanied by Under-Secretary of Agriculture Jaime Ferrer and Brig. Gen. Florencio Selga, Chief of Constabulary, and tells them that in order to make more land available to the landless and to reduce the number of arrests for *kainig* burning, the maps of the Bureau of Forestry should be revised as there are many areas classified as forest lands which are actually deforested and should be opened to settlement; he states he will recommend to Congress that the foresters' salaries be increased to the level of those of division superintendents of schools. After the meeting the President has lunch with leading lumbermen.

The President orders an investigation of the release of several thousand crates of onions from the Manila customs zone where the onions supposedly were impounded; later Executive Secretary Fred Ruiz Castro states that the seized goods should be released to importers only upon payment in cash of the appraised value of the onions plus the customs duties and taxes.

Oct. 5 — The President authorizes the release to the Government Service Insurance System of P4,752,000 for the payment of additional premiums for some 680 government employees.

The President also authorizes the Rehabilitation Finance Corporation to issue a loan of P500,000 to the Metropolitan Water District for the purpose of improving facilities to increase the water-pressure in Manila suburbs.

The President receives a report recommending the abolition of the National Rice and Corn Corporation (NARIC) and the immediate investigation and prosecution of all corporation and government officials involved in various allegedly anomalous transactions with this government agency during the past Administration; the report covers 110 pages and is the result of two months of work by a committee composed of Fortunato de Leon, Chairman, and Eugenio R. Reyes and Maj. Francisco M. Jimenez. Included among those recommended to be investigated are all members of the board of directors and executive officials during the Quirino Administration, three officials in the Department of Foreign Affairs, the Insurance Commissioner, NARIC auditors, past and present, and certain NARIC officials still in office, etc. According to the report, the NARIC was virtually bankrupt when the Magaysay Administration took over, the net loss being P363,365. The report recommends "the creation of a new and independent establishment to carry on the Corporation's business of price stabilization and protection of consumers with an entirely new personnel and set-up." Attached to the report is the draft of a proposed bill creating a "Cereal Stabilization Committee."

The President receives a report from the special committee, headed by Commissioner Manuel P. Manahan, of the President's Complaints and Action Committee, that it had not found any evidence of illegal release of the impounded onions.

The Department of Foreign Affairs announces that it has received advice from the Indonesian Government that it has accepted in principle the proposed terms of agreement respecting illegal Indonesian entries into the Philippines; the proposal was to establish 3 classes: (1) those who entered the country before the war, (2) those who entered after the war and have been in the country not less than 5 years, and (3) those who have been here for less than 5 years; those in the first two groups would be given legal status as resident immigrants; the last group is said to number around 1,000, would be repatriated.

Oct. 6 — The President receives Acting Internal Revenue Collector J. Antonio Araneta and the division and assistant division chiefs of the Bureau of Internal Revenue, inaugurating a regular monthly *merienda* meeting, to discuss the progress of the tax-collecting activities of the Bureau; the President is informed that the Bureau has increased its specific tax collections (on alcohol, tobacco, narcotic drugs, and miscellaneous specific taxes) by over P26,000,000 over the past fiscal year — P17,572,000 as against P15,438,000. The President inquires about the status of the Maria B. Castro ("Madame X") case and is informed that it is before the Court of Tax Appeals.

The President inducts into office the members of the newly created Asian Good Neighbor Relations Commission headed by Dr. Mariano V. de los Santos.

Oct. 8 — The Cabinet, at a meeting presided over by Vice-President Carlos P. Garcia in the absence of the President, approves a me-

morandum from the Department of Foreign Affairs which provides that in the trade with Hongkong only such goods will be permitted entry which are certified by the Hongkong authorities to be of genuine Hongkong origin; it is stated that there are strong indications that imports from Red China and North Korea are coming into the country via Hongkong, this constituting an indirect form of Philippine financial assistance to Communism.

The Cabinet approves the implementation of the P12,000,000 Agno river irrigation system in Pangasinan, tied up with the Ambuluko power development project of the National Power Corporation, Secretary of Public Works Orosa being authorized to request the release of P4,000,000 scheduled for expenditure during the first half of 1955, P3,000,000 for the second half, P7,000,000 for the first half of 1956, and P1,000,000 a semester in the three remaining semesters; the minimum flow of the project, it is estimated, will irrigate some 7,400 hectares.

The Cabinet approves the renewal of the contract between the Fertilizer Administration and the Luzon Stevedoring Company for the storage of fertilizer for another year — 1954; a total of 13,500 metric tons have been received in the contractor's warehouse, of which only 2,000 tons have been used, as removal to another warehouse would be costly.

The Cabinet also approves Philippine participation in the Bangkok meeting, October 25 to 30, of experts on financial aspects of economic development, tax structures, etc., and in the ECAFE meeting, also in Bangkok, November 1 to 6, of geologists working on the preparation of a geological map of Asia and the Far East.

The Cabinet disapproves a request of the Armed Forces for an annual \$200,000 allocation for the AFP exchange system in importing non-military commodities from abroad for sale to AFP personnel.

Oct. 9 — Following several weeks of controversy between Vice-President and Secretary of Foreign Affairs Garcia and a committee of the Council of Leaders headed by Senator Claro M. Recto with respect to the Japanese reparations negotiations, the President releases a letter, addressed to Felino Neri, as follows:

"I am pleased to inform you that to formalize your selection as Chief Negotiator for the Philippine Government on the reparations question, you are hereby designated, pursuant to the powers vested in me by law and in accordance with the recommendation of the Council of Leaders, Chairman of the Philippine panel, to undertake said negotiations with the representatives of the Japanese Government, if and when they are resumed.

"For this purpose, you are also hereby invested with the rank of full ambassador. In this capacity, you shall consider yourself as directly responsible to the President. I urge you, however, to seek counsel and advice from time to time from the consultative committee of the Council of Leaders and the Department of Foreign Affairs, both such consultation being warranted, and [you] shall report to me on such matters as may require my attention.

"The restoration of normal relations with Japan being dependent on the satisfactory completion of the reparations negotiations, the position thereon, should be decided to have the negotiations resumed, shall be based on the recent data made available to the Philippines, particularly the report of the Hernandez Survey Mission to Japan.

Oct. 13 — The President receives Charles Robert Burrows, new United States Minister to the Philippines, who has taken over the position of William S. B. Lacy; Mr. Burrows was accompanied by Ambassador Raymond A. Spruance.

The President at the weekly Cabinet meeting instructs Acting Governor Andres Castillo of the Central Bank to begin selling P12,000,000 worth of bonds to finance further work on the Ambuluko hydroelectric project. Approval is withheld on a request for P700,000 for the National Shipyards and Steel Corporation to finance further improvements in the shipyard pending further investigation. The President appoints an advisory committee for Metropolitan Water District officials and employees retroactive to January 1, following the report of a special committee which he appointed after mediating a strike at the beginning of his term of office.

After the Cabinet meeting, the President and members of the Cabinet motor to Pier 7 to watch the unloading of 5,000 tons of rice imported from Thailand aboard the Danish ship, *Johannes Maersk*. Later they have luncheon on the ship, the President having boiled rice and corn (proportion of 2 to 1) brought over from the Malacflang kitchen for the guests to try. General Manager Juan O. Chico, of the National Rice and Corn Corporation, informs the President that the first 10,000 tons of rice from Pakistan are expected to arrive in Manila before the end of the month.

The President makes an unannounced visit to the Bureau of Posts. Referring to recent mail thefts, the President addressing the employees, enjoins honesty and promises the release of P400,000 for the salaries of some 800 temporary employees needed to cope with the increased mail volume.

Alarmed by a number of serious traffic accidents, the President directs the Public Service Commission to enforce existing motor-vehicle laws rigidly.

The President receives a group of newspaper reporters assigned to the Senate "run" and several radio announcers who are leaving on a goodwill visit to Japan; they will be the guests of the Japanese Newspaper Publishers and Editors Association.

Oct. 14. — The President inducts the officers of the newly-formed Society of Public Administrators, composed of government officials, of which Faustino Sy-Changco is President.

The President receives the first group of graduates from a recently formed "Adult Education Class in Retail Merchandising" of the Philippine College of Commerce, and asks them to form cooperatives to enable the Government to help them financially.

The President also receives Mr. and Mrs. Virgilio Hilario (the latter the former Armi Kusela, "Miss Universe"), who are leaving for a visit to Finland and other countries including Canada and the United States, and asks them to act as ambassadors of goodwill to the countries they will visit.

Secretary of Agriculture and Natural Resources Salvador Araneta reports to the President on his Department's campaign to inform the farmers of the Administration's price-support program to prevent them from selling their rice at less than ₱8.50 a cavan for *maecar ordinario*, Manila price, minus cost of transportation; in no case will a farmer receive less than ₱7.00 a cavan. The Government has made ₱30,000,000 available for the price-support program.

Three members of the special House committee on Mindanao and Sulu, at a luncheon conference with the President (Domecico Alonto, Lanao; Ombra Amilbangan, Sulu; and Luminog Mangelen, Cotabato) in a preliminary report recommend that the Armed Forces be given opportunity to proceed and complete the campaign against the outlaw Kamlon in Sulu; also the assignment of more Moro officers to Mindanao; the designation of additional judges to dispose of land and criminal cases, the step-up of the rural development and the food-production campaigns, and the encouragement of Moslem Filipinos to take up teaching; the group further proposed special legislation to add another congressional district each to the provinces of Lanao and Cotabato.

The President and acting Speaker Daniel Ronsaldes, who was present at the luncheon conference, agree to send a joint executive-congressional committee to various parts of the country to study the problem posed by the Minimum Wage Law.

Oct. 15 — The President receives Maj. Gen. James Gavin, G-3 (Operations) Chief, U. S. Army, at present on a tour of the Far East; the General was stationed at Camp Stotsenburg some 16 years ago; he is accompanied by Malacañang by Maj. Gen. Robert M. Cannon, Chief, JUSMAG.

The President receives Jose Aranas, head of the Bureau of Internal Revenue and National Bureau of Investigation group, who submitted the third list of tax re-assessments totaling some ₱2,191,000, the amounts found to be excessive, from a total of ₱74 to ₱1,192,600; the total amount found collectible by the group since its creation comes to over ₱7,000,000; Aranas explains that the larger number of these assessments have been arrived at by the so-called "application of funds" or "cash analysis" and the "net worth" methods of proving unreported taxable incomes.

Malacañang issues a press release stating that the Philippine delegation to the Colombo Plan Conference in Ottawa, Canada, has filed formal application for membership in the Colombo Plan organization.

"While the nature and extent of our ultimate participation will be subject to customary procedure and complete the realization of this limiting action is another step toward the realization of the Administration's foreign policy program. By indicating our endorsement of the principles and aims of the Colombo Plan we are giving our assistance to our friendly neighborly cooperation by every means of cooperation with our free neighbors in the effort to raise the living standards of the peoples of Asia. We are also by this means giving concrete expression to the spirit of the Manila Conference of 1954 and its resultant Pact in which the signatories pledged cooperation in advancing the economic development of the region and fostering the social and economic well-being of its peoples."

Malacañang, in a memorandum circular to all chiefs of government offices signed by Executive Secretary Castro, orders the elimination of all possible "red tape" in government processes and procedures by "(1) Fixing responsibility, (2) Delegating authority to subordinates, (3) Having final action taken at the lowest possible level in the organization, (4) Having complete staff work, (5) Improving coordination and cooperation between agencies, (6) Making certain that the processes and procedures by which agency functions are carried out are as simple and efficient as possible."

The President and Mrs. Magaysay give a luncheon in honor of outgoing Ambassador and Madame Chen Chin-ping of Nationalist China who will leave Manila soon for Taipei for reassignment; the Ambassador has served in the Philippines for some eight years. The President states that "Ambassador Chen has not only succeeded in furthering friendly relations between his country and the Philippines but has also been very cooperative in the promotion of local civic and social projects,"—the President recalling that the Chinese community in the Philippines has contributed around ₱500,000 to the Peace and Amelioration Fund campaign through the Ambassador.

Oct. 18 — The President inducts Emilio Galang into office as acting Commissioner of Immigration.

The President authorizes the release of ₱4,000,000 to start the ₱12,000,000 Agno River irrigation project, a joint FOA-PHILCUSTA undertaking. The FOA to make available some \$1,169,000 worth of materials as its initial contribution to the project, the release of the ₱4,000,000; the canal system will have a total length of 194 kilometers and will irrigate a 25,000 hectare area in eastern Pangasinan.

Malacañang releases the names of 115 additional candidates who were adjudged to have passed the examinations for certified public accountant given by the Board of Accountancy last December; a list of 85 successful candidates was issued last month; originally 100% of the candidates numbering over 1,000 were announced to have failed.

Oct. 19 — The President signs the documents pertaining to the ₱4,000,000 bond issue for the Agno River irrigation project released by the Central Bank and purchased by the Philippine National Bank; Secretary of Public Works Orosa states that the project will cost ₱12,000,000 plus ₱300,000 worth of equipment and materials to be supplied by the FOA, or a total of ₱15,000,000. He also signs the documents for another issue of ₱2,000,000, purchased by the Government Service Insurance System, for the expropriation of the 17-hectare Gonzalez Estate, Calocan, Rizal, for subdivision and re-sale to the tenants.

The President is informed by Judge Sixto de la Costa, acting Chairman of the Reconstruction Finance Corporation Board of Governors, that it has approved a resolution authorizing the grant of loans to home-owners in amounts not to exceed ₱1,000 and to be used for capital expenditures and not operating expenses; the loans are to be issued at 4% interest and are repayable in 10 years on an equal annual amortization basis.

Julius S. Reese, Spanish-American war veteran and prominent businessman, President of the Manila Trading and Supply Company, dies in New York City, aged 78.

Oct. 20 — The President receives members of a special mission from Indo-China which arrived in Manila recently to observe conditions in the Philippines, particularly the cooperation of army and civilian authorities in social welfare work; include representatives of Vietnam's ministries of Social Action and of Reconstruction.

The President takes the members of his Cabinet in two airplanes to the inauguration of a ₱100,000 32-inch irrigation pump at barrio Bucayac, Calapan, Oriental Mindoro, which will water some 1,200 hectares of riceland, and later holds his regular Cabinet meeting in barrio San Agustin, Naujan, same province, in a saw-mill shed; the meeting is attended by Governor Francisco Infanteo who made use of the opportunity to call-attention to the needs of his province,—survey of public lands to prevent the present rampant deforestation, the maintenance of the present Constabulary force which was to have been reduced, the assignment of more judges because of the increasing number of pending cases, certain barrio roads, additional Liberty wells, an administration building for the teachers at Naujan, additional rural health units; the President takes up most of these matters on the spot with the Department Secretaries concerned.

Turning to the regular agenda, the Cabinet approves a recommendation to appoint Felipe Cuaderno, now Director of Telecommunications, as acting Director of Posts, and to designate Jose Alfonso, Cuaderno's assistant, as acting Director of Telecommunications; approves the release of ₱500,000 from the Contingent Fund for letter carriers for the Bureau of Posts, including one for Naujan; approves a grant of ₱15,000 out of the Sweepstakes Funds for the Liberty Wells Association to finance a fund-raising campaign for an additional ₱500,000 in voluntary contributions to the ₱400,000 already collected; and approves payment of the claim of Floriano Reyes & Co., Inc. for 837 metric tons of paving asphalt delivered to the Bureau of Public Works at ₱56 a ton. Secretary of Public Works Orosa stating that the Department of Justice had advised that the Government should honor the contract made by the previous Administration, although the price has now gone down to ₱47 a ton.

Oct. 21 — The President issues a proclamation (No. 80) rendering effective the exemption of wheat flour imports from the 17% foreign exchange tax in consonance with the terms of Republic Act No. 1157 recently enacted. On the 3rd of last month, the President proclaimed a similar exemption on cattle, cocoa beans, remittances for payment of living expenses of students studying abroad not exceeding \$250 a month, dollar allocations for Moro pilgrims not exceeding \$300 a year, and remittances of American airlines to their head offices in the United States.

In a conference with Economic Coordinator Alfredo Montelibano the President authorizes the flotation of a ₱1,000,000 bond issue to finance the Government's acquisition of a 2,000-hectare estate in San Luis, Pangasinan, for subdivision and sale to the tenants in connection with the EDCOR (Economic Development Corps) there.

The President receives Secretary of Labor Eleuterio Adevoso and Wenceslao Guzon, chairman of an investigating committee recently appointed to report on the results of the "wiping out" of undesirable elements in the Department of Labor"; seven officials have already been dismissed and a number have been suspended.

The President receives the leaders of a 3-week strike in the Benguet Consolidated mines at Masinloc, Zambales, and asks the men to go back to work as he knows that Judge John W. Hausermann, head of the Company, "has the welfare of the Filipinos at heart"; he states he will talk to Judge Hausermann about the reinstatement of 17 workers who were suspended for failure to report; the strikers agree to return to work.

The President receives Holland France, Commissioner of the Salvation Army, who informs him that the organization is planning on erecting some buildings for orphans and indigent mothers and children; he is accompanied by Lt. Col. George A. Arndt, divisional commander of the Salvation Army in the Philippines.

Mrs. Luz Banzon Magaysay delivers a brief speech in the Malacañang Social Hall to launch the fund and gift drive for the 1954 Malacañang Christmas Festival for poor children. Donations registered in the form of cash, rice, milk, dress materials, soap, toys, candies, etc. amounted to some ₱70,000 worth at the close of the day.

Oct. 23 — The President declines the offer of Secretary of Agriculture and Natural Resources Salvador Araneta to resign; the resignation was prompted by a resolution passed by a group of labor leaders in the presence of Secretary of Labor Adevoso, requesting the ouster of Araneta because of his criticism of the Minimum Wage Law as bringing about unemployment in the rural areas; in announcing the President's rejection of the resignation, Secretary of Labor Adevoso states that the President "had always considered Araneta's expressed views on re-examination of the Minimum Wage Law as the latter's personal views advanced in a sincere and earnest effort to serve the national interest."

Oct. 24 — The President delivers a short address at the Manila Hotel at a public luncheon given in connection with the observation of United Nations Day. The President concludes his speech as follows:

"We are told that we have only two choices: co-existence with Communism or a war of mutual destruction. I disagree on two counts. First, Communism is not a plea for the free world to be addressed to the free world. We have shown, and continue to show, that this is our normal way of life. Peaceful co-existence is what characterizes the friendly relationship between the many different political, cultural, and economic systems represented in the world. It is the Communist world which has shown again and again its unwillingness to accept peaceful co-existence. Whenever Communists have extended their hands in friendship, behind their other hand is a club and a chain for the victim of their overtures. Only when they have demonstrated by deeds their permanent abandonment of such criminal intent can the free world afford to extend its hospitality and let down its guard."

"As for war being the only other alternative, I think we underestimate the moral strength of man's desire for peace as well as the practical common sense of the free world. Communism is a threat to the peace of the world. They will not undertake an attack unless reasonably sure of success. Free world strength is much greater than their own, as they well know. Their appreciation of this fact is shown by their strategy of the use of force and bribery to coercion. Let all the free nations stand in unity, firmly opposed to their methods, and the Communists will not dare risk defeat. Let that unity remain solid and the arms of the free world and Communism may yet abandon their brigandage as unprofitable, turning to a state of laws for its own survival."

"That is the challenge that lies before the United Nations. Can narrow short range interests be put aside to meet a common threat, to back UN principles and ideals with unity and firm determination? If we yield to fear, we can hope only for the peace that goes with surrender. If we recognize and use our true strength, peace with freedom will be our lot."

Oct. 25 — The President confers with Secretary of Public Works Orosa, Under-Secretary Juan Parasio, and Director of Public Works Linares Fernando, urging them to speed up various road and bridge construction projects; he informs Secretary Orosa, who is concurrently General Manager of the People's Homesite and Housing Corporation, that he has approved a release of ₱6,000,000 from the Government Service Insurance System funds for the construction of low-cost housing in Tondo and Bago Bantay; he asks Col. Antonio Chanco, Chief of the Corps of Engineers, who is also present, how soon the prefabricated schoolhouses would be coming out of the Army plant in Palawan and other places, and Chanco reports that the schoolhouses would begin delivery at 200 military schoolhouses every month.

Oct. 26 — Malacañang announces the suspension of Col. Teleforo Tenorio as Manila Chief of Police and the designation of Col. Napoleón D. Valeriano, as Acting Chief; Tenorio's suspension is based on administrative charges by the Constabulary and on a complaint for qualified theft already docketed with the Manila Court of First Instance. (Both Tenorio and Eduardo Figueras, now in Madrid, are charged in connection with an attempt to cart away a trailer-load of cigarettes valued at ₱49,000, from the U. S. Military Post in Manila in 1950; two other men having already been convicted of complicity in the crime; Tenorio has pleaded "not guilty.")

The President authorizes the release of ₱500,000 for the importation of 1,000 heifers from India, Pakistan, Thailand, or Indonesia, following a conference with Director of Animal Husbandry, Manuel D. Sumulong; the animals will be distributed among farmers who will become their owners after turning over to the Government the first two calves.

The President issues an executive order creating the National Advisory Health Council headed by the Secretary of Health and Education.

Oct. 27 — The President visits the offices of the Government Service Insurance System and is so impressed with the efficiency of the methods followed that at a Cabinet meeting, later, he announces that the GSIS General Manager, Gregorio Lecaros, will head a GSIS team to look into the operation of certain other government offices with a view to increasing their efficiency, mentioning particularly the National Treasury, the Bureau of Customs, and the Philippine General Hospital; the team's functions are to be limited to suggesting more efficient procedures and will not extend to re-organization recommendations which are under study by the Government Reorganization Commission.

Speaking on the controversy over the Minimum Wage Law, the President states at the Cabinet meeting that only the most compelling reasons related to the national interest would justify changes in the law, adding, however, that the Administration could not ignore the request for re-examination voiced by responsible government officials, and he cites the resolution to this effect adopted by the provincial governors and city mayors at their recent national convention, as well as similar proposals by members of the House of Representatives. Senator Araneta, who is not present at the meeting but on an inspection of the Mountain Province, has not proposed an outright reduction of the minimum wage but a readjustment according to regional conditions. He states that he has agreed with Acting Speaker Daniel Romualdez to create a joint executive-congressional team to survey the country on the question.

The Cabinet recommends Dr. Florencio Quintos, head of the pediatrics department of the Philippine General Hospital, for Director,

the position recently having been separated from that of Dean of the College of Medicine of the University of the Philippines, Dr. Agérico Sison having been retained as Dean; the recommendation will be forwarded to the University Board of Trustees.

The Cabinet approves the floating of an additional ₱3,000,000 in bonds by the Central Bank to finance the Sta. Cruz River and Mabacan River irrigation projects in Laguna to irrigate some 7,200 hectares, and also approves an allotment of ₱200,000 for the Social Welfare Administration to pay for relief supplies purchased in Davao for shipment to Cotabato during the anti-rat campaign.

The President orders the impounding of 8,000 bags of onions imported by the National Onion Growers Cooperative Marketing Association upon receipt of reports that a majority of the Board of Directors of the organization are not bona fide onion growers. Administrator Osmando Mondolodo of the Agricultural Credit and Cooperative Financing Administration, later announces that he will petition the court for ordering a receivership for the NONGROCOMA on the same grounds for the protection of the interests of more than 200 members who are genuine onion growers. Stated that the NONGROCOMA already received a first shipment of onions worth around ₱350,000 from the sale of which the Cooperative realized some ₱320,000, and that the 8,000 bags constitute a second shipment. (Newspapers report that the onions are now rotting on the piers.)

The President receives officials of the Colgate-Palmolive Company, headed by W. L. Sims, the Company's International President, who inform him that the Company is going to enlarge its Philippine branch.

Oct. 28 — The President tells a special House committee composed of Moro representatives which is seeking to negotiate the surrender of the Sulu outlaw, Kamlon, to notify him "to put up a white flag and surrender unconditionally"; the President makes clear that there would be no preliminary talks with Kamlon. Army Chief of Staff Lt. Gen. Jesus Vargas, who is present, states that Kamlon will be given fairness and justice.

At a special meeting of the Cabinet, at which newsmen are permitted to be present, Col. Jacinto P. Cavino, a member of the Board of Directors of the National Rice and Corn Corporation, advocates improvement in the purchasing of the crop and in the milling and distribution of rice by establishing seven regional districts, and also recommends the importation of United States surplus rice under the U. S. Agricultural Trade Development and Assistance Act of 1954. The Cabinet is informed that steps have already been taken to import 50,000 tons of this rice. It is also informed that the President's recent order that municipal treasurers buy rice has already resulted in better prices for the growers.

The Cabinet approves the immediate release of ₱900,000 to the Bureau of Public Works for the Philippine Airlines. It also approves the release of ₱167,100 for the Bureau of Telecommunications for the employment of badly needed additional personnel.

The President receives a donation of some ₱1,716 for the Liberty Wells Fund from Filipinos and Americans in Chicago and Los Angeles.

Oct. 29 — The President inducts Salvador Lluich into office as acting Governor of Lanao, vice Lt. Col. Jorge Sanchez who has been acting Military Governor. Lluich is a former member of Congress and was endorsed by the leaders of the Nacionalista, Democratic, and Liberal parties in Lanao.

The President launches the ₱200,000,000 5-year highway-improvement program at San Pedro Tunasan, Laguna, where ground is broken for a 4.27 kilometer concrete road joining Rizal to the Laguna Boundary Road; the road will cost ₱2,000,000 and will take about 360 days to finish. The President is informed by Secretary of Public Works Orosa that of the 14 projects planned by the Department, 11 have already been advertised and 8 bids have been awarded, as follows: (1) Rizal-Laguna boundary road, ₱2,130,000; (2) Del Pan bridge at mouth of Pasig, ₱5,000,000; (3) Agusan bridge, ₱4,000,000, including 2A and 2B; (4) Baguio road portion from Marikina to Baguio, Bulacan, ₱6,000,000; (5) Chuli junction road at Urbiztondo, Pangasinan, ₱1,000,000; (6) Capas-Bamban road, Tarlac, ₱700,000; (7) Cebu South road, ₱1,000,000; and (8) Macolcol bridge at San Felipe, Zamboanga, ₱1,000,000. The first year ₱200,000,000 will be spent and the second year, ₱300,000,000.

The President authorizes the release of ₱4,000,000 for the operation of rural health units under Republic Act No. 1082; the units, composed of a physician, nurse, midwife, and sanitary inspector, will be brought up to a total of 1,300 distributed all over the country and each, in its own district, will be exempt from barrio to barrio on a definite schedule; in some districts there will be only a physician or a nurse with a midwife or a sanitary inspector; the rural health units will operate directly under the Secretary of Health.

The President issues a directive to Manila Mayor Lacson instructing him to have the Manila police look into reports that NARIC retailers in the city are selling NARIC rice above the price set by the Government.

The President authorizes the release of ₱15,000 for the purchase of two turbine engines for the Iligan City waterworks.

The President acknowledges the receipt of the equivalent of 3 months salary from acting Collector of Internal Revenue J. Antonio Araneta who has pledged his entire salary to the Liberty Wells Fund.

Oct. 30 — The President personally releases 2,500 hectares of agricultural land in barrio Plaridel, Basud, Camarines Norte, to some 1,200 settlers who since the Liberation have been clearing the land, formerly forestry land which he had ordered reclassified and subdivided;

he is angered when told that certain persons, posing as government agents, have been collecting money from the settlers and he tells the people that they are getting the land free and that they should not pay anyone.

The President is honored with a parade and review at Fort William McKinley on the occasion of his granting medals to seven persons for outstanding services rendered the Government, including Under-Secretary of Foreign Affairs Raul Manglapus for outstanding service to the Allied cause during the entire period of the Japanese occupation, also Maj. Gen. Rafael Jalandoni, former Chief of Staff, and Brig. Gen. Florencio Selga.

Banking and Finance

By M. D. ARNOLD
Sub-Manager

The National City Bank of New York

COMPARATIVE statement of condition of the Central Bank:

	As of Dec. 31, 1949	As of Jul. 30, 1954	As of Aug. 31, 1954	As of Sept. 30, 1954
(In thousands of pesos)				
ASSETS				
International Reserve.....	₱460,689	₱457,288	₱474,267	₱444,618
Contribution to the International Monetary Fund.....	30,000	30,000	30,000	30,000
Account to Secure Coinage.....	113,306	105,940	105,940	106,941
Loans and Advances.....	77,047	714	5,217	20,037
Trust Account-Securities Stabilization Fund.....	—	—	—	—
Domestic Securities.....	92,197	227,970	226,445	224,059
Other Assets.....	20,390	54,626	54,173	59,200
	₱793,629	₱877,538	₱897,042	₱884,285
LIABILITIES				
Currency—Notes.....	₱555,576	₱84,708	₱99,715	₱61,737
Coins.....	74,384	84,802	84,928	84,993
Demand Deposits—Pesos.....	117,682	154,484	157,339	138,584
Securities Stabilization Fund Due to International Bank for Reconstruction & Development.....	2,000	14,864	14,862	14,862
Due to International Monetary Fund.....	2,389	2,377	2,377	2,377
Other Liabilities.....	22,498	496	496	496
Deferred Credits.....	—	6,136	7,094	10,505
Capital.....	10,000	894	1,326	1,736
Undivided Profits.....	6,464	5,509	5,637	5,621
Surplus.....	—	13,268	13,268	13,268
	₱753,629	₱877,538	₱897,042	₱884,285

Contingent Account

Forward Exchange Sale.....	₱ 6,460	—	—	—
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The International Reserves as of September 30, 1954, were as follows:

Central Bank International Reserves.....	\$222,024,146.73
Japan Open Account (due from).....	15,613,139.50
Net FX Holdings other Banks.....	67,976,057.69
	\$305,615,344.32

This is a decrease of approximately \$5,500,000 as compared to August 31, 1954.

Currency and coins issued totalled ₱686,729,619.58.

MONEY is getting increasingly tight in Manila and the provinces. A cross-section of business concerns interviewed report mounting overdue receivables. Collections are becoming increasingly difficult, and strenuous efforts are required to hold receivables in any reasonable ratio to sales. Reports from the provinces indicate a lack of credit facilities formerly granted by Chinese retailers, which situation is becoming a matter of more concern in those areas as no one has filled the credit gap left by such Chinese retailers.

Unemployment is also becoming a factor of deeper concern.

Manila Stock Market

By J. J. ORTIGAS
Picornell, Ortigas & Co.

September 25 to October 22

THE strength of Consolidated Mines and Lepanto Consolidated provided the outstanding feature of the stock market.

After declining since our last review, due to labor trouble, Consolidated Mines stock recovered on news of settlement of the strike, while Lepanto Consolidated continues to advance to new highs, though the forward movement was halted due to some profit-taking. On the other hand, Acocje Mining Company and Philippine Iron Mines were under pressure, the latter on the confusing outlook surrounding Philippine trade relations with Japan.

In the gold mining issues, Mindanao Mother Lode and Surigao Consolidated were in better demand.

The price of gold in the local free market was approximately at ₱111.70 per fine ounce.

In the commercial and industrial section, Philippine Long Distance Telephone Company common was unchanged, while San Miguel Brewery closed firm. In the sugar group, Central Azucarera del Pilar and Central Azucarera de Tarlac made small advances.

1953-54 Range	Company		MINING SHARES		Change	Total Sales
	High	Low	High	Low		
107.42	82.78	M. S. E. Mining Share	97.69	93.18	97.69	Up 2.95 21,894,611
0.255	0.11	Average.....	.13	.11	.11	Off .0235 220,000
0.0875	0.037	Acocje Mining Co.	—	—	—	—
0.0975	0.06	Atlas Cons. Mining & Dev. Corp.	.0725	.07	.0725	Up .0025 786,750
0.0026	0.0011	Baguio Gold Mining Co.	.075	.0725	.0725	— 50,000
4.60	2.60	Banguet Buhay Gold Mining Co.	.0012	.0012	.0012	Off .0003 140,000
0.031	0.015	Consolidated Mines, Inc. xx	.025	.025	.025	Up .003 17,093,233
0.105	0.03	General Base Metals Itogon Mining Co.	.03	.03	.03	— 20,000
0.54	0.325	Lepanto Consolidated Mining Co.	.54	.485	.52	Up .035 1,168,422
0.25	0.13	Marinduque Iron Mines	.14	.13	.13	Off .07 46,500
0.1475	0.05	Mindanao Mother Lode Mines	.1125	.10	.11	Up .01 221,500
2.29	1.40	Philippine Iron Mines	1.60	1.40	1.54	Off .06 90,134
0.31	0.13	Surigao Consolidated Mining Co.	.14	.13	.14	— 40,100
0.27	0.17	Suyoc Consolidated Mining Co.	.19	.175	.19	Up .015 408,400
0.015	0.008	Suyoc Consolidated Mining Co.	.01	.008	.008	Off .007 199,500
		xx—Stock Dividend 100%				

COMMERCIAL SHARES

196.00	135.00	Bank of the Philippine Islands	—	—	195.00b	—	—
20.00	11.00	Bogo-Medellin Milling Co.	14.00	14.00	14.00	—	100
72.50	60.00	Central Azucarera de Bani	70.00	70.00	70.00	Off 2.00	27
105.00	90.00	Central Azucarera del Pilar	95.00	95.00	95.00	Up 5.00	100
45.00	26.00	Central Azucarera de Tarlac	40.00	40.00	40.00	Up 1.00	30
370.00	360.00	China Banking Corporation	—	—	350.00b	—	—
12.75	10.00	Co. de Cebu de Filipinas	12.75	12.75	12.75	Up .75	1,280
24.00	22.00	Filipinas Cie. de Seguros	—	—	22.00b	—	—
10.00	2.50	Indust. Textiles Mig. Co. P. Inc.	2.60	2.50	2.50	—	1,200
7.50	7.00	Invest. Lide Assurance Co.	—	—	7.50b	—	—
0.40	0.27	Manila Broadcasting Co.	—	—	37b	—	—
3.60	2.80	Manila Wine Merchants	3.50	3.50	3.50	Off .10	500
—	—	Mayman & Co., pref.	—	—	—	—	—
0.06	0.06	Mayon Metal, Class "B"	—	—	.05b	—	—
104.00	101.00	Meralco 6-1/2%	101.00	101.00	101.00	Off 2.00	T 340
34.00	20.50	Puudeco	—	—	26.50b	—	—
10.00	5.00	Philippine Air Lines, Inc.	—	—	—	—	—
17.00	11.50	PLDT Co., com.	17.00	16.25	16.50	—	12,347
0.0525	0.014	Philippine Oil Dev. Co., Inc. xxx	.033	.03	.03	Off .003	1,335,000
1.00	0.86	Philippine Racing Club, Inc.	1.00	1.00	1.00	—	1,000
100.00	99.50	R&D Bonds, 4%, 1959	100.00	100.00	100.00	—	T 500

35.50	29.00	San Miguel Brewery, com. iss.	33.00	32.00	33.00	Off 1.00	14,602
103.00	94.00	San Miguel Brewery, 7% pref. x	100.00	99.50	99.50	Off 1.00	560
107.50	102.00	San Miguel Brewery, 8% pref. x	105.50	104.00	104.00	Off 2.50	356
10.00	8.00	Williams Equipment, com.	—	—	10.00b	—	—
		x—Ex-Dividend					
		xxx—Ex Rights					
		T—Bond sales reported in units of P100					

OVER-THE-COUNTER

Company	High	Low	Close	Total Sales
Demonstration Gold Mines	0.005	0.005	0.005	61,432
Eastern Theatrical Co., Inc.	10.00	10.00	10.00	137
Far Eastern University	135.00	135.00	135.00	27
Manila Jockey Club	1.85	1.80	1.80	1,423
Philippine Bank of Commerce	120.00	120.00	120.00	50
Victorias Milling Co., Inc.	95.00	95.00	95.00	825

Credit

By DUNCAN BURN

Manager, Eastern Inspection Bureau and
Manager, Association of Credit Men, Inc. (P.I.)

THE Association of Credit Men, Inc. (P.I.) prepared during October its usual quarterly resumé on terms, balances, and bad debt losses for the quarter ending September 30. As in the collection-situation resumé, completed September 22, results indicated this situation as still very tight. A majority of the member firms continue to report 30-day terms as standard. A review of balances in trade accounts-receivable at September 30, showed a somewhat lower average-current than in previous resúmes. The difference was taken up by increases in balances-receivable, one month, two months, three months, and longer. Increases of balances were in general not large for amounts outstanding one, two, and three months, while balances four months and over (in some instances over six months) increased markedly. Credit executives agree that the older accounts become, the more difficult and expensive are the collections. It is interesting to note that one member firm doing substantial business on credit reported all accounts-receivable were current, and one firm replying to the survey reported all dealings as on a cash basis. Some credit executives, in spite of tight and difficult conditions, have been able to increase percentage of cash sales and reduce percentage of outstanding accounts. Most credit executives point out that more time and effort is now required to keep collections at a satisfactory level, but several admit that diligent effort can result in improvement.

Several credit men reported slight improvement in collections during October, but cash continues tight. In some lines sales have been better, but some food lines are slow. With preparations for Christmas and Christmas-selling, some merchants are already noting improvement. Some merchants have cash tied up as a result of the opening of additional import quotas.

Plans have been completed for the annual general dinner meeting of the Association of Credit Men to be held on November 19.

Arrangements have been made for the transfer of the Association's office to the Elks Club Building, Dewey Boulevard, by December 1.

Electric Power Production

(Manila Electric Company System)

By J. F. Corron

Vice-President, Manila Electric Company

1941 Average—16,316,000 KWH

	Kilowatt Hours	
	1954	1953
January	57,301,000	50,107,000
February	52,447,000	45,501,000
March	57,779,000	50,789,000

April	54,408,000	49,159,000
May	57,773,000	52,042,000
June	58,525,000	51,304,000
July	60,206,000	53,877,000
August	60,385,000	54,275,000
September	59,680,000	53,636,000
October	62,188,000	55,943,000
November	53,756,000	—
December	57,968,000	—
Total	628,357,000	—

OCTOBER output was up 6,245,000 kwh, or 11.2% over October, 1953. This is the same rate of increase as last month.

The monthly output set a new record, nearly 2,000,000 kwh over the previous high in August. A new daily high of 2,242,600 kwh was recorded on October 28 and a new peak of 156,800 kw was set on October 21.

Dry weather at the hydro plants has cut down hydro-output. For the first 10 months of 1954 Meralco's Rockwell Station produced 57.8% of the total output, compared with 27% purchased from the Caliraya Station of the National Power Corporation.

Real Estate

By ANTONIO VARIAS

Vice-President, C. M. Hoskins & Co., Inc., Realtors

REAL ESTATE sales registered in the Greater Manila area during the month of October, 1954, numbered 546, with a total value of P5,174,051, as compared with 596, with a total value of P5,905,380, registered during the preceding month of September, 1954.

Of the October sales, 99, with a total value of P973,165, represented deals within Manila proper, and 447, with a total value of P4,200,886, were transactions registered in Quezon City, Pasay City, and in the suburban towns of Caloocan, Makati, Malabon-Navotas, Mandaluyong, Parañaque, and San Juan.

A few of the bigger sales registered during the month were:

	CITY OF MANILA
Malate	Pennsylvania St. A parcel of 1,029 sq.m. sold by Paz Papa Poblete to Cirilo Lim for P68,000.
Paco	A. Cornea St. A parcel of 6,521.6 sq.m., including a portion submerged in water, sold by Cia. General de Tabacos to the Mirvino Investments Corp. for P200,000.
Quiapo	Legarda cor. San Rafael Sts. A property with a lot of 346 sq.m. sold by Emilia Guidote to Bartolome San Diego for P70,000.
Sampaloc	Nagtahan St. A property with a lot of 1,034.6 sq.m. sold by Philippine Building Corp. to the Philippine Dental College for P100,000.
Sta. Cruz	Evangalista St. A property with a lot of 314.6 sq.m. sold by Dolores Paterno to Jose Cruz for P85,000.
Tondo	Ascaranga corner Benavides Sts. A property with a lot of 585.3 sq.m. sold by Encargado de Asis to Margarita L. de Aris for P70,000.

	QUEZON CITY
San Francisco del Monte	Roosevelt Road. A property with a lot of 6,651 sq.m. sold by Bessie Kelly Poe to Francisco L. Torres for P142,000.
	PASAY CITY
	Taft Ave. A property with a lot of 445 sq.m. sold by Philippine Rural Investments Corp. to Isabel A. Gamboa for P73,000.
	SUBURBAN TOWNS
Baguio	T. Claudio St. A property with a lot of 1,635 sq.m. sold by Leopoldo Cu Unjans to Manuel A. Gomez for P60,000.
Makati	Carmito Place. A property with a lot of 6,776 sq.m. sold by Betty F. Brickenkotter to Richard Baldwin for P126,000.
	Several lots sold by Ayala Securities Corp. to Jose Soriano for P433,904.
	Rizal St. A property with a lot of 6,851 sq.m. sold by Juan Ysmel & Co. to Royal Enterprises for P100,000.
Mandaluyong	Shaw Boulevard. A parcel of 5,503 sq.m. near Highway 54 sold by Angel T. Limjoco to Artigas, Madrigal y Cia. for P60,533.

REAL ESTATE mortgages registered in the Greater Manila area during the month numbered 470, with a total value of ₱7,050,986, as compared with 646, with a total value of ₱9,363,680, registered during the preceding month of September.

Of the October mortgages, 102, with a total value of ₱1,367,235, represented deals within Manila proper, while 368, with a total value of ₱5,683,751, were mortgages in the places first above-mentioned.

REAL ESTATE SALES, 1954

	Manila	Quezon City	Passy	Suburban Towns	Total
January	2,457,076	2,306,427	₱505,410	₱1,676,512	₱8,245,425
February	₱4,754,703	₱1,295,413	330,245	1,859,162	6,229,523
March	2,811,805	2,501,229	162,167	2,239,095	7,714,296
April	4,692,440	1,381,842	169,520	976,526	7,170,328
May	2,412,941	1,587,327	246,905	1,644,658	5,891,831
June	2,584,689	4,200,526	175,518	2,165,846	9,206,579
July	3,383,397	1,122,490	320,251	2,000,503	6,326,641
August	1,948,002	1,458,729	490,569	2,383,531	6,280,822
September	2,255,462	1,184,084	250,258	2,215,575	5,905,380
October	973,165	2,473,364	236,544	1,490,578	5,174,051

REAL ESTATE MORTGAGES, 1954

	Manila	Quezon City	Passy	Suburban Towns	Total
January	₱6,243,766	₱1,308,920	₱517,867	₱3,629,703	₱11,700,256
February	2,980,579	1,891,440	600,810	2,115,852	7,588,816
March	4,400,965	2,132,170	417,390	1,773,031	8,723,556
April	5,606,798	1,392,580	267,850	1,503,990	7,771,218
May	4,148,835	1,991,400	334,300	1,710,865	8,185,400
June	6,593,711	1,486,785	607,600	2,119,166	8,807,262
July	7,768,526	1,237,031	284,370	1,367,730	10,657,657
August	5,170,526	1,853,524	829,613	1,714,034	9,567,597
September	3,876,293	1,746,971	495,000	3,245,416	9,363,680
October	1,376,235	1,819,147	791,400	3,073,204	7,050,986

Building Construction

By **JUAN J. CARLOS**

President, *United Construction Co., Inc.*

DURING the month of September, the Office of the City Engineer approved building permits for construction work amounting to ₱3,338,420. For the same period in 1953, the volume of work authorized amounted to ₱5,394,820, in comparison with ₱4,421,340 in 1952 and ₱4,465,040 in 1951.

Some of the big projects that were started during the month under review were:

A 7-story commercial building at Ilaya and Alburquerque Streets, Tondo, for the Philippine Textile Mill Corp., costing ₱300,000;

On Padre Faura, Ermita, an office building for the Girl Scouts of the Philippines, estimated at ₱250,000;

For San Keng Po, a commercial building costing ₱240,000 to be erected on Santo Cristo Street, Binondo.

Foundation for the Far Eastern University Hospital on Morayta Street, Sta. Cruz, estimated at ₱100,000;

A market building at Asuncion and Azcarraga Streets, Binondo, costing ₱200,000, for Maxima T. Cruz.

Another theater on Rizal Avenue, near corner Azcarraga, for Zosima, Inc., costing ₱200,000.

For the St. Scholastica's College on Pennsylvania Street, an annex building estimated at ₱150,000.

PRICES of essential construction materials coming from Japan reacted upward during the period under review when the reparations talk between the Philippines and Japan bogged down, in anticipation of a closing of trade between the two countries. Reinforcing steel bars which were quoted last month at ₱300 a ton rose to ₱340 to ₱350 a ton. Galvanized-iron sheets registered increases of from ₱.20 to ₱.25 a sheet. Undoubtedly, the supply of some building items will diminish should the trade between the Philippines and Japan be interrupted.

Upon petition of two private cement manufacturers, the Office of the Economic Coordinator increased the selling price of locally produced Portland cement from ₱3.30 to ₱3.60 f.o.b. factory, per bag of 94 lbs. The manufacturers allege increased costs of production in their petition. House

builders and other consumers were caught by surprise by this sudden hiking of cement prices when all other items, including living costs, according to the government index, are going down.

Port of Manila

By **W. S. HURST**

Executive Officer, *Luzon Brokerage Company*

THE following condensation of a Memorandum Order, dated September 30, 1954, of acting Collector of Customs R. M. Millarez, addressed to all Customs appraisers and examiners, concerning baggage declaration and entry and examination and release of the baggage of returning residents, will be of interest:

(1) Before opening and examining baggage of any incoming passenger, the examiner must require the passenger to present his Baggage Declaration and Entry form, duly accomplished, specifying all the new articles purchased abroad and their quantities and values; the term "personal effects" can be construed as referring only to used personal effects.

(2) If the Declaration is not properly accomplished, the passenger must first be required to complete it.

(3) Before beginning the examination to examiner must ask the passenger if there are any articles he may have forgotten or failed to declare, and if so the passenger must be asked to include them in his Declaration; he should be warned that any omission or misdeclaration may cause seizure or confiscation of his baggage.

(4) If it appears from the Baggage Declaration that the goods are in commercial quantities or their aggregate value is more than ₱200, and the shipment is covered by a bill of lading, the owner must be required to file a regular Entry in the Marine Division for examination as in the case of general cargo; cars and jeeps are excluded from this requirement unless more than one.

(5) If upon examination, which must be thorough, the examiner finds (1) contraband goods, (2) dutiable or taxable goods not mentioned in the Declaration, or (3) that there has been a misdeclaration of goods as to kind, quantity, and value, the baggage should not be released; a report thereof in writing must be submitted to the Chief Appraiser for action.

(6) If clearance from Customs is not made by the consignee personally but through a representative, presentation of a written Power of Attorney should be required whenever possible; if not, care must be taken that delivery is made to the right person. In the case of manifested baggage, presentation of delivery permit from the steamship agent must be required.

(7) If the goods subject to duty or tax are in commercial quantities, or when they exceed ₱1,000 in appraised value, they shall be released only on presentation of a corresponding Release certificate from the Central Bank.

(8) "Consistent with the faithful compliance of his official duties, no examiner or appraiser should cause inconvenience to any passenger in the treatment, examination, and release of baggage through unnecessary red-tape or delay, or otherwise. It goes without saying that passengers should be treated with courtesy."

Arrastre Service, Manila

(Port Terminal Services)

By **FRANCISCO DELGADO**

General Manager, *Delgado Brothers, Inc.*

TONNAGE handled during the month of October set a new mark for the year and was some 20,000 tons more than the 99,744 tons handled over the piers during the month of September, 1954. There was no pier congestion and cargo handling was characterized by a smooth, even flow in the receiving and delivery operations.

In a series of conferences between Customs officials, brokers, representatives of the steamship companies, and the Arrastre Contractor, tangible remedial measures have been agreed upon for adoption in order to prevent possible congestion during heavy operations and also in anticipation of the coming Christmas and New Year season. Based on recommendations of the Arrastre Contractor, the main points are the following:

1. There should be proper coordination between our Operations Department and the officials of the Bureau of Customs concerned in the berthing of vessels so that sufficient tonnage space for incoming cargo will be insured.

Ocean Shipping and Exports

By E. H. BOSCH
Secretary-Manager
Associated Steamship Lines

2. Necessary Customs personnel should be assigned to take care of essential services, particularly the processing of entry permits.

3. Steamship companies should be enjoined to submit to our Operations Director vessels' hatch lists, if possible, at least 12 hours prior to ships' arrival, to enable pier personnel to prepare storage plans, the sheds, and necessary equipment and labor for incoming cargo.

4. The pier sheds should be used only as intransit sheds and not as storage warehouses and, therefore, after the free storage period, cargo should be ordered transferred by the Bureau of Customs to A. C. Esguerra Bonded Warehouse. Even before the expiration of the free storage period, if warranted to avoid congestion or danger of congestion, transfers should also be effected, provided that if released from the ACE Warehouse within the free storage period, the same should be free from storage charges in accordance with existing regulations.

5. The work for the complete rehabilitation of Pier 7 should be expedited to afford additional berthing and tonnage space; Pier 5 should also be completely rehabilitated and made available for commercial use in case of necessity.

6. Importers or brokers should be requested to furnish, whenever possible, advance information covering the following day's delivery in order to avoid unnecessary delays and to enable Delbros to locate cargo and prepare the necessary men and equipment for immediate and expeditious deliveries. This advance information will greatly help the arrastre contractor in the daily forecast of requirements.

7. Harbor Police stationed at the pier gates should be instructed to control trucks entering the piers. Trucks without the necessary approved delivery permits should not be allowed to come in. Unauthorized personnel should not be allowed inside the pier premises. Trucks with approved gate pass should leave the pier premises immediately to make room for incoming trucks.

8. Existing regulations prohibiting truck helpers to enter the sheds should be enforced strictly to avoid hampering of operations inside the sheds.

9. With the cooperation of brokers' "personeros" indicating what particular portion of cargo is to be taken delivery of, deliveries will be further expedited. Brokers' and importers' representatives are also urged to make maximum reference to the posting and index books in the Pier Superintendent's office to determine if a particular shipment has already been landed and its location in the shed. There are 16 delivery foremen and a force of reserve foremen, in addition to a normal strength of supervisors, to further facilitate sorting and location of cargo and for greater supervision of delivery operations.

10. Whenever warranted by the exigencies of the service, all Customs gates will be opened to expedite flow of cargo trucks.

11. When all outside storage areas within the pier premises are filled with cargo, the space immediately outside of the pier fence should be used for open storage; the vacant lot in front of Pier 11 could also be used for outside storage if necessary.

THE problem of the onion shipments on the piers is causing no little inconvenience to waterfront interests. The thousands of crates, undelivered due to certain legal difficulties, occupy sizeable space in the pier sheds which could be better utilized to accommodate incoming shipments.

IN coordination with Customs and NARIC personnel, dockworkers of the Associated Workers Union under contract with the Arrastre Contractor set a new record in the expeditious handling of cargo when they discharged and delivered in less than three days 5,000 tons of NARIC rice which arrived on the S.S. *Johannes Maersk* to alleviate the rice scarcity in the city and provinces. The pier-side discharge and delivery of the rice insured a minimum loss through reduced handling.

TO prevent inconvenience, local importers are advised that a new ruling has been laid down by Customs authorities that imported goods bearing no marks of origin will be seized. This is to frustrate the infiltration of Communist goods such as those coming from Red China and Communist-held areas.

TONNAGE HANDLED IN THE PORT OF MANILA

Month	Dockside	Shipside	Bulk
January, 1954	103,878	23,192.18	44,402
February	82,853	26,547.24	41,105
March	100,161	17,124.15	101,596
April	110,764	26,425.19	86,971
May	115,203	33,824.17	97,825
June	105,589	18,578.15	69,818
July	79,671	28,374.26	96,407
August	81,199	21,621.17	69,418
September	99,744	28,828.01	69,417
October	119,000	31,095.00	52,189

TOTAL exports during the month of September this year showed a decrease of 26,220 tons over exports during September of last year. The reduction was due mainly to a decrease in the export of logs.

136 vessels lifted 419,500 tons of exports during the month, as against 445,720 tons lifted by 158 vessels during the same month last year.

Exports during September, 1954, as compared with exports during September, 1953, were as follows:

Commodity	1954	1953
Beer	408 tons	46 tons
Cigars and cigarettes	13 "	15 "
Coconut, desiccated	6,323 "	5,209 "
Coconut oil	7,663 "	7,080 "
Concentrates containing copper, gold, silver, lead, and zinc	628 "	619 "
Concentrates, copper	18,125 "	—
Copra	73,188 "	63,552 "
Copra cake/meal	8,573 "	6,179 "
Embroideries	512 "	355 "
Empty cylinders	84 "	420 "
Fish, salted	13 "	—
Furniture, rattan	547 "	590 "
Glycerine	126 "	369 "
Gums, copal	172 "	107 "
Hemp	75,911 bales	59,087 bales
Hemp rugs	115 tons	15 tons
Household goods and personal effects	476 "	391 "
Junk, metal	1,144 "	—
Logs	38,221,503 bd.ft.	63,967,104 bd.ft.
Lumber	4,947,055 "	6,045,130 "
Molasses	31,528 tons	9,826 tons
Nuts, peanuts	40 "	—
Ores, chrome	48,882 "	43,479 "
Ores, iron	93,555 "	110,674 "
Pineapples, canned	1,441 "	5,876 "
Plywood and plywood products	124 "	—
Rattan, round (palasan)	245 "	247 "
Rope	366 "	356 "
Shell, shell waste	45 "	51 "
Skins, hides	78 "	83 "
Sugar, cent./raw	22,002 "	33,220 "
Sugar, refined	449 "	—
Tobacco	1,854 "	212 "
Vegetable oil	28 "	26 "
Veneer	43 "	45 "
Transit cargo	73 "	—
Merchandise, general	1,181 "	308 "

Freight Car Loadings

By JOSE B. LIBUNAO
Traffic Manager, Manila Railroad Company

LOADINGS of revenue freight during the month of September, 1954, totaled 2,487 cars. This was an increase of 77 cars, or 3.44%, over the loadings during September, 1953, of 2,410 cars. The increase was due to increases of 327 cars in the first district, 30 in the third district, and 46 in Manila, offset by decreased loadings of 110 cars in the fourth district, 188 in the fifth district, and 25 at the North Harbor. (The districts referred to are the five sections into which the railroad system has been divided for the purpose of operating supervision).

Group Commodities	September — Tonnage	
	1954	1953
Products of agriculture	6,090	3,600
Animal products	257	750
Products of mines	1,020	1,297
Products of forests	4,986	12,231

Products of manufactures	29,896	19,312
Merchandise less than by carload	6,641	13,387
Total	48,860	50,577

In this review, 46 items were treated, 26 registering an increase of 14,141 tons, and 20 items a decrease of 15,858 tons, resulting in total aggregate decrease of 1,717 tons. The principal items which accounted for the increased tonnage were: cement, 7,407 tons; beverages, 1,873 tons; rice, 1,073 tons; copra, 654 tons; fertilizer, 536 tons; iron and steel products, 494 tons; and wine, liquor and beer, 380 tons, or an aggregate increase of 12,417 tons. The principal items responsible for the decreased tonnage were: merchandise in less than carload lots, 6,746 tons; lumber, 6,407 tons; gasoline, 854 tons; wood fuel, 722 tons; livestock, 376 tons; and stone, sand, and gravel, 350 tons, or an aggregate decrease of 15,455 tons.

The increase in tonnage was primarily due to the shipments of cement from the Bacnotan plant of the CEPOC, with a daily tonnage of some 8,000 bags. There was also the shipment of rice by the NARIC which moved by rail in greater quantities, as compared with greater movement by highway in previous periods, despite of the higher charge. There was more exportation of copra because of slight improvement in price. Fertilizer continues to find increasing users.

It should be noted that while the carloadings showed an increase of 77 cars, there was a decline of 1,717 tons in the tonnage carried.

The decrease caused by merchandise in less than carload lots was because of the decline in many imported items and the curtailment in distributive activities in the retail field, this slowing down business transactions. The slow flow of goods from Manila may also be attributed in part to the delay in the release of public works funds, weakening the buying power of people in the provinces.

There was furthermore a contraction in the grant of credit to many alien retailers.

The following month may show greater activity.

Mining

By HENRY A. BRIMO
President

Philippine Gold Producers Association, Inc.

THE following figures compare the production records of our seven gold mines which were in operation during the first 9 months of 1953 and 1954:

	JANUARY-SEPTEMBER, 1953		
	Tons Milled	Ounces Produced	Total Market Value
Baguio Gold Mining Company	92,032	22,757 ₪	2,347,451
Balatoc Mining Company ..	372,266	66,184	6,743,412
Benguet Consolidated Mining Co.	387,272	76,683	7,788,497
Itoyon Mining Company ...	137,314	30,654	3,161,081
San Mauricio Mining Company	83,033	40,063	4,133,568
Surigao Consolidated Mining Co.	123,475	37,142	3,886,440
Coco Grove, Incorporated ..	1,303,982 cu. yds.	4,947	509,220
Totals	1,195,391**	278,431	₪28,569,668

	JANUARY-SEPTEMBER, 1954		
	Tons Milled	Ounces Produced	Total Market Value
Baguio Gold Mining Company	101,489	22,180 ₪	2,383,839
Balatoc Mining Company	386,195	66,924	7,117,166

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pears likely that sales may now be made to the Government at the subsidy level any time the Subsidy Board chooses. While gold prices remain in the neighborhood of current levels, however, swift action is not expected in this connection.

Lumber

BY PACIFICO DE OCAMPO
Secretary-Treasurer

Philippine Lumber Producers' Association, Inc.

DURING the month under review, September, 1954, the Philippines exported 53,972,264 bd. ft. of logs and lumber, 15,309,253 bd. ft. more than the preceding month. The increase was mainly due to the increase in the shipments of logs to Japan, from 22,293,508 bd. ft. in August, to 43,856,467 bd. ft. in September, or an increase of 21,562,959 bd. ft. The exports to the United States and Canada increased by 1,300,042 bd. ft., from 4,978,138 bd. ft. in August, to 6,278,180 bd. ft. in September. Exports to all other countries decreased by 7,553,748 bd. ft., from 11,391,365 bd. ft. in August, to 3,837,617 bd. ft. in September, 1954.

The following are the figures for the logs and lumber in bd. ft. inspected for export during September, 1954, as released by the Bureau of Forestry:

Shipper	Destination	Volume in Board Feet	
		Lumber	Logs
Aguinaldo Development Corp.	Japan		399,981
Agusan Timber Corp.	Japan		1,000,000
Anakan Lumber Company	U. S. A.	59,468	250,000
American Asiatic Co.	Japan		2,020,000
American Rubber Co.	U. S. A.	14,295	
American Timber Co.	Japan		2,181,719
Aras-Asan Timber Co., Inc.	Japan		400,000
Atkins Kroll & Co., Inc.	Japan		500,000

Basilan Lumber Company	U. S. A.	830,729	694,171
Brigido Valencia	Hongkong	60,509	
Bislig Bay Lumber Company, Inc.	Japan		1,430,000
Calapan Lumber Co., Inc.	U. S. A.	269,986	
Cipriano Luna Lumber Enterprise	Cuba	500	
Constantino Villanueva	Hongkong	228,201	
Cuison Lumber Co., Inc.	Japan		5,849,480
Dy Pac Co., Inc.	U. S. A.	231,683	
E. A. Luna Lumber Trading Co.	Japan		281,912
Edward L. Kincaid	Japan		1,223,039
Fil Pan Development Co., Inc.	Japan		27,000
Findlay Starr Timber Co.	Hongkong		520,000
General Lumber Co., Inc.	Formosa		880,000
General Enterprises, Inc.	Japan		966,000
Gonzalo Puyat & Sons, Inc.	Korea		2,112,310
G. S. Mañalac Enterprises	Japan		7,714
Hercules Lumber Co., Inc.	Japan		500,000
Insular	Formosa		1,800,000
	Korea		1,399,486
	Japan		300,000
	Japan		547,106
	Japan		1,435,294
	Japan		1,899,960
	U. S. A.	1,155,576	
	Africa	649,808	
	Belgium	92,549	
	Canada	75,000	
	Hawaii	102,826	
	Japan		300,000
	Japan		512,503
	U. S. A.	49,627	
	Japan		1,194,172
	Japan		1,161,051
	U. S. A.	108,077	
	Japan		3,603,000
	Japan		1,211,457
	U. S. A.	325,394	
	Japan		400,000
	Japan		1,000,000
	Japan		300,000
	Japan		499,130
	Japan		110,000

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Ralph W. Dempsey	U. S. A.	100,191	
Red Wood Company	Japan	10,000	497,106
Sanchez Logging Co.	Japan		1,659,305
Sta. Clara Lumber Co., Inc.	U. S. A.		499,972
Sta. Ines Logging Enterprises	Japan		1,503,535
Standard Sawmill Co.	U. S. A.		200,000
Tagtag Sawmill Co., Inc.	Japan		465,385
Valderrama Lumber Mfrs. Co., Inc.	U. S. A.	141,822	1,717,533
Valeriano C. Bueno	U. S. A.	74,999	
Vic Corporation	U. S. A.	80,379	212,947
Visayan Sawmill Co., Ltd.	Japan		900,363
Western Mindanao Lumber Co., Inc.	Japan		367,000
Woodworks, Incorp.	U. S. A.	26,000	450,299
	Japan		110,738
	U. S. A.	345,412	677,627
	Africa	116,738	
	Hongkong	140,000	
Totals		5,328,483	48,643,781

Resume of Exports to:

	Lumber (Bd.Ft.)	Logs (Bd.Ft.)	Total (Bd.Ft.)
Japan	—	43,856,467	43,856,467
United States and Canada	3,910,352	2,367,828	6,278,180
Other countries	1,418,131	2,419,486	3,837,617
Totals	5,328,483	48,643,781	53,972,264

SUMMARY OF EXPORTS DURING SEPTEMBER, 1954. ARRANGED BY COUNTRIES OF DESTINATION IN THE ORDER OF VOLUME OF SHIPMENT TO EACH COUNTRY

Countries of Destination	Lumber (Bd.Ft.)	Logs (Bd.Ft.)	Total (Bd.Ft.)
Japan	—	43,856,467	43,856,467
United States	3,760,353	2,367,828	6,128,181
Korea	—	1,399,486	1,399,486
Formosa	—	1,020,000	1,020,000
Africa	766,546	—	766,546
Hongkong	455,710	—	455,710
Canada	149,599	—	149,599
Hawaii	102,826	—	102,826
Belgium	92,549	—	92,549
Cuba	500	—	500
Totals	5,328,483	48,643,781	53,972,264

Trend of Exports to:

	This Month (Bd.Ft.)	Month Ago (Bd.Ft.)	Year Ago (Bd.Ft.)
Japan	—	43,856,467	—
United States and Canada	3,910,352	2,367,828	3,339,031
Other countries	1,418,131	2,419,486	1,979,677
Totals	5,328,483	48,643,781	5,318,708

Arrivals of logs and lumber in Manila during the month under review, September, 1954, aggregating 9,469,238 bd. ft., decreased by 65,724 bd. ft., as compared to arrivals during the previous month of 9,534,962 bd. ft.

COMPARATIVE STATEMENT OF EXPORTS MADE TO DIFFERENT REGIONS OF THE UNITED STATES DURING THE MONTHS OF AUGUST AND SEPTEMBER, 1954

Period	Lumber in Board Feet					Logs in Board Feet					Grand Total
	Western States	Eastern States	Gulf States	All Others	Total	Western States	Eastern States	Gulf States	All Others	Total	
August, 1954	2,192,164	686,099	331,397	112,657	3,322,317	1,075,552	113,604	—	449,951	1,639,107	4,961,424
September, 1954	1,963,012	896,353	400,090	300,000	3,760,353	691,734	823,673	200,000	652,419	2,367,828	6,128,181
Difference (Increased+; Decreased-)	229,152-	210,254+	69,591+	387,343+	438,036+	383,818-	710,071+	200,000+	202,468+	728,721+	1,166,757+

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Prices of lumber in the local wholesale lumber market suffered another decrease during the month under review, September, 1954. Prices of white lauan, apitong, and red lauan decreased to ₱125-₱130, ₱125-₱135, and ₱145-₱155 per 1000 bd. ft., respectively, compared with prices of ₱125-₱140, ₱130-₱140, and ₱150-₱165. the month before.

May	14,529	9,202	19,307	10,154	33,836	19,366	174.7%
June	13,601	10,541	19,464	14,462	33,065	25,003	132.2%
July	17,578	13,620	23,889	18,182	41,467	31,802	130.4%
August	19,025	14,641	26,845	20,413	45,870	35,054	130.9%
September	17,091	17,027	21,510	19,779	38,601	36,806	104.9%
October	17,884	18,148	24,971	19,123	42,855	37,271	115.0%
Totals ..	145,076	114,570	193,790	159,705	338,866	273,775	123.8%

Copra and Coconut Oil

By WILLIAM S. RICE, JR.

Copra Buyer, Philippine Manufacturing Company

EARLY in October prices advanced sharply to new levels, and the market held fairly steady without further significant changes of price the rest of the month.

European consumers and speculators again provided the main impetus to higher prices, as the American markets continued dull. A slight decline in production also influenced this rise.

Shipping space for Europe is still very short, and this situation has been further aggravated by the delay of vessels tied up in the strikes at London. Freight rates for copra have advanced sharply, minimizing the advantage of higher European buying prices.

America is well-stocked with coconut oil, and good quantities of afloat copra and coconut oil continue to depress those markets. New York coconut oil prices have been unusually poor. Generally, American prices have remained well below European prices.

Copra production and stocks in the Philippines continue very good.

As a result of these mixed factors the Philippine market has improved but not to the full extent that European prices might justify under more normal circumstances.

Copra and Coconut Oil Prices

Copra:	High	Low	Close
West Coast, c.i.f. per short ton ...	\$178.50	\$162.50	\$167.50
Europe, c.i.f. per long ton, 45-60 days	\$200.00	\$183.00	\$197.50
Manila, fresh, 30-day delivery, rescada basis, per 100 kilos, at bodegas	₱32.00	₱28.50	₱31.50

Coconut Oil:

West Coast, c.i.f. per pound, 60-day	13¢	12¢	12-1/2¢
East Coast, c.i.f. per pound, afloat	13-1/4¢	12¢	12-3/4¢

Copra Cake and Meal Prices. European buyers again entered this market, taking up a good portion of Philippine production. West Coast prices were \$56 per short ton c & f, but European interest at \$50 per long ton f.o.b. Manila was much more attractive.

Copra Statistics

Philippine Copra and Coconut Oil Exports (in long tons)

	August	September	October
Copra Exports	35,117	24,304	24,883
United States	35,200	40,534	35,581
Other countries	11,000	8,350	23,143
Total	81,317	73,188	83,607
Coconut Oil Exports	6,495	7,663	5,065
United States	—	—	500
Other countries	6,495	7,663	5,065
Total	6,495	7,663	5,065

Manila and Cebu Copra Arrivals (in metric tons)

	1954	1953	1954	1953	Manila and Cebu	Per-centage	
	1954	1953	1954	1953	1954	1953	
January	13,638	8,448	15,490	12,682	28,528	21,130	135.0%
February	11,674	7,741	14,218	13,029	25,892	20,770	124.7%
March	10,356	8,897	14,170	17,991	24,526	24,888	98.5%
April	10,300	8,305	13,926	13,880	24,226	21,685	111.7%

	Philippine Copra Exports ¹			Indonesian Copra Exports ²		
	1954	1953	1954/53	1954	1953	1954/53
January	53,892	41,025	131.6%	20,553	14,230	145.1%
February	58,879	38,672	152.3%	25,368	18,894	134.3%
March	60,919	50,168	121.4%	23,209	19,559	118.7%
April	55,951	48,745	114.8%	20,546	17,358	119.1%
May	65,249	36,536	178.6%	36,146	5,854	617.5%
June	75,978	48,144	157.8%	21,465	17,266	124.3%
July	82,513	64,359	128.2%	—	—	—
August	93,093	71,010	131.1%	—	—	—
September	86,717	75,804	114.4%	—	—	—
October	93,920	83,610	112.3%	—	—	—
Total	727,211	558,073	130.3%	—	—	—

¹Includes coconut oil exports converted to copra.

²1954 figures revised.

Production and Future Prospects. Production should diminish more noticeably in the next two months, and this is a good reason to anticipate a moderate advance in prices. On the other hand, overall production and available stocks in the Philippines and America continue abnormally high, and there does not appear to be any reason to foresee a sharp rise in price for the near future.



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Desiccated Coconut

By HOWARD H. CURRAN

Peter Paul Philippine Corporation

THIS report covers the period from September 15 to October 15 during which time copra and coconuts started a climb upward toward the latter part of the period.

Desiccated coconut factory production remained much the same as during the previous period, with a slight increase in shipments.

The following shipping statistics are for the month of September.

Shippers	Pounds
Franklin Baker Company	5,255,526
Blue Bar Coconut Company	986,150
Peter Paul Philippine Corp.	1,730,000
Red V Coconut Products, Ltd.	3,436,100
Sun Ripe Coconut Products, Inc.	1,008,100
Cooperative Coconut Products, Inc.	402,700
Total Shipments	12,818,576

Sugar

By J. H. D'AUTHREAU

Philippine Sugar Association

THIS report covers the period October 1 to 31, 1954. *New York Market.* After the uninterrupted price decline over July, August, and September, the market finally steadied at the end of September chiefly on sentiment. It was felt that the Department of Agriculture could hardly allow prices to go lower as the mainland harvest period was about to begin and as pressure on the Department was mounting for some constructive action, possibly a token quota-reduction.

These feelings were fully justified in full when on October 7 Under-Secretary Morse of the Department of Agriculture addressed a very reasonable statement to the industry, expressing the Department's concern at prevailing prices. However no quota cut was thought necessary, he stated, for the following reasons:

(a) All quota supplies will be needed to meet distribution and year-end stock requirements. Although distribution for the year through September 25 was approximately 263,000 tons below that for the corresponding period last year, the total quota this year of 8,200,000 is 282,000 tons less than distribution in 1953.

(b) As against last year no importation of over-quota sugar for refining will be permitted in 1954.

(c) Current prices for old crop and new crop having drawn together, permits refiners to purchase now for distribution in 1955 without loss. This has brought strength to the market and should not induce refiners to deplete their stocks as the year-end approaches, as was the case last year.

(d) Remaining quota supplies, especially foreign, are small, and invisible inventories are probably at a record low.

(e) The Department is keeping the situation under close scrutiny and will not hesitate to act if action is warranted.

These observations had no immediate market effect, but eventually were accepted as a promise of things to come; as a welcome admission that prices were too low; and as basis for expectation of a conservative initial quota for 1955. The November quota hearings set for November 9, rather earlier than usual, should be anything but perfunctory.

Shortly after Under-Secretary Morse's statement, it was seen that Eastern Seaboard refiners were showing some concern for their November and December melting

schedules and it suddenly became apparent that available and suitable in-quota raws were perhaps not too plentiful.

On October 16 Eastern refiners' stocks were 127,000 long tons; their estimated requirements to end of the year, 550,000 long tons; and open quota balances from all off-shore areas approximately 560,000 short tons. Even allowing for afloats, and assuming Southern refiners would require no more off-shore raws and that San Francisco on reduced schedules would require less than normal, there still would be little margin for comfortable maneuvering and placement of year-end stocks.

Market tone had already previously firmed up and spot and November arrivals now advanced around the 19th of the month to 6.00¢ and 6.05¢, duty paid basis. 1955 futures also shared in the recovery and by the end of the month 1954 arrivals were selling at 6.10¢; March, 1955, exchange position was steady at 5.41¢ ex duty. Apparent lack of refiner interest in January arrivals continued with small sales of Philippines in this position reported at 5.87¢, duty paid basis.

On October 5 there was a sudden strike of New York waterfront labor which was as quickly terminated the following day by the Steamship Lines agreeing to make any wage revision resulting from present negotiations retroactive to October 1, 1953. Later in the month the threatened truck strike was also averted by owners agreeing to workers' demands.

Reported sales of actuals totalled approximately 106,000 long tons, of which 21,965 tons were Philippines. Exchange operations for the period were approximately 149,850 short tons. Deliveries of refined for the period September 26 to October 23 were 644,352 short tons, as compared with 749,660 for September and with 618,316 for October, 1953. Total deliveries for the year to October 23 were 6,744,000 short tons, as compared with 6,936,000 short tons on the same date in 1953. On October 23 refiners stocks were 198,638 long tons, as against 159,692 on the same date last year.

Opening and closing quotations on the No. 6 Contract were as follows:

	Nov.	March	May	July	Sept.	Nov.	'55
Oct. 1.....	5.32¢	5.32¢	5.40¢	5.53¢	5.57¢	—	
29.....	—	5.41	5.47	5.58	5.63	5.63¢	

Average spot price for October was 5.464000¢.

Average spot price January 1 to October 29 was 5.596827¢.

On October 29 the Philippine United States export quota was announced as having been exhausted. Other "open quota" balances as of October 28 were

Cuba.....	67,319 short tons
Porto Rico.....	158,114
Hawaii.....	131,776

Local Market. (a) Domestic Sugar. It is reported that final agreement between the various groups of the industry is about to be reached respecting the Single Selling Agency and an announcement is expected soon.

The market remains unchanged with old crop selling at ₱10.50, 75 ex Negros and provincial warehouses. New crop awaits the announcement of the marketing regulations to be established by the Agency.

Manila quotations for ex warehouse Manila as announced by the Bureau of Commerce, were as follows:

	Export		Domestic	
	97°	99°	97°	99°
Oct. 6—Victoria	₱14.20			
Guagua	14.10	₱11-₱11.50	₱14-₱14.50	₱15.30-₱16.00
13—Victoria	14.10			
Guagua	14.00	₱11-₱11.50	₱14-₱14.50	₱15.30-₱16.00
20—Victoria	₱14.05			
Guagua	14.00	₱11-₱11.50	₱14-₱14.50	₱15.30-₱16.00
27—Victoria	₱14.40			
Guagua	14.00n	₱11-₱11.50	₱14-₱14.50n	₱15.30-₱16.00

(b) Export Sugar. With the exhaustion of the Philippine quota, the old crop market is now liquidated. With the improvement of the New York market, the quotations for new crop on the basis of January arrival have also



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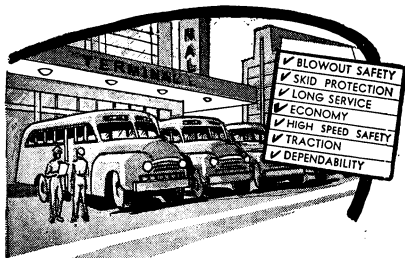


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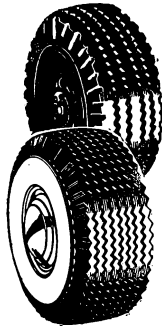
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advanced rapidly from P14.15 to P14.45 50, at which there has been some keenness on the part of holders to sell 1954 Reserve sugar converted to 1954 55 export, chargeable to 1954/55 export allotments. There has not been much inclination, however, to sell new crop production.

Total export shipments of 1953-54 crop sugar for the month were 19,922 long tons. This figure includes a parcel of 1,724 long tons per M. V *Victoria Maru* scheduled to clear Philippine waters on November 2. There is thus, according to our records, a total of 851,454 long tons shipped against the 1953-54 crop compared with a quota of 850,000 long tons.

Also shipped in October against the 1954-55 export quota were 5,000 long tons as follows:

Vessel	Tons
Fernhill	2,000
Belleville	3,000
Total	5,000

Total Philippine arrivals in New York for the period January 1 to October 30, 1954, are reported at 815,698 long tons as against 729,723 long tons for the same period in 1953.

World Market. Opening and closing quotations were as follows:

	Spot	Oct.	Jan.	Mar.	May	July	Sept.
October 1	3.24¢	3.25¢	3.24¢	3.22¢	3.22¢	3.23¢	3.25¢
29	3.25	—	3.22	3.18	3.18	3.20	3.23

It will be seen there is little change in this market, which has continued dull and inactive; futures are almost nominal and spot has been maintained throughout at 3.25¢ f.a.s.

The details of world quota adjustments referred to in our last report are as follows:

"Firstly, 100,000 metric tons out of the 142,000 tons notified by exporting participants of the International Sugar Agreement as not expected to be used, will be redistributed. Cuba's export quota will be raised by 50,000 tons, Poland's by 15,000, Czechoslovakia's by 25,000, and Hungary's by 10,000 tons. Exporting countries will waive their right to redistribute the remaining 42,000 tons and this will be applied to reduce the estimated excess.

Secondly, the remaining 212,000 tons of the estimated excess of supplies over requirements will be eliminated by the following voluntary reductions, made pro-rata to basis export tonnage, of export quotas in effect after the redistribution of the 100,000 tons mentioned above:

Brazil	9,000 tons
China	31,000 "
Cuba	116,000 "
Czechoslovakia	14,000 "
Dominican Republic	31,000 "
Poland	11,000 "
	212,000 tons

Cuban sales to world market countries as of October 15, 1954, were estimated at 1,440,557 short tons (1,268,295 Spanish tons), compared with 2,772,645 (2,441,092 Spanish tons) to the same date last year. Cuban exports to the United States up to October 15 were reported at 2,155,002 Spanish long tons (2,447,697 short tons), compared with 2,202,669 tons (2,501,839 short tons) in the similar period last year.

It has been predicted that Cuban sales this year may total 4,300,000 Spanish long tons against a total supply of 6,190,000 tons. Cuban sales for 1955, it is also thought, may total 4,500,000, with possible crop restrictions to 4-4.12 million tons, compared with 4-3.4 million tons produced this year.

There is nothing further to report on 1954 shipments to Japan, although some movement is expected in early November. Presumably the full quota of 22,500 tons, if availed of, must leave the Philippines before December 31.

1953-54 Milling. Twenty-four of the 25 Centrals have finished milling, manufacturing a total of 1,434,281 short tons. The average of juice purities for the crop was 84.47.

1954-55 Milling. Eight Centrals are now milling for the 1954-55 crop. Latest reports from these Centrals show that their total production to date is 71,687 short tons and the average of juice purities to date is 84.04.

Manila Hemp

By FRANK P. HILL

*Vice-President and General Manager
Macleod and Company of Philippines*

DURING October hemp prices moved within very narrow limits, both in producing centers and in consuming markets. Demand in Japan and Europe was fairly good but there was very little interest shown in the United States.

In Japan on October 30 MITI released the importers' allocations for the October/December period. The allocation was reduced from the previous 3-month period by approximately \$100,000 as MITI apparently felt that lower prices justified a somewhat smaller amount.

TOWARD the end of October, Dr. Otto Reinking arrived in the Philippines. Dr. Reinking is a well-known expert on the abaca mosaic disease and has had a great deal of experience in this country. He is here under the auspices of the U. S. Foreign Operations Administration and will make a survey of the present situation in Davao and Cotabato. He will work closely with the various bureaus of the Department of Agriculture with the object of seeking ways and means to implement the Abaca Zonification Law and put new vitality into the abaca mosaic control program.

THE usual statistics are given hereunder:

	Bales - January		September		Inclusive
	1954	1953	1952	1951	
Davao.....	346,647	373,322	392,211	379,501	274,897
Albay, Camarines Sur, Sogon.....	92,730	140,649	122,120	201,935	133,023
Leyte/Samar.....	95,146	81,445	89,068	132,809	89,480
All others.....	62,945	71,457	59,692	76,363	56,941
Total.....	597,468	666,873	663,091	790,608	554,341

	Exports - January		September		Inclusive
	1954	1953	1952	1951	
United States and Ca- nada.....	139,549	234,035	342,423	465,861	279,263
Continent of Europe.....	137,240	134,781	117,467	125,327	93,017
United Kingdom.....	85,742	80,804	67,878	139,965	62,391
Japan.....	157,536	187,002	126,435	101,299	55,930
South Africa.....	7,950	8,080	6,750	13,465	4,600
China.....	2,960	1,495	5,268	4,739	10,948
India.....	5,921	7,610	3,620	4,932	4,080
Korea.....	17,842	1,580	—	—	3,100
Australia and New Zea- land.....	6,264	2,200	1,350	1,900	1,731
Others.....	6,592	720	160	—	75
Total.....	567,596	658,307	571,351	857,488	515,135

Tobacco

By RICARDO PADILLA STRATEGUI
Cia. Tabacalera

NATIVE Tobacco. The October typhoon was a big setback for the tobacco seed-beds of the Cagayan Valley, especially between the towns of Tumauni and Cauayan; other districts were able to withstand the hard rain and strong winds fairly well. The Bureau of Agriculture has recommended and provided instructions for the preparation of seed-beds which will better withstand winds and floods.

There is still time to prepare new seed-beds for the next crop and farmers are eager to increase their tobacco acres due to the very good prices paid for the last crop. Prices of the 1953 crop in Manila have not varied since September; it is still too early to quote prices for the 1954 crop, but we could say that some have been quoted between

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If weather conditions prove favorable, we believe that next year's crop will be one of the largest since the war and that foreign importers will feel encouraged to place substantial orders if prices are not as high as during the last two years. All of this is important to our local tobacco as an important dollar-earning crop.

Virginia Tobacco. Some of the Virginia crop will be ready as early as January, according to data gathered by an important foreign firm which is deeply interested in the success of locally-grown Virginia. An early crop of between 55,000,000 and 56,000,000 quintals is expected from the Pangasinan, Ilocos, and La Union regions, and a later crop will increase this figure considerably. Some farmers have found difficulty in finding good Virginia seeds, but gradually this problem is being overcome. It is still too early to predict the future of locally grown Virginia, but this year's results will be very important in determining the future of a type of tobacco which until a few years ago was comparatively unknown here as a major crop.

Cigar and Cigarette Factories. The present un-stabilized situation of the Chinese retailers, due to certain new laws, has reduced the output of cigarettes of all brands, in spite of the fact that October is generally one of the best months of the year for the cigarette trade. Sales of cigars are on the increase, especially the expensive types, with the in-coming Christmas season.

Rice

By CHARLES O. HOUSTON, JR.

Director, Graduate School, University of Manila

ON the 1st of October, the rice committee appointed by President Magsaysay to establish a floor price for paddy, issued its report in which it recommended that ₱8.50, per cavan (44 kilos), was an equitable price for the staple to be paid to producers. Macan ordinario's ceiling, it recommended, should be set at 85¢ per ganta (with a possible increase to 90¢ upon recommendation of the PRISCO within 9 months). Effective January, 1955, price ceilings are to be set as follows: wholesale, macan, second class: 80¢; retail, macan, second class: 85¢; wholesale, macan, first class: 85¢; retail, macan, first class: 90¢; wholesale, elonelon or raminad: 95¢; retail, elonelon or raminad: ₱1.00; wholesale, wagwag, ₱1.05; retail, wagwag: ₱1.10. All these prices are considerably below levels which have prevailed during the past four months.

In addition, the committee defined the functions of various governmental agencies connected in one way or another with the rice industry as follows: (1) The ACCFA is to serve as a purchasing agent for the NARIC; (2) NARIC will provide warehouse facilities for rice storage for those farmers' cooperative marketing associations affiliated with the ACCFA, until such a time as the latter agency is able to establish its own warehouses, and will also purchase paddy at the newly-established floor prices from these cooperatives; (3) PRISCO will act as the distributing agency for the NARIC in all provinces; (4) Municipal treasurers (and, or their deputies) will act as agents for the NARIC, and will act as disbursing agents in localities in which the NARIC cannot operate, provided there are bonded warehouses there; (5) the Constabulary will act in cooperation with other authorities in enforcing ceiling prices and handle the security of warehouses.¹

It is immediately apparent, I believe, that this suggested program is little improvement over former similar "solutions". The NARIC will still continue to exist as a heavy drain on national wealth, confusion will soon be

¹ Cf. *The Manila Bulletin*, Vol. 160, No. 1 (October 1, 1954), p. 7-p.

come apparent over definition of "agents", as between the ACCFA and the municipal treasurers, PRISCO will assume the functions of the NARIC in distributing rice, the success of the program in areas in which the NARIC does not operate will depend upon the existence of bonded warehouses (highly unlikely under the situation at present), the Constabulary will act as enforcer (the previous function of PRISCO) and security agent, prices are set at levels which will be difficult to maintain in the face of any contingent shortage, and the basic price for palay is set too low to be of any benefit to small producers. In other words, the situation will remain unchanged, and confusion can be expected to increase.

The NARIC figured in the news again, with unnamed former officials accused (October 1), its "streamlining" ordered again by the President (October 5), its abolition recommended by the DeLeon Committee (October 6), which also suggested the creation of a "Cereal Stabilization Corporation", "with an entirely new personnel", both recommendations being approved by the President the following day (October 7), who also indicated he would ask Secretary Tuason to take steps leading to the prosecution of individuals involved in NARIC's anomalies, army personnel were assigned to the NARIC to study its operation, Government sources indicated that definite action would be taken toward the creation of this new stabilization corporation which would embody, an unnamed source said, "a completely new statistical system which will enable us to gauge more accurately... actual rice needs and production capacity..."

However, the NARIC continued to operate throughout the month, with characteristic inefficiency, and amid charges of collusion in foreign rice purchases, poor stocks, cornering of NARIC rice by retailers, crooked weights and measures used by "alien middlemen" to cheat the public, price-setting by the same, and the usual charges aired before a weary public for many years, none of them publicly substantiated by what any court would admit as reputable evidence, and all designed apparently to draw attention away from embarrassing corners.

Public attention was drawn, at the end of the month, to a proposed program to import American rice as part of President Eisenhower's program to export America's surplus stocks to countries in short food supply at very low prices (U.S. Public Law 480). Exact details on how to handle the program had not been worked out at the end of the month, although the Government expressed definite interest in the plan, and some again believed that a "solution" to the rice problem had been found.

Ibid., Nov. 7 (Oct. 8, 1953), pp. 1, 11.

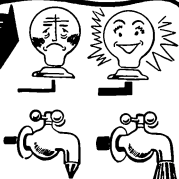
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Readers of this column may remember two recommendations made in our July issue (pp. 278-279): the establishment of regional distributing centers and the creation of pricing standards for various regions within the Philippines. This column is happy to note that at least one of these—the latter—has been adopted by the Department of Agriculture and Natural Resources, which released, on October 28, pricing standards for some 80 municipalities, for the purpose of palay purchases. The lowest was ₱7.00 and the highest ₱8.15, a cavan, with a rather complicated, and even unfair, system for pricing for those municipalities not included on this basic list. (For the list, see Manila press for October 28, 1954; in the *Daily Mirror*, page 11). At least it is a start in the right direction, but small producers are still at a disadvantage under the scale.

Most prices during the month of October remained relatively stable. In general, producers suffered a lowering of prices for their palay, and, although there was a subsequent drop in prices to consumers, it was still not equitable with the loss suffered by the former. The appearance of the new crop from Mindanao and the Bicol, and the imminent release of Pakistan stocks brought about a gradual check to the increases of previous months. For the four weeks (September 27-October 23), in the price of macan, first class, there was a net drop of 50¢ in market quotations, the level for the first week being ₱4.20 over the same week in 1953, and the level for the last week was ₱2.50 over the same week in 1953, representing a net gain of ₱1.70. Prices, same variety, a ganta, dropped at a different level; for the first week, price was 15¢ over same week for 1953, and 79¢ over 1941, and for the last week, 12¢ over same week for 1953 and 76¢ over 1941. Prices paid for palay ordinario (a cavan) represented a loss to producers: for the first week they stood at ₱2.20 over the same week in 1953 and for the last week, ₱1.25 over the same week for 1953, representing a net loss to producers of 95¢. Prices, per ganta, for palay, for the first week were only 5¢ over same period, 1953, and only 41¢ over 1941, and for the last week, no change was registered.

It is quite obvious that small producers receive less proportionately than large producers and distributors, and unless the Government is able to solve this problem of a wide spread between prices to producers and prices charged consumers, the rice problem will increase in severity. The "aliens", again, are charged with culpability in this respect. However, the true picture is enormously difficult to clarify. On Tuesday evening, October 12, at the Manila Overseas Press Club, the Town Hall Philippines brought together groups and individuals interested in the problem to listen

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to Mr. Tang Tack, Secretary General of the Federation of Chinese Chambers of Commerce in the Philippines, who spoke on "Rice, and the Chinese." In the course of his remarks, Mr. Tang mentioned that in 1954 there were 141 licensed warehouses with a storage capacity of 758,000 sacks, of which 90 were owned by Filipinos and 51 by Chinese (the former's capacity being 400,000 sacks, the latter's, 350,000). He mentioned further a report of the Central Bank which indicated that the production of paly for the year 1953 had been 11% over 1952 and 29% over 1937, and he asked, "Why the rice crisis?" To the Chinese, he said, the problem is one of distribution, not production, to which many observers would agree. No one at the meeting, including representatives of the National Rice Producers Association, the Filipino Emancipation Movement, the Philippine Economic Independence Movement, the Philippine Nationalization Movement, and others, challenged the figures of Mr. Tang, although Director Chioco of the NARIC indicated his scepticism toward all statistics, public and private, with the exception, of course, of those of the NARIC. It is to be regretted, however, that Mr. Tang was not familiar with the Chinese participation in the rice industry, and was unable to answer any of the three following questions: How many Chinese rice dealers are there in the Philippines? How much rice is handled each month in Manila by Chinese dealers (wholesale and retail)? What is the actual extent of the Chinese participation in the rice market in Manila? Had these questions been answered, and were they answered at any time, a great deal of the fog clouding this issue might be cleared away.

AVERAGE prices for the month were:

Macan, 1st class: ₱22.75. Macan, 2nd class: absent from market. Macan, new crop (Cotabato): ₱22.50. Thai, 1st class: ₱20.00. Thai, 2nd class, absent from market. Wagwag, 1st class: ₱26.50. Wagwag, 2nd class: ₱25.25. Wagwag, Cotabato: ₱23.90. Wagwag, Davao: ₱22.65. Elonelon, new, Cotabato: ₱22.90. Paly; ordinario: ₱10.62 (44 kilos—all the rest, 56 kilos).

Imports

By S. SCHMELKES
Mercantile, Inc.

ALL figures are in kilos with the exception of those for foodstuffs which are given in package units.

Commodities:	September	September
	1954	1953
Automotive (Total).....	2,389,649	1,436,807
Automobiles.....	198,540	268,968
Auto Parts.....	102,234	377,654
Bicycles.....	243	2,836
Trucks.....	60,957	128,872
Truck Chassis.....	649,315	434,217
Truck Parts.....	281,993	24,076

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Board, Fiber.....	48,521	—
Cement.....	12,302,933	173,078
Glass, Window.....	535,423	1,016,804
Gypsum.....	512,800	—
Chemicals (Total).....	6,910,234	5,972,576
Caustic Soda.....	1,177,023	743,491
Explosives (Total).....	63,045	—
Firarms (Total).....	5,560	6,639
Ammunition.....	5,556	—
Hardware (Total).....	5,286,104	3,344,132
Household (Total).....	752,430	1,019,011
Machinery (Total).....	1,888,715	1,770,988
Metals (Total).....	10,587,140	9,411,065
Petroleum Products (Total).....	69,736,285	70,097,559
Radios (Total).....	33,292	25,363
Rubber Goods (Total).....	692,371	988,640
Beverages, Misc. Alcoholic.....	5,536	2,845
Foodstuffs, Total Kilos.....	28,799,148	27,103,472
Foodstuffs, Frsch (Total).....	125,629	111,460
Apples.....	18,420	13,319
Oranges.....	9,505	15,888
Onions.....	47,459	23,285
Potatoes.....	3,530	18,770
Foodstuffs, Dry Packaged (Total).....	31,462	14,501
Foodstuffs, Canned (Total).....	439,996	395,340
Sardines.....	27,153	11,639
Milk, Evaporated.....	154,833	144,047
Milk, Condensed.....	23,478	40,488
Foodstuffs, Bulk (Total).....	623,064	550,378
Rice.....	—	—
Wheat Flour.....	590,161	519,822
Foodstuffs, Preserved (Total).....	395	5,824
Bottling, Misc. (Total).....	408,671	658,130
Cleansing and Laundry (Total).....	63,760	30,724
Entertainment Equipment (Total).....	677	343
Livestock-bulls-seeds (Total).....	268,398	114,320
Medical (Total).....	748,377	287,886
Musical (Total).....	21,319	73,924
Office Equipment (Total).....	160,020	46,629
Office Supplies (Total).....	38,468	41,009
Paper (Total).....	5,226,724	6,864,405
Photographic (Total).....	35,934	58,878
Raw Materials (Total).....	393,645	628,329
Sporting Goods (Total).....	8,027	20,502
Stationery (Total).....	188,541	170,096
Tobacco (Total).....	217,379	931,414
Chucheria (Total).....	76,137	55,501
Clothing Apparel (Total).....	375,290	600,212
Cosmetics (Total).....	16,207	30,945
Fabrics (Total).....	324,397	971,502
Jewelry (Total).....	331	21
Leather (Total).....	159,063	229,863
Textiles (Total).....	4,250,838	2,908,201
Twine (Total).....	122,520	80,508
Tools (Total).....	92,378	22,111
General Merchandise (Total).....	1,170,985	994,374
Non-Commercial Shipments (Total).....	344,619	106,132
Advertising Materials, Etc. (Total).....	190,714	13,953

Food Products

By C. G. HERDMAN
Vice-President, Marsman & Company, Inc.

THE most important event locally concerning food products during the month just terminated was the implementation on October 21 by President Magsaysay of the act of Congress eliminating the 17% exchange tax on wheat flour imports.

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There has been little or no change during October in conditions in local markets. Exact figures are not yet available but imports of wheat flour during October will approximate 1,000,000 bags. Imports of other staples, particularly canned fish, canned milk, and canned meats, continue to be well above average and stocks of all these items at present in importers' hands are more than ample.

There were considerable arrivals during the month of fresh fruits, particularly grapes from California, apples and pears from Japan, and also fairly large importations of fresh onions which, although temporarily held up by the customs authorities, have been released for consumption.

RETAILERS, particularly in the provincial districts, continue to complain of poor sales due to reduced purchasing power of their customers in general. Collections of provincial accounts continue to be most difficult.

Textiles

By A. MARGOLLES
Acting General Manager
Neuss, Hesselein Co., Inc.

OCTOBER has not witnessed any marked changes in the New York market, prices remaining steady despite the cotton crop-report issued on October 8 showing an estimate of 12,511,000 bales, which represents an increase of 679,000 bales over the September report.

The local market has been somewhat inactive throughout the month and prices have eased in some sections. The shortage of cash being experienced throughout the trade is retarding the settlement of credit obligations which in some instances are reaching serious proportions.

The Central Bank appears to have established a new policy in granting additional foreign exchange allocations and all the banks are again permitted to submit applications on behalf of their clients. These applications have to stipulate the nationality of the applicants, and include bank certifications of letters of credit opened from 1946 to 1951 and for 1953, as well as remittances in any other manner made during the same years.

Up to recently, only producers were being favored with extra quotas and the volume involved was quite substantial, but under the new policy importers are now receiving additional allocations, although in more limited quantities. It is reported that so far only Filipino importers are being favored with extra quotas, but it is presumed that genuine old-established importers, irrespective of nationality, will be accorded their justifiable share.

Arrivals during October showed a marked increase over the corresponding figures of the last few months. From the United States a total of 21,384 packages arrived, of which 9,663 were cotton piece goods; 2,305, rayon piece goods; 3,456, cotton pound goods; 2,097, rayon pound goods, and 3,863, yarns.

From other sources the total was 7,134 packages, of which 4,949 came from Japan, 1,139 from Hongkong, 751 from Europe, and 295 from India.

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Legislation, Executive Orders, and Court Decisions

By EWALD E. SELPH
Ross, Selph, Carrascoso & Janda

RECENTLY there appeared in one of the local papers an article to the effect that in the case of the Peter Paul Co. labor dispute (L-6491, October 29, 1954) the Supreme Court had ruled that article 302 of the Code of Commerce relating to one month's notice of termination of employment was still in effect. As the wage administration office had already ruled that the article had been repealed by the new Civil Code there was some confusion among employers and employees as well, as to what had actually happened. What the Supreme Court actually said (page 1 of the decision) was:

"The second question raised in this petition for review is the alleged erroneous conclusion of law made by the Court below that Art. 302 of the Code of Commerce has been expressly repealed by the New Civil Code. We see no practical need to decide this question squarely, for the reason that even assuming that the New Civil Code has not repealed Art. 302 of the Code of Commerce, as insisted by the appellant Union, the 55 employees laid off by the respondent Company on September 3, 1950, would not be entitled to the payment of one month severance pay anyway, because the Court below expressly found that they were given one month's notice before they were dismissed, and Art. 302 of the Code of Commerce requires the payment of the *mesada* only to employees dismissed without such previous notice.

In another case (Dee C. Chuan & Sons Inc. v. Nahag, L-7201, L-7211, September 22, 1954) the Court of Industrial Relations granted one month's separation pay on the ground that no notice had been given to the employees or the court of the closing of the company's retail business. The Supreme Court said:

"* * * In other words, whether the cause of the termination of the employment is the closing of the business or other justifiable cause, a laborer is entitled to one month separation pay if the requisite notice is not given him one month in advance, or his separation is made without the sanction of the court. This is in keeping with the spirit of social justice enshrined in our Constitution.

ONE of the cases (Smith, Bell & Co., Ltd. v. Register of Deeds of Davao, L-7084, October 27, 1954) recently decided seems to have caused considerable stir among the members of the Congress and there will probably be introduced in the next Congress measures to limit the term of leases to aliens. The pertinent points are covered by the following language:

"* * * A lease for a period of 50 years does not give rise to a right of permanent possession that would put the security of the country in peril; the possession will only last for the period stipulated in the contract.

"And, lastly, article 1643 of the Civil Code of the Philippines provides, in part, as follows: '* * * However, no lease for more than ninety-nine years shall be valid.'

"The contract the registration of which is the object of these proceedings, is only for a period of 25 years, renewable for another 25 years; it does not last 99 years. The contract, therefore, is in accordance with law; it is valid. Only a lease for more than 99 years is void."

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Chamber Business

By STANLEY N. FISHER
Executive Vice-President

American Chamber of Commerce of the Philippines

THE purpose of this new department is to keep all Chamber members, and any other interested readers, fully and regularly informed of the various projects, proposals and activities which the Chamber is undertaking on its members' behalf. Emphasis here, as will be noted, is on fully and regularly, for, of course, this information has always been available to any and all interested members—either brought directly to their attention through Bulletins, circular letters, and the like, or, if not, available to them in the files and records of the Chamber which are freely open to all members at any time.

In subsequent issues, "Chamber Business" will be almost exclusively devoted to reviewing the previous month's activities; in this issue, however, with the reader's indulgence, we shall extend the period reviewed back to August of this year with the thought in mind that a review of the last three months' activities, plus those to appear in November, December, and January, will form a continuous report to the Chamber membership of the steps that are being taken—by the Board of Directors, by the various standing committees, and by the Executive Vice-president and his staff, toward fulfilling the purposes for which the Chamber exists.

Noteworthy for August were the close of the Special Session of the Philippine Congress (August 3); announcement that Mr. Stanley N. Fisher would replace Mrs. Virginia Gonder as Chamber Executive Vice-President effective September 1, 1954 (actually, both Mr. Fisher and Mrs. Gonder worked in close collaboration at the Chamber all during this month in order to effect as smooth as possible a change-over); moving of the Chamber's offices from 424 San Luis to the Elks Club Building (August 20);

close of the Greater Manila Community-Chest Drive with the American Community, sparked by the Chamber's Civil Affairs Committee under Mr. R. M. Bowness, ₱6,000 over its ₱100,000 quota; and celebration of Philippine-American Day (August 13) under the joint auspices of the Chamber of Commerce of the Philippines and the American Chamber of Commerce, with the Chambers' presidents, Mr. Teofilo Reyes and Mr. Paul Parrette, serving as Joint Chairmen.

Two Chamber committees initiated new projects this month: (1) The Membership Committee, under the Chairmanship of William J. Dunn, after some months of preparation, initiated a drive for new members aimed at more than one hundred American firms in the Philippines whose operations, it was felt, would be aided by association with the Chamber; (2) The Committee on Foreign and Domestic Trade Controls, under the Chairmanship of Mr. Lee B. Nestle, undertook to secure and to collate the views of as large and as representative a group of our members as possible on Appendix "A" to the *Statistical Classification of Commodities* (a long list of commodities "proposed to be banned from importation" issued by the Department of Commerce and Industry on July 19, 1954), with the idea in mind of making these views known to the Secretary of the Department at the earliest possible moment.

Also during August, Mr. E. C. Hostman resigned as Chairman of the Committee on Industrial Relations and his place was taken by Mr. Ned Fox, the former Vice-Chairman.

At the August meeting of the Board of Directors, the following membership applications were approved: Baughman Furniture Factory, Crown Export Company,

COST OF LIVING PRICE INDEX FOR WAGE EARNER'S FAMILIES IN MANILA, BY YEAR AND MONTH, 1935-1954 (1941=100)

Bureau of the Census and Statistics

Year and Month	All Items (100)	Food (63.43)	House Rent (11.95)	Clothing (2.04)	Fuel, Light and Water (7.73)	Miscellaneous (14.84)	Purchasing Power
1935.....	89.7	89.7	96.4	89.7	85.1	90.2	1.1148
1936.....	87.4	88.3	96.6	88.4	77.5	87.7	1.1442
1937.....	86.8	86.3	96.4	88.4	82.5	89.5	1.1261
1938.....	92.1	92.1	96.8	92.2	88.8	92.5	1.0858
1939.....	93.2	94.8	97.7	94.8	84.3	92.9	1.0730
1940.....	97.3	98.9	98.9	99.0	89.9	96.7	1.0277
1941.....	100.0	100.0	100.0	100.0	100.0	100.0	1.0000
1945.....	691.5	834.3	236.4	1448.4	379.1	650.9	0.1446
1946.....	521.7	649.4	236.4	649.7	348.2	383.3	0.1917
1947.....	387.2	415.4	453.9	256.8	310.0	272.2	0.2583
1948.....	364.2	386.1	453.9	208.4	288.9	259.1	0.2746
1949.....	343.7	357.9	453.9	198.4	272.9	251.1	0.2910
1950.....	332.9	333.7	453.9	270.7	252.9	282.8	0.3004
1951.....	352.6	361.5	453.9	365.3	248.0	285.7	0.2836
January.....	347.9	355.0	453.9	331.5	249.7	285.6	0.2874
February.....	351.7	359.8	453.9	342.8	249.7	289.0	0.2843
March.....	346.4	349.3	453.9	379.4	248.8	293.6	0.2887
April.....	355.3	362.6	453.9	398.6	247.5	294.6	0.2815
May.....	359.2	367.0	453.9	410.4	247.5	300.6	0.2784
June.....	360.5	372.2	453.9	399.5	247.5	288.5	0.2774
July.....	359.0	370.1	453.9	382.0	247.5	290.2	0.2786
August.....	357.8	371.4	453.9	354.0	247.5	280.0	0.2795
September.....	356.8	369.0	453.9	356.4	247.5	279.0	0.2808
October.....	351.0	361.1	453.9	350.4	247.5	279.0	0.2845
November.....	344.1	351.1	453.9	343.8	247.5	275.8	0.2906
December.....	341.9	348.9	453.9	335.2	247.5	272.1	0.2925

NOTE: Miscellaneous was received from 1950 to May 1953 and clothing from February 1952 to May 1953.

1952.....	339.4	347.4	453.9	295.9	244.1	268.4	0.2946
January.....	342.8	350.9	453.9	330.8	247.5	269.7	0.2917
February.....	341.2	349.8	453.9	311.2	243.4	268.5	0.2931
March.....	337.9	345.1	453.9	301.1	243.4	268.1	0.2959
April.....	335.9	342.7	453.9	300.7	243.4	264.6	0.2977
May.....	335.1	341.8	453.9	293.2	243.4	264.4	0.2984
June.....	338.1	346.3	453.9	290.2	243.4	265.5	0.2952
July.....	340.4	349.5	453.9	286.6	243.4	268.1	0.2938
August.....	340.7	349.4	453.9	289.1	243.4	269.9	0.2938
September.....	341.1	350.0	453.9	287.7	243.4	270.7	0.2935
October.....	337.6	344.6	453.9	289.3	243.4	269.4	0.2962
November.....	340.5	349.3	453.9	286.2	243.4	269.8	0.2937
December.....	340.9	348.9	453.9	284.4	243.5	272.3	0.2933
1953.....	318.2	314.3	453.9	280.1	243.7	269.5	0.3143
January.....	337.3	343.2	453.9	283.7	247.4	272.4	0.2965
February.....	323.0	321.1	453.9	281.5	243.4	273.0	0.3096
March.....	318.6	314.3	453.9	281.5	243.4	272.4	0.3139
April.....	317.6	312.8	453.9	281.1	243.4	272.2	0.3149
May.....	314.3	307.8	453.9	280.9	243.4	271.1	0.3182
June.....	313.1	306.5	453.9	277.8	243.4	271.1	0.3194
July.....	316.0	311.0	453.9	277.8	243.4	269.5	0.3165
August.....	316.1	311.9	453.9	277.8	243.4	266.4	0.3164
September.....	315.8	311.6	453.9	277.8	243.4	265.6	0.3167
October.....	315.3	310.6	453.9	279.0	243.4	266.4	0.3172
November.....	315.2	310.1	453.9	280.9	243.4	267.0	0.3173
December.....	315.5	310.7	453.9	280.9	243.4	267.0	0.3170
1954.....							
January.....	311.7	304.7	453.9	279.3	243.4	267.0	0.3208
February.....	301.5	290.0	453.9	278.3	232.1	267.0	0.3317
March.....	301.1	289.5	453.9	274.9	232.1	267.0	0.3321
April.....	302.9	292.5	453.9	272.2	232.1	266.8	0.3301
May.....	309.7	302.8	453.9	272.2	235.7	266.5	0.3229
June.....	312.6	306.9	453.9	271.8	236.7	267.3	0.3199
July.....	318.6	316.2	453.9	278.5	236.7	267.9	0.3159
August.....	321.6	320.7	453.9	274.7	236.7	269.3	0.3192
September.....	321.3	320.0	453.9	271.7	236.7	271.0	0.3112
October.....	317.8	314.4	453.9	271.8	236.7	271.2	0.3147

Dave Harvey, Inc., Ginn & Company, Health Service Corporation, Security Delivery Service and Shell-Craft & Button Corporation,—active members; and Carlisle N. Plattner, associate member.

DURING the month of September, the board of Directors resumed its round of courtesy calls on various cabinet members begun last June, and visits were made to the offices of Vice-President Carlos P. Garcia (concurrently Secretary of Foreign Affairs) and Secretary Paulino Garcia of the Department of Health.

The Committee on Bell Trade Act Revision, Victor B. Smith, Chairman, finished its work on preparation of a statement of the Chamber's official stand on this matter which was sent to Ambassador Raymond Spruance for transmittal to the Department of State. Copies were also sent to Eugene M. Braderman, Chairman, Far Eastern Division, Bureau of Foreign Commerce, Department of Commerce, to Daniel

Braddock, Member, United States Delegation for Philippine Trade Negotiations, and to Col. John F. Daye, Secretary, Philippine-American Chamber of Commerce in New York. Also in connection with Bell Trade Act Revision, the article appearing in the September issue of the *Journal* entitled "Comment on Various Objections to the Bell Act" was sent to President Magsaysay in the form of a typewritten memorandum from the American Chamber of Commerce.

The Committee on Industrial Relations was kept busy during this month attending a series of public hearings held at the office of Secretary Eleuterio Adevo of the Department of Labor in connection with the development of a series of rules and regulations to implement Republic Act 1054 concerning Medical and Dental Services. The rules and regulations drafted by the Department met with considerable criticism both from business and industrial firms and from the medical profession, and, at

the end of the hearings, the Secretary indicated his willingness to consider certain counter-proposals which were submitted to him.

On September 30, the Chamber entertained its members and friends, including a large representation of the government and diplomatic community, at a cocktail party held to celebrate entrance into our new quarters in the Elks Club Building on Dewey Boulevard.

New members elected to the Chamber at the September meeting of the Board of Directors were Frawley Philippine Corporation, Novelty Philippines, Inc., and Philippine Remnants Company, Inc., all active members. Also at this meeting, the Board accepted the resignation from active membership of El Dorado Trading Company, Inc., which firm is in process of dissolution. Mr. Henry S. Thompson, President of the Insular Lumber Company of Philadelphia (ACCP active member), who was in the Philippines on a visit to the Company's plant in Occidental Negros, was a guest of the Board at this meeting; he told the Board that he believed considerable pressure would be brought to bear, in the forthcoming Bell Trade Revision talks in Washington, for any Philippine-American trade agreement to be on a uniform basis with trade agreements in existence between the United States and other countries.

ACTIVITIES during the month of October included submission to Secretary Oscar Ledesma of the Department of Commerce and Industry, on October 15, of a series of statements by interested members concerning their reaction to Appendix "A" to the *Statistical Classification of Commodities* (Items Proposed to be Banned From Import). The Chamber's Committee on Foreign and Domestic Trade Controls under the Chairmanship of Lee Nestle had carried out a vigorous campaign to secure as many and as representative statements from our membership as possible. Secretary Ledesma had previously indicated to the Chamber that the chief purpose of Appendix "A" had been to obtain reactions to it from all sections of the business community and now stated that another list, based on such reactions, would again be presented for further study and recommendation.

Other activities in which the Chamber engaged were: (1) A campaign directed toward both member and non-member firms for the purpose of increasing the use of *Journal* pages for advertising. The campaign was based on the favorable results of a General Readership Survey which gave unmistakable evidence of the high regard in which the *Journal* is held by its readers. For the record, while the campaign had some small immediate result, it is hoped that its full effect will be felt in a substantial increase in advertising contracts for the coming year. (2) At the request of Mr. Horace V. Geib, Agricultural Attaché, American Embassy, the Chamber arranged for a group of member-firm representatives to attend a meeting at the Embassy on October 21 to discuss the implications and implementation of U. S. Public Law No. 480 (Agricultural Trade Development and Assistance Act of 1954) with Mr. E. O. Pollock of the U. S. Department of Agriculture, Mr. Gordon P. Poals of the Millers' National Federation, and Mr. Richard K. Baum of the Oregon Wheat Growers' League. (3) Cooperation with Mr. Thomas J. Fisher, Manila Representative of the Foreign Claims Settlement Commission of the United States. The Chamber's voluminous files on Sequestered Bank Accounts have been turned over to Mr. Fisher who reports that they have been of great value to him in his preliminary work here. The Chamber will inform its members, by Special Bulletin, of the first steps that must be taken by those who intend to submit claims.

(Continued on page 446)

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Philippine Safety Council

By FRANK S. TENNY
 Founder and Executive Director

NOVEMBER marks the 1954 observance of National Safety and Accident Prevention Week. Most of this month's column will deal with this factor. Suffice it to say that during 1954 more attention has been directed to various safety problems than during any previous period here. The Safety Council takes pardonable pride in mentioning that, at long last and after many frustrations, a large number of its ideas have been implemented by government agencies, or adopted as fact.

Considerable credit is due the business community for these advances, in all fairness. Example: The membership of the Council doubled during the last year and now exceeds 200 leading firms and businessmen. Example: Approximately 50 firms instituted company safety programs of one kind or another during the year, many of them under Council direction. Example: A substantial number of firms sponsored some type of community safety movement, or made material contribution to such activities, during the year. Example: Many firms began to devote real attention to the functioning of their Company Safety Committees, heretofore a perfunctory operation; one important result of this has been the inauguration of Safety Contests and Safety Awards in several business firms.

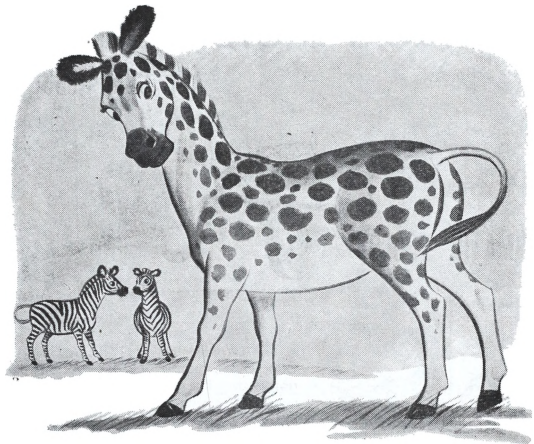
The Government indicated growing alarm over accident-prone conditions in different fields. In March, the Fire Prevention Board and the Manila Fire Department conducted an unusually energetic fire-prevention week campaign. A few months later the Safety Engineering Division of the Department of Labor made many inspections of business and industrial establishments, looking for unsafe working conditions. Only recently an emphatic campaign has been undertaken, at the order of the President of the Philippines, to enforce traffic laws and regulations. There were other instances, but the examples given mark the general trend.

As pointed out in a recent article in this *Journal*, Business stands to be among the first to profit by reduced accident rates. That this fact is recognized by most businessmen is borne out by the highly satisfactory interest taken in safety matters by their establishments. We have also mentioned the improvement noted in Government attention to safety. Additional credit can be

claimed by civic organizations, the press and radio, and the foreign-aid program of the United States. The main lack seems to be reflected from the general public itself, including labor elements. No labor group has so much as inquired about the safety movement from the Council, although it would appear that they would be vitally interested. By the same token, one needs only

to observe walking and driving practices on our streets to realize that the great mass of the populace is extremely negligent in safety matters and in obedience to regulations adopted to protect life and limb.

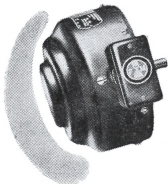
We close this commentary on National Safety Week, 1954, with the observation that although progress has been made, much remains to be done. We have "only scratched the surface" in the "national safety movement". The support of the members of the American business community has been most helpful, and is greatly appreciated.



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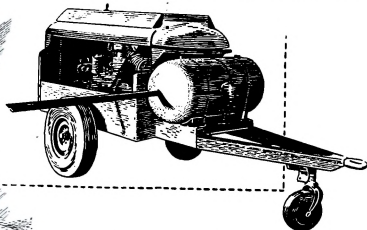
The "LET YOUR HAIR DOWN"

Column

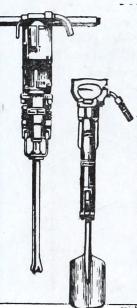
WE introduce, in this issue of the *Journal*, a new department, "Chamber Business", edited by the new Executive Vice-President of the Chamber, Mr. Stanley N. Fisher. We believe that per-

haps our readers generally, and certainly the members of our Chamber, will be interested in being more fully informed of the actual work of the Chamber from month to month than most of them, not actually

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members of the Board or of the various standing and special committees, have been so far. The editor says that he has wanted such a department from the first but was never, until now, able to make the necessary arrangements for the preparation of what is called in journalistic, "the copy". It had to be a "department", he says, and could not be the whole *Journal* because, though the *Journal* is the official organ of the Chamber, it is intended to be more than simply a "house organ" but a publication of general circulation in the Philippine business and economic field. A very satisfactory arrangement has now been made for the editing of this special department by Mr. Fisher, who, as Executive Vice-President, is always fully conversant with all the facts as to the multifarious activities of the Chamber.

In the *Journal* "make-up", the new "Chamber Business" department will be distinct from, but will regularly follow the "Business View" department and its twenty or so columns edited by Manila businessmen.

We all look forward to what we believe will be an informative and valuable new *Journal* department.

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THE following letter was received by the editor from Mr. S. Garmezy, former official of the Atlantic, Gulf & Pacific Company of Manila and also a former Director of the Chamber, now in New York City:

"On June 7, 1954, the Peoples Bank and Trust Company paid the American Chamber of Commerce of the Philippines ₱30.00 for an extension of my subscription to the American Chamber of Commerce Journal for 3 years, beginning with the May, 1954, number; that is, to May, 1957. The last number I received was May, 1954, and none since then. Will you please look into the matter? I shall appreciate receiving all the back numbers, beginning with the June, 1954, issue and all future issues until May, 1957. The magazine is so good, under your efficient management, that I miss not receiving it. My best wishes to you, and I hope you keep up the good work. Sincerely, etc."

As we have said before in similar cases, the *Journal* is mailed to subscribers every month, the addresses on the wrappers being printed by an automatic addressograph machine, the "stencils" being kept in order in a set of drawers. It is practically impossible that any subscriber's stencil could be dropped out. Mr. Garmezy's stencil was found in the proper place, the 3-year extension of the subscription having been duly noted. The only explanation seems to be that the missing copies were lost in the mail, although it is al-

most unbelievable that this could happen to the same subscriber four or five months in succession. However, we get quite a number of such complaints, mainly from subscribers outside the Philippines. Copies sent to the ECAFE headquarters in Bangkok, for instance, are being "lost" almost regularly, although there is also a certain university library in Manila that has the same trouble. All we can do is to suggest that when any subscriber fails to receive his regular copy of the month, he inform us immediately instead of waiting several months, in which case we would send him another copy right away. We express our

regrets to Mr. Garmezy and thank him for his kind words about the *Journal*.

THE editor had a letter recently from Mr. E. D. Hester, now Associate Director (with Dr. Fred Eggan) of the "Philippine Studies Program", University of Chicago, in which he referred both to the *Journal* and the editor's pre-war *Philippine Magazine* as follows:

"... We have about ten graduate students at work under Bob Fox. It would do your heart good to watch them reading our broken set of the *Philippine Magazine*. Que lastima que no se publica ahora. My set of the *Journal* which I have carefully kept... has also been of great use. We will have

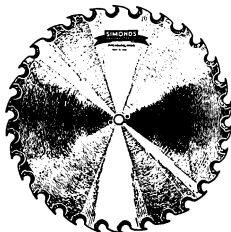
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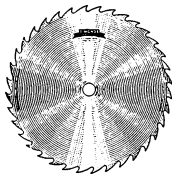
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many citations from its volumes since 1949. Your trade figures for 1953 in the May, 1954, issue are the best we have. We would like a breakdown of the P115,000,000 lumped under 'Other imports', with particular reference to foodstuffs included in this figure, if any. . ."

The editor says he will try to get this information from the Bureau of the Census and Statistics.

Chamber Business . . .

(Continued from page 342)

Dealt with at the October meeting of the Board of Directors were the following: (1) Acceptance, with regret, of the resignation of Mr. S. W. G. Lehman, Board Member and Counselor of the Chamber's Committee on Bell Trade Revision. Mr. Lehman, whose resignation was occasioned by his transfer from the Standard-Vacuum Oil Company General Managership in Manila to a new assignment in Australia, will be succeeded on the Chamber Board by Mr.

Merle S. Robie of the Columbian Rope Company, in accordance with the custom of filling vacancies by selecting the next highest name on the ballot at the last annual meeting. (2) The resignation of Mr. Lee B. Nestle from the Chairmanship of the Foreign & Domestic Trade Controls Committee was accepted with regret: the Vice-Chairman, Mr. Newland Baldwin, was appointed to succeed him. (3) Guests of the Board at this meeting were Mr. William A. Carr and Mr. William M. Thaler, officers of the American Chamber of Commerce in Japan, who were in Manila on behalf of their respective companies—The Insurance Company of North America and Omni Products, Inc. (4) Applications for membership were approved for American Steamship Agencies, Inc., and Reynolds Philippine Corporation, active members, and Mr. Harold A. Linn, associate member. Note

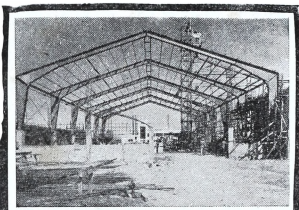
should be made that following the Board of Directors meeting this month, the Membership Committee held the seventh meeting of the year at which time plans were discussed for closing the membership drive at the end of November. Since the Committee's last meeting, Mr. Frank H. Bertell has succeeded Mr. William J. Dunn as Chairman.

Mr. Paul R. Parrette, President of the U.S. Chamber, who has been absent in the United States for the past two months, returned to Manila on November 9. The November meeting of the Board of Directors was, accordingly postponed from Monday, November 8, to Monday, November 15, and matters of interest discussed at this meeting (including the appointment of a Nominating Committee for next January's Board elections) will be reported upon next month.

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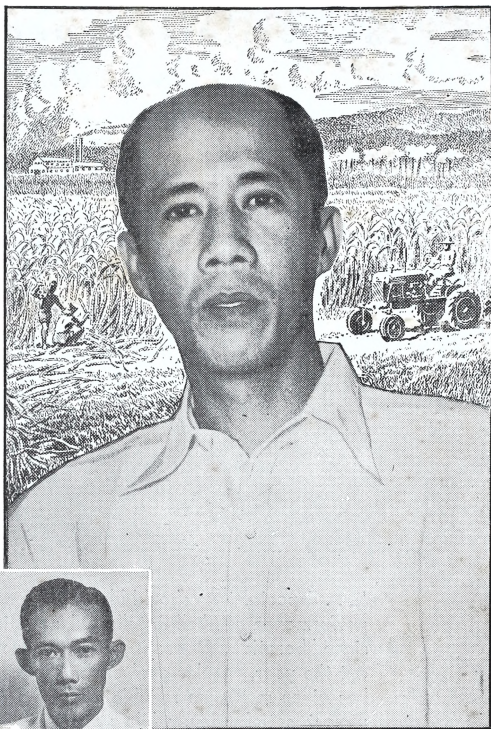
“OUR province is proud of being a big producer of sugar—one of the Philippines’ largest dollar-earning exports. Of course, it takes modern methods and continued improvement to compete with other countries in the world sugar market. But we have the men and machines to do the job.

“Take the case of two friends of mine, Eduardo Lopez and T. S. Zafiro Ledesma. Here are two men who possess a great wealth of experience and knowledge of rural conditions and problems acquired through active participation in agricultural production. In 1949, they became International Harvester dealers.

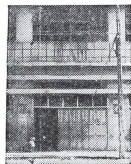
“As Harvester dealers, Messrs. Lopez and Ledesma are making a vitally important contribution to rural improvement in our area. They supply us with the modern tractors and ground tools we need to produce bigger sugar crops for our growing population and for export; also machines and equipment to help us increase our palay crops and run our mills and plants.

“Besides sugar and palay, we produce copra, fine fabrics and have extensive fisheries along our coast. So our large transportation system plays a vital role in our development. Here again, Messrs. Lopez and Ledesma do an essential job by supplying us with dependable and economical motor trucks and providing up to date service facilities. Their operations, of course, are based on International Harvester’s policy of giving rural development special priority—a policy which the company has followed throughout its 50 years in the Philippines.

“Today, our International Harvester dealership is a ready source of information on the latest methods in agriculture, industry and transportation. Messrs. Lopez and Ledesma are real assets to our province, they’re making a considerable contribution to the continued prosperity of our people!”



*Mr. T. S. Zafiro Ledesma,
Manager - Treasurer of
Lopez and Ledesma Company,
International
Harvester dealers in
Iloilo City.*



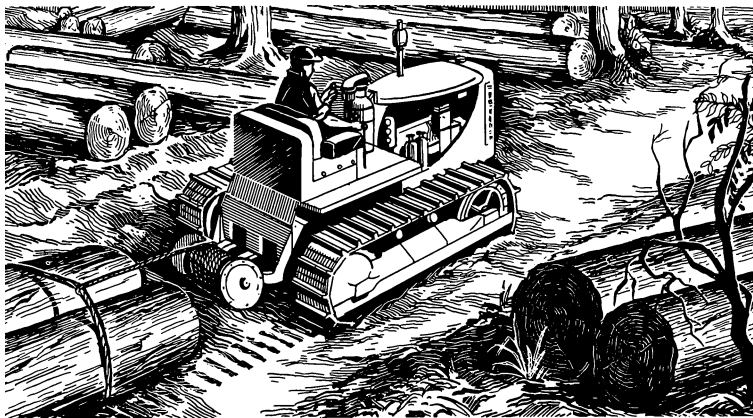
*Lopez and Ledesma Company's
base of operations
in 1949, when the
company first be-
came International
Harvester dealers.*

Governor Mariano B. Peñaflorida of Iloilo.



*Impressive, modern building is new home
of Lopez and Ledesma Company. Pri-
marily devoted to supplying International
Harvester products, Iloilo City's I. H.
dealership also provides customers with
the latest service facilities, well-manned
by trained experts.*

**"...meritorious performance
of Shell Rotella oil"**



"... Especially we should like to comment on the meritorious performance of Shell Rotella Oil used in our logging tractors, since liberation. Operating under arduous conditions throughout the year, regular analysis has proved that your Rotella Oil has given maximum reliable and long lasting service to our utmost satisfaction, while your Shell Unedo Grease No. 1 has matched this achievement in every way."

STA. CECILIA SAWMILLS, INC.
(Sgd.) TOMAS MORATO, Jr.
Assistant Manager



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