

• Forestry in the News •

*Specially prepared for the Manila Times by
"The Economist" Intelligence Unit of London*

T I M B E R

The American economy is becoming increasingly difficult to analyze. On one side inflation still seems to be the guiding force. The general level of prices continues upwards and consumer spending shows no signs of decline. And investment in capital goods is proving a powerful buttress for the economy, which is reflected in the steady rise in bank loans this year.

But there are weak spots which could easily turn into a recession. For example, the last has not been heard of the downturn in the American motor industry. As the year goes by, it must surely have some effect both on consumer outlays and on other major industries.

Also, sales of furniture and home furnishings have started to fall. While in the first four months of this year deliveries of wood furniture were 18 per cent higher than twelve months ago, deliveries in May this year were 14 per cent lower than in May, 1955. Leading manufacturers are watching the situation closely for any incipient recession. The source of the trouble is at the retailers' level. Furniture production is certainly increasing but retailers are taking advantage of this situation by buying only for immediate needs and reducing their possible levels. Sooner or later manufacturers will be forced to cut their output.

Meanwhile, there is good news from the building and construction industries. It has been estimated that a new record will be reached this year in construction activity for the eleventh year in succession, in spite of an expected decline in residential building of about 7 per cent. In fact, non-residential building is scheduled to rise 10 per cent during 1956. Even with housebuilding, the decline will not be as great as had been thought earlier; the industry has suggested that work will be started on 1.1 million to 1.2 million new houses this year, compared with just over 1.3 million last year.

What can be deduced from all these divergent factors? Clearly, the prospects for timber consumption for the rest of this year depend on movements which are outside the control of the timber using industries and at this point in time the dividing line between inflation and recession has become very narrow and the economy could move either way in the coming months. Thus, while the present demand for timber in the United States remains high, the outlook is still uncertain.

And in Europe little change

In Europe, and especially in the United Kingdom, gloom prevails. Imports of hardwood into the United Kingdom in May were slightly over 2.2 million cubic feet compared with nearly 2.5 million cubic feet in May 1955. Furthermore, the general opinion among British hardwood importers is that the overall level of hardwood trading will be depressed for most of this year. The recession in the furniture industry, added to the decline in other timber consuming industries, does not inspire timber traders with much hope, for this year at least.

In recent weeks importers have also been influenced by the government's decision to release 1.8 million cubic feet of hardwood from the strategic reserve of stocks. The trade's response has been surprisingly good and it is understood that acceptances are much higher than was the case in the sale of government stocks of softwood. There is little reason to suppose that business conditions will alter much in the next few months. July and August are traditionally quiet months in the timber markets, but in former years some improvement was always looked for by the beginning of the autumn. This year it would perhaps be too optimistic to expect any substantial recovery until almost the end of the year, if then.

However, the trade is already looking to 1957 for a revival of its fortunes. By then, it is argued, there should be an improvement in the flow of goods from the factories and existing stocks in manufacturers' hands will have been run down, leading to increasing demands on timber suppliers.

Elsewhere in Europe the situation remains much as before. Producers and shippers are keeping their prices firm in the hope that a time will come, sooner or later, when British importers need supplies urgently. Also, British buyers are suffering from a feeling of frustration because other continental buying countries seem able to offer higher prices than the United Kingdom importers. Hence the general firmness of prices.

Freight rates increased

The news that the Far Eastern Freight Conference intends to increase the general level of freight rates by 15 per cent from September can only be a further source of anxiety for the European importer. This move will affect the shipment of timber from Japan, Malaya, Sarawak and Siam, and many importers regard this increase as excessive. In fact, British importers, looking ahead, and realizing that future purchases will have to include

these additional freight costs revising their ideas about the prices at which they can dispose of their existing stocks.

Atlantic freight rates are also moving upwards again, earlier than expected this year. The severe winter in Europe has resulted in the import of larger quantities of grain into European countries to offset losses of crop incurred during the winter and the demand for American coal continues to be strong. Thus, shipping generally has returned to a more normal level after the setbacks of the earlier months.

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DAGUPAN LUMBER WORKERS STRIKE

Workers at the Carried Lumber Company at Dagupan City affiliated with the Dagupan City Lumber Employes Union-PLUM struck yesterday afternoon, PLUM headquarters announced last night.

Atty. Vicente A. Rafael, PLUM national coordinator, said that 300 workers of the lumber company walked out in protest against alleged violation by the management of a working agreement.

Lorenzo O. Jaravata, president of the striking union, said that since May the union has been protesting against the management's alleged disregard of the union shop and closed shop provisions in the working agreement and the carrying on unfair labor practices by some Chinese supervisors against the union men.

The PLUM affiliate charged that 29 union members were dismissed last June despite their long service of the company. These workers, according to the strike leader, have been replaced by non-unionists.

Rafael claimed that Ben L. Chuy, manager of the strikebound lumber firm, ignored the union's protests and refused to grant wage adjustments.

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BAGUIO FORESTRY INCOME REPORTED

Local forestry income from timber charges and other sources during the 1955-56 fiscal year registered an increase, according to the annual report of district forest officer here to the Director of Forestry.

The report, which was prepared by District Forester Edilberto Madrid indicated a total collection during the preceding fiscal year in the amount of ₱228,706.38, as against ₱195,906.58 last year, or an increase of ₱32,799.80.

The hike in the forestry income was due to the accelerated activities of sawmills and timber operators in Mt. Province to meet the mining and construction requirements both in the public and private construction fields.

There was registered during the fiscal year under review a total timber cut of 105,949.95 cubic meters, compared to 97,456.16 cubic meters

during the preceding fiscal year. A marked increase in firewood and other ordinary minor forest products cut in Mt. Province was also noted in the report.

Madrid cited in his report disturbance in certain areas in the province such as hold-ups, which were frequent in the municipal districts of Sabangan, Kayan, Bauko, all within the subprovince of Bontoc. Illegal cutting of timber in and around Baguio is being checked to maintain the natural beauty of the city as a tourist center.—*Manila Times*, July 31, 1956.

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FOREST RESEARCH BODY DISCUSSED

Implementing details for the creation of a forest products research institute under the University of the Philippines as provided in Reorganization Plan No. 77 were approved at last Tuesday's meeting of the Government Survey and Reorganization Commission. Rep. Isidro C. Kintanar, task force chairman on agriculture and natural resources, explained the implementation report to the commission.

The forest products laboratory and the forest products research section of the Bureau of Forestry shall be abolished and their functions transferred together with appropriate personnel, appropriations, property, equipment, and records to the new institute.

This institute will answer the need for an objective organization to study and recommend the effective utilization of all forest products and their by-products and to give encouragement for the development of wood and lumber industries.

Its organizational structure includes the following sections: on mechanical properties; quality evaluation, machining and selection; physical properties and seasoning; preservative treatment; wood structure museum and herbarium; veneer, plywood and gluing; minor forest products; and pulping and wall-board studies.

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FORESTRY CIRCLE MAGAZINE OUT SOON

The "Forestry Panorama," a magazine published as a public service by the Forestry Circle, Inc. will come out in August 2 with articles regarding logging and lumbering.

It will also include logging methods under sustained yield, revised grading rules for Philippine logs, grading rules and regulations on the measurement and inspection of Philippine lumber; comparison of the three scales such as the Brereton, the Doyle-Scribner and the Bureau of Forestry scales; weight of some Philippine woods; stresses of Philippine commercial timbers; allowable unit working stresses, and durability classification of Philippine woods, and other matters which are use-

ful to the timber and lumber businessmen, and students.

The publication is edited by Estanislao B. Samonte, c/o Bureau of Forestry, 354 Juan Luna, Manila.—July 28, 1956.

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POSSIBILITIES OF PI LUMBER EXPORT CITED

(Mr. Mañalac president of the Davao Lions Club and treasurer of the Producers and Exporters Association of the Philippines, is now in the United States as official delegate of the Philippine Lumber Producers Association at the annual convention of the Philippine Mahogany Association at White Sulphur Springs, West Virginia. He also carries a mission on export promotion from the PEAP.)

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By GAUDENCIO S. MAÑALAC

There is not even the slightest push needed to catapult the export of Philippine mahogany products into the United States to over the \$100 million level if Philippine lumber producers would start setting the industry in such a manner as to meet the demand, both as to quantity and quality.

Any protracted delay in meeting this demand may prove fatal to the Philippine lumber industry, as American importers, in their anxiety to meet market requirements, are slowly looking towards South Africa, Honduras, Nicaragua, and even Borneo for their wood products requirements. Everywhere the clamor is for more supply of Philippine mahogany logs, lumber and plywood, and what are we going to do about it?

At current level of consumption vis-avis production, the United States imports about 3.5 billion board feet of lumber yearly, of which only about two per cent is supplied out of Philippine mahogany. Of this supply, ironically enough, about 65 per cent is supplied by Japan out of lumber and plywood manufactured from the logs shipped to that country from the Philippines.

Several reasons point to the certain fact that this demand may even soar in the year ahead:

1. Hampered by unfavorable weather, production of lumber in the United States may even be less than the record 39.1 billion board feet produced in 1955 this year, as against the consumption of about 43.5 billion board feet for the same year;

2. Construction industry report foresees a total 1955 spending of about \$44.5 billion or \$1.5 billion more than 1955;

3. Boat building for sports may reach up to \$22 billion and the use of Philippine mahogany in this line is greatly desired;

4. Furniture manufacturing may consume about

three billion board feet of lumber and may be doubled in the years ahead if this industry could make homemakers conscious of the need for more attractively designed furniture to replace their obsolete pieces;

5. The phenomenal growth of the TV industry calls for the production of more TV sets, and Philippine mahogany is highly adaptable in the construction of TV cabinets.

I was even told that an architect in Houston, Texas, always names Philippine mahogany in his specifications of construction materials.

Japan in 1955 exported a total of \$30 million worth of Philippine mahogany products to the United States manufactured out of the logs shipped to that country from the Philippine export to the United States on the other hand, including plywood, is even slightly less than 35 per cent of that figure. Based on potential demand, the volume and value of this export item to the United States may be increased to about three to four fold as to bring it to the \$100 to \$150 million level.

The door to making the Philippine lumber industry a potent factor in improving the country's economy is thus wide open and it is now up for us to lay the grounds to meet the challenge.

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WOOD CARVERS IN NORTH FEAR END OF INDUSTRY

According to the observations of Commerce Undersecretary Perfecto E. Laguio in his recent survey of the wood-carving industry in the mountain fastnesses of Benguet, Bontoc, and Ifugao, the industry might soon die out because the hardwoods they use in making their carvings were being fast depleted from indiscriminate cuttings.

The natives of these places pointed out that there were only particular kinds of wood which can be used for carving, but these are cut down without being replaced. These woods are "dao", *sangilo*, *culasi*, *batikuling*, and *tabangouen*.

The Philippine exports of local wood carvings during the year 1955 amounted more or less to ₱20,000 of which the greater bulk of these exports were sent to United States, Hawaii, Guam and other American insular possessions, while an inconsiderable portion went to Hongkong, Burma, France and Japan.

Wood carvings are mostly produced locally in Mt. Province and Laguna. Although the industry could not be subject to mechanization and standardization because it is a work of art and each carver has its own peculiar technique and style, the cutting of trees and sawing of trunks through the use of machines, however, would save much time and increase the output.—*Manila Times*, July 12, 1956

P.I. LUMBER PRODUCERS URGE FREIGHT RATES CUT

Antonio de las Alas, president of the Philippine Lumber Producers' Association declared that the American market for Philippine mahogany should be expanded further to increase the lumber trade between the Philippines and the United States.

He said that he had instructed Gaudencio S. Mañalac, representative of the association to the annual convention of the Philippine Mahogany association in Green brier, White Sulphur Springs, West Virginia to submit on the convention floor important matters that would affect the Philippine lumber trade with America.

According to de las Alas, the attention of the convention should be called to the need for a reasonable reduction of freight rates from the Philippines to the United States.

The lowering of freight rates, he said, would afford greater incentives to producers and exporters to ship mahogany to the United States.

The lumber association president disclosed that one of the main reasons for diverting logs to Japan was the readiness of Japanese importers to accommodate and absorb all kinds of Philippine grades. The technical experience and resources in America could be availed of to increase the use of lower grades should the convention take up the question of developing the market for lower grades of Philippine logs and lumber so that lower grade will not be left to be disposed locally or through other channels. This discourages exportation of P.I. lumber to the United States.

He suggested that other terms to designate Philippine woods other than "Philippine mahogany" should not be tolerated as it name for Philippine wood products and in order to assure to the consuming public the quality of "Philippine Mahogany" shipments should be secured directly from Philippine sources.—*Manila Times*, July 12, 1956.

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MAÑALAC GUEST OF LUMBERMEN

Gaudencio S. Mañalac, prominent lumberman was the guest of honor at a dinner of the Philippine Lumber Producers' Association held at the Philippine Columbian Club last October 8, 1956. Mr. Mañalac is the first and only Filipino individual member of the National Hardwood Lumber Association in the United States which promulgated rules and regulations on the classification and distribution of Hardwoods in the United States and Canada. He is also the treasurer of the Producers' and Exporters' Association of the Philippines.

He spoke on the danger signs of the Philippine lumber industry and elaborated on the con-

troversial portions of his report to the Philippine Lumber Producers' Association.—*Manila Times*.

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ALAS INSTRUCTS DELEGATE TO PI MAHOGANY MEET

Don Antonio de las Alas, president of the Philippine Lumber Producers' Association, in implementing the decision of the board of directors of said association formally instructed Gaudencio S. Mañalac, representative of the lumber association, to submit for discussion at the floor of the convention the following matters, that are of vital interest to the U.S.-P.I. lumber trade.

(a) *Reasonable reduction of freight rates from the Philippines to the United States.* The lowering of freight rates from our country to the United States will afford producers and exporters greater incentives to export Philippine mahogany to the United States. The unreasonableness of the freight charges can be compared with the relatively lower rates from Japan to the United States.

(b) *Marketing of lower grade lumber in the United States.* The Association have always advocated the development and expansion of the United States market for lower grades of Philippine logs and lumber. The limited preference by the American importers to high grade species, leaving the lower grades to be disposed locally or through other channels, has actually discouraged exportation of our lumber to the United States. It must be observed that one of the main reasons for diverting logs to Japan is the readiness of Japanese importers to accommodate and absorb all kinds of Philippine grades. The technical experience and resources in America could be availed of, to augment further use and utilization of our lower grades.

(c) The attention of the convention should be called to the necessity of undertaking a more aggressive and progressive campaign for the preferential acceptance by the American market of Philippine mahogany, this notwithstanding our inability to supply steadily the demands of the American market.

(d) There should be a continuous insistence on the use of "Philippine mahogany" as a nomenclature of all Philippine woods that are presently entering the United States. The use by certain elements of terms to designate Philippine woods other than "Philippine mahogany" should not be tolerated as it will put to naught all previous efforts to protect this time-honored name for our wood products. It may be suggested in this connection that shipments as much as possible should be secured directly from Philippine sources, so that the quality of "Philippine mahogany" may be assuredly given to the consuming public.

The lumber association believes that the American market should not only be preserved for Phil-

ippine mahogany but should be expanded further to augment the lumber trade between the Philippines and the United States.

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PLYWOOD ACCOUNT BOOKLET RELEASED

A new accounting pamphlet outlining a simplified cost system designed specifically for use of the domestic plywood industry has been prepared by the accounting department of the Industrial Development Center.

Plywood manufacturers and prospective investors in the industry are invited to call on the Center to get copies of the accounting outline.

The brochure presents two alternative cost schemes easily adaptable to the needs of plywood manufacturing firms in the Philippines. They are: (1) A "primary cost system" which is a very simplified procedure of keeping check on the cost factors once a year or whenever a company closes its books; and (2) A "conventional process cost" system—a more detailed and effective method—which allows for intermittent check on all elements of cost as frequently as thirty-day periods.

This second system permits departmental analysis operational costing, and control over all aspects of the business to a degree that the manufacturer can anticipate his costs and conditions that control costs. This system is deemed to be far more suited to the needs of the plywood manufacturing community.

The cost system for plywood is the first of a new series of IDC accounting pamphlets tailored to a particular sector of industry.

IDC's accounting services to the manufacturing community is an important component of the industrial promotion activities of the Center, which is a joint project of the National Economic Council and the International Cooperation Administration. The objective is to foster "cost consciousness" in the thinking of manufacturers and businessmen and to develop modern and effective techniques of controlling manufacturing costs.

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BENDETSSEN ON P.I. FORESTS

Bases negotiator Karl Bendetsen, who is connected with the forest industry in Minnesota, Michigan, New York and Maine, told the "business forum of the air" Friday evening that the greatest misconception in the industry was the view that the answer to conservation of forests is reforestation.

"Conservation is not based on reforestation," he added. He expressed the view that reforestation can only be properly used as a means to replace that which has been wasted.

Bendetsen deplored that timber was being regarded as something different from other crops.

He said timber should be husbanded, conserved and treated as a crop.

He said clear cutting was a wasteful practice. Each tree, he added, must be regarded from the viewpoint of whether or not it is mature.

In advocating selective cutting, Bendetsen said this practice requires no great deal of training and would be less expensive in the long run.

Manila Daily Bulletin.—October 22, 1956.

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OLDTIME FORESTRY EXPERT RETURNS TO FINISH JOB STARTED IN 1905

By LAURENCIO ZABALA

Given a little more time and a helping push, an American oldtimer may yet finish a job he began half a century ago to make Philippine forestry one of the biggest dollar-producing enterprises.

All Prof. Hugh Curran is waiting for now is President Magsaysay to say, "Go ahead!" and possibly substantial financial and material help from a big foundation from the United States.

Prof. Curran's as yet unfinished job deals with the forestry service which he had set up with the help of two American forestry experts—Dr. H. N. Whitford and Dr. Ford W. Foxworthy—way back in 1905.

As one of the founders of the forestry service, now known as the bureau of forestry, Prof. Curran surveyed large tracts of forest lands all over the country and then set about finding ways of preserving them.

His job was interrupted in 1912 when he was called to Argentina to establish a similar forestry service there. It was not until 1929 that he was able to come back, but most of his work then had to do with teaching Filipinos about tropical forestry in the School of Forestry in Los Baños.

Now back again after a forestry job in Venezuela, Prof. Curran has been gathering together old associates, mostly American oldtimers, in a bold attempt to set up the largest university in Mindanao for the study of forestry.

To start the program, Prof. Curran is seeking an "endowment of forest lands" in Mindanao from President Magsaysay where the educational institution could be established.

Not only will the forestry university deal with instruction of students, but it will also be a center of forestry research to find ways of preserving forest lands, particularly in the Philippines where forests are being depleted slowly.

According to Prof. Curran, forest lands that could have been the stabilizing factor in balancing the country's economy were being cleared right and left to give way to agriculture.

"Great areas once green with trees, in Luzon, Negros, Cebu and down to the Mindanao, are now ghosts of their former selves, the 80-year-old pro-

fessor and pioneer in Philippine forestry service said.

"Had these areas been kept permanently as forestry areas, the Philippine government could have brought in millions of American dollars, he said.

Instead, according to Prof. Curran, the Philippine government had allowed the deforestation of these lands to give way to agriculture which is hardly the answer to the economic problem of the country.

"People say the lands are better for agriculture and not for forestry but that is hardly true," the professor said further. "Those lands can be more profitably used as forest lands."

What Prof. Curran proposes to do is this:

After establishing the university of forestry, faculty members will instruct students on various aspects of cultivating forests by a process called tree farming.

All qualified forestry experts will be assembled in the university to make an extensive study of problems of forestry, including making researches.

The university will be a center of forestry research in all Asia and the Far East, and a big botanical garden will be set up to be planted with forest products from different countries in this region.

"Of course, the first big problem is to develop ways to stop fires," he said.

With the establishment of the school, Prof. Curran expects that forest lands in the Philippines already depleted by *kaiñgins* can be reconverted to forestry with modern methods.

One method he expects to introduce is the way of planting trees from the air. The system involves the use of a light plane which will scatter seeds of trees as it flies over forest lands.

"You don't need to go about planting trees," he said. "All you must do is get an airplane and scatter seeds as you go over forest lands."

The aged forestry expert has been in the country for the past two months, visiting associates and making a survey of forest lands.

"From what I saw," he said, "a great deal of waste had been made by trying to convert forest lands to agriculture."

Among rich forest lands already laid to waste, Curran mentioned highlands in Luzon, particularly Mindoro, the once lush forest of Negros and those in Mindanao.

A graduate of forest engineering, Curran was first employed with the United States forestry service before he came here in 1905. The Philippine forestry service he helped to set up is the forerunner of the now bureau of forestry under the department of agriculture.

While most of his work in forestry was in the Philippines, he had also set up forestry service

in Argentina, helped private lumber firms in Brazil and lately performed a survey of forest resources in Venezuela.

But he considers his most important achievement to be that of setting up the forestry university and botanical garden for the tropics in Mindanao.

For this job, probably the last he will do, Curran has enlisted the help of his associates and is seeking the endowment from President Magsaysay. "The site of the school might be in the vicinity of lake Lanao," he said.

Curran plans to seek the help of a big foundation in the United States that will provide the operating funds for the school.—*Manila Bulletin*, September 19, 1956.

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PI NO LONGER IMPORTING PLYWOOD BUT EXPORTS STILL TINY COMPARED TO JAPAN'S

Newly compiled statistics disclosed that the Philippines, long a plywood importing country, had ceased to import the commodity since 1954-55 but showed exports of the item to the United States still puny to exportation of Japanese origin.

These facts were brought out in a comprehensive statistical brochure on the Philippine plywood industry which is being distributed free by the industrial development center.

Prepared by the survey and research department of I.D.C., the 50-page pamphlet tells the story of the forward march of the domestic industry to a commanding position as one of the fastest growing dollar earners for the country.

Unprecedented rise in production is indicated in a five-year review of comparative production figures reported by seven out of eight existing plywood plants, indicating an increase in combined production from 31,894,552 square feet in 1951 to 97,497,965 square feet last year.

The brochure shows by statistical count how the Philippines, long a plywood importing country, had ceased to import the commodity beginning the 1954-55 period. Thus, while the country imported 6,800,318 square feet of plywood during 1949-50, the import figures showed consistent declines during the next six years until it was down to nothing in 1954-55.

On the other hand, Philippine exports, which totaled only 207,946 square feet in 1949-50, soared to 7,289,261 square feet in 1954-55.

One disheartening factor, however, was echoed in the export figures. It was the puny size of Philippine exports to the United States market compared with exports of Japanese origin. Thus, in 1954, out of total U.S. imports of plywood amounting to \$33,022,381, the Philippine share of the

market was only \$118,908, against Japan's \$16,666,239.

The pamphlet said six more plywood plants are being installed. This will bring to 14 the total number of existing plants in the Philippines.

The I. D. C. report carries valuable market data and informations and other economic statistics regarding the plywood industry which are expected to be of considerable interest to domestic manufacturers and prospective investors.

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Manila Bulletin, August 10, 1956.

TAIWAN TO IMPORT P.I. LOGS, FIBER

The foreign exchange and trade control commission of Formosa has included in its import budget the purchase of Philippine logs, ramie and abaca for September and October of this year, according to advices received by the department of commerce from Domingo T. Reyes, commercial attache to the Philippine embassy in Taipei.

He reported that \$10,000 was allotted for the purchase of ramie and abaca, and \$200,000 for lauan logs.

The department said Philippine export of logs and lumber to Taiwan last year amounted to \$1,106,288 and manufactured abaca together with abaca rope totaled P64,675.—*Manila Bulletin*, Sept. 25, 1956.

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LOGGERS HIT NEW C.B. REGULATION

Local loggers have expressed fears that the new Central Bank regulation providing for a general scale of the price of logs exported to Japan will prove disastrous to them.

In a conference the other day, the loggers said this regulation will make the Japanese log buyers shy away from buying logs from this area, which are of inferior quality than the logs in northern Mindanao, particularly in Agusan.

They claimed that the Central Bank based this price scale on the price of Agusan logs. During the conference, they decided to form an association to protect their interests.

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EMPLOYEES AWARDED SHARES OF STOCK

Vicente Araneta, president of G. A. Machineries, Inc., awarded stock certificates recently to 31 employees of the firm for their "exemplary record high efficiency rating and loyalty."

Araneta said this was the second time this year that employees of his firm were awarded certificates of stock in appreciation of their services to the company.

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ALAS P.I. DELEGATE TO TIMBER MEETING

The Philippine Lumber Producers association announces that Antonio de las Alas, president of the organization, has been officially designated to

represent the Philippines at the fourth All Australia timber congress to be held in Sydney, Nov. 12-18.

De las Alas was invited by the Australians to act as "guest chairman" of the timber congress next Nov. 14. As "guest chairman," he will be one of the principal speakers during the convention. He will also submit a paper on "The international aspect of the Philippine wood industry."—*Manila Bulletin*, October 16, 1956.

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MAÑALAC WARNS ON JAPANESE PLAN TO CONTROL LUMBER MARKETS, INCLUDING P.I.

A ranking Filipino lumberman warned last night that the Japanese were conducting a systematic program aimed at controlling lumber markets, including the Philippines.

Gaudencio S. Mañalac, president of the lumber firm bearing his name, told a dinner meeting given in his honor that the Japanese map out their trading activities with the keenness and precision of a military strategist.

Addressing officers and members of the Philippine Lumber Producers association which he represented in a mahogany convention in the U.S. recently, Mañalac disclosed that Japanese lumbermen have divided the world lumber market into zones, each zone assigned to a lumber trader or group of traders to cover so that through the artificial interplay of supply and demand prices may be stabilized for the benefit of Japanese lumber exporters.

Along this line of strategy, he continued, the Japanese lumber traders have divided the Philippines into zones for log sources, each zone assigned to a particular buyer to avoid competition among themselves and control the cost of procurement.

Mañalac, who returned recently from a survey trip to the United States and Japan, reported that Japanese lumbermen were mulling over these questions:

1. If the Philippines can develop the production of lumber and plywood to such a level that it can meet the demands of the American market directly, will it not result in the drastic diminution of Japanese exports of these products to the North American continent?

2. If the Filipinos succeed in establishing band sawmills, veneer and plywood plants to process logs locally, will the Philippines still continue to supply the Japanese mills with the much-needed round logs?

Japanese lumbermen, he said, have these two questions uppermost in their minds and are now taking the necessary steps to maintain their security in the world lumber market.

Mañalac said Japanese foreign officials and

businessmen are now conducting an extensive and intensive research and investigation of the Philippine forest resources and lumber industry. "For all we know," he added, "the Japanese may know more about these matters than Filipinos do."—*Manila Bulletin*, October 9, 1956.

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PROFESSOR CURRAN STRESSES REFORESTATION NEED

Prof. Hugh Curran, technical adviser on forest investigation of the Ministerio de Agriculture de Venezuela, underscored the necessity of bringing back forest crops to the vast cogen and barren areas which he observed during his tour in Mindanao and Luzon where forest destructions, particularly in the Mountain Province, have started to have their adverse effects felt on the country's climate and agriculture.

The American forestry expert made his observation in the get-together party given in his honor by the Society of Filipino Foresters last Monday at the bureau of forestry. He said that a Tropical College of Forestry could be established in a site along Dapao Lake, Lanao, a spot that could be made one of the best tourist attractions in the world if fully improved because of its wonderful scenery and climate.

The proposed site has an elevation of 2,500 feet above sea level surrounded with virgin tropical forest and a vast area for practicing diversified agriculture. The 82-year old forestry veteran who is accompanied by his son Curran, Jr. first came to the Philippines in 1904. He worked on survey, inventory and forest map of the forest resources of the islands and made the most collections on botanical and wood specimens. In 1910 he located Mt. Makiling in Los Baños as the site of the present College of Forestry, UP where he became a faculty member for several years. He left the country in 1945 to serve the Venezuela government and came back last month for a visit. Among his hosts was forestry director Felipe R. Amos, president of the society.

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N.E.C. RECOMMENDS PRIORITIES FORMULA, CALLS CONFERENCE ON FOREST PROBLEMS

The National Economic Council has recommended to President Magsaysay the approval by the cabinet of its industrial priorities formula which was transmitted to Malacañang earlier this month.

The N.E.C. recommendation was made after study of a recent cabinet policy, limiting allocation of foreign exchange to new industries using 60 per cent of their raw materials from local origin.

Senator Gil J. Fuyat, N.E.C. presiding officer, said the industrial priorities formula adopted by the council takes into consideration the dollar ex-

penditures for imports as one of its factors. He indicated that all other considerations being equal, a project that requires more dollars for imports of raw materials and other supplies, under the N.E.C. method employed, would be in the lower priority rating of industries.

Puyat, in his letter of transmittal to Malacañang, pointed out that in effect, the priority formula will show which projects will generate for the country the highest measure of social benefits, and for this reason, will deserve priority consideration in the allocation of scarce resources and, in appropriate cases, may be extended government assistance or protection.

During its meeting Tuesday, the N.E.C. also discussed the advisability of adopting safeguards against the drain of forest resources of the country. The council heard N.E.C. member Daniel Aguinaldo's recommendations on the matter, as follows:

1. That existing regulations of selective logging be strictly enforced.
2. That more liberal dollar allocations be made for all kinds of wood-working machinery.
3. That liberal credit policies of the R.F.C. and the P.N.B. be allowed for wood processing industries.
4. That the bureau of forestry be requested to define what are the permanent forest areas in the country, and to require concessioners of such areas to reforest the area within a given period after cutting the logs.
5. That there should be gradual imposition of export tax on logs, or as an alternative, that the present export inspection fee on certain types of "peeler No. 1" and "veneer No. 1" be increased.

Aguinaldo told the N.E.C. members that in order to implement a requirement for concessioners to shoulder the responsibility of reforesting their areas, timber licenses should be granted on a long-term basis, preferably for a period of 50 years, renewable for a similar period provided the concessioners comply with the requirement of reforestation. He explained that under the present system of allowing licenses for only one year, the concessioners have no incentive for reforestation, of the area, since they face the uncertainty of having their concessions extended.

Aguinaldo also counselled the N.E.C. members to study additional safeguards for the conservation of forest resources for nonconstruction purpose, such as timber used for pulp and paper making.

Puyat directed N.E.C. executive director Andres O. Hizon to hold conferences with representatives of the bureau of forestry, the Industrial Development center, lumber and plywood manufacturers and exporters, and the department of public works and communications.

Hizon indicated he would look into the basis of some reports that because of the fast deforestation in many areas in the Pihlippines, the annual seasonal floods have increased ia volume, necessitating the building of higher and better-reinforced bridges.

Hizon was also asked by Senator Puyat to direct the N.E.C. office of statistical coordination and standards to look into the accuracy and reliability of statistics on the forestry reserves, and statistical data on logging and lumber activities coming from different sources.—*Manila Bulletin*, September 15, 1956.

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LUMBERMAN LEAVES ON WORLD SURVEY

Brigido R. Valencia, third vice president of the Producers and Exporters Association of the Philippines, left last Monday for Tokyo on the first leg of a worldwide business trip.

He is carrying a mission from the P.E.A.P. to study markets abroad for Philippine export products.

His itinerary includes Hongkong, Bangkok, Rangoon, Karachi, Beirut, Rome, Geneva, Madrid, Frankfurt, London, Amsterdam, New York, Chicago, San Francisco, Seattle, Honolulu and back to Tokyo before Christmas.

Valencia is one of the biggest producers and exporters of logs in the Philippines, exporting principally to Japan. He is the head of Mindanao Lumber Co. and B. R. Valencia and Co.—*Manila Bulletin*, October 11, 1956.

* * *

CATTLEMEN DENY ROW WITH SETTLERS

The Philippine cattle raisers association has denied reports there's a conflict between the stockmen and the settlers", according to Rep. Mateo Pecson, association president. Cattle raisers are not interested in agricultural land where they know cattle will not thrive well, he added.

Former agriculture secretary Mariano Garchitorena said there should be no such a conflict when "there is no urgency to occupy everything."—*Manila Bulletin*, October 11, 1956.

* * *

MAÑALAC TO SPEAK AT LUMBER MEETING

Gaudencio S. Mañalac, ranking lumberman, will be the guest of honor at a dinner of the officers and members of the Philippine Lumber Producers' Association at the Philippine Columbian club on Taft avenue at 7:30 next Monday, it was learned from Antonio de las Alas, association president. He will talk on the problems of the lumber industry.

Mañalac was the lone delegate of the association at the recent annual convention of the Philippine Mahogany association of the United States

held at the Greenbrier, White Sulphur Springs, West Virginia.

He is the first and only Filipino individual member of the National Hardwood Lumber Association of the United States, which promulgates rules and regulations on the classification and distribution of hardwoods in the United States and Canada.

Mañalac is also the treasurer of the Producers and Exporters Association of the Philippines, president of the Davao Lions club, and president of the lumber producing and exporting firm bearing his name.—*Manila Bulletin*, October 6, 1956.

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EXECUTIVE REPORTS ON JAPAN SURVEY, WARNS ON P.I. LOSING LUMBER MARKET

Because of restrictions being imposed by government authorities on log exportation to Japan, Japanese importers are now turning to other sources of supply and the Philippines may eventually lose the Japanese lumber market, according to Brigido R. Valencia, ranking Filipino lumberman who recently surveyed the lumber market in Japan.

Valencia is the third vice president of the Producers and Exporters Association of the Philippines and president of the Mindanao Lumber Co., one of the biggest log importation to Japan.

He reported that Japanese log importers have reacted adversely to the various restrictions and changing regulations being imposed by Philippine government authorities supervising lumber exportation to Japan.

He mentioned particularly the present "check price" system of the Central Bank export department whereby log exportations are stalled, causing much inconvenience and losses to both importers, if the sales reports do not tally with the Central Bank check prices.

Generally, Valencia said, log prices in the Japanese lumber market are lower than in other markets of the world.

The Japanese also resented, according to Valencia, a previous Central Bank regulation requiring c.i.f. quotations on Philippine exports to Japan only.

The Japanese have become aware of the Philippine government's negative attitude toward Philippine log exportation to Japan, which, according to Valencia, has been the most hospitable and absorbent market for Philippine wood products.

Valencia revealed that he learned from reliable sources that Japan will cut its importation of logs from the Philippines by no less than 30 per cent in the next three months.

Japan has been preparing for the eventuality, he said, when it can do away with the Philippines as a principal supplier of logs.

He disclosed that in the Tokyo log ponds

alone, the Japanese have a stock of 42 million board feet of lumber, while all over Japan there are no less than 120 million board feet of logs stockpiled for future use.

In the meantime, Valencia said Japan is developing other sources of lumber, such as North Borneo, Indonesia, Canada, and even Soviet Russia.

A total of 69,960,000 board feet of Soviet lumber was scheduled to be shipped to three Japanese trading firms in October of this year, he said.

Valencia declared that although Russia and Canada do not pose a serious and direct threat to the Philippine mahogany trade because their production is mostly softwood, Borneo and Indonesia are likely to offer a stiff competition to Philippine lumber in quality and price.

He said that these countries have vast untapped forest resources which Japan can and will help in developing, through technical know-how and financial aid, to transform them into rich sources of wood products.

Valencia expressed the belief that if and when the Philippines loses the Japanese lumber market the country will find it difficult, if not impossible to compete in the world lumber trade because of high cost of production, lack of modern logging and processing equipment, lack of technical skill, distance from principal lumber markets of the world such as the United States and Europe, shortages of Philippine bottoms, high freight rates, and absence of financial and credit facilities for the Philippine lumber industry.

"Unless the Philippine government takes a more positive and constructive attitude toward Philippine lumber industry and trade, instead of actually discouraging it," Valencia said, "this growing industry, which has become one of the top dollar earners of the country, may soon find itself facing degradation and disintegration." — *Manila Bulletin*, September 20, 1956.

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HAWAII OFFERS BRIGHT PROSPECTS AS A MARKET FOR PI MAHOGANY, HANDICRAFTS

By GAUDENCIO MAÑALAC

(Philippine delegate to the annual convention of Lions International and the Philippine Mahogany Association in the United States)

Hawaii offers a bright prospect as a market for Philippine mahogany lumber. The military housing construction program alone calls for \$111 million worth of lumber, not to mention the booming private housing development program consisting of around 600 houses costing \$15,000 to \$17,000 per unit.

Out of the 74 million board feet of sawn lum-

ber imported by Hawaii last year, the Philippines supplied only \$364,744 worth. The Hawaiian market is hardly touched by Philippine lumber exports, most of them going to Japan and the United States.

Philippine native fabrics and handicrafts can develop a sizable market here also, what with the ever growing tourist trade in this territory. American tourists will just buy anything at fabulous prices, either for private use or for souvenir, especially handicrafts that can best be produced in the Philippines.

The gross national product of Hawaii is reported at \$1.15 billion. Personal income is rated at \$950 million, or a per capita income of \$1,900 for each of the 500,000 population. Oriental in atmosphere but American in its way of life, this territory is indeed a dream vacation spot.

There is a plan to put up a Filipino village in the international market under the leadership of Mrs. May Villarama. The Producers and Exporters Association of the Philippines has been asked to help in this project.

Of the total dollar receipts of this territory totalling \$270 million \$141 million comes from sugar, \$110 million from pineapple, \$19 million from minor exports.

Receipts from invisible trade is \$383 million, of which \$55 million comes from the tourist industry. If the Philippines can develop the tourist trade to the extent that Hawaii has done it, tourism may well be one of the leading dollar earners for the country.

About 12,000 Filipinos are employed in the sugar plantations, receiving salaries and wages said to be the highest in this industry. With the fast mechanization of the sugar industry, a good number of these Filipino workers may have to be laid off in the future. However, they have multi-million dollar savings which they can well invest in agriculture lands in Mindanao when the eventuality comes. This is what the writer suggested to the Filipino laborers here when interviewed by Mrs. Ligaya Victorio Fruto of the Honolulu Star-Bulletin.

The Hawaii Sugar Planters association is even willing to help along this line. They are only waiting for action of the Philippine government in helping these Filipino laborers.

This is something for the sugar bloc: The Lihue plantations on Kauai, the oldest and one of the most modern in the world, gave out these statistics: area cultivated, 14,000 acres; fertilizer consumption, 5,000 tons; chemicals to control weeds, 570 tons; irrigation water used annually, 32 billion gallons; employes and laborers, 1,350; harvesting 840,000 tons of sugar cane from 7,300 acres; 207 operating days required to produce 65,000 tons of sugar from 640,000 tons of cane.

These figures may well be compared to our

own sugar plantations to see how they are doing to compete with other sugar producers of the world. Sugar is shipped in bulk to the United States, doing away with jute bag containers.

The Philippine consulate in this territory is doing a fine job in public relations for the Philippines. At the dinner held at the Ohau Country club, to which I was invited, Consul Emilio Bejasa lorded it over as the dean of all the consulate officials here.

It is regrettable to find out that former consulate official Petronilo G. Dulay is no longer connected with the Philippine consulate here and has been won over by the Phil-Am Life agency here. Dulay could have been easily one of the best commercial attaches of the Philippines.

The writer was met at the Honolulu airport by a delegation of the Waikiki Lions club with the usual aloha and leis. Consul Bejasa was there, too. The Waikiki Lions club asked the writer to speak at the meeting and inducted him as "Calabash Cousin" with appropriate ceremony, wearing an ancient ceremonial robe of Hawaiian royalty. Hawaii is hospitality spelled aloha.—*Manila Bulletin*, August 15 1956.

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EXECUTIVE URGES EXPANSION OF LUMBER INDUSTRY TO SUPPLY WORLD NEEDS

By GAUDENCIO MAÑALAC

(Delegate of the Philippine Lumber Producers Association to the Convention of the Philippine Mahogany Association of the United States)

It is high time that Philippine lumber producers and the government start planning the course toward developing the lumber industry into such a level that timber can be processed in the Philippines into finished and semi-finished products needed in the American market, instead of Philippine logs taking a roundabout course of going first to other countries like Japan and entering this market in processed form.

Total Philippine mahogany lumber exports to the United States for the 12-month period ending April 30, 1956 reached a total of 114 million board feet, 58 per cent over that of the same period last year. Direct Philippine exports totalled 59 million board feet, an increase of 22 per cent; Japan's share reached 55 million board feet, an increase of 119 per cent.

On the overall lauan lumber shipment, Japan's share went up to 49 per cent from about 34 per cent in 1954. Recent monthly figures indicate further gains for Japanese exports of this product.

Of the total Philippine mahogany plywood shipments to the United States valued at \$32 million in 1955, the Philippines' direct share is only about three percent with the bulk coming from Japan.

While that may look alarming to Philippine lumber producers, to the majority of the Philippine Mahogany association here, it is considered a stabilizing factor for the Philippine mahogany position in the American market. Without that much believed, American importers may have to look somewhere else to fill their needs for mahogany products in view of the unstable supply from the Philippines.

The recent announcement that MITI (Japanese ministry of international trade and industry) has given the go-signal to Japanese exporters of lauan lumber and plywood to establish distributing centers for these products here has alarmed many of the American importers of lumber products.

To jibe with this Japanese plan, the writer told the delegates at the mahogany convention here that Japan's allocation for the procurement of Philippine mahogany logs has been increased 40 per cent for the period from April 1 to September 30 this year, and that he believes that by October 1, Japanese imports of Philippine mahogany logs will be under the Class AA basis, which means that Japanese importers may be given any amount of dollars they may need for this purpose.

The ratification of the peace treaty between the Philippines and Japan, the writer further explained, may place in the hands of the Philippine producer dollar loans from Japanese reparations payments that may reach up to \$250 million. A sizeable portion of loans may find its way into the lumber industry. When that happens, it is the writer's conjecture that a sort of control will be afforded the Japanese both from the production and distribution ends of Philippine lumber products.

Whichever way the wind blows, the writer believes that the development of the Philippine lumber industry should be undertaken exclusively by the Filipinos themselves. This problem should be solved at home immediately. Philippine lumber producers, with the aid of the government, had better start planning a course of action to insure the control of the lumber industry by Filipinos and to adjust it to the current need of the world market.—*Manila Bulletin*, August 8, 1956.

* * *

LOGGING INDUSTRY GETS TAX RELIEF

Special import levy exempts wire ropes

Upon representation made by the Philippine Lumber Producers' Association, through its president, Don Antonio de las Alas, the secretary of finance recently ruled that the special import tax of 17% imposed by Republic Act No. 1394, cannot be imposed on imported wire, ropes or steel cables established or identified to be accessories or parts of machineries used in the logging industry.

These parts are considered "accessories" or "spare parts" and come within the exemption provided in the statute. This rule reverses the former determination made by the Department of Finance that wire ropes and steel cables used in the logging industry are not exempted from the payment of 17% special import tax.

The reconsidered ruling of the Department of Finance reads as follows:—

"Please be advised that imported wire ropes or steel cables established or identified to be accessories or parts of machineries used in the logging industry for yarding and loading and unloading logs may be considered as falling under the terms 'accessories' or 'spare parts' used in section 6 of Republic Act No. 1394 and they may be released from the Bureau of Customs without the prepayment of the special import tax upon compliance by the importers concerned with the requisites provided in Paragraph VIII (c) of our Department Order No. 224, as amended."

This is considered an indication that the government is realizing the importance of encouraging the lumber industry and of the necessity of promoting the further development and expansion of this dollar producing enterprise.—*Manila Times*, October 29, 1956.

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CB SCORED FOR NOT GRANTING DOLLARS TO LUMBER MEN

The Central Bank was hit anew for refusing to grant dollar allocations to lumber producers to import their much-needed logging machinery and spare parts.

Gaudencio S. Mañalac, president of the Davao Lions Club and treasurer of the Producers Association of the Philippines, declared that the refusal to grant dollars shares an inconsistency in the implementation of the administration's economic policies.

Mañalac made the statement in a radio interview Tuesday evening, October 16, over station DZAQ during the "Youth Wants To Know" weekly program of the College Editors Guild.

The Davao lumberman said that this action of the Central Bank was presumably based the wrong premise of the Philippine lumber industry is now over-developed and that there is no need to further expand the industry through the importation of logging machinery.

"As a matter of fact, the present production of timber is not even one-third of the allowable cut of the country's forest resources authorized by the bureau of forestry.

Mañalac said that Philippine loggers are now

facing serious difficulties because of lack of machinery, equipment and spare parts. Most of the local logging equipment, he said, are army surplus junk which is too costly to maintain.

He said that the lumber industry has contributed a great deal to the alleviation of the country's foreign exchange shortage. From an inconspicuous position before the war, log and lumber exports, Mañalac stated, have gone up in recent years to become the fourth biggest dollar earner in 1955.

"Given more encouragement and properly developed, logs and lumber may yet surpass copra and sugar and become the country's leading export product," Mañalac said.

Mañalac said that Filipino lumbermen are forced to export round logs instead of processed lumber by force of necessity due to lack of machinery, equipment and facilities.

"Given these machinery and equipment," Mañalac said, "no Filipino lumberman will hesitate to process logs and export lumber, plywood and other finished wood products."—*The Manila Times*, October 20, 1956.

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LARA, QUIMFO STRESS ARBOR DAY MESSAGE

In the wake of President Magsaysay's proclamation declaring the period from July 22 to 28, 1956, as Arbor Week, Governor Vicente B. de Lara and Provincial Forester Timoteo Quimpo, today urged all civic minded citizens of Misamis Oriental and this city to take active part in the occasion.

The objective of Arbor Week is of public concern, the governor said, and for this reason, we should not expect the government to do tree planting employees and private individuals—must plant trees in our backyards and in any available space in our farms and see them grow in grandeur", he said.

He stressed the importance of trees, citing the utilitarian and economic values that the country derives from trees. He urged everyone, in the name of the generations still unborn to plant trees not only during Arbor Week but during the days when necessity demands.

Forester Quimpo also appealed to the people to cooperate with the government in the preservation and conservation of our forests. The forest is something more than a mere group of trees, he pointed out. It builds and conserves the soil; it retains and conserves water, attracts rain and it serves as wind breaks and a place which controls biological pest and diseases which play havoc to our agricultural crops, he said.—*Ang Katarungan*, July 21, 1956.

ARBOR WEEK THOUGHTS

The week ending with the last Saturday of July each year is our Arbor Week as proclaimed by the President of the Philippines. But, to us men of the Forest Service, every week of the month, year in and year out, is a week of continuous endeavor for the preservation and conservation of one of our precious heritage—the forest.

Forestry is a subject which is one of many splendors. To the weary in search of peace, recreation or sport, such as fishing and hunting, it is a source of delight; to the poet and to the lover of nature, it is material for his thoughts. As a yielder of diversified products, the lifeblood of many industries, and a supplier of employment, it has no peer.

While all forests are God-given, not all countries have good forests. In that respect, the Philippines is fortunate. What God has given us, therefore as a heritage we should not neglect. We should give it back to God, as forests, not as an act of gratitude but because it would serve us well to do so. Forests are important to humanity. They play an important role in checking the destructive forces of nature.

Forest is a soil former. Vast areas of fertile lands consist almost exclusively of the detritus of the forest. How does this take place? Vegetable matter, in the form of humus, resulting from the decomposition of the litter on the forest floor, causes the formation of the soil.

Forest is a soil improver. The richness and fertility of virgin forest soil is too well known to be discussed. This is due to the abundance of plant food and humus in the soil.

Another important function of forest is that of being a fixer of the soil. The roots of the forest clasp and hold the soil in place and the canopy of the forest protects the soil to such an extent that wind and water erosion are prevented. Not only erosion, forest deforestation have caused landslides which have buried villages.

Forest is a flood preventer. How? A considerable portion of the rain that falls is intercepted by the branches of the forest. Or, the flow of the water is retarded by the roots and the litter on the forest floor, the rapidity of the flow is retarded, thus the destructive influence of floods is lessened.

The keynote of forestry, therefore, should be perpetuity. Be gentle with that ax, young man. Be gentle especially with the young promising growths which shall become the forest of the future. You should not cut simply with the purpose of reaping the wood, but cut with the thought of the future crop.

The forest—that precious matrimony of ours—we should conserve not for ourselves but those who would come after us. They will need the

forest just as we need them today. I think it is meet to quote the words of Baron Ferdinand Von Mueller who said, "I regard the forest as a heritage given to us by nature, not for spoil or to devastate, but to be wisely used, reverently honored, and carefully maintained."—*Ang Katarungan*, July 21, 1956.

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POPE PIUS XII ON: FOREST AND SOIL CONSERVATION

The agriculture department has just received a copy of the allocation of His Holiness Pope XII on food and agriculture. Pertinent portions of it are the following:

The allocation was delivered on November 10, 1955, during the Eighth Session of the Conference of the FAO (Food and Agriculture Organization).

"The aims that you set before you were, and still are, of paramount importance: to raise the levels of nutrition and standards of living of the peoples, to improve efficiency of production and distribution of all food and agricultural products, and to contribute towards an expanding world economy—

"—Among the special studies, to which your experts have devoted themselves, we would mention a few that are particularly suggestive, and first of all those that relate to the very basis of agriculture, the soil—. In particular, it was impossible to neglect the control of erosion, which is essentially caused by the natural elements, but in many cases, is facilitated and accelerated by the intervention of man, who, to make sloping land tillable, strips it of all protective vegetation—.

"In this sense because of the essential role they play in regulating the flow of surface and round water serious attention should be paid to forests, they check the run-off water, facilitate its seepage in depth and the feeding of springs; they retain the snow and, even though they cannot prevent exceptional floods, they regulate the flow of rivers. It is therefore to the interest of public authorities, who are for the development of agriculture to keep a watch on the way in which forests are logged (or denuded)."

THE MINDANAO CROSS

August 18, 1956

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DE LAS ALAS EXPLAINS PHILIPPINE BARTER LAW TO AUSSIE LOGS PRODUCERS

Nation's timber resources estimated at

1 (B) cubic meters or over D (B) board feet

Currency difficulty was pointed out by Antonio de las Alas, president of the Philippines Lumber Producers' Association, in a speech delivered yesterday before the All Australia Timber Congress at Sidney, as the insuperable stumbling block of

the expansion of trade between the Philippines and Australia.

"The Philippines," according to him, "has logs, lumber, hemp and cordage, coconut products, tobacco and manufacturers and other products that can be exported to Australia such commodities as meat and meat preparations, dairy products, cereal and cereal preparations, cattle and other live animals, leather and other products. The free exchange of these products through exportation and importation between the two countries has not been possible on account of the payment problem."

"Two possible remedies have been advanced," he explained, "namely, formation in this part of the world of a regional payment union as in Europe and barter. The first was believed impractical as there is conspicuous disparity in the value of exports and imports and necessarily the countries that have favorable balance of trade sooner or later will find themselves extending credits to countries with unfavorable balance of trade. The creditor nations feel that they cannot afford to extend credits for even insubstantial amounts and for any length of

time. As regards the second, for some time there has been a very strong pressure to resort to barter to help producers and to increase a saving in our dollar reserve as otherwise foreign goods bartered would have to be acquired and paid for in dollars."

De las Alas said that through persistent efforts of influential elements in the Philippine business community, a modified barter law was approved by the Congress of the Philippines.

"However," he asserted, "there developed a very strong opposition within the government, specially among ranking officials of the Central Bank who believe that it would affect the stability of the value of the Philippine peso, and, as a result, the regulations adopted in the implementation of the law, have been such that barter transactions have encountered difficulties and, so far, the value and volume of good bartered have not been appreciable."

Don Antonio de las Alas has the signal honor of being the only Filipino invited to act as one of the chairmen during the All Australia Timber Congress.—*Manila Times*, November 15, 1956.

LITERARY ATTEMPTS . . .

(Continued from page 96)

of them do not know how to saddle a horse, not even to ride one. A few of them, however, can drive a jeep, an ability unheard-of during the early nineteen hundred. One important trait which the "Montero" of old and the present possess in common is the patience to travel in the woods no matter what the topography might be. He is a courteous public servant, ever ready to extend a helping hand to forest users. With his limited supply of quinine, aspirin, and paregoric, he oftentimes takes the place of the country doctor. He is a dentist with his supply of tincture of iodine. He has done favors for scientists, businessmen and even politicians but the reverse does not seem to hold true.

His former pay was small, pegged to ₱75.00 for many years, and until only recently was his pay hiked to ₱120. But compared with the salary of the street sweeper and the janitor of the college, it is a shame. But he is happy and contented in spite of this low pay because his work is steady, and he deals with a lot of people and his trees. He is the master of

B.F. NOTES . . .

(Continued from page 103)

30. Carlos Sulit

31. Juan Utleg

The purpose of the conference was to discuss common problems such as rural improvements work of the Department, its program of activities, the reorganization, position classification, salary standardization, local problems and corresponding solutions, etc.

himself and is independent in his official conduct; very much attached to his family, church and civic clubs. In many places he is considered a big man, often rubbing elbows with the big shots of the province or town where he works.

When he graduates from the college of forestry he has no debts—then gets himself a wife and then begin his debts. After ten years holding the same job, the same pay, and raising about half a dozen children he becomes more buried in debt. That is the "Montero." "A steady worker but a forgotten honest public servant," he is often called. Cannot the government improve his lot by at least placing him in the same category as those who are employed in other branches of the government with equal academic training?