

bus, taxi, and garage concessions, travel bureau, traveller's banking offices, radiogram-service branches, barber shops, billets for transients, recreation-centers, etc.

Among the most ambitious projects designed to bring revenues from non-aviation concessions at Nichols Field, are a housing-project for airport and airline personnel, and a modern version of the popular "cockpit" to be run on a jai-alai basis.

Air transportation activities, however, have not been limited to the activities of the Manila International Airport. With all indications pointing to Manila as becoming the hub of air travel in the Orient, airlines and allied enterprises have entered upon a new stage of planning for intensified operations.

Croil Hunter, president of the Northwest Airlines, was a recent visitor in Manila, with Don King, NWA vice-president, and Wm. Stearn, NWA. Future plans include the use of strato-cruisers and direct lines between Manila and Washington. Pan American Airways has applied for permit to conduct domestic operations in Japan. Philippine Air Lines has announced an increase of ₱4,000,000 in capital stock.

Another important visitor to the Philippines was Sir John Baldwin, British Air Marshal, who headed the British delegation, together with the British Minister in the Philippines, H. L. Foulds, and A. J. Moss of the British ministry of civil aviation.

Following a four-week preliminary discussion, the ratification by the Philippines and the United Kingdom of the proposed air-traffic treaty is a practical reality. This pact will grant to each of the governments reciprocal commercial aviation rights. The contracting parties informally sealed their negotiations on December 17 by affixing their signatures to the draft treaty.

Those who initialed the document were Vice-President Quirino, Minister Foulds, Sir John Baldwin, A. J. Moss of the British ministry of civil aviation, and Lucas Madamba, legal adviser to the Philippines foreign affairs office. Among other things, the treaty is presumed to provide for observation of customs regulations, landing field arrangements, signals, and the right of transit among points. Two similar treaties are now being drafted by the Philippine Government with China and Siam, giving a clear index to the importance of Manila's position in international air traffic.

Land Transportation (Bus Lines)

By L. G. JAMES

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CONSIDERABLE publicity has already been given to procedure followed by various District Engineers in issuing TPU registration plates to truck operators who have not yet secured authority to operate Public Utility vehicles. This has been done apparently with the knowledge and consent of higher authorities in the Bureau of Public Works. It has been publicly announced by an official of that Bureau that the Government has received substantial revenues from that source.

On behalf of its membership, which considers the competition resulting from this procedure to be unwarranted and illegal, the Philippine Transit Association recently made representation to the Secretary of the Department of Public Works and Communications, protesting against the practice. It appears that District Engineers have been accepting as authority to operate Public Utility Services the mere applications for this filed with the Public Service Commission though not acted upon. The would-be

operator presents a copy of his application, whereupon the so-called "compromise registration" is effected and the truck-owner goes into business.

Regularly authorized operators insist that this form of competition is ruinous to their business. While no complete figures are available, it is estimated that several thousand vehicles are now operating under "compromise registration", hauling passengers and freight within the territories and upon the lines covered by legally authorized operators who are subject to the rules and regulations set forth in their Certificates of Public Convenience. The "wildcat" operator is not subject to any Public Service Commission supervision and pays none of the fees and special taxes on public utilities.

The Philippine Transit Association in its protest called attention to the provisions of the law covering public utilities which specifically delegate to the Public Service Commission the authority to grant operating rights and provide penalties for violations of the law. The Secretary of Public Works and Communications within the past week has instructed District Engineers to discontinue, effective December 31, the "compromise registration" of vehicles intended for public use.

Various legitimate operators have commented on the decision of the Secretary of Public Works and Communications which thus apparently authorizes District Engineers to continue the alleged illegal issuance of TPU plates up to December 31, 1947. Under these circumstances, there will still be large numbers of trucks and busses in illegal operation until February 28, 1948, using 1947 TPU plates.

Pre-war operators of long-established transportation businesses feel that they are entitled to the protection of the laws under which they are taxed, supervised, and regulated. Transportation companies are among the most heavily taxed of all forms of business. They are all seriously affected by the post-war competition which has been authorized by the Public Service Commission.

This competition is, to a certain extent, legitimate in its operation, but the trucks and busses operating under "compromise registration" are essentially non-legitimate and non-regulated. Regular operators hope to secure a modification of the recent order of the Secretary of Public Works and Communications whereby all TPU plates heretofore illegally issued will be confiscated and the operations of the corresponding vehicles stopped.

Gold

By CHAS. A. MITCHE

Consulting Mining Engineer

THE Philippines has been called the "cross-roads of the Orient". Peoples from the north, moving southward; peoples from the south, pushing north and east, all have come to, some passed through, these Islands, leaving behind them elements of their varied cultures. Some of the later groups were in their Bronze Age and were familiar with the Central Asian methods of copper mining and smelting.

In the 3rd or 4th century, the Chinese are said first to have come to this archipelago. Many of them were interested in mining, although little is known of their mining efforts. At a much later date — during the 12th or 13th century — they are reported to have carried on a trade with the peoples of the Paracale region for gold.

The Spaniards, in their turn, were indefatigable searchers for precious metals, here and in all the countries they conquered. Immense quantities of gold and silver were shipped to Spain during the height of the Spanish colonial period, and much of Spain's greatness at that time can be attributed to the discovery of metals in the

conquered countries, — in Mexico, Peru, the Philippines, and elsewhere. Legaspi's grandson, Salcedo, was the first Spaniard to find gold in the Philippines, and again it was in Paracale, in 1571.

The Spaniards in their search for minerals penetrated remote sections of the archipelago, and abandoned old Spanish mines are still to be found in areas where it is not considered advisable to prosecute work at the present time. These people gave the name "Minas de Oro", (mines of gold) to the little developed island lying to the southwest of Luzon, and now known as "Mindoro", a corruption of this former name. The Spaniards knew of the Baguio mines, and of mines in other parts of the country. One Queen of Spain, on urgent request, assigned a garrison to Paracale to ward off attacks of Moro pirates, and in return received a gift of a life-size model of a hen and chickens, made of pure gold.

The period of British influence in the Philippines, 1762-1764, was too short and too turbulent to have much effect upon the search for, and development of, mines, although during the period of English mining activity in Mexico, the mint records from 1823 to 1876 show a silver production of \$797,055,080; gold, \$47,327,383; and copper, \$5,227,855; a grand total of \$849,610,318.

While mining was resumed in the Philippines shortly after the Spanish-American war, gold occupied a very modest position in the list of the nation's exports until 1933 when President Roosevelt increased the price of gold from \$20.67 to \$35. There then existed a happy combination of circumstances: (1) the new price for gold; (2) the availability of considerable Spanish and Chinese capital, which could not go home due to civil wars; and (3) the extremely prosperous conditions in the sugar and coconut industries. Money was plentiful. The result was to give an impetus to prospecting, which resulted in the discovery and development of a number of new mines in many part of the Philippines.

For many years previously, the Antamok mine of the Benguet Consolidated Company was practically the only important mining enterprise, but the injection of new capital into the industry, just on the eve of a number of new discoveries, resulted in an increase in production from P10,000,000 in 1933, to P92,832,911 in 1940, with annual dividends during that year of P18,335,215.

The following figures indicate the great progress made by the mining industry during the ten-year period from 1931 to 1940:

1931.....	P 7,524,867
1932.....	10,300,167
1933.....	16,190,795
1934.....	23,701,923
1935.....	31,692,620
1936.....	44,402,653
1937.....	51,260,646
1938.....	64,623,205
1939.....	74,131,216
1940.....	78,308,289

During the first five months of 1941, the Philippines exported gold and base metals valued at P43,400,000. Taking this as a basis, an estimated annual production, for that year, had the war not intervened, would have been around P100,000,000 or more.

In addition to substantial dividends paid to shareholders, the industry contributed millions to the Government in the form of taxes and paid the highest wages in the Philippines. During 1940, a total of 44,276 laborers and employees were directly engaged in mining, with a total payroll of approximately P29,000,000.

The average value (gold-content of the ore's) ranged from P5.91 a ton for Masbate (P19.15 for Benguet, P26.50 for Treasure Island, P27.95 for Big Wedge) to P31.88 for Mindanao Mother Lode. The average value of the ore milled by all mines in 1940 increased by 62 centavos, as compared with 1939, — being P16.81 for 1940.

No records are available for the period from January, 1942, to February, 1946, which was the period of the Japanese occupation.

The past three years have been spent in rehabilitating the mines, and during 1947 a certain amount of ore and bullion was produced, while a considerable tonnage of base metals, particularly refractory chrome, was shipped. Estimates are that the total value will approximate P10,000,000.

Year 1948, however, will show a decided improvement. At least two of the former large operators, Benguet (with its subsidiary, Balatoc), and Lepanto will once more resume production. There will also be a decided increase in the output of the base metals. The total estimate for 1948 is about P40,000,000.

I believe that the Philippines has a great future as a producer of both precious and base metals. What is needed is a consistent and intelligent prospecting campaign to bring to light the treasures of the earth which are at present covered by jungle.

Lumber

By E. C. VON KAUFFMANN

President, Philippine Lumber Producers' Association

LUMBERMEN have been granted 20% of their production for export. This now includes sawn lumber in addition to logs and fitches. Only actual producers will be allowed to export. Sawn lumber will only include FAS (First and Seconds) and No. 1 Common and better. Lumber will have to be air-dried sufficiently to be shipped as Dry (shipping dry). Grading as specified shall be in accordance with the grading rules adopted by the National Hardwood Lumber Association of the United States. This permit to export sawn lumber is for 6 months only, and if enough lumber is shipped to Manila within the next 6 months to take care of the local demand and prices remain within the ceilings established, producers will probably have no difficulty in securing a renewal of the permit.

One of the sound reasons given by producers is that the higher prices obtainable for export lumber will aid them in expanding and improving their operations, enabling them to cut better lumber on an increased production, which should more than offset the amount of lumber going out to foreign countries. Actually the United States will probably absorb all the sawn lumber available for export and likely at higher prices than offered by other countries.

Our *lauans* known as "Philippine mahogany" have always enjoyed good acceptance but must compete with other true mahoganies which are higher priced. The differential in price is \$80 to \$100 per thousand board feet. Local producers intending to export sawn lumber are feeling their way around with United States buyers, who are naturally anxious to get the lumber at the lowest price; after some shipments have reached their destination and the quality has been established, it is likely that prices will more or less adjust themselves.

It is now more than 6 years since high-grade Philippine mahogany was last shipped to the United States in the form of sawn lumber, and buyers are naturally cautious, especially if they are buying from new post-war producers. The local market has improved slightly as expected, the average wholesale prices during December for rough lumber paid to the producers being about—

P220 per M bd. ft. for Red and Tangle

P210 per M bd. ft. for Apitong

P200 per M bd. ft. for White Lauan

delivered at buyer's yard.