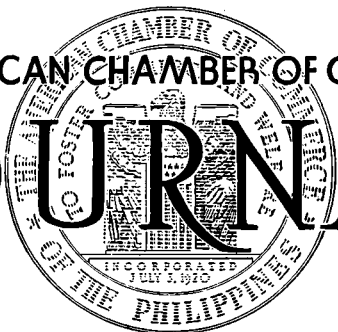


# THE AMERICAN CHAMBER OF COMMERCE

# JOURNAL



Published monthly in Manila by the American Chamber of Commerce of the Philippines  
Fourth Floor, El Hogar Filipino Building — Telephone No. 2-95-70

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

Entered as second class matter at the Manila Post Office on May 25, 1921, and on December 10, 1945  
Subscription rate: ₱5.00 the year; \$5.00 in the United States and foreign countries

Officers and Members of the Board of Directors of the American Chamber of Commerce of the Philippines

*J. A. Parrish, President; C. R. Leaber, Vice-President; F. J. Moore, Treasurer;  
R. J. Baker, J. H. Carpenter, Earl Carroll, J. T. Hicks, H. C. Stevenson, and Paul H. Wood.  
Mrs. Virginia Gonder, Executive Vice-President; I. T. Salmo, Secretary*

Vol. XXVIII

January, 1952

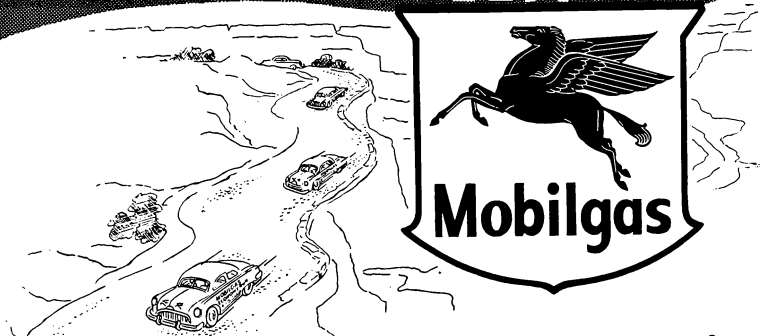
No. 1

## Contents

### Editorials—

What about Intramuros?.....	3
The President at the STANVAC Inauguration.....	4
Economic Nationalism vs. Economic Internationalism.....	6
Can a Government try to do too much?.....	6
Should the Exchange Tax Law be Amended?.....	8
Statement on Gold.....	10
Shipping Conferences and Ocean Freight Rates.....	11
<b>The Business View—</b>	
The Government.....	13
Banking and Finance.....	13
Manila Stock Market.....	14
Credit.....	15
Electric Power Production (Annual figures).....	15
Real Estate (Annual figures).....	15
Building Construction.....	16
Ocean Shipping and Exports.....	16
Lumber.....	17
Desiccated Coconut.....	19
Manila Hemp.....	19
Sugar.....	20
Tobacco.....	22
Imports.....	22
Food Products.....	23
Textiles.....	25
Legislation, Executive Orders, Court Decisions.....	27
Philippine Safety Council.....	29
Cost of Living Price Index, 1948, 1951.....	28
The "Let Your Hair Down" Column.....	32
J. A. PARRISH.....	8
INTERNATIONAL MONETARY FUND.....	10
ASSOCIATED STEAMSHIP LINES.....	11
Official Source.....	13
G. R. HUTCHISON.....	13
A. C. HALL.....	14
C. W. MULLENBURG.....	15
J. F. COTTON.....	15
A. VARIAS.....	15
J. J. CARLOS.....	16
B. E. TUNOLD.....	16
P. DE OCAMPO.....	17
H. R. HICK.....	19
F. GUETTINGER.....	19
S. JAMIESON.....	20
L. A. PUJALTE.....	22
S. SCHMELKES.....	22
C. G. HERDMAN.....	23
W. V. SAUSSOTTE.....	25
E. E. SELPH.....	27
F. S. TENNY.....	29
Bureau of the Census and Statistics.....	28

# GET ALL THE GAS MILEAGE YOUR CAR CAN DELIVER



**PROVED** in Famous Mobilgas Economy Run!

32

MAKES  
AND MODELS OF  
U. S. CARS  
AVERAGED OVER

9.72

KMS.  
PER  
LITER



In Grueling 1951 Test Run

Los Angeles To Grand Canyon

Thanks to Careful Driving-Good Car Care

**AND Mobilgas**

*Power-Packed Partner of*

**TRIPLE-ACTION Mobiloil**

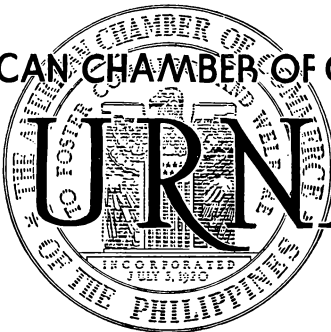


**STANDARD-VACUUM OIL COMPANY**

**PHILIPPINES**

# THE AMERICAN CHAMBER OF COMMERCE

# JOURNAL



## Editorials

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

During the past few years, the rebuilding of Manila has proceeded at a good pace in the industrial and commercial as well as the residential districts and the suburbs. It is only within the Intramuros' walls of the Old City that almost no rebuilding has been done. The ancient walls still stand for the greater part, but except for a few buildings partly restored or newly erected, the walls inclose only a wide vacant plain, a waste space, with the rubble of the razed buildings covered by a wilderness of tall grass. Gone but for a few low ruins are the old churches and monasteries, the government buildings, the Spanish houses with their overhanging second stories. The narrow, picturesque old streets are hardly any longer even to be traced. Mere trails, muddy or dusty, according to the season, tunnel the grass. Families of poverty-stricken squatters, inhabiting holes in the remaining masonry, without water, without light, live an almost savage existence. The area has become a hide-out for pickpockets and thieves and more dangerous criminals. All this within a five minutes' walk from the center of the business district on one side and an even shorter distance from the Port Area.

The explanation of this is that the Government, through various of its agencies, principally the National Planning Commission, formerly called the National Urban Planning Commission, has adopted certain rather nebulous plans for the rebuilding of the Walled City which are also so impracticable that building in the area has been rendered virtually impossible.

The objective aimed at,—to restore the old city rather than to build it anew, is worthy enough and makes a strong appeal to historical and esthetic sentiments, but the general plans adopted violate the basic economic principles which govern real-estate development.

Potentially, if not at the moment, the land values in the Walled City area, lying where it does so near the center of the metropolis, are too high to justify economically the erection of the old-style buildings which the Commission is insisting upon.

The old Spanish buildings were almost exclusively low, two-story edifices, with the ground-floor walls built several feet thick of 'dobe (tuffa) stone, and with the upper story, surrounded with an outjutting veranda, built of hardwood. Often this story had an outer and an inner wooden wall, both supplied with windows, generally of shell. In the middle of the house there was an open courtyard. The roofs were of tile.

These houses were admirably designed for the time and for the building materials then available. They withstood earthquakes and typhoons, they were not easily entered by trespassers, they were cool, often they were beautiful. They served well both as dwelling houses and as buildings, at that time, for government and business offices, shops, warehouses, etc. And built within the centuries-old walls of the city, with its gates and the moat and the outer defense works, the people lived in safety from outside attack.

But long before World War II and the destruction it brought to Manila, even before the Americans first arrived here in 1898, the city had burst out beyond these walls and had spread along the Bay front and across the Pasig River and inland toward Santa Mesa and San Juan.

Today, people would not want to build their residences in the old city; they want to live in the outlying residential districts which lie somewhat above the low level of the central part of Manila and where the air is better. They do not think it necessary any longer (despite the Huks) to live within high city walls, guarded night and day by soldiery.

Even the Church and the various religious orders are not contemplating to rebuild the churches and convents and schools which once constituted a major part of beautiful old Intramuros. Schools and convents are being erected in the suburbs, and, as for building or rebuilding churches in the old city, where would the parishioners come from?

Unless the whole of the area were to become a great park, dotted here and there by a few government and other

public buildings, built in the old style, as desired by the Commission, what is to be done? And where would the money come from to support such an extravagant use of land, some 1.2 square kilometers, within a few minutes' walk of both the Port and the business center of the city?

Present land values, as compared to the values just before the war, run approximately as follows:

Down-town (Binondo), before the war, around P400 a square meter; today, between P600 and P700 a square meter.

On and about the Escolta, before the war, from P500 to P700 a square meter; today, around P1,000.

Ermita, before the war, from P25 to P40 a square meter; today, from P50 to P80.

Intramuros, before the war, from P25 to P40 a square meter; today, from P40 to P60 a square meter.

It will be seen that the price of land in Intramuros has not gone up very much, but that is because of the present restrictions and the general uncertainty as to what is to be done with the area. If the land were thrown open to ordinary building enterprise, under the ordinary building regulations of the city, land values would rise very quickly and it would not be long before extensive construction would be begun, probably mainly office buildings and some industrial and commercial establishments.

It should be clear to everyone's understanding that the old Spanish style of architecture is entirely unsuited to modern functional requirements and that the revenues to be obtained from such primitive structures would be entirely inadequate to meet their cost, not of construction but of maintenance on land of high value which, no doubt, would be taxed accordingly.

Erecting more or less modern buildings of many stories but faking some sort of exterior old-Intramuros look, would also be most undesirable, both architecturally and esthetically, and, even so, the old narrow streets, which were such a distinctive feature of old Intramuros, could never serve a modern built-up area.

It seems unescapable that we must resign ourselves to the loss of Intramuros as an old Spanish city. In many respects, that loss,—of Manila's ancient structures and shrines and historic land-marks, was the most grievous loss of all the losses brought upon the country by the war. Never can we be callous to that loss. But we should recognize that even if there had been no war and Intramuros had not been destroyed in the terrible violence of 1945, old Intramuros was in process of passing. Even before the war it had become to a large extent a crowded and unhealthy tenement district. Fine old residences had become ill-smelling warrens of the poor; old convents and schools were being turned into warehouses; stately old government buildings were housing second- and third-class bureaus and fire and police stations. It is certain that the war only hastened the inevitable.

Some compromise must be reached and that compromise might well be such as has been reached, often, no doubt, without thought or plan, in many ancient cities of Europe. In cities there, far older than medieval Manila, building has through the centuries taken its natural course, but ancient land-marks have been preserved,—certain buildings, now generally museums, certain picturesque city gates, and stretches of wall which have become parks and public promenades.

There is no restoring the old Walled City, artificially. As a distinctive unit, as a relic and museum piece of the middle ages, it is gone. But we can and must save what still stands. The Cathedral, the San Agustin Convent (oldest building in Manila), a part of Fort Santiago, a number of gates, and most of the walls can and must be repaired and preserved. In place of what is irrevocably gone, let modern Manila flow back inside the walls, according to the city's needs. The old and the new would

stand in a not unpleasing contrast. We could still pace the tops of the old walls, study the lines of the old bastions and ravelins, step into the old stone casemates and peer through the old embrasures, entering into the minds of long-dead Spanish cannoners: a few of the ruins might be preserved as they are, like Guadalupe at Makati, in themselves monuments to the history of Manila's more recent past, the terrible days of the last stand of the Japanese invaders and the irresistible might of the American forces.

The erection of the fine new, P3,000,000 Standard-Vacuum Oil Company building on Isaac Peral Street, which was inaugurated on December 28, was striking evidence of the faith of American business in the future of the Philippines. The same can be said of several other constructions, including the new P3,000,000 factory of Colgate Palmolive Philippines, Inc., in Makati, and the P1,000,000 laboratory of Sharp & Dohme (Philippines), Inc., on Isaac Peral, both inaugurated in November. Still other large buildings are being planned or are already in process of construction by other American owned business enterprises.

The new Manila edifice is said to be one of the finest Standard-Vacuum Oil Company buildings in the world. The two stories provide 42,000 square feet of floor space, and the building is so constructed that a third story can be added if this becomes necessary. The building is air-conditioned throughout.

The inauguration of the Standard Vacuum building was attended by the President of the Philippines and several hundred of Manila's leading officials and businessmen. Mr. J. A. Parrish, the general manager, delivered a brief address in which he spoke of the faith of his Company in the Philippines and also took the opportunity to impart some interesting facts and figures,—for instance that the Company employs, throughout the Philippines, some 1,400 persons, 96% of whom are Filipinos, and that the total payroll for this year will run to P3,500,000. The Company's products, furthermore, are retained in virtually every town of any size in the country by some 1,700 dealers. These employees and dealers, together with their dependents, number no less than 15,000 persons who thus derive their livelihood from the activities of the Company.

Mr. Parrish then spoke of the wage and salary scales, the vacation and sick leave with pay granted to the employees, and the pensions paid them after their retirement for the remainder of their lives. But perhaps the most impressive of his statements was that the Company's tax payments under all headings in 1950 amounted to P28,014,000 and that for 1951 they will amount to P37,800,000.

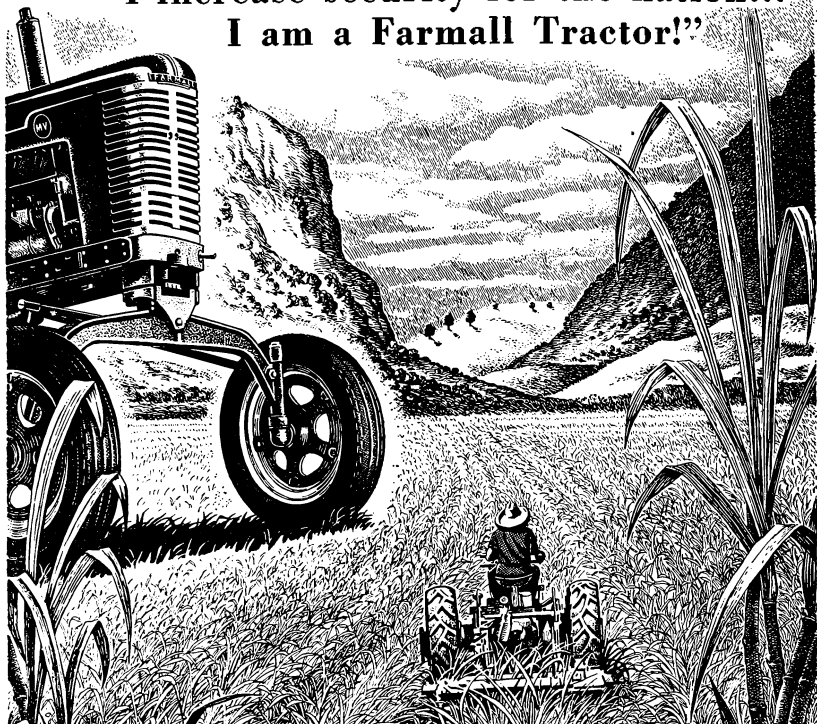
This indicates to what an extent our large business firms have, in effect, become tax-collecting agencies for the Government, for, of course, taxes paid are a part of the cost which must be collected from the consumers.

President Quirino, in his remarks, extemporaneously delivered, stated that he was gratified by the spirit in which the new building had been constructed, giving expression to the Company's faith and confidence in the stability of the Government, the industry of the people, and the honest efforts the nation is making toward contributing to world advancement.

During the course of his remarks, he made one statement that somewhat startled his hearers,—that it "may perhaps be against our own (Philippine) interests" for a company like the STANVAC to "stay here indefinitely". He went on to explain that the presence of such an important company might tend to discourage the exploitation of the Philippines' own oil deposits, which, he said, were

\*Population in 1939, 21,352; population in 1948, 987.

**“I help grow better cane...  
I increase security for the nation...  
I am a Farmall Tractor!”**



**“Cultivating sugar cane in Negros”**

To help build a stronger Philippines,  
International Harvester provides . . .

Mechanized farming with McCormick International Farm Equipment  
Modern transportation with International Motor Trucks  
Industrial power with International Power Units

Over 40 years in the Philippines

**INTERNATIONAL HARVESTER**

INTERNATIONAL HARVESTER COMPANY OF PHILIPPINES



MAIN OFFICE: MANILA

BRANCHES AND DEALERS THROUGHOUT THE PHILIPPINES

"extensive". Nevertheless, he declared, he would still welcome and encourage the expansion of such companies because, in any case, "it would take a long time to develop our oil deposits".

The President also referred to the "Parity" amendment to the Philippine Constitution which provides that the development of the country's national resources as well as the operation of public utilities shall be open to American citizens and business enterprises until the year 1974. He said that he had asked Mr. Parrish just before the ceremonies whether his Company would not be able to take advantage of that amendment, but that Mr. Parrish had said that the "period was too short".

"Perhaps that is right," said the President. He added:

"But if we were ready to approve the Parity Law, it was because we wanted Americans to come as soon as possible and enjoy a common enterprise to develop this country. . ."

We do not know upon what information the President relied in making the statement that Philippine oil deposits are "extensive", and we doubt that authoritative data on this important point is as yet in existence. Exploratory work is still going on and no considerable oil flow has as yet been discovered to our knowledge. A STANVAC subsidiary organization has shared in this work of exploration in the past and there is every reason to believe that the presence of STANVAC in the Philippines, and the development of the distribution aspect of the oil industry here would tend to encourage rather than to discourage efforts to obtain oil locally. This would greatly reduce the cost of transportation and there are other markets for the oil now being imported here.

The real discouragement to American oil development is, as Mr. Parrish told the President, the fact that the privileges extended by the Parity Amendment will expire within little more than twenty years. There are, furthermore, other discouraging factors operative in the Philippines which were described in some detail,—as it happens by Mr. Parrish himself, in an article in the December issue of this *Journal* entitled "Deterrents to Foreign Investment".

If only there could be an effective implementation of the views of the President as he further expressed them in his remarks on this occasion,—that association with those willing to cooperate with us in the development of the country should be welcomed, that equal protection of the law must be assured, that past prejudices must be revised, that a more positive outlook must be adopted!

The distinguished American businessman and Chairman of the United States Council, International Chamber of Commerce, George A. Sloan, was recently quoted as stating the following on the subject of economic nationalism:

"Countries that practice economic nationalism, where attempted self-sufficiency reduces trade with other nations to a minimum, are directly inviting inefficient, unhealthy production and a low standard of living. Yet economic nationalism is often invoked as the only method of safeguarding feeble economies from international bankruptcy. Such invocations place the cart visibly before the horse. Thus it is reassuring to note the extent to which the principle of international cooperation has been translated into practical measures in the operation of the Organization for European Economic Cooperation (OEEC), the European Payments Union (EPU), and the North Atlantic Treaty Organization (NATO).

"Finally, and this is most intimately related to the activities of OEEC and EPU, there is the Economic Cooperation Administration (ECA) program. ECA, as administered at first by my distinguished colleague, Paul Hoffman, and more recently by his successor, William Foster, has been of tremendous aid in postwar reconstruction. But reconstruction in most of the war-ravaged countries is now coming to an end. Construction is a more appropriate term in describing the big job ahead.

"We must be prepared to give new life and new meaning to the doctrines of economic internationalism which will assure the support of fair-minded people everywhere. . ."

"Our unrelenting work for a free and expanding world economy will provide a better life for millions of peoples. Individuals want jobs, happy environments in which to live, and an opportunity to develop. Business leadership with realistic understanding and cooperation from government is needed for the attainment of these goals. To this end we must work with other businessmen; we must work with governments; we must work with labor and agriculture; we must work with educators.

"The way in which businessmen accept the challenge may well determine the fate of civilization and freedom for decades to come."

Can a government try to do too much?

In suggesting a cure for Great Britain's recurrent balance of payment difficulties, Can a Government try to do too much? the authoritative *Monthly Letter on Economic Conditions and Government Finance*, published by the National City Bank of

New York, the basis of the suggested cure is taken to be the diagnosis that—

"Like most other countries today, she [Britain] is trying to do too much. At the same time that the Government is superimposing rearmament upon an economy already operating at full employment, it is pouring out money for housing, and fostering high civilian consumption by food subsidies and other expenditures of the welfare state. The result is an inflationary boom, with its accompanying rise of wages and prices, which is reacting in the classical manner on the balance of payments by encouraging imports and discouraging exports."

The *Letter* referred to is that for the month of November, put out shortly after the elections in Britain, and a manifesto of the Conservative Party (which won the elections) is quoted as saying in part: "We do not believe in an egalitarian society centrally planned nor in an economy dominated [either] by state monopolies or private combines". In the same manifesto, the Party promised to "do everything possible to stimulate production at home and to expand exports". There may, therefore, be an improvement in the British position before long.

The National City Bank *Letter* stated:

"In seeking the cure. . . a first step is to analyze the nature of the disease. The very suddenness of the plunge into the red, coming just at a time when the dollar gap appeared to be closing and sterling area monetary reserves were recovering, calls particularly for explanation. As usual, several factors entered in.

Among these factors, the *Letter* points out were (1) the outbreak of the Korean war and the consequent speeding up of rearmament and the bulge in raw material prices forced up the volume and cost of British imports, and the volume of exports failed to keep pace; (2) bad timing of stock-piling purchases,—too late and at top prices (another example that government planners are by no means as infallible as they are sometimes represented to be); (3) the loss of Iranian oil increased the need to spend dollars; (4) the crisis and the accompanying apprehensions tended to accelerate the dollar drain. . .

"However," states the *Letter*,—

"with due allowance for these special and in some cases possibly temporary factors, it would seem that other and more fundamental factors must be sought. One of the lessons of economic history is that chronic balance of payments difficulties can almost invariably be traced back to inflation. With internal purchasing power expanded too rapidly, the natural effect is to attract more imports, while at the time increasing the demand in the home market for goods that might otherwise be exported. Indications are that Britain is another example." (*Italics ours*)

The remedy, concludes the *Letter*, is clear: "It is government and private retrenchment. . . Produce more, consume less."

All the foregoing is interesting as an aid to understanding Britain's position, but it is of greater importance to ourselves as an aid to understanding our own position. The Philippines, too, has for a long time suffered from inflation and from the Government trying to do too much.

# THEFT

## COULD CRIPPLE YOUR BUSINESS



It's true! Theft of your firm's cash could easily cripple your business — might even force you to close up. This has already happened to many companies. Don't let it happen to you.

You're taking terrible risks, if you try to hide your money. A thief can't be fooled that easily. And if you put your cash in an obsolete safe, you're an easy victim for any determined burglar with his heavy tools.

Safest way to guard against burglary is to keep your funds in the built-in Money Chest inside a Mosler Safe. Tough, armored-steel Mosler money chests are able to withstand concentrated attack with modern burglars' tools, and give you the utmost in protection against theft.

### Mosler Safes Are Insulated Against Fire

A flash fire, too, could bring disaster to your firm if it burned or even charred your vital business papers. An old-style safe — one that does not carry the label of Underwriters' Laboratories, Inc. — might act as an incinerator for your accounts receivable, inventory records and other valuable documents. And an actual survey reveals that 4 out of 10 companies whose records are destroyed by fire, never reopen. Modern Mosler Safes are specially insulated and constructed to withstand intense heat, impact and explosion, and are so certified by Underwriters' Laboratories, Inc. Look for the UL label on your safe. Without it, your safe probably isn't safe.

### How a Mosler Safe Gives Double Protection!



A Mosler Safe has built-in money chest protects your valuables in two ways. First, the tough, armored-steel money chest prevents theft of your cash. It is specially designed and built to foil the most expert burglar. Indeed—the more experienced thieves won't even attempt to break into a Mosler money chest!

Then—the Mosler Safe itself guards your precious business records from fire. Every Mosler Safe is insulated to keep interior temperature below the charring point of paper.

A Mosler Safe has large inside dimensions at no sacrifice of security. It's a handsome safe you will be proud to own! Why not find out more about Mosler Safes? A special booklet, "What You Should Know About Safes," will be sent on request, without obligation.

### MOSLER BANK VAULTS



Throughout the world, financial institutions rely on Mosler to protect their funds, securities and all other valuable papers and records against theft, fire, flood, civil disturbances and other catastrophes.



Mosler built the vaults at Fort Knox, Kentucky, where the United States Government gold is stored, and the bank vaults that withstood the atomic bomb at Hiroshima.

## The Mosler Safe Co.

320 Fifth Avenue, New York 1, U.S.A.

Circle: "OMOPATE NEWYORK"

WORLD'S LARGEST BUILDER OF SAFES AND VAULTS . . . FOUNDED IN 1848

For sale by:

ELIZALDE TRADING CORPORATION  
380 Tandyway St. Tel. 3-86-71

# Should the Exchange Tax Law be Amended?

By J. A. PARRISH

General Manager, Standard Vacuum Oil Company  
President, American Chamber of Commerce of the Philippines

**A**LTHOUGH it is thoroughly understood that the Philippine exchange tax law applies to the nationals of all countries alike, American nationals and American capital are mentioned specifically in this article because, for the time being at least, it is from the United States only, and generally through American businessmen, that outside funds can be depended upon to assist in the development of the natural resources and the build-up of industry in this country.

Now that elections are over and the Third Session of the Second Philippine Congress is about to open, one hears and sees in the press considerable speculation as to the attitude which the new senators and congressmen may take toward taxes in general and more particularly toward the tax which is being collected on the sale of dollar exchange.

Our current exchange tax law was passed by the Second Congress as Republic Act No. 601 and was approved by the President on March 28, 1951. For convenience pertinent sections of the law are quoted verbatim or paraphrased hereunder:

SECTION 1. Except as herein otherwise provided, there shall be assessed, collected and paid a special excise tax of seventeen per centum (17%) on the value in Philippine pesos of foreign exchange sold and/or authorized to be sold by the Central Bank of the Philippines or any of its agents during the period of two years counting from the date of the approval of this Act.

SEC. 2. Exchange purchased in connection with the importation of certain food staples, drugs, textbooks, newsprint, etc., is exempt from the exchange tax.

SEC. 3. Exchange purchased in connection with the importation of articles or containers utilized in the packaging of local products for consignment abroad is exempt from the exchange tax.

SEC. 4. Exchange tax is not applicable to exchange sold for the following purposes:

1. Payment in respect of reinsurance.
2. Payment in respect of marine and aviation insurance.
3. Payment of expenses for drydocking and repairing abroad vessels of Philippine registry and for repairing abroad airplanes of Philippine registry.
4. Exchange purchased for payment of living expenses of students studying abroad not exceeding three hundred dollars per month and for tuition and other school fees.
5. Payment of premiums by Veterans on life insurance policies under the Government of the United States.
6. Payment of premiums and other amounts due by policyholders on life insurance policies issued before December 9, 1949.
7. Payment of machinery and or raw materials to be used by new and necessary industries as determined in accordance with Republic Act Numbered Thirty-Five.

Those who felt the greatest concern over the exchange tax measure at the time it was being promoted in the Congress will recall that the greatest influence for its passage appeared to be the general understanding that it was recommended by the Bell Economic Survey Mission. In part that understanding was correct. There are very important differences, however, between the Bell Mission suggestions in this regard and the provisions of the exchange tax bill as finally approved.

For convenience, the specific recommendation, with regard to the exchange tax, made by that group of Bell Mission experts who were assigned the responsibility for studying and reporting on the commercial and exchange policy of the Philippine Government is quoted hereunder. The quoted section is found under the heading of "Recommendations" on page 88 of one issue, and on page 66 of another, of the Report to the President of the United States by the Economic Survey Mission to the Philippines, produced in Washington, D.C., October 9, 1950. (Italics ours)

"2. To reduce the present excessive demand for imports, which is in part due to the high level of national income and home prices relative to those of the United States, a special emergency import levy of 25 per cent should be imposed on all imports except a limited number of the most essential goods. This special levy would be for a period not to exceed two years and would be coordinated with a new trade agreement to be negotiated with the United States. If such a special levy is not possible because of legal limitations, it would be desirable to secure some reduction in the demand for imports by heavy excise taxes on luxury imports, or through a tax on exchange remittances, although such a measure could lead to serious speculation."

From the language used in this section, the conclusion can undoubtedly be drawn that revenue was not the primary objective which the Bell Mission experts had in mind here, but rather that it was their purpose to prescribe a means for reducing imports, which were draining the country's dollar reserves faster than dollar receipts could be accumulated from exports and other sources.

The proposal which manifestly took priority among those made by the Bell Mission was "a special emergency levy of 25%" on all imports except a limited number of the most essential goods. The alternative to the above recommendation is contained in the following sentence and is so clearly expressed as to permit of no misunderstanding that a tax on the sale of exchange was mentioned only as a last resort. "If such a special levy is not possible because of legal limitation, it would be desirable to secure some reduction in the demand for imports by a heavy excise tax on luxury imports, or through a tax on exchange remittance, although such a measure could lead to serious speculation."

In view of the order of preference given to the different Bell Mission suggestions, one might ask why we have the exchange tax at all, instead of an import levy or an excise tax on all imported goods, graduated in accordance with the essentiality of each category of goods brought in.

One heard at the time that a levy on imports of American goods would run counter to the principle of free trade between the Philippines and the United States, as provided for in the Philippine Trade Act of 1946. Such reasoning could not have been taken too seriously, for the reason that the principle of free trade had already been abridged by the levy of a 1% tax on the value of imports in the old Import Control Board. The present Import Control Commission, with certain exceptions, collects a tax of 2% on the value of imports. Nor can it be claimed that this 2% tax is to cover the expenses of the I.C.C. because amounts being collected exceed by far the cost of maintaining the Commission and are turned over to the general fund of the Government. If the collection of a tax of 2% on imports from the United States can be looked upon as coming within the provisions of the 1946 Trade Agreement, then no maximum in the rate at which such a tax could be fixed can be said to exist. Consequently the rate of tax collected when import licenses are issued could be fixed at 17%, 25%, or at any other level which might be necessary to reduce imports and sufficient to increase revenue by a specified amount and for any purpose. Furthermore, under such a tax arrangement the desirable regulation of imports could be achieved by graduating the rate of tax in accordance with the relative essentiality of the product for which import license was sought.

It will be recalled by those who stood to make the greatest contribution under the provision of the exchange



tax bill that the representatives of a certain United States government agency, who were in Manila at the time, informed congressmen here that a tax on the sale of exchange was what the United States Government wanted.

When the exchange tax proposal came up for committee consideration, representatives of American business were amazed to find that in certain of its features the bill went far beyond the purpose of diminishing imports, and that if the bill were passed as drafted the tax would also apply to repatriation of capital, to remittance of profits and dividends, and to the transfer of proceeds of liquidation of American business and savings by American nationals resident in the country. One of the explanations offered for the application of the tax to remittances made for other purposes than to cover imports, was that diffusion of the tax would take away from it the character of an import levy on goods from the United States. Apparently the same personnel in the same United States government agency assured Filipino congressmen that this extension in the application of the exchange tax was also what the United States Congress wanted.

Subsequent to the passage and approval of the exchange tax law, several American congressmen have visited the Philippines and have discussed with local businessmen the economic prospects of the country, including incentives to the investment of outside capital here. These interviews have not confirmed that in the United States capital an exchange tax was preferred over other import deterrents suggested in the Bell Report, and by no stretch of the imagination could these congressmen be accused of advocating the inclusion of profits from American-financed business, repatriation of American capital, and remittances which would normally be made by American employees in the scope of the exchange tax law.

In all probability it did not occur to the authors of the exchange tax bill that in operation the law would set up a severe penalty against business and investments financed from the United States and against American nationals employed in the Philippines. The thesis is undoubtedly accepted that foreign capital invested in the Philippines is entitled to be repatriated without restriction. It also seems entirely reasonable that the profits derived from business which is financed by citizens of other countries should be freely convertible to the currency of the mother country. American citizens normally return to the United States when their business is discontinued, or when they no longer have employment in the country, to live out their final years in the land of their origin. It is only normal and reasonable that, after settling their local obligations, these citizens would convert to the currency of their home country any resources they had remaining, whether represented by savings, assets, or proceeds of liquidation.

Because of the circumstances mentioned above, the exchange tax quite obviously places American business and American employees in the Philippines at a disadvantage to the extent of 17% of the net proceeds of their operations, investment, or employment, compared with resident citizens and major groups of other nationals who reside in the country but whose profits and earnings do not normally require to be converted. Aside from the cut which the exchange tax takes out of the net earnings of the individual American citizen when remitted, the adverse impact of the tax on American capital attraction is plain to be seen. Investment climate for foreign capital can not be considered favorable in any country where a substantial tax is laid on the repatriation of principal or on the remittance of profits derived from the employment of such capital.

On many occasions I have made the observation that one of the principal deterrents to the flow of American capital toward the Philippines was the very stiff tax of 17%

which the investor would have to stand when he undertook to remit profits or repatriate his original principal. Invariably the response has been that one of the objectives of the exchange tax law was to discourage the departure from the country of capital of any kind, on the theory that capital which is already here, as well as that which might yet come in, should continue to be employed in this country for the benefit of our economy.

Obviously it would be a splendid thing if we could attract outside financial assistance on that basis, but it is probably neither a reasonable nor a sound condition to the investment of foreign funds in any country that the investor must live there in order to expend locally the proceeds of his investment or that he must forever reinvest such proceeds in the same country. More often than not, investors are handling money that belongs to groups of people, and the common practice is to spread investment over different countries as well as over different industries in the same country. While investors assume that their capital will contribute to wider employment and to the increase of wealth in the country to which it goes, they are by no means prepared to risk their funds for that purpose alone. Part of their objective is to bring about an increase in their capital, in the form of dividends which they have every right to expect to convert freely back to the currency from which the original investment was made.

One other possible explanation for the spread provided for in the application of the exchange tax was the fear that if confined to imports alone, the levy would not return the amount of revenue needed to qualify for E.C.A. aid and for other purposes. To the contrary, so surprisingly successful has been the operation of the exchange tax law that it now probably occupies first place as a single source of revenue to the Government. The Central Bank and the tax authorities will undoubtedly concede that collections under the exchange tax have exceeded original expectations and it may be true that the amount collected from imports alone is equal to the total amount originally expected to be realized from this source. Over the first six months, following the approval of the law, collections from the exchange tax amounted to ₱86,000,000. For that period the average works out at roughly ₱14,300,000 per month. Evidence of very satisfactory improvement in overall government revenue is found in an article by the Hon. Miguel Cuaderno, Governor of the Central Bank, published in the last issue of the *Journal of the Philippine Chamber of Commerce* from which the following quotation is taken:

"The tax measures approved at the last session of Congress have not only been an important factor in arresting the resurging tide of inflation, but have also greatly improved the financial position of the Government. . . . The net income of the National Government for the current year will probably be around ₱36.8 million. . . . This estimated income of ₱36.8 million should be sufficient to cover disbursements authorized in the budget for ordinary, extraordinary, and fixed expenditures of ₱41.9 million, as well as a good portion of the funds needed for the E. C. A. counter-part funds, for public works, and for the payment of short term obligations of the Government."

From Governor Cuaderno's statements and with the prospect that tax collections from all sources will be still greater in 1952, it would appear that government finances could very well stand a relaxation in collections under the exchange tax, and that purchases of exchange to cover repatriation of capital, remittance of profits from foreign investment, and the transfer of proceeds of liquidation when foreigners are retiring from the country could be excluded from tax obligation. None of these transfers could be looked upon as flight of capital from the country.

#### SUMMARY

1. A reduction of imports was the purpose behind the suggestion of the Bell Mission that an import tax, or an excise tax, or an exchange tax be levied on imports.

2. Two other tax measures to achieve this purpose were suggested by the Bell Mission in preference to an exchange tax.

3. It does not appear to have been the intention of the Bell Mission that an exchange tax, if adopted, be applied to remittable profits from business financed from abroad, or to remittable proceeds from general investments by foreigners, or to remittances which would normally be made by foreign citizens employed in the Philippines.

4. No evidence is available that the United States Congress expressed a preference for an exchange tax over other measures suggested in the Bell Report for curtailment of imports.

5. It has not been confirmed that the United States Congress advocated or expressed views favoring the application of an exchange tax to profits or dividends from

business investments or to remittances normally made by citizens of other countries employed in the Philippines.

6. Remittances for purposes expressed in "3" above should be readily distinguishable from remittances which represent flight of capital from the country.

7. The exchange tax operates to set up a penalty against American-owned business, investments from American sources, and American citizens employed in the Philippines.

8. Collections under the exchange tax have exceeded the goal which the authors had in mind and therefore the improved condition of the government finances would permit of an amendment to the exchange tax law as indicated.

## Statement on Gold\*

*By the International Monetary Fund*

**T**HE Executive Board of the International Monetary Fund published the following statement on September 28:

"In June, 1947, the Fund issued a statement recommending to its members that they take effective action to prevent external transactions in gold at premium prices, because such transactions tend to undermine exchange stability and to impair monetary reserves. From time to time the Fund has reviewed its recommendations and the effectiveness of the action taken by its members.

"Despite the improvement in the payments positions of many members, sound gold and exchange policy of members continues to require that, to the maximum extent practicable, gold should be held in official reserves rather than go into private hoards. It is only as gold is held in official reserves that it can be used by the monetary authorities to maintain exchange rates and meet balance of payments needs.

"However, the Fund's continuous study of the situation in gold producing and consuming countries shows that their positions vary so widely as to make it impracticable to expect all members to take uniform measures in order to achieve the objectives of the premium gold statement. Accordingly, while the Fund reaffirms its belief in the economic principles involved and urges the members to support them, the Fund leaves to its members the practical operating decisions involved in their implementation, subject to the provisions of Article IV, Section 2 and other relevant articles of the Articles of Agreement of the International Monetary Fund.

"The Fund will continue to collect full information about gold transactions, will watch carefully developments in this field, and will be prepared in consultation with members to consider problems relating to exchange stability and any other problems which may arise."

In communicating this statement to the press, Mr. Rooth, the Managing Director, recalled the background of the original statement on premium gold transactions. In June, 1947, the initial par values of Fund members had only been recently agreed and were not yet tested under postwar conditions. Total dollar receipts from exports to the United States were running at a rate of about \$5,500,000,000 a year. Monetary reserves outside the United States were declining rapidly. The payments difficulties that led to the Marshall plan were already visible. In these circumstances the Fund's statement helped to focus the attention of members on the dangers of an unrestricted flow of gold into hoards and was useful in limiting the supply of gold to premium markets. As world economic conditions improved in late 1949 and 1950, the flow of gold into hoards tended in fact to subside. Since the outbreak of the Korean war, however, it has again become larger.

Mr. Rooth pointed out that, in studying premium sales of gold and the drain on reserves caused by the absorption of gold into private hoards, the Fund has found that, to reduce materially the volume of gold transactions at premium prices, many members would have to institute

much more rigorous controls than they now have. Moreover, the positions of different countries vary so widely that it would be impracticable to expect all members to take uniform measures to make the 1947 gold statement effective. The new statement, therefore, affirms the Fund's belief that to the maximum extent practicable gold should be held in official reserves rather than go into private hoards. The Fund urges its members to support this view. It is left to members, however, to decide the practical operating measures that they will take. Each member will be the judge of just how and to what extent it will implement this statement.

With the new statement, members are not bound to any particular procedure for handling their external transactions in gold. They are not limited to the sale of any specific amount of gold or to any particular proportion of their newly-mined production. Probably gold will now be sold by some countries that did not engage in such operations before. Other countries may continue to sell the same amounts that they did before. And some countries may even reduce the amounts they had previously been selling.

Mr. Rooth concluded with two observations on the Fund's experience with the gold statement of 1947: First, controls as such can have only a limited effect unless they are reinforced by appropriate economic policies. In a period of acute difficulty, the imposition of strong controls to prevent premium gold transactions can be justified. But as time goes on and means of evasion and avoidance are devised, the controls gradually lose their effectiveness. When this happens, the controls cannot be made to work by asking countries to impose more and more onerous restrictions.

Second, the only dependable way for getting rid of premium gold markets and private hoarding of gold is to create the economic conditions under which the private demand for gold will become negligible. In some countries, where gold is hoarded as a matter of tradition, the development of strong banks and sound financial institutions will encourage people to hold more of their savings in banks or securities or invest them in productive enterprises. In every country, the best way to reduce the demand for gold for private hoards is to follow budget and credit policies that will give people confidence in their currency. Nobody can have a good reason for hoarding gold or paying a premium for gold in a country in which the currency will remain stable in internal and external value.

\*From the *International Financial News Survey*, October 5, 1951.

The U.S. Treasury announced on September 28 that it occurred in the Fund's statement, which accords with its own policy, and that it plans to continue in effect its existing gold practices and procedures.

At a press conference in London after the Fund's Annual Meeting, Mr. Gaitskell, the Chancellor of the Exchequer, stated that the British Government supported the view that gold producing countries should sell their

gold exclusively to central banks and, therefore, at the respective parities of their currencies; but he implied that if there were any deviations from this rule they should be allowed on a non-discriminatory basis.

Sources: International Monetary Fund, Press Release No. 170, Washington, D. C., September 28, 1951; U.S. Treasury Department, Press Release, Washington, D. C., September 28, 1951; *The Economist*, London, England, September 29, 1951.

## Shipping Conferences and Ocean Freight Rates

*By the Associated Steamship Lines*

**A**LTHOUGH the recent relatively moderate increase in the so-called "general cargo" ocean freight rate (this type of cargo constitutes only around 10% of the total cargo carried) has aroused some adverse comment and has even led to the suggestion that control of the ocean freight rates be placed under some Philippine Government agency, the Associated Steamship Lines welcomes the public interest which is being shown. The Association has nothing to conceal and if its nature and objectives become better known to the public, this could only redound to the mutual advantage.

Everyone understands how important foreign trade is in the national economy of the Philippines, and, therefore, the importance of the shipping which carries this trade. And, certainly, no one could believe that the shipping companies would take any action damaging to the trade on which its own existence depends.

What, by the way, is not so well understood is that the cost of ocean transportation with respect to many classes of cargo, represents only a very small proportion of the ultimate retail price to consumers. The public will have to look elsewhere for the cause of high prices. From the United States Pacific coast, the ocean transportation cost of a can of evaporated milk, for instance, figures out to only around 1/4 of one centavo for a tall can and 1/8 of one centavo for a small can!

The Associated Steamship Lines is a voluntary, non-profit group of steamship companies engaged in the carrying trade between the Philippines and other countries, not including the countries of Europe, which has been operating since 1922, a few years after the close of the First World War.

The Association has been referred to as a "shipping conference", a type of operation which began to evolve after the transition of shipping from sail to steam. Such conferences now exist in all the leading maritime countries.

It should be understood that it was the advent of the steamship which for the first time made fast and regular service possible between the ports of the world, since steamships were not so dependent on wind and weather as were the sailing ships. Sailing ships were generally individually owned, sailed only when they had taken on full cargoes, which might take weeks or months, and the duration of their voyages could never be foretold with any accuracy.

With the regular service between ports provided by steamships, the speed alone of these ships greatly increased the amount of cargo carried within a stated period, and with the natural increase in the number of ships and the increase in the sailings from and to the various ports, a very destructive period of cut-throat competition set in among shipowners. If this had continued, all the weaker steamship companies would have been driven off the seas

and the organization of a few great monopolies would automatically have been brought about.

Shipping conferences are sometimes accused of seeking to control and monopolize a trade, but actually the very opposite is the truth. Shipping companies were driven into these conferences to survive as such and prevent the formation of gigantic monopolies. Without the agreements brought about in the conferences, adequate and satisfactory service on the various shipping routes of the world by the various companies would not be possible.

Shipping conferences attempt to stabilize freight rates,—that is one of their objectives, and these rates must be adjusted from time to time, but this is not done arbitrarily but only after extended consultations between the shipping companies and at least all the more important shippers. Conferences can not simply levy what rates they like, not only because rates that are too high would destroy their own cargo-carrying business as the shippers would not be able to compete in the world markets, but because there are always shipping companies which are not members of such organizations as well as numerous tramp ship operators who offer competition. Furthermore, except in the matter of rates, the member shipping companies are still in competition among each other with respect to quality of service.

**A**n outstanding fact is that the shipping business is largely international. Every shipping company not engaged in merely a coast-wise trade, comes within the territorial jurisdiction of at least two nations, often many more as its ships ply between the ports of various countries. It is for this reason that governments, while they exercise their general regulatory powers over all shipping under their own jurisdiction and over foreign shipping when under their jurisdiction, they do not attempt to exercise direct control over ocean freight rates.

Suppose, for instance, that one government, in the interests of its merchants, fixed the maximum rate on a certain commodity at \$20 a ton, and the government of another country, in the interests of its merchant marine, prescribed a minimum rate of \$25. For a shipowner to accept cargo under those conflicting orders would manifestly be impossible. Treaties of friendship, commerce, and navigation entered into between nations generally provide that no attempt will be made by either government to fix ocean freight rates.

The foregoing should make it clear why the international shipping business has been permitted to work out what is largely a system of self-regulation through the conference system.

Yet simple as all this seems, the system has sometimes been under attack,—as in the Philippines only recently. Even the sea-wise British Government, as early as 1906,

appointed a commission to investigate "shipping rings". After three years of investigation, the commission concluded:

"1. Developments in ocean transportation have made it necessary that shipowners be afforded such protection as that granted by the system of shipping conferences and deferred rebates.

"2. The system of shipping conferences and deferred rebates has developed until it is now a controlling factor on all sea routes where trade and general merchandise are the chief interests.

"3. Not only shipowners but a large proportion of the shippers regard shipping conferences making use of the system of deferred rebates as a necessary means by which the advantages supplied under an organized service can be maintained.

"4. Steamship lines require a guarantee of a continuity of custom and a means of protection against competitors offering spasmodic service in order to provide service covering a large range of ports with sailings at regular and fixed dates and with ships especially adapted for particular trades."

In the United States also, in 1912, the U. S. Congress authorized an investigation of steamship conferences in the foreign and domestic trade of the country. It, too, lasted a number of years and its work resulted in the enactment of the U. S. Shipping Act of 1916. This law forbade the use of the deferred rebate, but established the legality of the conference system.

The congressional committee reported, in part, as follows with respect to the system:

"It is the view of the committee that open competition can not be assured for any length of time by ordering existing agreements terminated. The entire history of steamship agreements shows that in ocean commerce there is no happy medium between war and peace when several lines engage in the same trade. Most of the numerous agreements and conference arrangements discussed in the foregoing report were the outcome of rate wars, and represent a truce between the contending lines. To terminate existing agreements would necessarily bring about one of two results: The lines would either engage in rate wars which would mean the elimination of the weak and the survival of the strong, or, to avoid a costly struggle, they would consolidate through common ownership. Neither result can be prevented by legislation, and either would mean a monopoly fully as effective, and it is believed more so, than can exist by virtue of an agreement. Moreover, steamship agreements and conferences are not confined to the lines engaging in the foreign trade of the United States. They are as universally used in the foreign trade of other countries as in our own. The merchants of these countries now enjoy the foregoing advantages of cooperative arrangements, and to restore open and cut-throat competition among the lines serving the United States would place American exporters at a disadvantage in many markets as compared with their foreign competitors."

Why did the British commission report that shippers regarded the shipping conference as necessary, and the American committee speak of it as advantageous to merchants?

Again the facts are easy to understand. In the selling of commodities between countries on a competitive basis, the seller is at a great disadvantage if he is unable to pre-determine his cost of delivery and, likewise, the costs of his competitors locally as well as abroad. It is for this reason that established rates have been welcome by shippers. And, if rates must be increased, the shipping conferences, in order to protect the merchants in their advance commitments always arrange that the increases in rates will

not become effective until after a certain period, which, in the case of the Associated Steamship Lines in Manila, is 90 days from their promulgation. However, in the case of decreases, the shipper is given the advantage of the reduction immediately.

Conference rules require member companies to maintain a regular number of sailings in each year. The lines participating are on the berth with scheduled calls, and this allows shippers the opportunity to make their shipments at spaced intervals which are advertised well in advance. This regularity, which only the conference system makes practically possible, is a very great advantage to those who ship commodities in parcel lots because of the nature of the cargo or because the consignees can not accept full ship loads at one time.

Additionally, regular shippers are protected throughout the year because the conference-line ships call during the off-season when the movement of the major commodities may be slack or dormant. Chartering a ship is difficult at such times and small shippers could not even consider this unless it happens that they can have the assistance of larger shippers in providing the necessary amount of cargo.

With the various lines working together in a conference, shippers have still another advantage because the conference set-up enables them to receive prompt action on any matter pertaining to their shipping problems. There are always numerous such matters that require discussion, such as loading requirements, calling at small, non-regular ports, proper handling of shipments, etc. A conference also always works closely with the customs and other water-front organizations in order to maintain and improve the efficiency of the ports.

Chartering ships for special voyages may sometimes be advantageous for bulk cargo, such as ore or lumber, going to one port, but the disadvantages of chartering for the great majority of shippers are obvious. And it should not be thought that charter rates are always lower than conference rates, as this is by no means so.

Since the outbreak of the Korean War, for instance, tramp rates have risen rapidly, while the various conferences are generally far behind in effecting an upward revision of their rates, even though these are usually not more than 10% or 15% at a time and, as for the Associated Steamship Lines in Manila, with the customary 90 days notice to shippers. Only a few months ago, tramp-ship operators were not interested in cargoes at conference rates but preferred ballasting their ships to areas from which more remunerative freights were obtainable.

In a subsequent article it is planned to inform shippers and the public as to the present rates and how they compare with the rates from other nearby ports. It is wholly untrue that the Philippines is being discriminated against in this matter, as we shall show.

---

"As the authority of government increases, the scope of individual initiative shrinks. People find that their welfare depends less on their own productive efforts and activities, and more on the decisions of bureaucrats. As their freedom of action diminishes, their sense of responsibility weakens. Their hopes center more and more on the possibility of getting something for nothing. The idea of receiving payment for services rendered tends to give way to the idea of simply receiving payment."—  
From the November *Guaranty Survey*.

# The Business View

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

## The Government

From Official Sources

**DECEMBER 1**—President Elpidio Quirino receives United States Vice-President Alben Barkley, who arrived in Manila with his wife for a one-day informal visit. Later in the day, the President entertains Vice-President and Mrs. Barkley at luncheon, and in a short speech Mr. Barkley congratulates the President on the conduct of the last elections and on the progress being made in economic, agricultural and industrial development.

The Department of Foreign Affairs announces that the President has approved the creation of a Division of Economic Affairs within the Department which is to be headed by Caesar Z. Lanuza.

**Dec. 4**—Mt. Hibok-Hibok, on Camiguin Island, just north of Misamis Oriental, Mindanao, erupts without warning at 7:15 in the morning and later telegraphic reports tell of the devastation of some nine or ten square kilometers by lava and ashes and the death of several hundred people. The President directs that immediate aid be extended by various government departments, the army, and the Red Cross.

The Cabinet decides that the Government will reiterate the request for the repeal of the United States excise tax on coconut oil. It is also decided to make ₱600,000, to be taken from the surplus funds of the Philippine Charity Sweepstakes Office, available for the rehabilitation of the Philippine General Hospital, the action being taken on an appeal of Director A. B. M. Sison.

**Dec. 5**—Malacañan releases messages from Brig.-Gen. Ernest Moore of the U. S. Army (Clark Field) and from Rear Admiral Richard Cruzen, U. S. Navy (at Sangley Point, Cavite), offering help in providing and sending supplies to Camiguin, with return messages of thanks from the President.

**Dec. 6**—Explosions of the Hibok-Hibok crater continue and it is reported that 5 barrios have been completely destroyed and 16 others rendered uninhabitable.

The President meets with members of the Radio Control Board who call on him in connection with the government program of distributing receiving sets to outlying barrios in the provinces, and they report that dissidents in various places are stealing the sets. The President inquires concerning the supervision of radio broadcasts, warning against the infiltration of the broadcasting stations by subversives.

The President issues Administrative Order No. 170 creating the Priority Assistance Committee, to be composed of a representative each from the Central Bank, the Department of Foreign Affairs, and the Philippine Council for United States Aid, to coordinate the preparation of all requests for priority assistance on orders for commodities in short supply in the United States.

**Dec. 7**—The President orders immediate release of ₱10,000 for the local purchase of relief supplies by government relief workers on Camiguin. He issues Executive Order No. 486 ordering the collection and compiling of historical and cultural data by town, city, and provincial officials in an effort to replace records lost in the destruction of Manila.

Chairman Alfredo Montelibano of the Import Control Board calls on the President in regard to the implementation of the law providing that 50% of imports be reserved for Filipino importers.

**Dec. 8**—Messages of sympathy begin to be received at Malacañan from foreign governments in connection with the Camiguin disaster, including messages, during the next few days, from the Spanish, Indian, Italian, Indonesian, Korean, Chinese (Nationalist), Australian.

**Dec. 10**—Malacañan releases the text of a telegram received from President Harry S. Truman, under date of December 9, as follows:

"My dear Mr. President: In these days when the liberties of all free men are faced with the most serious challenge in history, the American people have been immeasurably heartened in watching the Filipino people practice the ways of democracy. The recent elections have been a convincing demonstration that, given the opportunity, all men would choose to run their own affairs in their own way in the light of their experience and traditions. Your determination that the Filipino people should have this opportunity and your support of the Secretary, Maguaysay, in implementing this policy should win the admiration of free men everywhere. This growth of democracy in the Philippines is additional indication of the great and honorable traditions of Philippine-American friendship."

(Continued on page 30)

## Banking and Finance

By G. R. HUTCHISON

Manager, Port Area Branch  
National City Bank of New York

**COMPARATIVE** statement of condition of the Central Bank:

	As of Dec. 31 1949	As of Sept. 28 1951	As of Oct. 31 1951	As of Nov. 29 1951
(In thousands of Pesos)				
<b>ASSETS</b>				
International Reserve....	₱460,689	₱522,467	₱510,391	₱494,090
Contribution to International Monetary Fund.....	30,000	30,000	30,000	30,000
Account to Secure Coinage.....	113,306	107,570	107,570	107,570
Loans and Advances.....	77,047	25,168	47,171	44,171
Domestic Securities.....	92,197	231,193	230,846	233,844
Trust Account—Securities Stabilization Fund.....	—	6,848	6,848	6,848
Other Assets.....	20,390	82,812	91,410	98,961
	<u>₱793,629</u>	<u>₱1,006,058</u>	<u>₱1,024,236</u>	<u>₱1,015,384</u>
<b>LIABILITIES</b>				
Currency—Notes.....	₱555,576	₱579,305	₱580,017	₱573,249
Coins.....	74,384	93,460	93,310	93,257
Demand Deposits—Pesos	117,682	231,225	244,705	238,199

"A government extends its authority over economic affairs, public decisions on specific questions become enormously important to individuals and groups. The persons who make or affect those decisions are exposed to great temptations, whether in the form of money, votes, political preferment, threats, personal obligations or attachments, or any other form of pressure. Inside knowledge of coming decisions may enable officials to enrich themselves by speculation or by selling such information to others. 'All power tends to corrupt; absolute power corrupts absolutely.' Those words were written more than half a century ago, but they have taken on new significance with recent tendencies in government."—From the November *Guaranty Survey*.

Securities Stabilization Fund.....	2,000	6,848	6,848	6,848
Due to International Monetary Fund.....	22,498	496	496	496
Due to International Bank for Reconstruction and Development	2,389	2,383	2,383	2,383
Other Liabilities.....	2,636	67,747	70,833	74,217
Capital.....	10,000	10,000	10,000	10,000
Undivided Profits.....	6,644	10,905	11,955	13,046
Surplus.....	—	3,689	3,689	—

₱793,629 ₱1,006,058 ₱1,024,236 ₱1,015,384

THERE was a further reduction of ₱16,301,000 in the international reserve during November as compared to the previous month. As shown above, present reserves are only ₱33,401,000 higher than the figure of ₱460,689,000 reflected on December 31, 1949, which was less than one month after the beginning of exchange control. A recent press report lists the reserves including foreign exchange holdings of other banks at about \$300,000,000 which is about \$100,000,000 lower than April of this year and about \$40,000,000 higher than the December, 1949, figure. Heavy liquidation of import bills has been a drain on the reserves during the past several months. The movement of the sugar crop should begin to ease this trend shortly, although the damage to the crop by a destructive typhoon in the Visayas will considerably reduce the dollar-return originally anticipated.

Despite the scarcity of cash, collections continue satisfactory, although merchants are asking for generally longer terms of payment. It is anticipated that a sizeable volume of outstanding import licenses which expired December 31, 1951, and are covered by bank credits will not be extended. This should help ease the general credit position. Also, the Monetary Board of the Central Bank has taken steps to reduce the extension of credit by banks by restricting their letters of credit outstandings to not more than 70% of their net foreign exchange holdings plus cash in vault, excess reserves, and securities other than those being utilized as part of available reserves.

The Central Bank has recently released new notes of ₱5, ₱50, and ₱100 denominations. It had previously released new ₱1 and ₱2 notes. All of these notes were engraved and printed by Thomas De La Rue & Co. Ltd., London.

The Economic Research Development of the Central Bank reports total investments in all enterprises for the first 9 months of 1951 at ₱56,700,000, as compared to an investment of ₱63,100,000 for the entire year 1950. Capital supplied by Filipinos amounted to ₱29,700,000, with Chinese investing ₱22,800,000 and Americans only ₱1,600,000.

## Manila Stock Market

By A. C. HALL  
Hall, Picornell, Ortigas & Co.

November 17 to December 14

THE mining share average has advanced into new high ground, but this is somewhat misleading as a guide to overall market action. The net improvement in the indicator is the result of substantial advances in base-metal equities more than offsetting an easier trend in gold shares. Market sentiment has been decidedly bullish toward the former, but negative as regards the latter group, and some switching from the golds to base metals has been in evidence during the period.

General factors affecting the market show little change during the month. Year-end dividend declarations were generally up to best expectations, but this has not had

much effect marketwise owing to continued tightness of money. The price of gold in the free market is about unchanged and has fluctuated between ₱112/115 per fine ounce during the past month.

In the commercial and industrial section of the market, apart from some improvement in Luzon sugar central shares, the rest of the list shows little change. Fixed interest securities traded in moderate volume around previous levels.

### MINING SHARES

1951 High	Range Low	High	Low	Close	Change	Total Sales		
0.325	0.16	M. S. E. Mining Share Average	126.49	116.01	120.10	Up 5.82	11,848,093	
0.0925	0.028	Acoje Mining Company	—	325	26	20	Off .02	455,600
0.39	0.21	Atok Big Wedge Mining Co.	—	085	07	07	Off .0175	205,000
0.14	0.08	Baguio Gold Mining Co.	—	25	23	24	—	348,000
2.80	2.09	Balacoc Mining Co.	—	1375	135	135	—	370,500
0.0036	0.002	Batong Buhay Gold Mines	2.60	2.30	2.30	Off .30	9,200	
5.30	4.10	Braque Consolidated	4.70	4.65	4.70	Off .0003	850,000	
0.10	0.026	Coco Grove, Inc.	—	0725	065	065	Off .015	195,000
0.029	0.011	Consolidated Mines	—	029	021	027	Up .0065	4,725,000
0.28	0.16	Hixar Gold Mining Co.	—	28	26	27	Up .015	474,000
0.17	0.075	Irogan Consolidated	—	165	155	155	Off .01	530,000
0.055	0.031	J. L. Mining Company	—	—	—	0525A	—	—
0.96	0.59	Leapato Consolidated	—	96	86	90	Up .10	501,450
0.05	0.024	Mashate Consolidated	—	048	045	045	Off .002	290,000
0.43	0.295	Mindanao Mother Lode	—	33	31	31	Off .005	623,500
0.017	0.002	Morone Chrome Inc.	—	005	002	005	Off .009	273,000
0.11	0.05	Paracine Gumsaus Com.	—	10	10	10	Off .01	131,000
120.00	50.00	Philippine Iron Mines, Inc.	120.00	100.00	120.00	Up 20.00	695	
0.315	0.17	Sa. Mauricio Mining Co.	—	28	24	27	Off .02	272,000
0.365	0.22	Sergio Consolidated	—	365	355	34A	Off .01	118,500
0.035	0.02	Suyoc Consolidated	—	027	027	027	Off .001	30,000
0.13	0.05	United Farm Mining Co.	—	125	11	11	Off .015	195,000
—	—	—	—	—	—	—	—	—

### COMMERCIAL SHARES

1951 High	Range Low	High	Low	Close	Change	Total Sales		
143.00	105.00	Bank of the Phil. Islands	138.00	137.00	138.00	—	115	
100.00	75.00	Central Azucarera de Bais, Inc.	100.00	100.00	100.00	—	120	
171.00	152.00	Central Azucarera de La Carlota	165.00	164.00	164.00	—	94	
111.00	100.00	Central Azucarera de Tarlac	100.00	110.00	110.00	Off 1.00	45	
50.00	30.00	Central Azucarera de Manila Broadcasting Co.	50.00	46.00	50.00	Up 5.00	2,498	
320.00	320.00	Filipinas Cia. de Seguros	27.50	27.50	27.50	Up .50	552	
27.50	27.00	Manila Wine Merchants, Inc.	—	30	30	33b	Up .06	87,250
5.50	3.80	Marsman & Co., Inc. pref.	—	—	—	5.50A	—	
0.315	0.25	Marsman & Co., Inc. pref.	—	—	—	25b	—	
0.12	0.085	Mayon Metal, Class "B"	—	11	11	11	Off .01	10,900
0.12	0.085	Mayon Metal 7% pref. Class "A"	—	11	11	11	Off .01	10,000
105.50	100.00	Meralco 6-1/2% Metropolitan Insurance Co.	—	—	—	100.00b	—	
23.00	20.00	Paudeco	23.00	23.00	23.00	Up 2.50	94	
27.50	27.50	Philippine Guaranty Co. Inc.	27.50	27.50	27.50	—	1,000	
0.0625	0.012	Philippine Oil Development Co., Inc.	0.625	03	055	Up .027	1,091,113	
1.46	1.30	Philippine Racing Club, Inc.	1.36	1.36	1.36	Off .06	4,000	
40.00	26.50	San Miguel Brewery, 7% pref.	40.00	39.50	39.50	Off .50	20,928	
100.00	94.00	San Miguel Brewery, 8% pref.	95.00	95.00	95.00	—	2,374	
105.50	102.00	San Miguel Brewery, 8% pref.	104.50	104.00	104.50	Up .50	75	
16.00	15.00	United Insurance & Indemnity Co., com.	15.00	15.00	15.00	—	100	
7.00	6.50	Williams Equipment Co., com.	—	—	—	8.00b	—	
—	—	—	—	—	—	—	—	

### OVER-THE-COUNTER

Company	High	Low	Close	Total Sales
Cia. Gral. de Tabacos de Filipinas	₱1000.00	₱1000.00	₱1000.00	16
6% bonds	006	006	006	900,000
Eastern Development Co.	0075	0075	0075	100,000
East Mindanao Mining Company	6.50	6.50	6.50	1,000
Jai Asi Corp.	10.00	10.00	10.00	2,800
Manufactures Textiles Industrielles de Filipinas, Inc.	165.00	165.00	165.00	18
Philippine-American Ice Co.	0006	0006	0006	88,000
Tayayan Gold, Class "A"	02	02	02	30,000
United Philippine Artists	175.00	175.00	175.00	28
Victoria Milling Co. Inc.	—	—	—	—

## Credit

By C. W. MUILENBURG

Manager, Credit & Collection Department  
International Harvester Company of Philippines

**ASSOCIATION OF CREDIT MEN, INC. (P.I.)**—The Association held its regular monthly directors' meeting December 18, 1951, and reviewed and adopted proposals for various changes and revisions in process-report sheets and reciprocal report forms. It is to be hoped that these revised forms will prove to be of considerable assistance to all members, in that the changes should provide more complete and pertinent and helpful information without imposing hardship on members who provide the information. These forms are being printed and will be submitted to all members for approval before they are put into use. The change results from deletions of items no longer applicable and inclusion of others which now seem advisable and other changes to simplify and clarify the reciprocal report itself.

The membership of the Association was increased in December by two new members, Warner, Barnes & Co., Ltd. becoming an active member as of December 1, 1951, and Atlantic Gulf and Pacific Co. as of December 15, 1951. The directors are interested in increasing still further active membership in the Association by admitting reputable and qualified firms.

An important function of the Association of Credit Men, which is not generally known to outsiders, is to provide protection to members not only in the matter of commercial credits and directly related matters, but to perform such kindred lines of work with the idea of bringing about mutual improvement and greater security and certainty in business customs and usages of trade. The Articles of Incorporation and the By-Laws and the Code of Commercial Ethics as adopted by the Association (substantial parts of which have previously been printed in this *Journal*) clearly point out the purposes of the Association and the methods by which it is operated. The Association has continuously advised its members of specific instances of unfair and unethical dealings and transactions and has attempted to provide advice sufficiently early to all members to protect them against unethical practices. Some of these general practices are dishonest and some illegal. In this activity the Association has not only protected its members, saved them unnecessary expense, but has served to improve the standard of practices in the community. The Association is quietly but actively undertaking such steps as it can to improve justice and fair dealing among all people doing business in the Philippines since it is upon this justice and fair dealing that the entire structure of credit is so dependent.

## Electric Power Production

(Manila Electric Company System)

By J. F. COTTON

Treasurer, Manila Electric Company

1941 Average—16,316,000 KWH

	KILOWATT HOURS	
	1951	1950
January.....	40,713,000	37,661,000
February.....	37,066,000	33,828,000
March.....	40,117,000	38,107,000
April.....	39,197,000	35,378,000
May.....	40,405,000	37,611,000
June.....	40,712,000	37,529,000
July.....	42,041,000	38,774,000
August.....	42,817,000	39,872,000
September.....	41,852,000	38,791,000
October.....	44,017,000	40,657,000

November.....	42,628,000*	39,268,000
December.....	45,700,000**	41,099,000
Total.....	497,265,000**	458,576,000

\*Revised.

\*\*Partially estimated.

SEVERAL electric production-records were established in December; the highest monthly output; the highest daily output of 1,611,900 kwh on December 21; and a new peak of 114,400 kw also on the 21st.

December output was 4,601,000 kwh above December 1950, an increase of 11.2%. This is the highest rate of increase in over a year.

Output for 1951 was 38,689,000 kwh above the year 1950, an increase of 8.4%. This compares with an increase in 1950 over 1949 of 38,135,000 kwh, 9.1%. In 1952 it is expected that additional industrial loads will slightly accelerate the rate of increased output.

## Real Estate

By ANTONIO VARIAS

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

REAL estate sales in the Greater Manila area registered during the month of December numbered 549, with a total value of ₱7,871,967, as compared with 457, with a total value of ₱5,008,804, registered during the preceding month of November.

Of the December sales, 168, with a total value of ₱2,622,303, represented deals within Manila proper, while 381, with a total value of ₱5,249,864, were sales within the cities of Quezon and Pasay, and in the suburban towns of Calocan, Makati, Malabon, Mandaluyong, Parañaque, and San Juan.

Among the bigger sales registered during the month were:

A tract of 28,888 square meters on Baranca, Mandaluyong, sold by Ortigas, Madrigal y Cia. to Philippine Industrial Textile Manufacturing Co. for ₱202,216;

Several lots in Calanan, Calocan, sold by Toribio Teodoro to Toribio Teodoro & Sons, for the reported sum of ₱184,308;

A property with a lot of 2,782.4 square meters on Taft Avenue, Malate, sold by Vicente Ang to Jesus G. Barrera for ₱140,000;

A whole block situated in North Balut Subdivision, Tondo, sold by the B & I Realty Company to Eduardo Co Seteng & Sons for ₱118,637;

A parcel of 3,858 square meters on Otis and Sanciango streets, Paco, sold by Felipe Juico to the Bulkley Dunton Paper Company for ₱110,000; and

A 2-story building with a lot of 601 square meters at 912-916 Lope de Vega, corner O'Donnell streets, Sta. Cruz, sold by Gabriela de Leon to Beatriz de Tanjuako for ₱110,000.

Real estate mortgages registered in the Greater Manila area during the month numbered 463, with a total value of ₱9,201,607, as compared with 458, with a total value of ₱9,255,414, registered during the month of November.

Of the December total, 189, with a total value of ₱3,186,761, represented deals within Manila proper, and 274, with a total value of ₱6,014,846, were deals within the cities of Quezon and Pasay, and in the suburban towns mentioned above.

### REAL ESTATE SALES

(From January to December, 1951)

	Manila Quezon City Pasay City Suburbs				Total
January.....	₱4,466,475	₱1,267,690	₱743,346	₱1,453,264	₱7,939,775
February.....	3,549,050	3,775,341	709,598	1,411,773	8,445,762
March.....	4,562,104	1,698,970	645,878	1,814,525	8,721,477
April.....	5,272,052	1,178,036	487,954	1,738,654	8,676,696
May.....	2,586,055	1,394,514	819,779	1,505,885	6,306,233
June.....	2,793,341	1,435,895	578,954	1,793,395	6,601,585
July.....	2,839,423	1,066,942	497,387	1,697,312	6,101,064
August.....	1,890,113	1,986,826	149,318	1,295,144	5,321,401
Sept.....	3,879,750	946,647	119,942	872,029	5,818,368
October.....	2,021,905	1,325,274	652,462	1,317,305	5,316,966
November.....	2,146,210	1,438,478	125,130	1,298,986	5,008,804
December.....	2,622,303	3,682,829	96,966	1,470,069	7,871,967

## REAL ESTATE MORTGAGES

(From January to December, 1951)

January..	₱2,105,600	₱490,457	₱272,300	₱1,051,546	₱3,919,903
February..	5,636,640	1,106,948	869,100	1,722,790	8,334,848
March....	3,817,877	1,373,880	245,760	1,970,627	7,408,114
April.....	3,140,154	902,932	188,750	1,057,926	5,289,762
May.....	3,753,891	1,150,614	372,032	1,231,810	6,508,347
June.....	4,215,944	5,184,350	869,144	1,531,450	11,800,888
July.....	3,233,375	1,188,026	351,750	1,925,497	6,696,648
August...	9,413,329	1,926,098	757,300	3,171,420	15,268,147
Sept.....	6,110,125	2,860,320	289,760	2,653,960	11,914,165
October...	3,868,876	3,342,480	682,390	2,800,185	10,694,471
November	4,724,705	1,606,980	875,858	2,047,871	9,255,414
December	3,186,761	3,587,704	317,400	2,109,742	9,201,607

A commercial building for Northern Motors Inc. estimated at ₱270,000.

On San Fernando, San Nicolas, a 4-story reinforced concrete store and office for Carlos Lim Kalaw, costing ₱250,000.

A Gymnasium for the Far Eastern University, estimated at ₱200,000.

For Francisco Villaroman, a 2-story reinforced concrete residence on Misericordia Street, costing ₱120,000.

On Laon-Laan, Sampaloc, for Roberto Laperal, a 2 apartment building, estimated at ₱100,000.

Prices of essential items during the period under review continued to be firm. In general, demand for materials was small, and importers are hesitant about placing new orders for stock for fear of an eventual sliding down of prices.

## Building Construction

By JUAN J. CARLOS

President, United Construction Co., Inc.

**D**URING the month of November, the Office of the City Engineer approved building permits for construction work amounting to ₱4,819,360. For the same period last year, the volume of work authorized amounted to ₱3,080,145 in comparison with ₱3,338,685 in 1949 and ₱3,984,235 in 1948. Among the big projects that were started during the month under review and which account for the increase in costs over those of the past years were:

A 3-story building for the College of Medicine, University of Santo Tomas, in Sampaloc, costing ₱700,000.

On Isla de Romero, for the Feni Institute of Technology, a 4-story structure estimated at ₱600,000.

A hotel building on Dewey Boulevard for Litton & Company, costing ₱350,000.

## Ocean Shipping and Exports

By B. B. TUNOLD

Secretary-Manager

Associated Steamship Lines

**T**OTAL exports for the month of November of this year showed a small decrease as compared to exports during November last year.

This decrease can probably be attributed to a reduction in lumber, copra, and desiccated coconut exports.

91 vessels lifted 222,335 tons of exports during the month, as compared to 234,092 tons lifted by 99 vessels during the same month last year.

Commodities which have registered sharp increases over last year's figures for the same month, are: beer from 113 to 430 tons; lead ores from nil to 180 tons; iron ores from 33,705 to 72,785 tons; and sugar cent./raw from 4,687 to 15,370 tons.

ENGINEERING EQUIPMENT  
& SUPPLY COMPANY, Inc.MACHINERY • MECHANICAL SUPPLIES •  
ENGINEERS • CONTRACTORS

## AIR CONDITIONING

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

\* \* \*

Suppliers of

MACHINERY, EQUIPMENT and INDUSTRIAL  
SUPPLIESFor Sugar Centrals, Mines, Sawmills, Power Plants,  
Machine Shops and All Industrial Plants

\* \* \*

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

\* \* \*

Operating:

General & Sales Office  
174 M. de Comillas  
Manila  
Tel. 3-29-21MACHINE SHOPS • STEEL PLATE SHOPS  
STRUCTURAL STEEL SHOPS • WELDING  
SHOPS • BLACKSMITH SHOPS • SHEET  
METAL SHOPS • MARINE RAILWAYEngineering Shops  
No. 1 Calle L. Segura  
& Pasig River  
Mandaluyong, Rizal  
Tel. 6-65-68



Exports for November, 1951, as compared with exports during November 1950 were as follows:

	November	
	1951	1950
Alcohol.....	83 tons	—
Beer.....	430 "	113 tons
Cigars and cigarettes.....	23 "	15 "
Coconut, desiccated.....	6,620 "	10,476 "
Coconut oil.....	5,350 "	7,581 "
Concentrates, gold.....	387 "	459 "
Concentrates, zinc.....	118 "	—
Copra.....	55,999 "	80,047 "
Copra cake, meal.....	6,419 "	6,756 "
Embroideries.....	319 "	244 "
Empty cylinders.....	459 "	543 "
Fish, salted.....	50 "	10 "
Furniture, rattan.....	1,138 "	704 "
Gums, copal.....	74 "	61 "
Gums, elemi.....	33 "	—
Hemp.....	67,847 bales	79,075 bales
Household goods.....	161 tons	287 tons
Kapok.....	42 "	185 "
Logs.....	6,398,047 bft.	4,700,018 bft.
Lumber, sawn.....	4,097,860 "	12,130,307 "
Molasses.....	6,675 tons	3,648 tons
Plywood and plywood products.....	26 "	7 "
Ores, chrome.....	15,980 "	27,150 "
Ores, lead.....	180 "	—
Ores, iron.....	72,785 "	33,705 "
Ores, manganese.....	1,470 "	5,678 "
Rattan, palasan.....	109 "	219 "
Rope.....	171 "	562 "
Shell, shell waste.....	84 "	54 "
Skins, hides.....	43 "	166 "
Sugar, cent. raw.....	15,370 "	4,687 "
Sugar, refined.....	197 "	—
Tobacco.....	638 "	813 "
Vegetable oil.....	39 "	33 "
Transit cargo.....	71 "	982 "
Merchandise, general.....	414 "	924 "

## Lumber

By **PACIFICO DE OCAMPO**

Secretary-Treasurer

Philippine Lumber Producers' Association, Inc.

THE overall export of Philippine logs and lumber during November, amounting to 22,097,071 bd. ft., shows a decrease of 3,335,998 bd. ft. from the October export of 25,433,069 bd. ft. Exports to Japan decreased by 2,533,494 bd. ft., while exports to the United States and Canada decreased by 781,659 bd. ft.

Decline in the Japanese demand may be attributed in part to the effect of the poor quality of logs shipped to that country by unscrupulous exporters who are not producers. In some cases, misunderstanding as to Philippine and Japanese standards of quality has resulted in the stockpiling in Japan of undesirable species.

Lumber producers find it extremely difficult if not impossible to participate in SCAP bidding due to the short-time notice given the schedules. Participants in the bidding are often dealers who obtain their shipments from unreliable producers.

Figures released by the Bureau of Forestry as to the lumber and logs inspected for export abroad during November, 1951, follow:

Shipper	Destination	Volume in Lumber	Board Feet Logs
Agusan Timber Corporation	Japan		986,000
Anakan Lumber Company	Japan		1,013,419
Company	U.S.A.	51,004	824,972
Bislig Bay	U.S.A.	207,666	
Lumber Company	Japan		1,497,678
Basilan Lumber Company, Inc.	S. Africa		499,310
Company, Inc.	Japan		1,859,541
B. R. Valencia & Co., Inc.	Japan		567,516
C. Luna Enterprises	Japan		549,930

# INSULAR LUMBER COMPANY

FABRICA, OCC. NEGROS



SPECIALISTS IN KILN DRIED LUMBER

and

MANUFACTURERS OF BOXES OF ALL DESCRIPTIONS

**MANILA DISTRIBUTORS:**

Norton & Harrison Company  
814 Echague  
Manila

D. C. Chuan & Sons, Inc.  
14-30 Soler St.  
Manila

Insular Saw Mill, Inc.  
340 Canonigo, Paco  
Manila

MANILA OFFICE: 401 FILIPINAS BUILDING

Dahican Lumber Company, Inc.	U. S. A.	252,356	
Dee C. Chuan & Sons, Inc.	Hongkong	72,160	
General Enterprises	Hawaii	1,700	
Getz Bros. & Company	S. Africa	61,155	
Gulf Lumber Company, Inc.	England		1,200,014
Iigan Lumber Company, Inc.	Japan	491,300	
Insular Lumber Company, Inc.	Japan	500,000	
	S. Africa	665,843	
	U. S. A.	460,207	
	Canada	22,537	
Johnston Lumber Company, Inc.	Japan		924,999
Macario Apostol	Japan		211,624
Martha Lumber Company, Inc.	U. S. A.		500,000
Mindoro Planing Mill	U. S. A.	20,000	
Misamis Lumber Company, Inc.	U. S. A.		
Nasipit Lumber Company, Inc.	Japan		1,593,534
North Camarines Lumber Co., Inc.	U. S. A.	543,764	
North Star Lumber Company	Okinawa		1,200,000
Pan Asiatic Commercial Co.	Japan		1,029,230
Schuable & Cuerva	Guam		715,297
Sta. Cecilia Sawmills, Inc.	Hawaii		1,369
Sta. Clara Lumber Company, Inc.	U. S. A.		1,200,015
Valderama Lumber Manufacturers	Japan		1,149,826
West. Mindanao Lumber Company	U. S. A.	45,124	
	Japan		800,116

Woodcraft Works, Ltd.	Hongkong	234,606	
	S. Africa	70,313	
Totals		3,982,750	18,114,321

	Lumber (Bd.Ft.)	Logs (Bd.Ft.)	Total (Bd.Ft.)
RESUME of Exports to:			
Japan	—	13,890,010	13,890,010
United States and Canada	1,602,658	2,524,987	4,127,645
Other countries	2,380,092	1,699,324	4,079,416
TOTALS	3,982,750	18,114,321	22,097,071

SUMMARY OF EXPORTS DURING NOVEMBER ARRANGED BY COUNTRIES OF DESTINATION IN THE ORDER OF VOLUME OF SHIPMENT TO EACH COUNTRY

	Logs (Bd.Ft.)	Lumber (Bd.Ft.)	Total (Bd.Ft.)
Japan	13,890,010	—	13,890,010
United States	2,524,987	1,580,121	4,105,108
South Africa	499,310	797,311	1,296,621
England	1,200,014	—	1,200,014
Okinawa	—	1,200,000	1,200,000
Hongkong	—	306,766	306,766
Hawaii	—	74,646	74,646
Canada	—	22,537	22,537
Guam	—	1,369	1,369
Totals	18,114,321	3,982,750	22,097,071

In the local market, wholesale prices, which were quoted at ₱145 per 1000 bd. ft. for white lauan, ₱150 for apitong, and ₱165-₱170 for red lauan at the opening week

COMPARATIVE STATEMENT OF EXPORTS MADE TO DIFFERENT REGIONS OF THE UNITED STATES DURING THE MONTHS OF OCTOBER AND NOVEMBER, 1951.

Period	Lumber in Bd. Ft.					Logs in Board Feet					Grand Total
	Western States	Eastern States	Gulf States	Others	Total	Western States	Eastern States	Gulf States	All Others	Total	
October	2,543,096	385,749	57,530	64,736	3,051,111	1,383,816	399,998	—	1,788,814	4,839,925	
November	729,884	710,523	66,811	70,903	1,580,121	334,991	500,000	1,299,996	400,000	2,534,987	
Difference (Increase +; Decrease -)	1,813,212	-324,773+	11,281+	-6,167+	1,470,990-	1,053,825-	-500,000+	899,998+	400,000+	736,173+	



Access  
to the  
Markets  
of the  
World...

NATIONAL CITY BANK offers quick access to world markets through 48 overseas branches of its own—more overseas branches than those of all other American banks together. In addition it has long established correspondent relationships with important banks throughout the world.

## THE NATIONAL CITY BANK OF NEW YORK

First in World-Wide Banking

Branches in the Philippines  
MANILA

PAMPANGA: CLARK FIELD

Main Branch: Juan Luna Street  
Port Area Branch: 13th Street

CEBU: CEBU CITY

of November, gradually receded during the month, closing at P140, P145, and P160-P165, respectively. This gradual price recession was partly attributed to lack of buying-support from dealers, who purchased only in limited quantities in order to fill immediate requirements with the approach of the inventory period, and to the intermittent presence of price-weakening factors, particularly, the inclement weather. However, the log-bid of the Japan Logistic Command of SCAP, offering to buy 441,000 bd. ft. of dungon, yakal, bitaog, lamog, makaasim and/or saplungan logs, veneer or peeler log No. 2, and 1,900,000 bd. ft. of lumbayao, tangile, almon, bagtikan, and/or mayapis logs, veneer or peeler log No. 2, which was set on December 26, 1951, may boost local prices of lumber during the months to come.

## Desiccated Coconut

BY HOWARD R. HICK  
President and General Manager  
Peter Paul Philippine Corporation

THIS report covers the period from November 15 to December 15, during which the industry was working at approximately 55% capacity. The copra market was depressed and nuts were plentiful for desiccators and at almost the lowest prices for the year. Large inventories in the United States as well as the slow movement of the market contributed much to the dull production and little relief is in sight for the remainder of the year and possibly the first quarter of 1952.

The following are the shipments for the month of November, 1951:

Shippers	Pounds
Franklin Baker Company.....	3,277,000
Blue Bar Coconut Company.....	1,198,560*

Peter Paul Philippine Corporation.....	1,059,100
Red V Coconut Products, Ltd.....	1,601,200
Sun Ripe Coconut Products, Inc.....	864,000
Standard Coconut Corporation.....	112,800
Cooperative Coconut Products, Inc.....	245,100
Tabacalera.....	—
Coconut Products (Phil.) Inc.....	—
<b>Total.....</b>	<b>8,357,760</b>
*Zamboanga Factory Production.....	196,400 lbs.
Lusacan.....	1,002,160 "
	1,198,560 lbs.

## Manila Hemp

By FRED GUETTINGER  
Vice-President and General Manager  
Macleod and Company of Philippines

PRESSINGS in November declined to 58,696 bales and were 6,762 bales under the production of the previous month. Davao accounted for 36,666 bales, or approximately 63% of the total. The 1951 production up to the end of November amounted to 914,762 bales, as against 680,879 bales for the same period last year.

The following are the comparative figures for pressings for the first 11 months of 1947 through 1951:

	Balings — January-November Inclusive				
	1951	1950	1949	1948	1947
Davao.....	455,354	346,300	199,258	185,820	329,981
Albay, Camarines and Sorsogon.....	221,184	154,009	102,952	151,750	222,630
Leyte and Samar.....	149,951	111,567	94,475	100,108	94,037
All other Non- Davao.....	88,273	69,003	66,529	102,902	84,853
<b>Total bales.....</b>	<b>914,762</b>	<b>680,879</b>	<b>463,214</b>	<b>540,580</b>	<b>731,501</b>

Exports in November amounted to 55,927 bales and were divided as follows:

Use  
SHELL  
PETROLEUM  
Products



For  
POWER  
PERFORMANCE  
ECONOMY

THE SHELL COMPANY OF P.I. LIMITED  
MANILA  BRANCHES: CEBU · ILOILO · DAVAO

# PACIFIC MERCHANDISING CORPORATION

449 Dasmariñas

Manila

EXCLUSIVELY REPRESENTING....

CORBIN LOCK COMPANY

AMERICAN RADIATOR & STANDARD  
SANITARY CORPORATION

UNION CARBIDE &amp; CARBON CORP.

National Carbon Division  
"Eveready" flashlights & batteriesLinde Air Products Division  
"Union" Carbide

PABCO PRODUCTS, INC.

"Pabco" Products

AMES BALDWIN WYOMING COMPANY

BALL BROS. MASON JARS

MALLEABLE IRON FITTINGS CO.

FAIRBURY WINDMILL CO.

CAPEWELL MANUFACTURING CO.

SLOAN VALVE COMPANY

BOMMER SPRING HINGE COMPANY

COLUMBUS COATED PRODUCTS CO.

KEENEY MANUFACTURING COMPANY

BADGER METER MANUFACTURING CO.

DICK BROTHERS MANUFACTURING CO.

CARBORUNDUM COMPANY

BADGER FIRE EXTINGUISHER CO.

◆  
**STEEL PRODUCTS****HOUSE FURNISHINGS****GENERAL HARDWARE****PLUMBING**

United States and Canada.....	19,290 bales	34 %
United Kingdom and Continental Europe.....	23,749 "	42.5 "
Japan.....	8,297 "	15. "
Australia and New Zealand.....	2,400 "	4.5 "
South Africa.....	1,427 "	2.5 "
Various other countries.....	764 "	1.5 "
Total.....	55,927 bales	100 %

The following are the comparative figures for exports for the first 11 months of 1947 through 1951:

	Exports — January-November				Inclusive 1947
	1951	1950	1949	1948	
United States and Canada.....	520,665	358,722	179,805	247,434	485,910
Continental Europe.....	150,040	113,947	86,217	96,147	108,184
United Kingdom.....	160,654	75,752	34,485	57,270	63,395
Japan.....	120,503	93,769	89,483	123,912	9,244
South Africa.....	15,377	6,275	3,827	3,657	7,980
China.....	6,929	12,787	13,586	11,650	5,286
India.....	5,406	7,880	3,325	2,073	5,800
Korea.....	—	3,100	—	—	—
Australia and New Zealand.....	4,300	1,826	1,914	42	4,528
All other countries.....	—	947	80	3,353	2,060
Total bales.....	984,074	675,005	412,722	545,538	692,387

The weakness of the previous months continued throughout the period under review—November 16 to December 15. Prices quoted in the United States at the close of the period were on the average 2 cents lower than opening quotations. Demand was generally poor as consumers displayed very little buying interest due to the rope business going through an almost depression-like period. In the Philippines prices of Davao grades declined ₱2 per picul while Non-Davao grades registered declines of from ₱4 to ₱5, thus further narrowing the difference between the two grades.

## Sugar

By S. JAMIESON

Secretary-Treasurer

Philippine Sugar Association

THIS review covers the period from December 1 to December 31, 1951, inclusive.

*New York Market.* We mentioned in our previous review that the hearings on the 1952 United States consumption quota had begun in Washington on November 29. It was indicated, upon the conclusion of the hearings, that the quota would be announced on or about December 21. As was expected, there was a quiet market during December pending the announcement. Sellers were reluctant to trade, since it was felt that Washington was well aware of the need for something being done to stimulate prices for the protection of the domestic sugar industry and would act accordingly. The quota was actually announced after the close of business on December 20 and was set at 7,700,000 short tons raw value—lower than the trade generally had expected—and the accompanying statement left no room for doubt that it was set low purposely for higher prices. Christmas and New Year holidays have intervened to retard the market's reaction, but indications are that it will now move steadily toward a higher level.

The market opened for the month on December 3 with spot at 5.85¢ and a sale of a small lot of Porto Ricos, January arrival, at 5.80¢. During the next few days several lots of Philippines were sold for December, January shipment and late December and early January arrival, all at 5.80¢, and spot advanced to 5.83¢. A large quantity of Porto Ricos was on offer for January, February shipment at the average spot price for January, February but found no takers. On the 12th, 16,000 tons Porto Ricos and Cubas,

December/January arrival, were sold at 5.75¢. On the 13th, 40,000 bags Porto Ricos, December shipment, were sold at the same price, and spot was also 5.75¢. For the next few days the market was quiet and unchanged, with a further 24,000 bags Porto Ricos, early January arrival, sold at 5.75¢. On the 19th, a distressed lot of 2,500 tons Philippines, due end December, was sold at 5.70¢, and set the spot price at the same figure. On the 20th, prior to the announcement of the United States consumption quota above referred to, 2,600 tons Cubas, late January arrival, were sold at 5.80¢, and spot advanced to 5.75¢. Next day, the market was firmer with spot advancing to 5.80¢ and sales of 9,000 tons Philippines, late January arrival, at 5.80¢ and 50,000 bags Porto Ricos at the average spot price for January February. When the market reopened on the 26th after the Christmas holidays, it was steadier, with spot at 5.85¢. On the 27th, 6,000 tons Philippines, first half January arrival, were sold at 5.85¢, and 4,000 tons Cubas, in the same position, at the equivalent of 5.90¢. On the 28th, the last market day of the year, spot was 5.87¢, and 6,000 tons Philippines, late January arrival, were on offer at 5.90¢, with buyers indicating 5.85¢.

We give below quotations on the New York Sugar Exchange for Contract No. 6 as of December 28, which were, incidentally, also the peak quotations for the month:

March.....	5 42c
May.....	5 52
July.....	5 63
September.....	5 70
November.....	5 73

World market Contract No. 4 quotations closed on December 28 as follows:

January, 1952.....	4 90¢
March.....	4 79
May.....	4 78
July.....	4 79
September.....	4 79
October.....	4 79

The world market spot price on December 28 was 4.77¢ as compared with 4.80¢ on November 30. Cuban sales in the world market during the month included the following:

To Holland—a cargo (quantity not stated) at 4.87¢ f.a.s.  
Operators—quantity not given, at 4.90-4.95¢ f.a.s.  
Spain—3,400 tons at 4.95¢ f.a.s.

**Local Market.** (a) Domestic Sugar. The market for ordinary centrifugal sugar was quiet and prices dropped during the month, the closing quotations being from ₱13.75 to ₱14.20 per picul, ex mill warehouse. There was a good demand for washed sugar and prices advanced, the closing quotations being from ₱16.75 to ₱17.75 per picul, ex mill warehouse.

(b) Export Sugar. The controversial question of sugar exports to Japan continued to dominate and upset the market during the month. On December 12 the Export Control Committee rejected the application of Mr. Filadelfo Rojas for permission to ship 30,000 tons there, and it was hoped that this would close the matter. The applicant, however, continued to press his case. On December 29, President Quirino held a conference in Malacañan, at which were present the members of the Export Control Committee, the President of the Philippine Sugar Association, the President of the National Federation of Sugarcane Planters, former Speaker Jose Yulo, and Mr. Vicente G. Bunuan, Sugar Administrator. Following the meeting, Malacañan issued an announcement granting permission to persons or firms who desire to export sugar to countries outside of the United States to do so, provided the sugar comes from "C" sugar, this decision being applicable only to the 1951-52 crop. Certain points will require clarification before the effect of this announcement can be definitely determined.

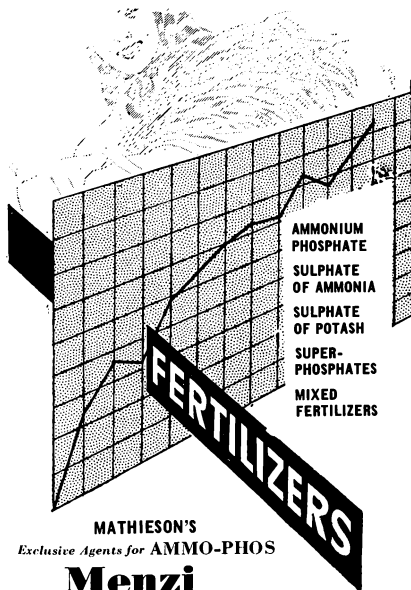
Trading in the local market in export sugar for shipment to the United States was light, but with the improvement in the New York market following the announcement of the 1952 United States consumption quota, there was more interest, and at the close there were buyers at from ₱13 to ₱13.15 per picul ex mill warehouse for prompt delivery.

**General. 1952 United States Consumption Quota.**—The distribution of the quota of 7,700,000 short tons is as follows:

Domestic beet sugar.....	1,800,000
Mainland cane sugar.....	500,000
Hawaii.....	1,052,000
Puerto Rico.....	910,000
Virgin Islands.....	6,000
Philippines.....	974,000*
Cuba.....	2,424,571
Other foreign countries (Full duty).....	33,429
	<u>7,700,000</u> short tons

\*This represents the Philippine statutory quota of 952,000 short tons, commercial basis, converted into a 96° equivalent.

**1951/52 Philippine Crop.** The typhoon which swept through the Visayan sugar districts on December 9-10 did



MATHIESON'S

Exclusive Agents for AMMO-PHOS

**Menzi**  
& CO., INC.

j. m. menzi bldg.  
reina regente cor. soler • manila  
tel. 2-79-27

## COLUMBIAN ROPE COMPANY OF PHILIPPINES, INC.

HEMP AND COPRA EXPORTERS

STEAMSHIP AGENTS

★  
206 Myers Building  
Port Area, Manila, P. I.

★  
BRANCHES:  
Davao • Tacloban • Cebu • Tabaco



enjoy a luxury cruise  
to the States

Aboard America's Post-War Liners  
S.S. PRESIDENT WILSON • S.S. PRESIDENT CLEVELAND

Shipboard life on your cruise to San Francisco means new companions, new friends... gay carefree days and starry, breeze-cooled nights... while you sail through calm, blue waters to your destination. Air-conditioned staterooms, a sparkling outdoor swimming pool, spacious lounges, and wonderful food are yours to enjoy on these great ships.

Ports of call: Hong Kong, Kobe, Yokohama, Honolulu,  
San Francisco



**AMERICAN  
PRESIDENT  
LINES**

Your American Hotel Aboard

MARY BACHRACH BLDG.,  
Tel. 3-32-81

25th Street, Port Area

considerable damage to the sugarcane crops and properties in all districts. In some districts the damage was worse than in others and it is estimated that the overall crop loss will be about 10%. A revised estimate is in course of preparation. Before the typhoon the total crop was estimated at 1,189,756.88 short tons. It is reported that the Philippine National Bank has increased its crop loan basis from ₱7.80 to ₱9.50 per picul in order to assist planters in repairing the damage sustained to their properties.

## Tobacco

By LUIS A. PALJTE  
Secretary-Treasurer

Manila Tobacco Association, Inc.

**L**ATEST reports from the different tobacco producing regions are that transplanting from seed-beds to the fields has been delayed. In Isabela and Cagayan the delay is from two to four weeks. In Cebu and other Visayan islands transplanting was done in time but typhoon "Amy" damaged most of the transplanted seedlings. Fortunately, enough seedlings were still available at the seed-beds and new seed-beds were planted so that, though delayed, fields will be fully planted. The dangers of delayed transplanting are that insufficient moisture may stunt the plants and the yield would be shorter and of strong gummy leaf. Then also, should the rains and storms come earlier than usual, rains would wash the leaves prior to harvest which would mean a bad crop—easily susceptible to worms and mold.

**T**HE specific taxes on cigarettes collected by the Bureau of Internal Revenue during the first 3 quarters of 1951 are as follows:

(All Factories in Manila and its Suburbs Caloocan, Malabon, Pasay City, and Quezon City)

Month	Native Cigarettes	Local Virginia-type Cigarettes	Total
January	₱ 698,620.625	₱ 6,115,132.00	₱ 6,813,752.63
February	709,035.19	2,318,506.40	3,027,541.59
March	731,082.25	2,457,980.20	3,189,062.45
April	693,202.375	2,791,110.70	3,484,313.08
May	800,801.1875	3,734,025.40	4,534,826.59
June	671,114.625	3,850,866.95	4,521,981.56
July	736,114.75	4,325,060.40	5,061,175.15
August	664,218.50	3,766,792.40	4,431,010.90
September	697,337.75	3,902,057.90	4,599,395.65
<b>Total</b>	<b>₱6,401,533.25</b>	<b>₱33,261,532.35</b>	<b>₱39,663,065.60</b>

## Imports

By S. SCHMELKES  
Mercantile, Inc.

**A**LL figures are in kilos with the exception of those for foodstuffs which are given in package units:

Commodities	November, 1951	November, 1950
Automotive (Total)	1,832,089	534,276
Automobiles	183,054	100,575
Auto Accessories	530	715
Auto Parts	277,410	216,201
Bicycles	1,397	2,507
Trucks	58,916	—
Truck Chassis	378,758	69,248
Truck Parts	179,319	34,556
Building Materials (Total)	5,632,866	10,903,143
Board, Fibre	23,667	—
Cement	1,428,087	8,475,101
Glass, Window	830,742	295,304
Gypsum	—	75,582
Chemicals (Total)	16,759,864	6,495,319
Caustic Soda	1,495,718	263,862

Explosives (Total).....	173,367	52,914
Firearms (Total).....	2,659	812
Ammunition.....	840	812
Hardware (Total).....	5,477,612	5,576,279
Household (Total).....	854,419	698,631
Machinery (Total).....	2,186,169	751,962
Metals (Total).....	6,432,056	6,962,215
Petroleum Products (Total).....	75,759,845	61,364,449
Radios (Total).....	23,707	19,990
Rubber Goods (Total).....	1,015,946	408,824
Beverages, Misc. Alcoholic.....	8,369	4,189
Foodstuffs (Total Kilos).....	29,308,603	21,039,216
Foodstuffs, Fresh (Total).....	187,339	107,026
Apples.....	40,869	25,354
Oranges.....	10,780	3,696
Onions.....	62,237	31,163
Potatoes.....	22,648	12,131
Foodstuffs, Dry Packaged (Total).....	18,490	16,815
Foodstuffs, Canned (Total).....	303,675	272,336
Sardines.....	136,801	94,895
Milk, Evaporated.....	36,793	89,228
Milk, Condensed.....	26,485	23,242
Foodstuffs, Bulk (Total).....	395,472	410,990
Rice.....	78,046	5
Wheat Flour.....	297,806	371,530
Foodstuffs, Preserved (Total).....	185	1,002
Bottling, Misc. (Total).....	1,779,992	474,322
Cleansing and Laundry (Total).....	165,280	1,171,189
Entertainment Equipment (Total).....	14,071	2,567
Livestock—bulbs—seeds (Total).....	9,385	8,418
Medical (Total).....	512,444	275,938
Musical (Total).....	17,367	31,460
Office Equipment (Total).....	45,181	44,593
Office Supplies (Total).....	88,526	46,205
Paper (Total).....	5,542,557	4,007,060
Photographic (Total).....	61,177	11,062
Raw Materials (Total).....	757,427	297,268
Sporting Goods (Total).....	20,195	119,964
Stationery (Total).....	313,630	170,295
Tobacco (Total).....	469,467	81,666
Chucheria (Total).....	91,546	47,202
Clothing and Apparel (Total).....	117,209	264,627
Cosmetics (Total).....	80,752	113,399
Fabrics (Total).....	793,320	1,600,360
Jewelry (Total).....	997	—
Leather (Total).....	72,564	180,380
Textiles (Total).....	4,228,479	1,562,882
Twine (Total).....	113,395	34,615
Toys (Total).....	92,785	38,523
General Merchandise (Total).....	501,288	425,803
Non-Commercial Shipments (Total).....	69,002	45,175
Advertising Materials, Etc. (Total).....	18,888	21,339

## Food Products

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

THE most important development recently in trading circles is the announcement that the Import Control Commission is to be reorganized, all three commissioners having presented their resignation. It is also rumored that in the forthcoming session of the Congress bills will be presented abolishing the import controls as at present administered and placing all such controls under the Central Bank which would limit imports by control of exchange.

The import control commissioners who are now resigning are to be complimented very highly on the task they have performed. Working under great difficulty with an inadequate budget and untrained personnel, they built up a very good organization which during the last few months has been working very efficiently. It is sincerely to be hoped that the new Commission will be allotted a greater budget, permitting it to employ additional trained personnel with adequate salary so that applications for import licenses can be processed expeditiously and efficiently.

One of the greatest difficulties experienced by importers in general for the past two years under the import

## SMITH-CORONA PORTABLE



One glance at the new SMITH-CORONA... and you're convinced that it's the most beautiful and sturdy portable typewriter you've ever laid eyes on!

Not just a "new model"... it's a revolutionary all new typewriter... with a total of nineteen new features plus fifteen SMITH-CORONA "exclusives"! Its smart, new Color-speed Keyboard is full standard office machine size... has rimless keys colored a restful non-glare green and "comfort shape" to cup your finger tips.

**ERLANGER & GALINGER, INC.**

123 T. Pinpin, Manila • Magallanes St., Cebu City

**KOPPEL**

**DEPENDABLE**

**IN WAR OR PEACE**

**"CATERPILLAR"**

"Caterpillar" diesel engines, tractors, motor graders, and earthmoving equipment played a great role during the last war. Their outstanding records stem from a rugged simplicity of design that leaves little chance of things going wrong. During peace-time, they are equally dependable because back of them stands a factory of high reputation for high-quality products.

**KOPPEL**

(PHILIPPINES)

BOSTON & 33RD STREETS INC., PORT AREA • TEL. 3-37-53

Branches:

Bacolod • Iloilo • Cebu • Davao • Cotabato • Zamboanga

★

# LUZON STEVEDORING COMPANY, INC.

Manila

★

## SERVICE WITH SATISFACTION

- ✓ CUSTOMS BROKERS
- ✓ WAREHOUSEMEN
- ✓ TRUCKING
- ✓ PACKING & CRATING
- ✓ FREIGHT FORWARDING
- ✓ SHIP HUSBANDING
- ✓ CARGO SUPERINTENDENCE
- ✓ ARMORED CAR SERVICE
- ✓ AIR CARGO AGENTS
- ✓ TRAVEL AGENTS
- ✓ FIELD WAREHOUSING

## LUZON BROKERAGE COMPANY

Derham Bldg.  
Port Area

Cables:  
LUBROCOIN

Telephone:  
3-34-31

controls, has been the frequent changes in governing bodies and the personnel. It is to be hoped that the present re-organization will not result in another change of policy or in methods of processing.

THERE was very little change in conditions in the local market as regards foodstuffs during the month of December. Flour has arrived in ample quantity and there are even larger quantities to arrive during January. Stocks actually in the Philippines are more than enough to take care of nearby requirements, and with the flour arriving in January, should be ample to take care of all demands to the end of February at least.

Although stocks of flour in sight are sufficient for nearby months, it is very possible it may be difficult later to secure wheat flour in quantity until new-crop wheat becomes available, say next August or September. Reports are that the Canadian wheat crop suffered very considerable weather damage and that stocks of Canadian wheats suitable for milling high-grade bread-flours are very low. Sales of wheat and wheat flour under the I. W. A. in the United States have been extremely heavy. During the present crop year, that is, since August 1 up to the end of December, 83% of the total United States quota of export wheat and flour under I. W. A. has been exhausted. This leaves only 17% of the total quota still available to cover the 7 months to come before the beginning of another crop-year. It will not be at all surprising if this 17% is exhausted by the end of January, and all flour purchases subsequent to that date would be subject to availability of supplies and would be purchased outside of I. W. A., which means that the cost would be approximately \$1.50 greater per 100 lbs. based on present quotations.

Canadian millers are hopeful that they will still be able to take care of extensive quantities of flour under I. W. A. up to the limit of their obligation, but the continued reports of the heavy Canadian wheat damage, apparently from reliable sources, have created considerable doubt regarding this point in the minds of flour importers.

ON evaporated milk there are indications that overstocks existing here for several months past are fast disappearing. Prices are firming up gradually and it appears probable that by the end of January importers will be able to sell their stocks of evaporated milk at cost or possibly with a slight profit instead of being forced to take a loss of P4 or P5 per case as during the last 4 months. They are still faced with heavy stocks of powdered milk. During December this situation was aggravated by the action of the Social Welfare Commission which had a surplus of powdered milk in drums and exchanged this with

## INSURANCE

### FIRE - MARINE - CASUALTY

ATLAS ASSURANCE CO. LTD.  
CONTINENTAL INSURANCE CO.

THE EMPLOYERS' LIABILITY  
ASSURANCE CORPORATION Ltd.

LAW UNION & ROCK INSURANCE CO., LTD.

INSURANCE COMPANY OF NORTH AMERICA

**E. E. ELSER, Inc.**  
GENERAL AGENTS

Tel. 2-77-58 - 404 Ayala Bldg., Manila - Cable "ELSINC"



various merchants for canned meats and other foodstuffs essential in its work. Unfortunately this exchange of goods was done on such a basis that merchants acquiring milk powder from the S. W. C. were able to sell to consumers at prices far below the cost of regularly imported milk and far below the cost of replacement from the United States, and this caused milk importers to take still further losses. It is understood that the S. W. C. discontinued this dumping of milk on the Manila market when it was advised of the effect of its action.

INFORMATION from California is that the sardine catch in the south during the month of December was extremely disappointing. The pack for the present season will be only a small fraction of the average. With the low stocks available, prices are steadily increasing. Supplies available will probably be exhausted early in the year. Stocks still on hand in the Philippines are far in excess of immediate requirements except in the 5-oz. pack, but it appears probable that during the second quarter of the year and until new-pack fish can be secured, which will not be before August, there will be an acute shortage of canned fish in the Philippines.

Stocks of canned meats, particularly of vienna sausage and potted meats, are more than ample. Canned fruits and vegetables, however, are far from sufficient to satisfy demand. There is very little probability of this condition improving at least until the second semester of the year. Fresh fruits and vegetables, both imported and locally produced, are also in very short supply.

## Textiles

By W. V. SAUSSOTTE  
General Manager

Neuss, Hesslein Co., Inc.

THE new Import Control Commission, under the chairmanship of Ceferino de los Santos, assumed office on January 2. The other members are Augusto F. Espiritu, of the Central Bank, and Demetrio S. Santos, formerly Executive Officer of the preceding Commission whose chairman was Alfredo Montelibano. Demetrio Santos is temporarily occupying the position of Executive Officer in the new ICC.

It is the consensus that the former ICC Chairman Alfredo Montelibano and Francisco Ortigas, Jr. and Alfonso Calalang, members, discharged their administrative duties in a highly commendable manner. Chairman Ceferino de los Santos of the new ICC has stated that the new Commission will continue the good work of its predecessors.

On January 6 Chairman de los Santos announced that the Central Bank certified \$180,000,000 to be available for imports of controlled essentials and controlled non-

## MACLEOD and COMPANY of PHILIPPINES

### Hemp Exporters Steamship Agents

207 Myers Building

Port Area, Manila

*Introducing*



AT  
FLYING



DEALERS

MANILA • CEBU • DAVAO • ILOILO • LEYTE

## EDISON

NICKEL-IRON-ALKALINE STORAGE BATTERIES  
For Industrial Trucks,—Mining Locomotives

### PRIMARY CELLS

for Communication—Navigation Aid  
Service, Railway Signal

Write for Application Data and Price to

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

Philippine Distributor

31 Romero Salas, Ermita, Manila



TIDE WATER  
ASSOCIATED  
OIL COMPANY

## BUILD WITH JACKBILT BLOCKS

Your Answer to low cost housing

Gives you:

- |                   |                     |
|-------------------|---------------------|
| Fire Safety       | Lifelong Durability |
| Low Upkeep        | Low Insurance Rates |
| Weather Tightness | Vermin Proofness    |



Sole Distributors

### NORTON & HARRISON COMPANY

814 ECHAGUE, MANILA

Tel: 3-34-11

Tel: 3-34-12

## NEUSS, HESSLEIN & CO., INC.

75 WORTH ST., NEW YORK, N.Y.

FOREMOST SUPPLIERS OF TEXTILE  
FABRICS THROUGHOUT THE WORLD

for 86 years  
and

FOREMOST SUPPLIERS OF TEXTILES  
TO THE PHILIPPINES FOR 51 YEARS.



- |                    |                  |
|--------------------|------------------|
| • FAUST SUITINGS   | • CARABELA       |
| • FLATTERY PRINTS  | • CHAMBRAYS      |
| • WALDORF PERCALES | • COMMANDER      |
| • SEINE TWINE      | • BROADCLOTH     |
| • & YARNS          | • COTTON & RAYON |
| • AGUILA DENIMS    | • POUND-GOODS    |

MANILA OFFICE:

209 ROSARIO ST.  
PHONE 2-97-31

MANILA  
Cable Address "NEHESCO"

essentials for the first 6 months of 1952. This is \$32,000,000 less than the Central Bank allocation for the last 6 months of 1951. While the Central Bank has not explained the reason for the reduced appropriation, it is believed that it may be attributed to a report that \$45,000,000 remained unallocated by the former ICC from its appropriation for the last 6 months of 1951.

The New Import Control Commission also announced that government agencies, old importers, and producers are now allowed to apply for advance import licenses for the first 6 months of this year. Producers, it is reported, will be given advance licenses equal to 100% of their total importations and consumption of raw materials for local production during the first 6 months of 1951.

Old importers will be allowed 20% of their imports of critical items under the category of controlled essentials and in the instance of other items under controlled essentials not specified as critical and controlled non-essentials, old importers will be allowed 10% of their imports during 1949. Applications for import licenses from new importers will be received at a later date to be announced by the ICC in the near future. Since no textile commodities appear on the list of critical items, the advance licenses will be for 10% of 1949 imports both in the instance of rayons and denims which are controlled essentials (but not critical) and all other cotton textiles which are controlled non-essentials.

These percentage allowances compare with 20% in the instance of controlled essentials and 10% in the instance of controlled non-essentials which were allowed by the ICC during the last 6 months of 1951.

**D**URING December arrivals from the United States totalled 26,778 packages, representing an increase of about 6,000 packages in comparison with November's arrivals. The arrivals from the United States included 13,477 packages of cotton piece goods, 2,684 packages of rayon piece goods, 4,338 packages of cotton remnants, and 870 packages of rayon remnants. Included also were 2,716 packages of thread.

Arrivals of all textile items, including made-up goods, from countries other than the United States totalled 3,009 packages. Included were 886 packages from China, 455 from Japan, 853 from Europe consisting mainly of cotton sewing thread, and 815 packages from India consisting entirely of Hessian cloth and/or jute bags. Total arrivals from all countries during the month of December amounted to 29,787. This is the largest total number of packages to arrive in a single month for at least 3 years and is about 9,000 packages more than the average annual monthly arrivals of 22,600 packages during 1949.

The heavy December arrivals are mainly against the old PRISCO licenses covering decontrolled cottons. As a consequence, the bulk of the goods against PRISCO licenses has now arrived and while January arrivals are expected to be heavy, there will probably be a noticeable drop in arrivals beginning February.

## HALL, PICORNELL, ORTIGAS & CO.

INVESTMENT BROKERS, DEALERS & UNDERWRITERS

MEMBERS  
MANILA STOCK EXCHANGE

201 AYALA BLDG.  
MANILA

THERE were no material changes in prices during December both in the local market and in New York. The seasonal Christmas trade, while substantial, was not accompanied by any increase in local prices due to abnormally heavy stocks.

## Legislation, Executive Orders, and Court Decisions

By E. E. SELPH  
Ross, Selph, Carrasco & Janda

ON December 14, 1951, the Philippine Supreme Court rendered a decision (Tan vs. de la Fuente, G.R. No. L-3925) defining "wholesale" and "retail". The plaintiff was a merchant engaged in the importation and sale of dry goods. The question involved was whether his sales were at retail and subject to the municipal license fee on retail sales. The Court said:

"The test to determine whether a particular sale of goods or merchandise is wholesale or retail is the use made or to be made by the purchaser of such goods or merchandise. If it be for resale at profit, the goods being unaltered when resold, the quantity of the goods sold being large not to be used by the purchaser or in excess of the requirements of his business and the merchant selling the goods being habitually engaged in the sale of such goods in large quantities to his customers, then it may be deemed wholesale. Otherwise, it is retail."

The conclusion to be drawn from this ruling seems to be that if the textiles were bought for resale without being altered or processed, it was "wholesale", but if the textiles were to be made up by the purchaser into suits, or otherwise altered or processed, before being sold, then the original transaction was a sale to a consumer and therefore "retail".

IN another case (Espuelas vs. the People of the Philippines, G.R. No. L-2990, December 17, 1951) the Court ruled that the freedom of speech secured by the Constitution does not confer an absolute right to speak or publish without responsibility whatever one may choose; that while it is the right of each citizen to criticize his Government, such criticism must be specific and constructive, reasoned and tempered, and not a contemptuous condemnation of the entire government set-up.

IN the case of Abeto vs. the People of the Philippines, G.R. No. L-3935, December 21, 1951, the defendant advertised the reservation of sugar and informed a prospective customer the sugar would arrive within a month, and required a deposit. The customer made the deposit required for 300 sacks of sugar. The shipment failed to arrive. The depositor demanded return of his money. He was given a check which was not paid. After dishonor of the check the defendant paid a small amount in cash and gave a promissory note for the balance. The defendant was convicted of estafa. The Supreme Court acquitted, stating:

"It is clear that an advance payment is subject to the disposal of the vendor. If the transaction fails, the obligation to return the advance payment ensues but this obligation is of a civil and not of a criminal nature. The transaction is rather of the character of a token, pledge, or earnest money, contemplated in Article 1454 of the old Civil Code, which only gives rise to civil liability."

AGENTS  
BROKERS  
CHARTERERS

TELEPHONES  
3-34-20  
3-34-29

**American Steamship Agencies, Inc.**  
Manila, Shanghai, Tokyo, Yokohama

Cable Address:  
"AMERSHIP"

203 Myers Bldg.  
Port Area  
Manila

IMPORTERS

EXPORTERS

Keep Your Costs Down — Use

## Pasig River Bodegas

GENERAL BONDED WATERFRONT WAREHOUSES

Accessible by WATER or LAND  
Low Storage and Insurance Rates

Lightridge Service

145 M. de Binondo

Tel. 2-63-10

COLDS • INFLUENZA • HEADACHE  
DENGUE FEVER • CHILLS

*Quick Relief*

**BOIE'S  
QUI-BRO-LAX**

ANTI-COLD • ANTI DENGUE  
TABLETS

Quinine Bromide 0.04; Phenolphthalein 0.04;  
Quinine Sulfate 0.002; Oil Res. Caps. 0.001;  
Caffeine 0.002; Senna Lvs. P.W. 0.03; Excip. q.s.

Destroys the cold infection in the system in a few hours.

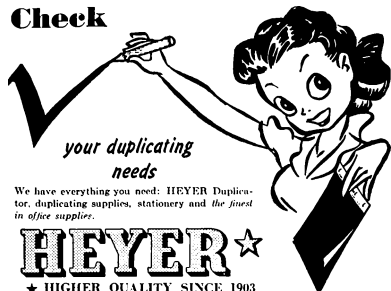
Relieves headache and fever and tones up the system generally.

Acts as a mild laxative, opens the bowels and cleanses the intestinal tract.

Made In The Philippines By

**BOIE-WATSON LABORATORIES**

## Check

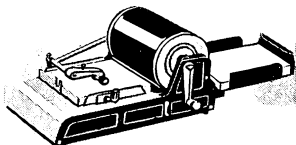


your duplicating  
needs

We have everything you need: HEYER Duplicator, duplicating supplies, stationery and the finest in office supplies.

# HEYER

★ HIGHER QUALITY SINCE 1903



LETTERGRAPH Model C

Prints any desired quantity of clear, sharp copies at speeds of 100 or more per minute. Offers every essential feature... sturdily built for years of service.

STOP IN. LET OUR TRAINED ADVISORS HELP YOU.

## PHILIPPINE EDUCATION CO.

1104 CASTILLEJOS  
QUIAPO, MANILA

TEL. 3-2251  
P. O. BOX 629

**J**  
**OBS**  
**OF**  
**ARTISTIC**  
**MERIT**



## McCULLOUGH PRINTING COMPANY

Printing Headquarters Since 1899  
(A DIVISION OF PHILIPPINE EDUCATION CO.)

1104 CASTILLEJOS, QUIAPO, MANILA

TEL. 3-21-70

## COST OF LIVING PRICE INDEX OF WAGE EARNER'S FAMILY<sup>1</sup> IN MANILA BY MONTH, 1948 TO 1951<sup>2</sup>

(1941 = 100)

Bureau of the Census and Statistics  
Manila

1948	All Items (100)	Food (63.43)	House Rent (11.95)	Cloth- ing (2.04)	Fuel, Light and Water (7.73)	Miscel- laneous (14.84)	Purchas- ing Power of a Peso
January.....	390.7	427.6	453.9	224.5	304.6	249.9	2560
February.....	369.8	394.0	453.9	223.8	301.1	254.4	2708
March.....	349.4	361.0	453.9	214.6	308.1	255.9	2862
April.....	354.6	374.1	453.9	209.4	289.7	254.8	2820
May.....	349.8	360.2	453.9	214.2	289.7	271.6	2859
June.....	356.3	370.4	453.9	205.2	283.2	262.9	2823
July.....	354.4	374.2	453.9	201.2	281.6	262.4	2806
August.....	363.6	385.7	453.9	199.8	281.6	261.7	2751
September.....	370.6	397.2	453.9	192.9	279.6	260.6	2698
October.....	374.9	404.0	453.9	204.8	283.2	257.9	2668
November.....	368.7	394.4	453.9	202.0	281.6	258.7	2712
December.....	365.9	389.9	453.9	202.0	282.4	258.9	2732
1949							
January.....	363.8	386.8	453.9	202.0	279.0	258.9	2750
February.....	343.8	355.5	453.9	203.0	277.5	258.9	2909
March.....	345.3	358.2	453.9	202.0	276.3	258.5	2896
April.....	348.7	362.6	453.9	197.6	287.5	257.1	2865
May.....	348.8	362.8	453.9	197.2	287.5	257.1	2867
June.....	349.0	362.9	453.9	203.9	287.5	257.2	2865
July.....	351.7	374.0	453.9	194.2	265.8	240.5	2844
August.....	337.5	351.2	453.9	196.3	266.6	241.2	2963
September.....	333.6	345.1	453.9	190.3	264.8	243.1	2998
October.....	332.9	343.3	453.9	199.9	264.8	245.0	3004
November.....	339.6	356.1	453.9	191.1	258.4	239.8	2945
December.....	329.6	335.9	453.9	202.9	259.5	256.2	3035
1950							
January.....	332.3	336.8	453.9	238.0	253.1	269.3	3010
February.....	336.9	340.2	453.9	233.3	257.8	284.1	2969
March.....	339.0	341.4	453.9	236.7	257.8	292.6	2950
April.....	331.8	328.6	453.9	237.7	252.9	301.2	3015
May.....	320.2	308.6	453.9	244.7	249.7	309.1	3123
June.....	323.1	310.9	453.9	243.5	249.7	319.1	3095
July.....	322.0	322.4	453.9	252.6	249.7	328.7	3012
August.....	334.4	325.9	453.9	258.7	251.1	328.4	2990
September.....	341.3	335.0	453.9	317.4	252.5	327.5	2930
October.....	352.8	351.1	453.9	337.3	249.7	334.5	2835
November.....	354.1	353.2	453.9	322.8	249.7	335.9	2828
December.....	352.2	350.5	453.9	325.2	249.7	334.8	2839
1951							
January.....	355.2	355.0	453.9	331.5	249.7	334.6	2816
February.....	358.4	359.8	453.9	342.8	249.7	334.4	2790
March.....	352.4	349.3	453.9	379.4	248.8	334.3	2838
April.....	361.2	362.6	453.9	398.6	247.5	334.7	2769
May.....	365.0	367.0	453.9	410.4	247.5	339.5	2740
June.....	367.8	372.0	453.9	399.5	247.5	337.7	2719
July.....	366.3	370.1	453.9	382.0	247.5	339.0	2730
August.....	365.1	371.4	453.9	354.0	247.5	329.1	2739
September.....	363.0	369.0	453.9	356.4	247.5	329.0	2755
October.....	358.1	361.1	453.9	350.4	247.5	326.7	2793
November.....	351.1	351.1	453.9	343.8	247.5	323.3	2848
December.....	349.0	348.9	453.9	335.2	247.5	319.4	2865

<sup>1</sup> Average number of persons in a family = 4.9 members.  
<sup>2</sup> For explanatory note, see the August Journal.

## MOTOR SERVICE CO., INC.

AUTOMOTIVE PARTS • ACCESSORIES  
GARAGE & SHOP EQUIPMENT  
BATTERIES • TIRES • TUBES

230 13th St., Port Area

— Tel. 3-36-21

## Philippine Safety Council

By FRANK S. TENNY  
 Founder and Executive Director

ACTIVITIES connected with summarizing safety matters for 1951 and instituting the 1952 "national safety movement" are making Council officials wish for more hours in the day. It is gratifying, however, that safety has taken hold as it has done, and this gives encouragement with which to face current tasks.

The change in the Manila police administration may foreshadow improvements in the traffic situation as well as in public safety matters generally. The Council is keeping a close liaison in this matter and has offered its assistance to the new Mayor and Chief of Police.

Considerable approbation has been received in connection with the message intended for the NALATROA convention which was widely published and editorialized last month. Responsibility of transportation operators for the driving practices of their drivers was stressed. Considerable editorial comment was recently noted which demanded re-testing of for-hire drivers before the issuance of new licenses. It seems inevitable that public opinion will soon cause a drastic change in the policy connected with the licensing of both drivers and vehicles. The Council has submitted appropriate recommendations to proper authority four years consecutively.

New Council members include Woodworks, Inc., and Allied Investigation Bureau, Inc. This brings the number of local company members to 61. During the month of January a special campaign will be undertaken to increase the number of insurance company members, which now stands at 13. Additional interest has been evinced in the new payroll-delivery plan, which is receiving the support of business firms and insurance companies alike.

Accident experience over the holidays was somewhat disappointing, with many persons being killed or injured in avoidable "accidents",

against which public warnings had been issued. Illegal and negligent handling of explosives contributed to the mishaps, as well as reckless driving, firing of weapons, brawls, and altar-candle fires. The bright side was however reported by Council clients who reported no unusual incidents over the holidays. Taxicab experience, in particular, was very good. This appears to prove that accidents can be prevented, providing proper attention and preparation is given in advance.

Current Council projects are about the same as those reported in the

*Journal* last month. A noticeable slowness in obtaining answers from government agencies has held back some of these plans. A new member's service now being created is a "Driver's Accident Reporting Kit", a group of simple forms and instructions designed to reduce the confusion frequently resulting from incomplete or incorrect reporting procedures. Free safety inspections have been offered to the Philippine Navy. Recent communications from the International Association of Chiefs of Police promise an even closer liaison with that professional body.



"I see  
**MORE  
 POWER**  
 in your  
**FUTURE!**"

No, we don't use a "crystal ball" to foresee the future needs for electricity in the area we serve. Part of our every-day job is planning for the future needs of the communities we serve in order to assure a ready, adequate, dependable supply of power—wherever and whenever needed.

The new Rockwell Generating Station is one of the visible results of the "planning ahead"... building **MORE POWER** for your future needs... helping Manila and its environs grow and expand... having enough power on hand for all homes, industries and stores to progress and prosper.

There's **MORE POWER** for you—now and in the future.

## MANILA ELECTRIC COMPANY

134 San Marcelino

Manila

This *Journal*  
 is one of  
 the best media  
 for advertising  
 addressed to  
 business and plant  
 managers

## The Government . . .

(Continued from page 13)

Dec. 11—The President tells the Cabinet he will fly to Cagayan de Oro on the 13th and proceed from there to Camiguin to inspect the evacuation and relief work there and to look into the possibility of a permanent evacuation and the resettlement of the people on public lands in Mindanao. Hundreds have already been ferried to the mainland by planes and ships including a Japanese ship, the S.S. *Anes Maru*. Camiguin Island is some 100 square miles in area and the population numbered around 50,000.

Dec. 12—President Quirino releases his reply to President Truman:

"Dear Mr. President: The Filipino people join me in tendering their deepest appreciation for your message of December 9 on the growth of democracy in

the Philippines. Your telegram strengthens our confidence to sustain, as we are determined to do, our democratic institutions in order to survive the peril that threatens freedom everywhere. Please be assured that we shall cherish your solicitous interest in this regard as a true measure of the friendship and material loyalty that will always bind our two peoples."

Reported that the typhoon "Amy" was the worst to hit Cebu in 60 years, taking at least a score of lives and destroying 70% of the houses built of light materials and unroofing 30% of even the strong-material houses. Samar is reported also to have been hard-hit, with 95% of the population of Guianan homeless. The President issues a proclamation proclaiming the existence of a public calamity in Camiguin as a result of the volcanic eruptions there, and in the provinces of Samar, Leyte, Cebu, Iloilo, Antique, Capiz, Negros Occidental and

Oriental, Bohol, Romblon, and Masbate because of the typhoon "Amy"; the proclamation declares Act No. 4164, which severely penalizes hoarding and profiteering, in full effect.

The President addresses the opening plenary session of the Educators' Congress, held in celebration of the 50th anniversary of the public school system.

Dec. 13—The President postpones his flight to Mindanao until the weather clears but orders the immediate release of ₱10,000 worth of building materials for the construction of temporary shelters on Camiguin to house the thousands of people driven from their homes. Further reports are received of the damage done by the typhoon to crops, dwellings, and public buildings.

Announced that at yesterday's Cabinet meeting, the President instructed Secretary of Public Works Sotero Baluyot to start the restoration work on the former prison cell of Jose Rizal in Fort Santiago immediately, ordering the release of ₱30,000 for the purpose. Rizal Day, the 30th, will be observed in nation-wide programs which will stress that Rizal was the Philippines' highest embodiment of love of country.

Dec. 14—The President calls a special meeting of the Cabinet to read the reports of Secretary of Health Dr. Juan Salcedo and Social Welfare Commissioner Asuncion Perez on the extent of the destruction and loss of lives as a result of the Hibok-Hibok eruption and the two typhoons, "Wanda" and "Amy", Secretary Salcedo stating that some ₱393,000 will be needed for the immediate relief of the sufferers; some 8,000 people have now been evacuated from Camiguin to Bohol and Cebu. The President states he will leave for the south on Monday, the 17th. A report by Sugar Administrator Vicente G. Bunuan on the matter of the authority given Filadelfo Rojas to sell 30,000 tons of sugar to Japan, which has been protested against by the sugar industry, is referred to the Secretary of Justice for an opinion.

The President spends almost 2 hours at the side of Speaker Eugenio Perez whose operation for the removal of kidney-stones was suspended because of his heart condition.

Dec. 15—The Council of State at a meeting takes steps to make available approximately ₱1,000,000 to meet the needs of disaster victims. The Price Stabilization Corporation (PRISCO) has set aside ₱250,000 worth of foodstuffs and other supplies to be sold at cost to the sufferers. On Camiguin some 266 bodies have been officially recorded as recovered, with some 800 more missing and presumed dead. Some 26,000 have been driven from their homes. Typhoon "Amy" reported so far to have caused the deaths of over 600 people in the Visayas.

Dec. 17—The President observes Camiguin from the air, then flies to Cagayan, from where he takes the presidential yacht Apo to Camiguin island. He is accompanied by a number of officials, including Secretary of National Defense Ramon Magsaysay, Secretary of Public Works Baluyot, Administrator of Economic Coordination Salvador Aranaeta, Social Welfare Administrator Asuncion A. Perez, Philcusa Chairman Jose Yulo, and several members of his own family.

Dec. 18—The President and his party inspect the Maria Cristina Falls hydroelectric and fertilizer plants which are about 30% completed. He then proceeds to Dansalan and later reboards the Apo and heads for Tubod from where he will visit Capatagan to inspect the EDCOR project there, after which he will return to Ozamis City.

Dec. 19—The President visits the Koronadal and Ala Valley settlement projects, makes a brief stop at Davao City, then proceeds to Del Monte, where he spends the night.

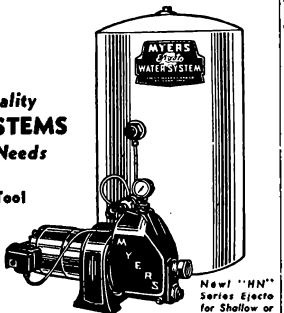
**HERE NOW!**

### Complete Line of Quality MYERS WATER SYSTEMS to Meet Every User's Needs

#### COMPLETE SERVICE, Too!

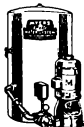
Here's the place to get that really modern water system to fit your needs. Whether you prefer or require an Ejecto or Reciprocating type, we have it—the finest ever built . . . quality throughout . . . the right size for your farm and household needs. Myers Water Systems to suit any and all conditions—with much that is new and advanced to offer you.

Come in, see the new "HN" Series Ejecto that provides greater capacities at higher pressures . . .

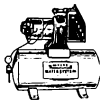


New! "HN" Series Ejecto for Shallow or Deep Wells

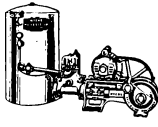
and other features that give you much more for your money. See the many other quality Myers Water Systems—and get a new idea here of what complete service can mean to you.



Vertical Type Ejecto for Deep Wells



New! "HN" Series Ejecto Collage Water System



Self-Oiling Bulldozer for Shallow Wells



Reciprocating Type for Shallow Wells

—Exclusive Distributor—

## THE EARNSHAW DOCKS & HONOLULU IRON WORKS

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

Branch office at:  
Bacolod, Occ. Negros  
Telephone: 3-35-41

Dec. 21—The President reviews some 5,000 troops, representing all services, at Camp Murphy, on the occasion of the commemoration of the Armed Forces' 15th anniversary.

The President orders the immediate suspension of three more Negro Occidental municipal mayors, two chiefs of police, and a number of policemen who are charged with the torture and subsequent murder of Moises Padilla. A total of 27 men have so far been so charged, including the suspended Governor Rafael Lacson.

The Department of Foreign Affairs calls attention to a previous press release to the effect that the Department is ascertaining the character and extent of Philippine pre-war public and private claims against the German Government and German nationals for possible presentation to an international body which may be set up in the future; claims arising out of, during, or after the war are not included.

Dec. 22—Executive Secretary Marciano Roque hands Social Welfare Administrator Asuncion Perez a ₱150,000 check for aid to the Hibok-Hibok and typhoon sufferers, released from the funds of the Charity Sweepstakes.

Announced that Malacañan has rejected the recommendation of the Manila Electric Company that the Valuation Committee be sent to the United States at the Company's expense, in connection with the preparation of a report on the rates being charged for electric service. Under-Secretary of Justice Ceferino de los Reyes states that the most expeditious procedure would be to require the Company to bring the books, now in the possession of Gilbert Associates, Inc., to Manila. The Valuation Committee was created by order of the Public Service Commission to ascertain the value of the properties of the Company; the members are Pedro V. Aguilar of the General Auditing Office, Pedro S. Talavera of the Public Service Commission, and H. B. Reyes, Vice-President of MERALCO.

Dec. 28—The President approves the arrangement, negotiated by the Central Bank with the U.S. Reconstruction Finance Corporation, for a 10-year extension of the \$60,000,000 loan of the Corporation to the Philippine Government in 1947, authorized by Congress in 1946. Under the present terms the loan is payable in 20 equal installments, paid semi-annually; the first installment amounting to ₱3,000,000 plus interest of 2% is due on January 1, 1952.

The Cabinet approves the extension of an invitation to the ECAFE to transfer its regional office from Bangkok, Siam, to Manila. The ECAFE will hold its next plenary session in Rangoon, Burma, on January 28, 1952, and will then consider the proposal. The 8th session of the ECAFE will be held in Rangoon from January 11 to February 9, and a Philippine delegation, headed by Secretary of Commerce Cornelio Balmaceda, will attend it.

Dec. 29—The President visits Speaker Perez for over an hour before the latter boards a Philippine Air Lines plane to the United States where he will undergo surgical treatment at Johns Hopkins hospital. Baltimore.

Announced that in a conference with the President, attended by sugar millers and planters, it was agreed that "C" sugar (except production of the regular quota of individual planters or millers over and above their total United States export quota and domestic quota) may be exported to countries other than the United States on license of the Sugar Quota Administration.

A resolution adopted by the Occidental Negro Lawyers Civic Club is received at Malacañan approving

"the stay of a task force of the Philippine Army in this province until complete restoration of democratic processes shall have been effectively attained."

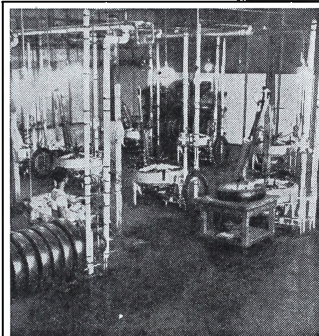
A gift shipment of 70,000 dolls is received from the Friends of the Philippines Society in Japan, according to an announcement of the Department of Foreign Affairs; the dolls were made by Japanese school children and will be distributed by Malacañan to school children and charity organizations here.

Dec. 31—The President receives Mayor-elect Arsenio H. Lacson, who, as the first elective mayor of Manila, takes office tomorrow, and it is announced that the Pres-

ident has designated Col. Dionisio Ojeda, former commanding officer of the 10th Battalion Combat Team in Korea, as chief of police of Manila.

The President receives donations in the amount of over ₱56,000 worth of relief goods (rice, milk, food, clothing, and medicine) for the sufferers from the Hibok-Hibok eruption and the typhoon "Amy". The relief project was sponsored by the Philippine Chinese General Chamber of Commerce and other Chinese associations. The President expresses his gratification.

The President extends the traditional executive clemency to 24 prisoners who are granted conditional pardon, on recommendation of the Board of Pardons and Parole.



**MORE THAN  
100 TIRES  
A DAY**

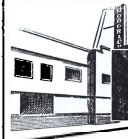
*This interior picture shows a portion of the B. F. Goodrich Recapping Plant at Grace Park. Its present capacity is more than 100 tires a day. Fifty-two Filipino supervisors and skilled craftsmen are employed—all trained in factory methods.*

Recapping has saved the Philippines many thousands of dollars by prolonging the life of truck and passenger car tires... thereby reducing new unit importations. Tire costs may be cut in half by planned tire conservation and expert recapping.

The men at the B. F. Goodrich Recap Plant have the equipment, the training, the knowledge and the materials to do treading jobs of superior quality that will produce new highs in performance and new lows in cost per mile of tire operation.

## RECAP PLANT

205 Rizal Ave. Ext., Grace Park,  
Caloocan, Tel.: 2-72-23



**B. F. Goodrich**

FIRST IN RUBBER

**GOODRICH INTERNATIONAL RUBBER CO.**

13th and Atlanta Sts.  
MANILA

Port Area  
TEL. 3-37-21

# The "LET YOUR HAIR DOWN"

## Column

**C**HRISTMAS and New Year cards were received by the *Journal* and the editor from a large number of Chamber member-firms and individual friends, here and in the United States, including Ambassador and Mrs. Myron D. Cowen, the Hornbostels, Mary Ann Seman, now in the United States, former secretary-stenographer to Mrs. Willi-

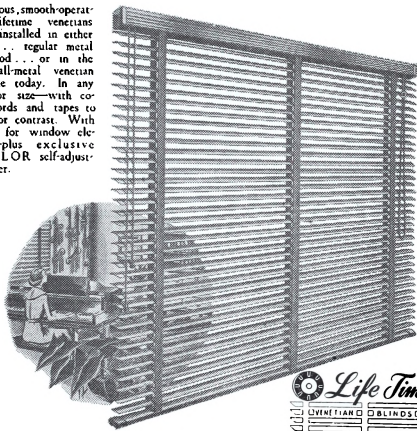
mont, Mr. and Mrs. Salvador P. Lopez, Mr. and Mrs. Alf Welhaven, "with renewed thanks for your excellent *Journal*", and many others too numerous to mention. Also there were calendars and calendar-pads, automatic pencils, and, best of all, a few boxes of cigars and bottles of whisky. Herbert and Janet Walker brought the editor a small bottle of

what is a rarity, here at least, the drink called *mead*, with which he had only a literary acquaintance up to about one minute after he received the bottle. Mead is a fermented drink made of honey and is mentioned in all the great classics of Europe from Homer on. It is still made commercially in England. The liquor sent to the editor was made by the Walkers themselves some years ago and tasted (it's all gone by this time) like a fine dry sherry. This surprised him, he said, as he had always imagined mead was a thickish, foamy drink, probably too sweet. Ah, well, live and learn! And how pleasantly! "That's the kind of object lesson I still gladly take," he added.

*For a Lifetime of  
Beauty and Service!*

TODAY'S modern, smart home owner demands two qualities above all from any home furnishing or accessory: it must render perfect service . . . and it must add charm and beauty to her home. That's why in most modern homes today, Lifetime graces more windows than any other venetian blind.

Glamorous, smooth operating Lifetime venetians can be installed in either wood . . . regular metal and wood . . . or in the finest all-metal venetian available today. In any color or size—with colored cords and tapes to match or contrast. With cornice for window elegance—plus exclusive LEVOLOR self-adjusting tilter.



Call 5-12-71, or Write P. O. Box 285, Manila, For Free Estimates

## CADWALLADER PACIFIC COMPANY

337 Perez Street, Manila

Borromeo Street, Cebu City

One wouldn't think, perhaps, that the *Journal* is of any special interest to churchmen, but we had a letter recently from a clergyman in the Mountain Province who renewed his own subscription and that of a gentleman in New York City, the Assistant Treasurer of the National Council of the Episcopal Church, who, he informed us, "has written me a number of times expressing his appreciation of the *Journal* and for the information concerning conditions in the Philippines which it gives him".

We much regret that Mr. Luis J. Reyes resigned as editor of the *Journal's* "Lumber" column, effective this month. Mr. Reyes, presently Philippine representative of Penrod, Jurden & Clark Company, formerly of the Bureau of Forestry and the author of a standard work on Philippine woods, has conducted a most informative column for around two and a half years, and we are sure that all *Journal* readers will miss his presence in the "Business View" pages. However, Mr. Reyes himself recommended and introduced to the editor, as his possible successor, Attorney Pacifico de Ocampo, Secretary-Treasurer of the Philippine Lumber Producers Association, Inc., and Mr. de Ocampo, expressing his willingness to undertake the task, the editor, with relief and gratitude, all but fell on his neck. One happy circumstance in the new arrangement is that the office of the Lumber Producers Association is right in the same building that the Chamber offices are in,—in fact, one floor, and directly, below. That will make for easy contacts.

We published a note about Mr. Kenneth B. Day's resignation as President of the Philippine Refining Co., Inc., and his dropping of his



*Journal* "Copra and Coconut Oil" column as he plans to spend much of his time in the United States after this, though he remains with the Company as Chairman of the Board of Directors. He will be missed too,—the editor says that, although he has no direct personal interest in copra or coconut oil, he always enjoyed reading over Mr. Day's "copy" for the fine New England English. In this case, the *Journal*, very happily, has Mr. H. Dean Hellis to fall back on, newly elected Vice-President of the Philippine Refining Company. Mr. Hellis has in times past conducted the column in Mr. Day's absence, so he will not be a new hand at the work.

During the past month, however, circumstances combined to make it difficult for Mr. Hellis to take over the column for this issue of the *Journal*. He has promised to make up for this in the next issue.

Readers will find the "Mining" column missing also and this is because Mr. N. N. Lim had not sent in his "copy" and was still out of town when this issue of the *Journal* went to press.

"BLANKETY-blank-blank-blank!" We were startled and looked at the editor.

He was waving a letter in his hand and his face was red up to the roots of his... well, up and over and down the nape of his neck. "What burns me up," he shouted, "what with looking for good stuff for the 'Hair-

Down' column, and a hard job it is, but getting it sometimes, as in a letter such as this, to have it end with a post-script like this, look at this, at the end, scribbled in on the last available quarter-inch of space, see for yourself, blankety-blank-blank-blank..."

We saw in good plain handwriting, and with every word underlined:—

"No part available for the Hair-Down column."

"There ought to be a law," groaned the editor. "There is a law, in fact, but it does not go far enough. The law says that the receiver of a letter

is the owner and that the writer has no right to demand its return. Yes, the receiver or owner may keep it, or tear it up, or sell it for the autograph, but publishing it is another matter, especially if it were construable as slanderous or libelous or likely to expose the writer to public contempt or hatred. Publishing a letter may also be adjudged to be a violation of privacy, at least, so I understand the blankety-blank legal 'dope' on the matter. So when a correspondent definitely warns against the publication of his letter, he has the receiver, even if he is an editor, by the short hairs..."

## STEEL FABRICATORS CONTRACTORS

ENGINEERS  
MANUFACTURERS  
MERCHANDISERS

RIVER & HARBOR WORK  
SHIPS' REPAIRS

*Operating:*

MACHINE SHOPS FOR CONSTRUCTION AND REPAIR  
FOUNDRY FOR CAST IRON, BRASS & BRONZE  
STRUCTURAL STEEL FABRICATING SHOP  
MARINE REPAIR SHOPS  
WELDING SHOP  
WOOD PRESERVING PLANT



*Distributors for*

Allen-Bradley Company	Firth-Sterling Steel Company	Pioneer Engineering Works
American Blower Corporation	Gas-Land-Donner Company	Shepard Elevator Company
Arms International Corporation	Gar-Bro Manufacturing Company	Smith Welding Equipment Corp.
Armstrong Machine Works	Giant Manufacturing Company	Stapples and Pfeiffer
Chain Belt Company of Milwaukee	Johnson Service Company	Terry Steam Turbine Company
Cherry-Burrell Corporation	Landis Machine Company	Tube-Turns, Inc.
Clayton Manufacturing Company	Lincoln Electric Company	Walsh Refractories Corporation
Coffing Hoist Company	Line Material Company	Western Brass Works
Dempster Brothers, Inc.	Marion Power Shovel Company	Western Rock Bit Manufacturing Co.
Dodge Manufacturing Corporation	Mercator Corporation	York Corporation
Fairbanks, Morse and Co., Inc.	Mystik Adhesive Products	

ADVERTISE

in the

# JOURNAL



It goes straight to  
the desks of leading  
government  
and business execu-  
tives every month

## ATLANTIC, GULF & PACIFIC CO. OF MANILA

(PHILIPPINE CONTRACTORS SINCE 1905)

EXECUTIVE OFFICES • ENGINEERING DIV.  
STRUCTURAL & MACHINE SHOPS  
Barrio Pusta, Sta. Ana, Manila  
Tele: 6-75-31 • 6-75-32 • 6-75-33

MERCHANDISE SALES DIVISION  
Robert Dollar Bldg., Muelle de San  
Francisco & 23rd St., Port Area, Manila  
Tel. 3-36-61 (Connecting all Depts.)

"Very short hairs, in your case," said we. "How did you ever come to call that *Journal* column the 'Hair-Down' column?"

"Go ahead, enjoy your own pitiful and pathetic so-called sense of humor, but here is a letter worth printing, with nothing dangerous in it to writer or recipient. . . or rather," the editor went on with a grim, almost a ferocious look, "here was a letter that was worth printing,"—and viciously he tore it up. With teeth clenched, he hissed: "That at least I can do!"

The editor has been quite perked up of late about the way his small book, "A few poems and essays",

published last month, has been received. Only a few formal reviews of it have so far appeared in the press, but these were favorable. Most of the local critics have not as yet spoken,—perhaps, joshed the editor, they are somewhat in doubt that the poems are poems because they can understand them! Then he told us about a Manila banker who had told him he would try to read the book, though he generally did not read poetry because he could not understand it; the editor then said he would give him a peso for every line in his book that he could not understand. Up to now the banker has not presented any claim. "Why don't you make that a general offer?" we suggested. "It might help the sales."

"I would be perfectly willing to," answered the editor, "except for the fact that there would be such great difficulty in checking the claims for bona fides and veracity. You know the trouble the United States-Philippines War Damage Commission had in respect to that. Where would I get the necessary personnel? No, you see, I could trust the banker; besides, he wouldn't take any money from me; I don't think he would."

"You're on top of the world, this morning," we said. "Guess you haven't seen this." We fished a small clipping out of our drawer and read the following to him aloud:

"And the venerable A.V.H. Hartendorp, now practically a relic, perhaps a precious one, already has a collection of essays and verse. . ."

"You're spoofing me," said the editor, red-faced.

"That's the deliberate statement of one Amando D. Manalo, in a short column in *This Week* (Manila Chronicle) of December 16, on the subject of books available or soon to be available suitable as gifts. . ."

"Relic!" groaned the editor. "Venerable," we said, laughing heartily.

"Perhaps,—but only perhaps, a precious one," we added, slowly drawing the line out, making each golden word count, as the editor winced at each syllable.

"And here's something else, farther down in the column: 'Hartendorp's book is beautifully printed,' we accented the 'printed'."

"Never mind that," said the editor. "He didn't mean it the way you read it. . . But *relic*. . . even a venerable relic, no, no. . . it must be that he just does not know me. . . He must be one of the younger post-war fellows. . . probably has seen me only from a distance or mistook some old codger for me. Yeh, that must be it."

## FISK TIRES



### TRANSPORTATION

The practical tire for your truck. Built to give extra mileage.

## FISK

TIRES  
At All Leading Dealers  
THROUGHOUT  
THE  
PHILIPPINES

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

STEAMSHIP AGENTS—OPERATORS—SHIP  
BROKERS

GENERAL ORIENTAL AGENTS

for

WATERMAN STEAMSHIP CORPORATION  
Mobile, Alabama

IVARON LINES

(Far East Service)

Olo

PACIFIC ORIENT EXPRESS LINE

Olo - Gothenburg

General Agents

for

GENERAL STEAMSHIP CORPORATION, LTD.  
San Francisco

SIMPSON, SPENCE & YOUNG

New York - London

Head Office:

5TH FL., INSULAR LIFE BLDG.

MANILA, PHILIPPINES

TELEPHONES:

2-69-50 2-69-56 2-69-59

Branch Offices:

SAN FRANCISCO—SHANGHAI

SINGAPORE—PENANG

YOKOHAMA—KOBE

TOKYO—NAGOYA

OSAKA—FUSAN (KOREA)

Cable Address: "SUGARCRAFT" all offices

## EVERETT

STEAMSHIP CORPORATION  
GENERAL AGENTS

AMERICAN MAIL LINE

To and From

Portland Seattle  
Vancouver Tacoma

PACIFIC TRANSPORT  
LINES

To and From

California Philippines  
BARBER-FERN-VILLE LINES

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

FERN-VILLE FAR EAST LINES

To and From

North Atlantic Ports  
Gulf Ports—Philippines

EVERETT ORIENT LINE

Serving the Orient

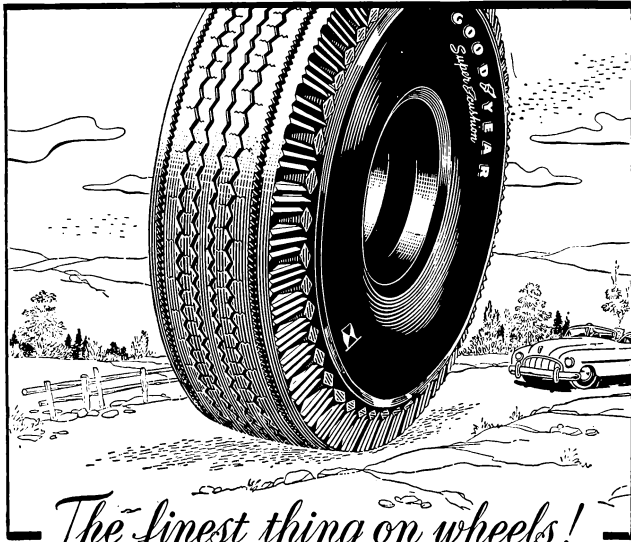
Philippines to China, Japan,  
Korea, Straits and India Ports

PHILIPPINE STEAM  
NAVIGATION CO.

Serving the Philippine Islands  
223 Dasmariñas St., Manila

Tel. 2-98-46

(Priv. Exch. All Lines)



*The finest thing on wheels!*

*Super-Cushion*

by **GOOD YEAR**

**A soft ride!  
A safe ride!  
Long mileage!**

INSTALL a set on your car  
and judge for yourself.  
REMEMBER, only Goodyear makes  
the Super-Cushion, the finest  
thing on wheels!

**THE GOODYEAR TIRE & RUBBER CO. OF THE PHIL., LTD.**

11th & Atlanta Sts.  
Port Area, Manila

Telephones:  
3-32-16, 3-38-07

Branches & Warehouses  
Cebu—Bacolod—Iloilo

**"BETTER ROADS MEAN BETTER LIVING!"**  
*Join the Philippines Better Roads Association, Inc.!*

THE BIGGEST  
"PLUS"  
IN CIGARETTE HISTORY

**"No  
Unpleasant  
After-taste"**

— added to the world's most  
famous ABCs —

**Always Milder  
Better Tasting  
Cooler Smoking**

"I've proved the Big Plus — so can YOU —" *Rhonda Fleming*

"CHESTERFIELD IS THE ONLY CIGARETTE of all  
brands tested in which members of our taste  
panel found no unpleasant after-taste."

From the report of a well-known research organization



**Always Buy CHESTERFIELD**

See RHONDA FLEMING co-starring in "CROSSWINDS"  
A Paramount Picture—Color by Technicolor

Listen to the Bing Crosby CHESTERFIELD Show on Thursday and to the Arthur Godfrey CHESTERFIELD Program Saturday through Wednesday, both from 8:30 to 9:00 P. M. over Station DZFI