

The Business View

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

Office of the President of the Philippines

From an Official Source

DECEMBER 31, 1948 — President Elpidio Quirino, on the basis of the census just completed, proclaims the population of the Philippines to be 19,234,182. Census Day was October 1.

The President and the Cabinet approve the request of the International Relief Organization for the accommodation here of refugees of mixed nationalities, mainly from China, numbering up to 8000. The evacuees will be concentrated at the former Guian Base, Samar, and not more than 1000 will be sent at one time. The Quonset huts, once numerous there, have been removed, and the evacuees will probably be housed in borrowed or hired U. S. Army tents.

January 3, 1949 — The Central Bank of the Philippines is inaugurated. (For details see the January issue of this Journal.)

Jan. 5 — Announced that Budget Commissioner Pio Pedrosa assumes today the position of Secretary of Finance, vice Miguel Cuaderno who was appointed Governor of the Central Bank. Pedrosa also becomes ex-officio Chairman of the Monetary Board of the Central Bank. On recommendation of Governor Cuaderno, Ceferino Villar, ranking official in the Bureau of Banking, now absorbed by the Central Bank, is appointed Insurance Commissioner. The President has also signed the appointment of Felino Neri as permanent Under-Secretary of Foreign Affairs.

Jan. 6 — The President and Cabinet are reported to have decided upon the reconstruction of the University of the Philippines buildings on the old campus vacated by the removal of the University to its new site.

The Philippine Naval Patrol has been authorized to expand its personnel by 80 officers and 700 enlisted men to man, operate, and service additional ships received from the United States Government.

The President and a party of government officials, including Speaker Eugenio Perez, board the S.S. *Argus* for a tour of the Bicol region.

Jan. 7 — The President accepts, acting for the Philippine Government, the invitation of the Indian Government that the Philippines participate in New Delhi conference, opening January 16, to consider the situation created in the Netherlands Indies by the recent action of the Dutch Government with respect to the Indonesian Republic. Ambassador Carlos P. Romulo, chief of the Philippine delegation to the United Nations, will represent the Philippines at the conference.

Jan. 9 — The President formally reopens the Legaspi railway line in ceremonies in Legaspi City.

Jan. 11 — President Quirino, commenting on a Washington news dispatch stating that President Truman has included \$185,000,000 for the Philippines in the budget he has sent to Congress, expresses his gratitude and says also that he is happy over the choice of the new U. S. Secretary of State, Dean Acheson, to whom he has sent a telegram of congratulation.

Announced that the Philippines has so far received under the transfer program of Japanese reparations, machinery and equipment worth ₱24,087,946.

Jan. 13 — The President and his party return to Manila.

Jan. 14 — The President signs an executive order (No. 201) amending Executive Order No. 200, extending for 6 months the period "within which logs, flitches, and sawn lumber may be exported by any actual producer thereof."

The President appoints a committee headed by Secretary of the Interior Sotero Baluyot to study ways and means of ridding Manila of the present makeshift dwellings and getting their inhabitants properly housed. These structures are all fire-traps. Seven persons were recently burned to death in a fire in Paco.

Jan. 15 — Announced that the Council of State has set greater production and more widespread social amelioration as the 1949 aims of the Quirino administration, as the establishment of peace and order and the strengthening of the people's faith in the Government were the objectives in 1948. The President presented the main features of his proposed legislative program to the Council, including the building of more roads and bridges, and irrigation works, speeding up the development of ports and supports, the construction of power plants, and the reorganization of government corporations. The opinion is expressed in the Council that certain of these corporations which have not shown sufficient success or which are competing with private enterprise should be abolished.

Jan. 17 — The Cabinet grants permission to the Freedom Shrine Foundation of the United States to raise funds through Dr. Harry Gregory Schnackel, for the construction of a war-memorial on Corregidor. According to a communication from Dr. Schnackel, the project has the support of the Pacific War Memorial, Inc., whose President is Gen. R. C. Richardson, and of other eminent Americans, including Generals Douglas MacArthur, J. M. Wainwright, H. H. Arnold, and F. R. McCoy, and Adm. W. Halsey, former Secretary of State Stimson, etc. Photographs of a sculptural group of the Four Freedoms, designed by Dr. Walter Russell of Carnegie Hall, are circulated. [Some criticism of the design was voiced in Manila.]

Jan. 18 — The President asks the department secretaries to instruct their bureau directors and other officials to pay special attention to provincial and municipal officials who come to Manila on official business so that their stay will not be unnecessarily prolonged. He makes it known that his former residence on Dewey Boulevard will be available as a guest house for provincial governors here on official business.

Announced that a five-man mission of the U. S. Veterans Administration will arrive in Manila on February 7 to look into the needs and welfare of Filipino veterans.

Jan. 19 — In a telegram of congratulation to President Harry S. Truman on the occasion of his inauguration. President Quirino states in part:

"You carry the mandate of the age of the common man, and the success of your administration in advancing his welfare will undoubtedly be signal victories at large for democracy, freedom, and peace in our troubled world. God steady your heart and hand in this tremendous task and opportunity. I wish to reiterate the gratitude, friendship, and loyalty of my people to the noble people of America, which has unselfishly given us the same opportunity."

Jan. 20 — Secretary of Finance Pio Pedrosa corrects a statement which appeared in the newspapers to the effect that ₱400,000,000 was to be withdrawn from the Reserve and Exchange Fund, saying in part:

"The amount of ₱200,000,000 is the maximum total which the law authorizes to be advanced by the Central Bank to the Government. The Monetary Board will fix the amount of each of such advances as may be applied for. The size of each advance would depend, first, upon the adequacy of the international reserve to meet all foreseeable demands upon it; second, upon the maintenance of domestic monetary stability; and third, upon the merits and justification and financial requirements of the 'productive and income-producing' project for which such advance would be requested."

The Technical Committee on the Reorganization of the Government Enterprises Council meets at Malacañan for a general discussion of the present system of control over the government corporations. The Committee will study the possibility of simplifying the supervisory work over these corporations. It is composed of Messrs. Pedrosa, Chairman, and Commissioner F. Cosio, V. Sabalvaro, V. Carmona, C. S. Cervantes, I. Coscolluela, S. Bayan, and G. S. Licaros; the secretary is Dr. Amando Dalisay.

Jan. 22 — The President issues three administrative orders implementing the Executive Order which created the Rice Emergency Board. Of the first two orders, effective December 8, 1948, one authorizes NARIC to "exercise full control and supervision of the distribution of rice" and the other designates the Rice Emergency Board as the "sole coordinating body of the Government to gather data from different sources on matters of rice production, consumption, and supply for purposes of official publication." The third order sets forth the rules governing the issuance of licences for the purchase of palay and rice, effective January 15, 1949.

Jan. 24 — The Fourth Session of the First Congress of the Republic of the Philippines opens.

Jan. 25 — The President and a large party of government officials leave Manila for a visit to the Ilocos region.

Jan. 26 — The technical committee on tariff and foreign trade of the National Economic Council considers a proposal of the Belgian Legation to reduce the tariff on plate- and window-glass.

Jan. 28 — Arriving in three groups, two by plane (19th and 20th) and the third by ship (23rd), 585 refugees from Shanghai, mostly White Russians, have landed at Guiuan, Samar. The U. S. Army is supplying them with K-rations, tents, cots, bedsheets, mosquito nets, and kitchen utensils. Local foodstuffs are supplied by local contractors and are paid for by the IRO but subject to control by the Government to avoid profiteering. For "deliberately ignoring the instruc-

tions" of a representative of Malacañan (Technical Assistant Alfredo Eugenio), Colonel Constatin Klug, leader of the third group, was refused permission to land and is to be returned to Shanghai with his family.

Jan. 29 — President Quirino and party return to Manila from a tour of the Ilocos region.

Philippine Ambassador J. M. Elizalde has notified the Department of Foreign Affairs that prospects are good for Philippine inter-island ship-operators to secure renewal of the charters under which they are operating certain ships of the U. S. Maritime Commission. Unless the General Ship Chartering Law is amended, the operators face loss of their charters by March.

Jan. 31 — The U. S. Army formally transfers 60 army-built houses near Marikina, Rizal, valued at ₱650,000, to the Philippine Government; the houses will be used for Boys' Town.

Banking and Finance

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COMPARATIVE financial Summary of Thirteen Manila Banks compiled from reports issued weekly by the Bureau of Banking.

Monthly Averages (000 omitted)

Loans, Discounts, and Advances		
December 31, 1948	November, 1948	December, 1947
₱448,219	₱430,956	₱349,085
Total Bank Resources		
December, 1948	November, 1948	December, 1947
₱985,471	₱994,103	₱846,737
Bank Deposits		
December, 1948	November, 1948	December, 1947
₱455,450	₱458,222	₱412,050
Debits to Individual Accounts		
December, 1948	November, 1948	December, 1947
₱106,445	₱100,422	₱113,885

According to the Currency Statement issued by the Treasurer of the Philippines, the following figures are given relative to the Currency in Circulation:

December 31, 1948	November 29, 1948	December 31, 1947
₱813,501,310	₱836,523,887	₱769,915,824

Money conditions became somewhat tighter during the past month and there has been a tendency toward higher interest rates on loans and advances.

The Central Bank has assumed the functions of the Treasurer of the Philippines with respect to supplying banks with dollar exchange. It has established rates at which it will sell Telegraphic Transfers and On Demand drafts on New York to banks who wish to obtain cover for their sales to merchants. At present the Central Bank rates are:

Selling T.T.	₱201.00
Selling O/D	200.95

The Central Bank has also authorized the following rates within which commercial banks may quote dollar exchange to their clients.

	Selling	Buying
U. S. Dollars T.T. over \$500.00	₱201.75	₱200.75
" Demand over \$500.00	201.625	200.75
U. S. Dollars T.T. and Demand — under \$500.00	202.00	200.00

During the month banks quoted generally for T.T. ₱201.75 selling and ₱200.75 buying.