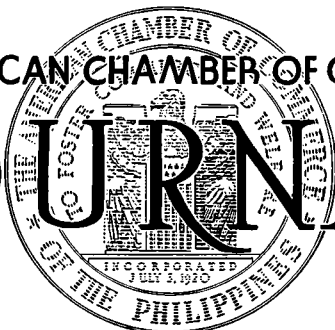


# THE AMERICAN CHAMBER OF COMMERCE

# JOURNAL



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*Editor and Manager*

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# A PARTNER...

IN EVERY FORWARD STEP  
OF THE NATION...

1907



FROM THE ERA OF THE KEROSENE LAMP  
AND SPANISH GOBERNADORCILLOS



TO THE  
MIRACLE OF TODAY'S MODERN LIVING  
IN A PROGRESSIVE PHILIPPINES

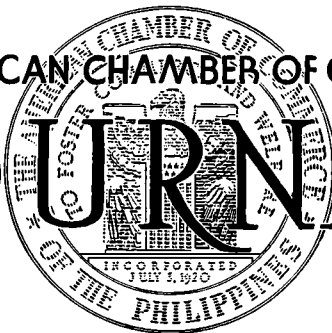
1961



**STANDARD-VACUUM OIL COMPANY**  
PHILIPPINES

# THE AMERICAN CHAMBER OF COMMERCE

# JOURNAL



## Editorials

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

It was a happy thought to name the one-week observance of the fifth anniversary of the establishment of the Republic of the Philippines, "Achievement Week".

"Achievement" is a positive and "Achievement Week" uplifting word and may well be applied to the past five years of Philippine endeavor, for while one meaning of the word is "to bring to a successful conclusion" or "to bring into a perfect state", the more common meaning is "something accomplished by praiseworthy exertion".

While any true achievement is solid and enduring, the word does not generally mean anything so complete or finished as, for example, the word "consummation". And so it is with us in the Philippines. Much has been achieved during the past five years, although, in our opinion, more might have been if the Government had adopted different measures in certain important respects. Much of what has been achieved was attained in the face of, and not because of such measures. It is the people, individually and in the mass, who are the real achievers. Yet, quite properly, the Government, as representative of the people, is entitled to receive the general credit.

Therefore, though we have not won the victory and it is not yet time for triumph, All Hail to the Republic, All Hail to the Government of the Republic, All Hail to the President of the Republic!

There is no danger that we should all be so completely satisfied with what had been achieved that we would now cease our efforts and seek repose,—resting on our still rather bare and stinky laurels.

We shall have the words of the poet Longfellow in mind:—"Still achieving, still pursuing..." What was the rest of it? Yes: "*with a heart for any fate.*"

The somewhat belated May issue of the *Philippines Commerce*, official organ of the Chamber of Commerce of the Philippines, contains all the addresses delivered during the four-day National Convention of Filipino Businessmen held in Baguio from April 28 to May 1, and well deserves not only a careful reading today but a putting by for future reference.

**The Addresses  
at the National  
Convention of  
Filipino Businessmen**

of the Chamber of Commerce of the Philippines, contains all the addresses delivered during the four-day National Convention of Filipino Businessmen held in Baguio from April 28 to May 1, and well deserves not only a careful reading today but a putting by for future reference.

The "theme" adopted for the Convention was "A Mid-century Survey of the Philippine Economy", a most timely one in view of the fact, pointed out by several of the speakers, that the nation has just started out on a great new effort at economic development with the aid of the E.C.A.

The program of the Convention was ably planned and the speakers were all wisely chosen from among the leading officials and businessmen of the country. Very competently did they cover the main aspects of the economy and the economic problems of the Philippines.

The speeches were without exception informative, capable, and earnest, and the total effect of their perusal is most heartening to anyone concerned about the Philippines and its future. Most encouraging of all was the notable absence of anything approaching the narrowly nationalistic spirit which many observers here and in other countries in these post-war times have come to fear. There was naturally an emphasis on Filipino as distinguished from alien interests in the country, but nothing was said to which any fair-minded reader could take exception. Very evident, on the other hand, was an enlightened patriotism, a high sense of responsibility, and a sincere concern for the depressed labor and farm-tenant classes. Most encouraging also was the emphasis laid, even by the government spokesmen, on the importance of private enterprise.

A list of the forty-three resolutions adopted is published in this issue of *Philippines Commerce*, but the texts are not included so that no statement can be made with respect to them.

To give some idea of the scope of the agenda of the Convention, we list the speakers and their subjects as follows:

#### FIRST DAY

*Opening Remarks*, by Lino Castillejo, member, Board of Governors, Reconstruction Finance Corporation.

*Call to Convention*, by C. S. Gonzales, Chairman, Executive Committee.

*Welcome Address*, by Florencio Villanueva, President, Baguio Chamber of Commerce.

*Restrictions—A Test of National Discipline*, by Aurelio Perquet, President, Chamber of Commerce of the Philippines.

*Land Division Must Be Just*, by Salvador Araneta, Administrator of Economic Coordination.

*Modernization of Philippine Agriculture*, by Luis Lichauco, Chairman, Board of Directors, Land Settlement and Development Corporation.

#### SECOND DAY

*Opening Remarks*, by Francisco Dalupan.  
*Taxation as an Incentive to Production*, by Andres Soriano.  
*Government Corporations and Private Business*, by Hermelegio B. Reyes, Vice-President, Manila Electric Company.  
*Our Economic Progress*, by Miguel Cuaderno, Governor, Central Bank.

*Labor as a Factor of Production*, by Conrado Benitez.

(Afternoon session)

*Opening Remarks*, by Fermin Francisco.  
*The Manila Railroad in our National Life*, by Prospero Sandinad, President, Manila Railroad.  
(At Mansion House)  
*New Day for Businessmen*, by Elpidio Quirino, President, Republic of the Philippines.

#### THIRD DAY

*Opening Remarks*, by Eduardo C. Romualdez.  
*Greater Filipino Participation in Domestic Trade*, by Gil J. Puyat, Vice-President, Gonzalo Puyat & Sons.  
*New Bearings for Philippine Foreign Trade*, by Cornelio Balmaceda, Secretary of Commerce and Industry.  
*Our Commercial Foreign Relations*, by Felino Neri, Under-Secretary of Foreign Affairs.

#### FOURTH DAY

*Opening Remarks*, by Amado N. Bautista.  
*Agricultural and Industrial Development*, by Fernando Lopez, Vice-President, Republic of the Philippines.  
*Closing Remarks*, by C. S. Gonzales, Chairman, Executive Committee, and Dr. O. L. Villacorta, Vice-President, Chamber of Commerce of the Philippines.

We thought of starring the more important of the addresses, but refrained after coming to the conclusion that we would have to star them all.

The reader can not but be impressed by the grasp of these speakers on the fundamentals of economic and social progress. And being they key-men they are in industry, business, and government administration, one must conclude that despite the errors and shortcomings of the past and present, we may face the situation with some equanimity and even confidence.

In the June issue of the *Journal* we published an article, "Highlights of the Landed Estates Committee Report", by C. M. Hoskins,

**Report of Advisory Committee on Urban Land and Housing Problems**  
Chairman of the Committee, which was composed of members of the Manila Realty Board, an association of realtors, and in this issue we

publish an article on a report on urban land and housing distribution, by F. Calero, who was the Chairman of another committee composed of members of the same public-spirited organization.

Both reports were prepared upon the invitation of Dr. Salvador Araneta, Administrator of Economic Coordination, and while the first report dealt with the problem of large landed estates and their purchase by the Government for resale to the tenants, the second report deals with what is chiefly a city problem, that of providing adequate housing for families of low income.

The two reports furnish an outstanding example of cooperation between a government executive agency and an organization of businessmen.

Both reports have received considerable public notice and Mr. Calero has informed us that the recommendations of his Committee with respect to the simplification of the building ordinances of Manila and to the drafting of a new building code, applicable throughout the Philippines, have received the endorsement of the Philippine Association of Civil Engineers and of the Philippine Institute of Architects. Its recommendation with respect to housing priorities for veterans was approved in a resolution adopted recently by the Philippine Veterans Legion.

We believe that it will be generally conceded that the power of America, actual and potential, was never so great as today and is, in truth, the greatest of any nation in history.

**American Power and American Prestige**  
We believe that it must also be conceded that in view of this power, and despite the moderation with which it has been exercised, and despite, furthermore, the American beneficence extended throughout the world, America's international prestige, though admittedly great, falls far short of what it should be.

The reason for this, or the blame, may be found in or laid to American leadership, but in our opinion it is an error to refer this exclusively to individuals such as the President, the Secretary of State, or other national leaders and national representatives.

The cause, we believe, is to be found in the democratic system rather than in the faults or errors of individual leaders. Democracy has many virtues and we prize it above all other forms of government, but we should recognize that leadership in a democracy takes the form of a certain commonness, kindness, and universal sympathy (as the political scientist C. E. Merriam has pointed out), which qualities, together with the attitude of compromise and conciliation, are not impressive internationally and receive but scant respect, tending, in fact, in many places in the world, to elicit only contempt.

In other words, America's very humanity and goodness is a handicap in the management of its international relations, which is so dependent on the maintenance of dignity and prestige for the exertion of an influence commensurate with its power.

In the ancient world, not only the proconsuls and legates of Rome, but Roman citizens were everywhere feared and their persons held sacrosanct, and the same thing was true, though perhaps to a lesser degree, of the officials and citizens of later empires. All these powers not only maintained the "externalia of prestige" but never hesitated to give swift force to its substance. Where they ruled, they were obeyed, and in the spheres of their influence, their guidance was accepted, their advice was heeded, and their remonstrances, if matters went as far as that, could not conceivably be disregarded.

We must, of course, not lose sight of the fact that there was injustice and oppression, that there were rebellions and wars, but, broadly speaking, there was law, and there was order. And under the *Pax Romana* and under the *Pax Britannica* more recently, world civilization was greatly advanced.

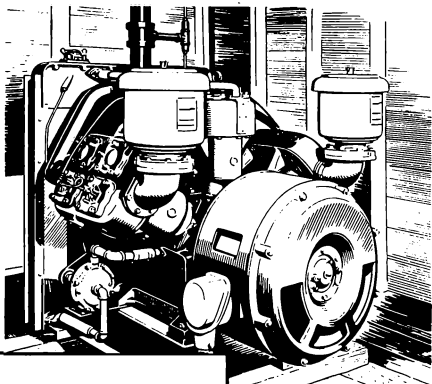
We only point out the facts; we would not even by implication speak for a return of the imperialisms of the past. Such a return would indeed be impossible, with the wakening of men everywhere to their human capacities and rights.

But for the advanced nations to tolerate the continuing menaces of barbarism, for the strong to entertain the preposterous dictates of the weak and to allow fanatic parochial nonentities by their irresponsible actions to endanger the interests and the welfare of the whole world, is as monstrous as it is ridiculous.

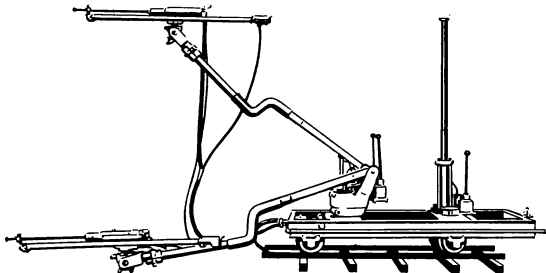
Whether under the imperialistic system or under a more democratic order, the leading nations must lead, and this necessitates the maintenance of their prestige as much as their command, for the one suffers with the other. It is a matter of recent history that the Japanese face-slapping of British citizens in China led to ever bolder encroachments and ended in an insane adventure of large-scale aggression.

The maintenance of prestige demands the exercise, everywhere and at all times, of one quality in particular, and that is courage, a courage which sometimes and in detail will have to border on audacity.

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Fortunately, this quality, too, is the mark of true leadership even in a democracy. The following is what Merriam wrote about the quality in politicians, and although he was thinking principally of the political party leader, what he said applies with equal force to leadership among the nations, politically and militarily:

"The group leader ordinarily possesses an unusually high degree of courage. This is contrary to the common conception that politicians are timid and even cowardly in conduct. It is often their *raison d'être* to be conciliatory and compromising, since the knots they seek to unravel are not so easy to loose. But a closer view of the lives of leaders shows that from time to time they must throw down the gage of battle and risk their all in uncertain combat. Just as a financier does not become rich by loaning money on perfect security at a low rate of interest, so the political leader can never enjoy security and quiet, except at the price of inferior position, compensation, and authority. Within and without the party and within and without the state, there are hostile groups seeking to destroy him; and, while conciliation and patience may avail on many occasions, there are times when these fail, and the appeal to arms, politically speaking, is the only alternative. In fact, the reputation for willingness to do battle may itself save many a struggle."

A great power such as the United States need not and should not wait until it has its army divisions ready before, if it becomes necessary, flatly asserting itself. Likewise, the ambassador of a great power does not need naked force to back him up. Authority is finally based on the power to coerce, but that power need not always be immediately and physically present.

Even from a purely military point of view, no nation, least of all a democratic nation, could be rated as "ready" for war, no matter after how much preparation. Going to war is a matter of circumstance rather than readiness. In fact, beyond a certain point, the "readier" a nation is today, the more it is handicapped because of the rapid rate of obsolescence of modern war-equipment.

It is the potential strength and the psychological readiness of the nation, the national spirit and courage,—and also the spirit, dignity, and courage of the national leaders and the nation's representatives abroad which count.

We do not argue for war, now or ever. We do say that war is made only the more inescapable if the national prestige is allowed to suffer through too great an emphasis on an abhorrence of war and through over-conciliatory policies.

In small, the truth of the foregoing is demonstrated by every person in a position of authority,—foremen and bosses, policemen, teachers, judges, army officers; generally they carry only tokens of their power. They represent institutional power, as a government represents the power of the nation.

The biggest and strongest oaf, if it is suspected he won't fight, becomes the butt of the whole school, and his ears are tweaked and his shirt is pulled out by every small boy who feels in the humor.

Surely we have reached a stage of deterioration in world order, as we have reached a point in world diplomacy, where America should cease its harpings on its inveterate good intentions, its inerascable Utopian hopes, its ineluctable love of peace, its insuperable hatred of war. America should also, and especially, end the folly of advertising to the world its alleged unreadiness for war, a folly of which not only our civilian but our military leaders are guilty. And these men should stop telling our own people how terrible a war would be for us and how much we would suffer. The Romans spoke differently. They cried, *Vae victis!* Woe to the vanquished! And they never conceived of themselves as such.

Perhaps America would be wiser if it stopped trying to be so good and instead cultivated an air of dangerousness, of poised readiness for swift and extreme action,—as is, in fact, the case. Certainly America can be incomparably the most intimidating foe in the history of the world.

The coiled rattle-snake, with the motto "Don't tread on me", was the warning device of one of America's colonial flags.

The American emblem is that outstandingly regal symbol, the eagle,—not a dove, and while, as in the Great Seal, it holds an olive-branch in one of its talons, it grasps a bundle of arrows in the other. In its beak is a scroll inscribed with the motto, *E pluribus unum*.—One composed of many. Over the head of the eagle is a "glory" of clouds and stars. On the reverse side of the seal are the words, *Novus ordo seclorum*.—a new civil order, and *Annuit Coeptis*.—He (God) has smiled on our undertaking, a phrase taken from the *Aeneid* of Virgil, poet of the Augustan era.

That is the seal which, in outline, was designed by a committee of the Continental Congress composed of Benjamin Franklin, John Adams, and Thomas Jefferson, and it gives us a very clear idea of the founding fathers' conception of America (population then under 3,000,000) of the greatness and power and dignity they aimed at for the nation.

They did not expatiate on America's "weakness" and "unreadiness for war," for all the world, to hear,—our friends with alarm, our enemies in gloating.

A Catholic priest who, still young, has already won some renown as a musician and composer, is directed by his ecclesiastical superiors to take charge of a foundling home for girls. Perhaps he is not ambitious in a worldly sense and is indifferent to honors and fame; yet will he not think that he should have been sent to some place where he could make better use of his God-given talents? Why was he not assigned to some great Cathedral, where he could have served as organist or choir master, and composed, as was his hope, most beautiful music to the glory of God?

Will he not say to himself, Here I shall be cut off from all that has meant so much to me. I bow my head and obey. It must be God's will that I assume this lowly charge. God helping me, I shall do what I can to bring these fatherless and motherless children up as good Christians; perhaps I shall be able to make their lives a little happier than they have been. But, oh, what of my music, the true language of my soul, in which I fain would have adored God with all my spirit!

Did the young priest speak thus in his heart? Did he thus grieve and despairingly lay aside his talents, sadly leaving his hymns and songs unsung? Did he in the end pass away, a frustrated, possibly an embittered, old cleric who should have been an artist, and whom the world never heard of?

We do not know what the young priest said in his heart when he first entered the dismal portal of that orphanage, but we do know that he did not bury his talents there and that he did not become a frustrated, embittered old man whom the world never heard of.

Instead, while remaining a man of God, he became the foremost violinist and composer of his time, and the orchestra and choral group of the orphanage, under his direction, became famous throughout Europe, visited by and referred to admiringly in the memoirs of many travelers of that day. For this was in the sixteenth century; the foundling home was the *Ospedale della Pietà*, in Venice; and the young priest was named Vivaldi.

Mr. Kendall E. Robinson, a member of our Chamber, told us one day, over a morning cup of coffee, about Vivaldi's life, and it made a deep impression on us.

There must have been many of such charity institutions in the Italy of those times, even as today, probably

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## Memorandum

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crowded and inadequately supported from the alms of the rich. Where, seemingly, could Vivaldi have found less opportunity for the exercise of his genius?

But it was for this institution that he wrote more than two hundred fifty concertos, some two every month, for many years. As a violinist himself, he emphasized the violin parts and so widened the technique as to gain an until then undreamed of expressiveness for the instrument. The great Bach diligently studied his compositions and arranged over twenty of them for the organ and the clavier.

Recently, his works have been revived for performance in the great concert halls of the world, and recordings have been made for the phonograph of some of his noble compositions. His music is full of fire and spirit, even the compositions written for the Mass. One does not hear the notes of self-abasement or lament even in the *Kyrie* and *Miserere* passages. All is joyousness and praise of God and his creation.

This out of the dreariness of a foundling home!

We may be sure that the *Ospedale della Pieta* could not for long have been described, after Vivaldi came there, as a silent, cheerless place, with quiet little waifs and older girls busy at their handwork or flitting timidly through the corridors. With the young, red-headed priest leading them, they were soon playing on their violins and a few other instruments and singing with all their might, the gifted taking the more difficult parts and those not so gifted, the easier. The *Ospedale* must have resounded with music from basement to attic, the glad, sweet strains heard throughout that quarter of the ancient city.

It was not the place, or the time, or the position he was assigned to which gave Vivaldi his opportunity. He created his opportunity as he created his music.

How often do we feel that if we only had the opportunity, we would do great things! But, we say, the circumstances are against us; we say that we can do nothing, that the situation is hopeless.

But Vivaldi did not say: "I would, if..." or "I would, but..." He said: "I will. Even here, I will."

## American Note to the Philippines *re* Broadening of the E.C.A. Program\*

"1. The economic aid program launched by the United States Government on April 6, 1951, was of interim character designed to promote economic strengthening and betterment in the Philippines until the United States Congress could be asked for authorization to establish an enlarged program of financial and technical aid. This program, for which \$15,000,000 has already been allocated, proceeded from the substantial implementation by the Philippine Congress of the Quirino-Foster Agreement of November, 1950, and from earlier recommendations of the United States Economic Survey Mission in September, 1950.

"2. In further implementation of the Quirino-Foster Agreement:

"(A) The President of the United States in his message to Congress of May 24, 1951, on Foreign Aid, has requested funds which would make possible additional grants in the fiscal year 1952, for the purpose of substantially expanding the initial program already started in the Philippines by the Economic Cooperation Administration's Special Technical and Economic Mission; and

"(B) The Export-Import Bank of Washington is prepared to enter into discussions with representatives of the Philippine Government looking toward the establishment of credits for productive projects in the Philippines.

"3. In the extension of this grant and loan assistance, the Economic Cooperation Administration and the Export-Import Bank will be closely associated to the end that both loans and grants shall be utilized as part of a single integrated and coordinated program of United States aid and Philippine Government efforts designed to help build economic strength in the Philippines and assist in meeting the needs and aspirations of the Philippine people.

"4. These actions reflect the confidence of the Government of the United States that continued progress will be made in carrying out the recommendations of the United States Economic Survey Mission."

\*Full text of a note delivered on June 16 to Philippine Foreign Secretary Carlos P. Romulo for President Elpidio Quirino by Julian Harrington, United States Charge d' Affaires and William Stanley Allen, Jr., Acting Chief of the U. S. Special Economic and Technical Mission in Manila.

## E.C.A. Aid Described\*

By SALVADOR ARANETA

Administrator of Economic Coordination

"I AM glad to have this opportunity to speak about our national economy in terms of what E.C.A. is doing to help us stimulate and develop it. In a very real sense, this assistance from the United States is like a spark plug needed to keep the motor of our economy running with the right degree of power. Let us look at how this works.

"The main task facing this country now is that of raising the standard of living of all our people, particularly those at lowest income levels. This means a program of economic development designed to bring about full utilization of those of our human and natural resources at present unused. It means the diversification of economy, the establishment

of industries suited to local conditions, the attainment of higher levels of production, employment and expanding foreign trade.

"The Philippine Government has undertaken this vital task, not only by enacting laws which make development possible, but, more positively, by actually initiating specific projects in those fields which do not attract private investment.

"Today our efforts are reinforced by a program of E.C.A. aid in the form of both material assistance and technical advice. At this crucial moment in our nation's

\*An address delivered on June 17 during the sixth program of the symphonic concert series, "Orchestras of the World", broadcast by Station DZRH in cooperation with E.C.A.



history, this help from the United States is more than welcome.

"E.C.A. aid will be used for what might be called stimulator projects, designed to set off a chain of other and even greater projects, spreading their benefits into the far corners of our economy.

"For example, the scientific use of irrigation and fertilizer will increase agricultural production very substantially. This will directly benefit farmers, who form the backbone of the country; it will enable them to earn more, to avoid resort to usurers, and to lift themselves out of poverty. But it will also benefit consumers, since increased supplies of agricultural products will be available at lower prices to the public, as well as for export to earn foreign exchange for our import needs.

"Or take power. Completion of power projects such as Maria Cristina and Ambuklao will electrify vast areas of country. The provision of power from new sources like these will bring electricity to great numbers of farm homes, enable businessmen to establish industrial plants in areas which have hitherto been wilderness, and give rural families an opportunity to supplement their farm incomes by working in cottage industries and by seeking employment in the new enterprises that spring up.

"Road-building is another instance of strategic investment. A road built into an unsettled area with the help of ECA materials will make that area accessible to pioneers. Settlement will be speeded up, overpopulated areas will be decongested, and the land problem will be eased. Agricultural production will rise. And the same roads which enable settlers to populate an area will in later years enable them to bring their products to market centers.

"Finally, let us not forget that private enterprise has an important role to play in our economic development; the Government cannot and should not do everything. As one spur to private investment the ECA program includes provision for the importation of producers' goods into the country. These producers' goods will be made available to local manufacturers, and will mean more jobs for local labor and eventually more finished products for consumers. They will help to conserve our dollar reserves. They will help to break bottlenecks that may occur in our development program.

"Thus, moderate amounts of ECA aid applied at strategic points in the economy will open the door to innumerable opportunities for advancing our own self-help measures. It is up to us, Government and people alike, to see to it that these opportunities do not go to waste."

## The Report of the Advisory Committee on Urban Land and Housing Distribution

By F. CALERO

*F. Calero & Company, Realtors*

I HAVE been asked by the editor of the American Chamber of Commerce *Journal* to summarize the Report of the Advisory Committee on Urban Land and Housing Distribution, of which I was appointed Chairman by the Administrator of Economic Coordination, Dr. Salvador Araneta. The Committee was appointed on February 28, 1951, and besides myself, the members were realtors A. B. Aquino, Teodoro Kalaw, Jr., R. O. Subido, and A. U. Valencia. All of us are members of the Manila Realty Board and we accepted our appointments as a call for public service.

We proceeded on the basis of a study of the system of land ownership in the Philippines, from which system so many of our present ills are derived. We studied the laws creating the People's Homesite Corporation and the National Housing Corporation, both enacted during the administration of the late President Quezon as a part of his social justice program. The two entities were merged in the People's Homesite and Housing Corporation by the late President Roxas (Executive Order No. 93, October 4, 1947). This year, under Executive Order No. 399 (January 5), providing for uniform charters for government corporations, the purposes of the Corporation, which has an authorized capital of ₱15,000,000, were formulated as follows:

"(a) To acquire, develop, improve, subdivide, lease, and sell lands, and construct, lease, and sell buildings or any interest therein in the cities and populous towns of the Philippines with the object of providing decent housing for those who may be found unable otherwise to provide themselves therewith;

"(b) To promote the physical, social, and economic betterment of the inhabitants of the cities and populous towns of the Philippines by eliminating therefrom slums and dwelling places which are unhygienic or unsanitary and by providing homes at low cost to replace those which may be so eliminated;

"(c) To provide community and institutional housing for destitute individuals and families and for paupers;

"(d) To acquire large estates under such terms and conditions as may be advantageous to the public interest, for their subdivision and resale to bonafide occupants; and

"(e) To exercise the right of eminent domain for the purposes for which the Corporation was organized."

After a study of these and other laws and executive orders relating to the subject of urban land and housing we looked into the different phases of the actual operations of the entities concerned, Dr. Araneta having requested all government corporations and offices under the Office of Economic Coordination, particularly the People's Homesite and Housing Corporation, to extend the usual courtesies and cooperation to the Committee in the performance of its work.

In a short article such as this, I think it best to summarize what the Report has to say under the headings "Comment" and "Recommendations".

Under "Comment":

(1) The Rural Progress Administration, in taking over some urban landed estates in Manila and the adjoining towns of Malabon and Baclaran, made no attempt to eliminate the slums and, in fact, subdivided the estates into smaller lots than those prescribed as minimum by the National Urban Planning Commission for private subdivision projects. The RPA made no improvements in any of the subdivisions and yet in nearly all cases charged prices almost the same or even in excess of what private subdividers would have charged under the circumstances.

(2) The squatter problem in Manila as well as in many other urban centers is a serious one, and the situation is worsened by the failure of the police agencies to stop illegal construction.

(3) Illegal construction in Manila, Quezon City, Pasay City, and elsewhere is resorted to in many cases because of the difficulties and complexities involved in securing official building permits and the rigid requirements in the various city ordinances with respect to the height and dimensions of rooms, size of structural members, etc., even in the case of small houses. Many of these requirements are obsolete, and there is too much red tape.

(4) A substantial portion of the lands held by the Philippine Homesite and Housing Corporation has been immobilized because of reservations made by the NUPC; there is need for action with respect to disposing of these large tracts of idle land.

(5) The price of lots sold by the PHHC has been so low as to leave a substantial profit margin for speculators who in many cases have purchased some of the best lots with the intention of reselling them. The price-setting has been haphazard with entirely too small a differential between front and back lots.

- (6) The capital structure of the PHHC was found sound.
- (7) However, there has been some delinquency in the payment of instalments and rentals.
- (8) There has been no provision made in the books of the Corporation for bad debts and they therefore do not reflect the true financial condition.
- (9) The operations of the PHHC are not carried out in a truly businesslike manner. It would be proper to preserve the autonomy of the management from outside interference, political or otherwise.
- (10) The salaries of some of the officials and of the employees and laborers of the PHHC are too low.
- (11) The Committee has included as an appendix to its report a valuable article, "Slum Clearance for Destitute Families", by C. M. Hoskins, and adopts his recommendations in this respect as the Committee's own.
- (12) The PHHC could engage in the building of low-cost housing for rental purposes on a larger scale to accommodate low-income families which cannot afford to pay instalments toward the purchase of houses and lots.
- (13) A reorganization of the present board of directors of the PHHC would be in order and a good set-up would include a representative of the President of the Philippines, representatives of the Department of Labor and the Department of Finance, an architect or construction engineer, two realtors, and a homeowner.

While a number of implied recommendations are included in the foregoing, a separate section of the Report, under the heading of "Recommendations", lists the following:

- (1) That urban lands acquired by the Rural Progress Administration be turned over to the Philippine Homesite and Housing Corporation.
- (2) That much of the idle land of the Diliman Estate be developed for leasing to the people who are now squatters in Manila and neighboring urban areas; that squatting in the Diliman area be prevented by forceful measures, but that certain areas be set aside for squatters to stay temporarily.
- (3) That the procedure of issuing building permits be simplified and the building ordinances of Manila be immediately revised; that a National Building Code, applicable to all cities and towns be enacted as soon as possible, and a joint committee composed of members of the Philippine Society of Civil Engineers and the Philippine Institute of Architects be formed to draft such a code.
- (4) That the area within the quadrangle in Quezon City bounded by North Avenue, East Avenue, South Avenue, and West Avenue, be developed immediately and be made available to all classes either for rent or sale instead of holding it in reserve for other government purposes.
- (5) That a reappraisal of properties be made in accordance with market values so as to discourage speculation; profits should go to the PHHC instead of to middlemen.
- (6) That not more than one lot be sold to an individual for residential purposes.

- (7) That the terms and conditions of contracts be strictly enforced.
- (8) That an adequate reserve be set up for bad debts, especially in the low-cost housing projects.
- (9) That the management adopt a businesslike policy.
- (10) That a thorough revision of salary and wage scales be made.
- (11) That housing for destitute (as distinct from low-income) families be given consideration.
- (12) That low-cost housing projects for rental purposes be undertaken on a larger scale.
- (13) That the board of directors have as members two realtors and a homeowner, and merely political appointments be avoided.

Under "Special Recommendations", the Report lists:

- (1) That the forthcoming ECA aid be partly spent in slum clearance in Manila and other populous centers, through the agency of the PHHC.
- (2) That arrangements be devised for large land holders in Manila to exchange their holdings for other lands, through the offices of the PHHC.
- (3) That the present substandard dwellings in the slum areas be demolished as the people inhabiting them are transferred to the housing presently under construction which, it is estimated, will take care of some 2,000 families.
- (4) That all public lands in the cities, foreshore areas, reclaimed esteros and river beds, etc., intended for housing projects, be turned over to the PHHC for development, instead of disposing of them piecemeal to speculators.
- (5) That veterans be given special consideration by the Government as to housing.

Under the heading "Closing Remarks", the Reports states that the Committee had to complete its work within two months, though the assignment deserved much more time, but that it had tried to live up to the tenets of the realtors' Code of Ethics which declares:

"Under all is the land. Upon its wise utilization and widely allocated ownership depend the survival and growth of free institutions and our civilization. The Realtor is the instrumentality through which the land resource of the nation reaches its highest use and through which land ownership attains its widest distribution. He is a creator of homes, a builder of cities, a developer of industries and productive farms."

"Such functions impose obligations beyond those of ordinary commerce; they impose grave social responsibility and a patriotic duty to which the Realtor should dedicate himself."

The Committee closes its Report by expressing the hope that it will help to improve housing conditions, especially for the under-privileged and the destitute.

**F**REEDOM! thou art not, as poets dream,  
A fair young girl, with light and delicate limbs,  
And wavy tresses gushing from the cap  
With which the Roman master crowned his slave  
When he took off the gyves. A bearded man,  
Armed to the teeth, art thou; one mailed hand  
Grasps the broad shield, and one the sword; thy brow  
Glorious in beauty though it be, is scarred  
With tokens of old wars; thy massive limbs  
Are strong with struggling. Power at thee has launched  
His bolts, and with his lightnings smitten thee;  
They could not quench the life thou hast from heaven;  
Merciless Power has dug thy dungeon deep,  
And his swart armorers, by a thousand fires,

Have forged thy chain; yet, while he deems thee bound,  
The links are shivered, and the prison-walls  
Fall outward; terribly thou springest forth,  
As springs the flame above a burning pile,  
And shoutest to the nations, who return  
Thy shoutings, while the pale oppressor flies.

Oh! not yet  
Mayst thou unbrace thy corslet, nor lay by  
Thy sword; not yet, O Freedom! close thy lids  
In slumber; for thine enemy never sleeps,  
And thou must watch and combat till the day  
Of the new earth and heaven.

—From William Cullen Bryant's "The Antiquity of Freedom" (1842).

# Manila Five Years Ago

By A. V. H. HARTENDORP

THE internees whose homes were in Manila had for three years envisaged returning to them immediately after their liberation, stripped and looted though these homes might be. But now the great majority had no homes at all to return to, nor were there any houses or apartments they could rent, nor any hotels or lodging houses they could turn to. Never in their most apprehensive moments had they thought that Manila might be almost completely destroyed,—as it was. Manila had not simply suffered the ordinary destruction of war, of bombing, shelling, and fire. Large parts of the city had been deliberately and methodically demolished, and what Japanese demolition had begun, American artillery had to carry on. In many instances it was not even possible to tell where a certain building had stood. The manager of one of the Manila oil companies, in speaking of the rebuilding of his plant, stated that he would have to start at the beginning, with a land-survey.

Santo Tomas people who had been out of the Camp and had seen the devastated city could give no adequate description of it. No one could. One had to see it for oneself. Photographs could only suggest a scene of more than desolation. The most authentic representation, as for a moving-picture set, would appear overdone and remain unconvincing. What impressed one was not the ruins, but the completeness of the ravage, the utter hopelessness of any restoration. The effect was cumulative as one traveled mile after mile from one end of the city to the other. Noble buildings had been transformed into mere piles of rubble and debris. Over areas, miles square, hardly one stone was left on top of another. On the Escolta and in Dasmariñas Street, the rubble lay thirty feet deep.

It was as if all the forces of destruction had operated together, and that even this had been exceeded. There was not the clean, wind- and water-swept look which comes after the passing of a violent storm; there were no buildings only in part consumed, or gutted and still left standing, though blackened and scorched, as after a great conflagration; there were no merely cracked or toppled structures, as after a destructive earthquake; no great shower of ashes or flow of molten rock even in part concealed the havoc, as after a volcanic eruption. Manila was not merely in part destroyed, as cities near a battle-front, by enemy artillery and the bombing of military objectives from the air. Much less did Manila present the venerable ruins left in the wake of time.

The greater and most important part of the city was completely destroyed,—its piers, docks, bridges, power-gas-, and water-plants, telephone exchanges, radio-stations, and factories and warehouses; its scientific institutions, universities, museums, libraries, schools, churches, theaters, hotels, apartment houses; its private mansions and humble homes, and even its parks and botanical gardens, avenues

The first part of the material published here for the first time was written by the author immediately after he had ventured out of the Santo Tomas Camp, in the company of the late former Governor J. Ralston Hayden. The entire text, completed in 1946, is taken from the author's unpublished history of the Santo Tomas Camp and the Japanese occupation. There is no exaggeration, but one thing the author did not anticipate was the veritable miracles which engineers and construction men performed in rehabilitating some of the larger steel and concrete office buildings, the remains of which, it had seemed to the author, could only have to be pulled down. Some of these buildings, in fact, were, but quite a number of them were successfully restored. Others of the big buildings in Manila today were, of course, newly built. Large sections of Manila are, however, still a waste today, notably the Walled City.



and boulevards. Not only were the Bay- and river-fronts, and the industrial districts razed to the ground, but government centers, the business and shopping districts, the theatrical and amusement places, and the residence areas in every direction, except one, even the suburbs.

The city presented a scene of simean destruction for the sake of destruction, without other object, meaningless and wanton, though the American part in it had been necessary because the Japanese had fanatically refused to surrender and had to be blasted and burned out everywhere.\*\* The aspect of the city was not fantastic so much as crazed. Noble towers and spires, overthrown; many-storied buildings, collapsed; quiet courtyards and inclosed gardens, burned-out and exposed, still seemed natural enough; but buckled pillars, columns twisted like worms, sagging architraves, tip-tilted pediments, walls drunkenly overhanging the streets, buildings bulging outward like balloons, seemingly defying the laws of gravitation; what remnants remained yawning with ragged holes, cracked, pitted, and pock-marked by artillery shots, burned and blasted, stained and befouled, presented a scene which could hardly be imagined even in delirium. This seemed demonic work. The wrecked semi-classical government buildings and the once jewel-like romanesque churches, converted into great heaps of brownish dust, with just enough left standing to enable one to recall what had been there, suggested not violence and power so much as the malicious destructiveness and obscenity of fiends.

There seemed nothing left even to mourn. Manila was gone. It remained only a name. But there was the question as to what represented the greater loss,—the destruction of modern Manila, the great new government and office buildings, hotels and apartment houses, piers and docks and factories,—these could be replaced; or Manila's ancient structures and shrines and historic landmarks, especially those of the old Walled City, with its convents and churches, its old Spanish houses with their overhanging second stories, its narrow and picturesque streets, its ancient fort and stronghold, and especially its ramparted, moated, and parapetted walls, its bastions and ravelins, its sculptured gates, one of the best-preserved of fortified cities, incorporating the gradual development of medieval military architecture from the simplest of corner and curtain-wall defenses to the most carefully studied bastions and outworks.

The once so beautiful city of Manila, old and new, presented an aspect of such total and terrible and devilish destruction as would in times past have caused men to abandon the place as accursed. It seemed impossible that any life could have survived in it, even had not the innocent blood of tens of thousands of victims of murder and massacre everywhere caked the dust. There was still the stench of death everywhere. It was impossible to recover the bodies of all the dead held in the debris. Most of the Filipino dead had been removed, but dead Japanese soldiers still lay about in the streets, like rats. They usually lay across the central line of the street. One could see how they had fallen, struck by the avenging bullets of the American soldiers, as they scurried across the street from one

\*This design used in the publicity for Philippine Achievement Week depicts in outline the leaf of the *anahaw*, a tall palm (*Livistona rotundifolia*). The palm yields a valuable wood used for golf clubs; the leaves are used for thatching walls and roofs in some regions, and for making hats and fans; the fiber was formerly used for making bow-strings.

\*\*Figures from Japanese sources later indicated that from 15,000 to 16,000 Japanese navy troops and 1,800 Japanese army troops had been left in Manila to make their final murderous and suicidal stand.

"strong point" to another in their insane suicide tactics. There they lay, looking incredibly small, like gnomes, with bloated bellies, their mouths open, their teeth grinning white in the sun, clouds of flies above them, execrable symbols of a conception which upholds the life of the state as of greater significance than the lives of citizens and which glorifies self-destruction. There is but a small and dizzy hiatus between the will to life and the will to death, between suicide and murder, between self-destruction and world-destruction. True self-sacrifice, true courage, true heroism do not lie in that direction; only hatred and despair and utter evil; the end is the ghastly vortex into which Manila and its population were drawn.

There were graves everywhere, bodies buried where they had fallen; mounds large and small, rudely marked with crossed sticks or entirely unmarked, in the yards of what had once been homes, or along the cracked sidewalks. For survivors to obtain death-certificates and burial permits or to arrange the barest of funerals was impossible. One young Russian woman in Ermita who had been forced to leave the body of her elderly mother in the garden where a shell-fragment had hit and instantly killed her, returning a few days later after the fighting had ceased in that area, and expecting a sight of horror, found only a neat mound of earth beside the place where the beloved body had lain. Some pitying soldiers, perhaps, had decently interred her.

The larger part of the residential areas of North Manila, in which Santo Tomas, Bilibid Prison, and Malacañan Palace are situated, had been saved by the timely arrival of the American forces, but this part of the city was not extensive enough to meet the residential requirements of the whole population. So the people in Santo Tomas for the most part stayed where they were. Only a few of the fortunate ones who had houses in North Manila had homes they could go back to. It was difficult even to get down town for a look around, for there were practically no transportation facilities for public use. About the only vehicles to be seen on the streets were army trucks and jeeps. . .

The American Chamber of Commerce opened an office near the Camp, at 348 España Street, on February 22. In the absence of C. Clifford, the secretary of the organization, who was interned at Los Baños, R. S. Hendry, editor of the Chamber *Journal*, organized the office with the approval of the directors who were in Santo Tomas,—Messrs. Gaches, Duckworth, Rockwell, Headington, and Gundelfinger. The office undertook to keep a register of the names and addresses of those who left the Camp and to assist in making contacts with their friends; it provided a public stenographer and bicycle messenger service; and it published occasional bulletins of information of general interest. That was about all any chamber of commerce could do for the time being. . .

There had been frequent warnings over the loud-speakers in the Camp that internees should take advantage of the transportation offered them inasmuch as this might not be available later, and while many were eager to go, many others were reluctant about going before they had an opportunity to straighten out their affairs, while still others did not want to go at all. Among the latter were many old-time residents and those with family ties in the country. A number of these, who were fortunate enough to have homes in Manila which had not been destroyed in the sack, had already left the Camp; others were still searching for houses or rooms to rent. Internees who had families in the provinces to whom they were eager to return were awaiting transportation. All of them were handicapped by lack of funds, even those whose credit was good, for no bank had as yet been allowed to open its doors. Many of those who had left the Camp were still drawing rations there...

A number of engineers among the internees got jobs with the Army or related services, and a few women were able to get employment as stenographers, but in general no opportunities for making a living opened. The Army engineer corps was doing magnificent work at the waterfront and in clearing the streets, and the water service had been in part restored, but it was said it would be months before electricity and gas would again be available. Filipino and Chinese ventures opened in the ruins of buildings in the down-town area,—little restaurants and stores and shoe- and tailor-shops, but important enterprises could not get under way. Not even had any of the important newspapers in Manila been able to resume publication, although a few small, two- and four-page sheets were sold on the streets in addition to the *Manila Free Philippines*, the publication of the Office of War Information. It was clear that everything, rightly enough, was being subordinated to the fighting of the war. Enemy losses in the Philippines had reached nearly a third of a million men. Iloilo and Cebu had been taken and the invasion of Mindanao had been begun, but there was still heavy fighting in many parts of Luzon, and the sound of bombing in the Marikina Valley could still be heard in the Santo Tomas Camp.

Reluctantly, and in many cases sadly, therefore, the majority of internees decided to accept the "transportation offered", even if it meant the abandonment of everything they had left, and the possibility that they might not be able to return for a long time, if ever. Important or once important American and British business houses ordered all their personnel home except one or two key-men in each case who were to remain to look after their interests and do what they could. On April 10 came the big exodus,—2,146 from Santo Tomas and 1,150 from Muntinlupa. The Santo Tomas group included 480 Americans and 140 British who were still so weak or ill that they had to be sent on a hospital ship, 650 American and 416 other internees, and 460 other persons who had entered Santo Tomas as refugees after February 3...

THE people were impatient. They had imagined an immediate heaven after liberation. Everything would be set right again, without delay. Peace, order, prosperity, happiness would forthwith return. But alas, though the Philippines had happily been freed from the invader, America had for the time being done little more. Osmeña, after his second visit to the United States (he had left March 12), had returned to Manila on May 23 with a nine-man commission headed by Senator Tydings, chairman of the U. S. Rehabilitation Commission. The Tydings party stayed less than a week, leaving on May 29, after interviewing MacArthur and holding a number of interviews also with Philippine officials and members of Congress. McNutt, before his appointment as High Commissioner, arrived in Manila for the first time after the war on June 20, reportedly to survey health conditions and to study relief measures, "It's heart-breaking to see Manila today", he said. He left on the 31st. "I have the facts", he told the press, "but I am not sure I have all the answers". In Honolulu, speaking of conditions in the Philippines, he was quoted as saying, "It is not a happy situation. They need all the help we can give them".

The Army had freed the country from the Japanese, and that was the big thing, but the liberation of the Philippines was a long drawn-out process, and it had not ended the war. Japan itself was still to be defeated, and everything else perhaps had to be, and in fact was, subordinated to that. The general attitude of the High Command seemed to be well characterized by a remark of General Whitney, head of the Civil Affairs section, made to an executive of the American Red

\*Los Baños Internment Camp was liberated on February 23.

Cross: "These people are so happy to be liberated from the Japs, that if we do nothing for the next six months, it will be all right."

Yet all the help to be given the country could at that time come only from the Army. The Red Cross and other relief organizations could get no cargo space and distributed only army goods,—what the Army felt like turning over. The Commonwealth Government, though formally restored, could exercise but little authority because of continuing Army control over large areas of territory and most public services. The Army occupied most of the large public and private buildings still serviceable in Manila and the larger towns, and the Government was handicapped by lack of office space as well as of the most necessary office furniture and supplies. The Government was also practically without funds.\* Opportunity for self-help for the people was narrowly circumscribed. There was nothing to do anything with. The only people who were making any money were those who were catering to the soldiers,—restaurant, saloon, and cabaret owners, and the big distillers who were raking in a good part of the army pay-roll.

The first banking institution to open was the banking division of the Philippine National Treasury, on April 19, but it was not in a position to make large loans. The first private bank opened June 28,—a branch of the National City Bank of New York. The Philippine National Bank opened about a month later, July 23, on which day, five months after the liberation of Manila, three other private banks also at last opened their doors.

The Army had started immediately to clear the harbor and repair the piers, and on March 2 the first army supply ship entered Manila Harbor, but the first ship permitted to bring in civilian goods was the S.S. *Bering*, which did not dock until August 13, six months after the liberation of Manila. It brought around 8,000 tons of badly-needed supplies,—flour, milk and other canned goods, and textiles, some of which were distributed by the Government as relief and the rest sold through ordinary channels. The press reported that holders of bills of lading were offered from five to twenty times the invoice value of the goods. The second relief ship, the *Memphis*, did not arrive until about a month later. About the middle of September, however, Osmeña told the press that monthly shipments of around 30,000 tons had been assured from that time on until the end of the year. But conditions for unloading civilian cargo at the Manila piers remained all but impossible; as late as July, 1946, ships were often forced to lie at anchor for as long as six weeks before they could discharge.

\*With all the demands on the Government for immediate relief and rehabilitation and the requirements for its own reorganization, the financial resources were pitifully limited. In September, 1944, \$10,000,000 was transferred from the General Fund of the Commonwealth Government on deposit in the United States to the Public Fund in the Philippines. The amount of the deposit was \$11,000,000. In June, 1945, a transfer of \$20,000,000 was made, and in August another transfer of \$10,000,000. In addition to the General Fund, the Government had time deposits in the United States which had occurred from the coconut oil excise tax, amounting at the end of 1944 to \$32,000,000, but the U. S. Congress did not remove the restrictions on the use of this money until October, 1945, when it amounted to \$71,000,000. The Exchange Standard Fund could not be touched. The first public expenditures in the Philippines by the Commonwealth were made under authority of executive orders of President Osmeña. The Philippine Congress, during its first 30-day special session passed only a small appropriation bill, approved July 1, 1945, which provided for the continuation of the amount of September 1944 and provided for the operation of the government for only three months, from July 1 to September 30. An act appropriating around \$109,000,000 for the operation of the government from October 1 to June 30 (1946) was not approved until November 3, 1945. The inadequacy of these funds forced the most drastic economy. At the end of 1945, the special appropriations authorized reached over \$327,000,000, but of this amount, \$141,000,000 represented appropriations the release of which was subject to the availability of funds, and it was deemed necessary to certify only portions of these appropriations for release as needed up to June 30, 1946, the amount and a general report hereof may be covered by reference to the report collected from January 1 to June 30, 1946.\*

The total amount of internal revenue collected during 1945 was only \$9,325,923.00 of which \$1,000,000 was derived from excise taxes, \$2,703,161.50 from excise taxes on imported goods, and \$2,517,965.11 from license, business, and occupation taxes. The foreign trade (including that with America) during 1944 amounted to \$39,516,700, of which \$36,847,255 represented imports and \$471,184, exports.

For months after the liberation of Manila, little or nothing was done about civilian transportation needs. Not until the end of May did the Army place fifty trucks at the disposal of the Commonwealth Emergency Control Administration, assigned fifteen more to Meralco (Manila Electric Company), and fifty-six to various provincial transportation companies. Osmeña established the Metropolitan Transportation Service late in July, and by the end of that month the Army had turned over 700 trucks (also 700 bicycles) to the Government, but the means of transportation thus made available was still almost negligible in a country which had been stripped by the enemy of practically every means of transportation.

Many business firms which had at the outbreak of the war in 1941 turned over all their trucks to the USAFFE, readily and without question, found it impossible now to buy equipment from the Army, while tens of thousands of army vehicles were allowed to rust away in army dumps because there was some hitch in declaring these goods surplus.

While soldiers and sailors could always "thumb" a ride, army drivers were not allowed to "pick up" civilians. Manilans walked,—first in the dry season heat and dust and then in the wet season rain and mud. One could not save oneself a long walk by telephoning. Except for a small number assigned to government offices, telephones were all strictly "army".

The Philippines had had a fine inter-island shipping service consisting of around two hundred good-sized ships, but not until late in July did this service reopen to the extent of the sailing of one American President Line steamer from Manila to Iloilo. Not until August 24 was it announced that the U.S. Maritime Commission had approved the transfer of sixteen ships to the Philippine coastwise service under the direction of the War Shipping Administration.

Mail service for civilians remained practically non-existent. Letters from America were three months under way or failed to arrive at all. Even telegrams remained undelivered, but that was chiefly because there was no way of finding out what holes or corners most people lived. Generally only those who had friends in the Army who would send and receive and forward mail for them, got their letters through in reasonable time.

More than 200,000 people in Manila were homeless, but little or nothing was done to provide them with housing or even shelter. Except for those refugees from fire and massacre who, as already mentioned, were taken care of in Santo Tomas and later at San Carlos for some months,—and these were relatively few, the Army didn't do anything and the Commonwealth could do but little. In October, some one thousand families were still housed in a few refugee homes for war widows and orphans maintained by the Emergency Relief Office, but thousands more had moved into various public school buildings in North Manila, and had to be driven out when classes were opened. In some schools they were allowed to remain, this greatly complicating the management of the schools. The Army built large numbers of barracks and warehouses all over the country, but only for army personnel and army goods. The material was practically all imported. Building by the Commonwealth Government and by private individuals was impossible for lack of materials as well as funds.

What did people do? They roomed up with friends or even with strangers or built make-shift shelters of scraps of galvanized iron sheeting and lumber salvaged from the ruins. Even in July, 1946, a householder still had to pay 50 centavos a board foot for a low grade of lumber which formerly cost ₱35 per 1000 board feet; ₱7.50 for a 94-pound bag of cement which formerly cost ₱1; and ₱17 for a sheet of galvanized iron which cost ₱3.20 before the war. The No. 30 galvanized iron sheet which used to sell for 95 centavos still cost ₱12. Prices of native construc-

tion materials such as bamboo and nipa were so high that it cost from ₱2000 to ₱3000 to build a small hut. Under such conditions, of course, all building regulations were suspended; people built any kind of shack anywhere, even on what were once the finest streets.

The Army built and temporarily repaired the streets and highways it had to use, and did the most necessary temporary repair work on the buildings it occupied. Ordinary streets in all parts of Manila were still full of holes a foot or more deep and became impossible quagmires during the rainy season. Even the sidewalks, were they remained, were two inches deep in the oily slush washed up by the heavy army trucks which pounded along in endless streams with an ear-splitting racket, splashing mud in all directions.

Until October, coconut-oil smudge-lamps and candles remained the only illumination in Manila homes. Army buildings were at first lighted by means of small portable generators, powered by gasoline engines. In June, the destroyer *Wiseman*, and in August the destroyer *Whitehurst* began supplying 4500 kva. each. In October, the light-ship *Impedance* was connected up, supplying Manila with 37,500 kva. Meanwhile, however, the Army assisted in repairing the Caliraya hydro-electric plant, which the USAFFE had ordered disabled in December, 1941, and operation of one of its units began in October. Homes then gradually began to be lighted, but the streets remained dark. The Caliraya plant was turned over to the Government on November 1.

The Army also immediately took charge of the repairs of the Manila water-system, in part destroyed by the Japanese, but service was not restored in large sections of South Manila until the end of October after the system had been turned over to the Government (October 15).

The Manila Railroad Company was under the management of the Army until February 1, 1946, by which time around 40% of the former trackage had been restored and a considerable amount of new equipment had been supplied, although it remained far short of the equipment destroyed on USAFFE orders at the beginning of the war.

Manila was for the greater part a shack-town, a sprawling, giant slum. The main down-town streets were lined with rickety structures built within or on the edges of the toppled ruins of the great buildings, housing cheap curiosities, black-market bars and restaurants, and vulgar side-shows whence issued blasts of raucous jazz from early morning until late at night. Motley, pushing crowds jammed the sidewalks,—American soldiers and sailors, soldiers of the Philippine Army, ex-guerrillas still in their jungle uniforms, peddlers hawking stolen army goods, prostitutes, pimps, pick-pockets, throngs of emaciated, poorly-dressed, tired-looking people, jostling and elbowing each other. Manila once so beautiful and pleasant a city, now a scene of ruin and ravage, presented all the appearance of some hellish fair or carnival, without any gaiety.

There was no more actual hunger. Corpses of those who had died from starvation were no longer to be seen in the streets, as in Japanese times. Relief had been provided throughout the Philippines by the PCAU as long as this organization continued to exist in the various areas. PCAU stores were taken over in most places by the Economic Control Organization in May. In June it was reported that the ECA was issuing a daily average of 1,165,-

000 rations in Greater Manila, 70,000 of these free, while the Civil Affairs branch of the Army was still issuing 220,000 rations in the city. The rations, however, were small and amounted to only from one-half to three-fourth of a pound of food a day. The supplies were sold at reasonable prices, but the quantities were not large enough to affect black-market prices greatly.

Relief was also provided for a time through the incorporation of around 187,000 Filipino troops in the Army, around 100,000 of these being guerrillas and the rest what remained of the Philippine Army. Further relief came through the employment of over 200,000 civilian workers (125,000 in Manila), of whom some 186,000 were day-laborers. There was also the additional employment by army personnel of cooks, washerwomen, etc. The pay was small,—generally ₱1.25 for common labor, which was wholly incommensurate with the cost of living, but the people accepted such jobs because there was nothing else they could do and because of the chances the employment offered of obtaining "extras" in various ways. Many of these workers, finding themselves after three years of deprivation and hunger surrounded with what was to them the almost unbelievable abundance of the army camps, turned inevitably to pilferage and outright thievery.

Because of the great and continuing scarcity of all the desperately needed consumers' goods and the relatively large amounts of money in circulation, prices,—while they did not rise to the fantastic heights of the last months of the Japanese regime, did mount in spite of efforts at price control. A cup of coffee and a doughnut cost ₱1.20, two fried eggs ₱2.50, a poor breakfast or lunch ₱5. Such prices were still being paid in the cheapest restaurants at the time of the election on April 27, 1946. Unbelievable as it may seem, it was a fact that up to the time of the arrival of the two ships which brought civilian cargo in August and September, 1945, every item not locally produced, served in Manila lunch-rooms and restaurants, was obtained from the "black market"—that is, was ultimately stolen from the Army. No civilian could drink a cup of coffee with milk and sugar in these places without thinking, "All this is stolen". While enormous quantities of all kinds of supplies piled up mountainously and in untraceable confusion in the Port Area, the Army made no provision whatever for providing some sort of legitimate source of supply for the public eating houses which necessarily sprang up in the ruins of Manila to serve the civilian population. Army indifference in this respect practically forced crime into existence,—rings of thieves in which service-men were necessary links. The soldiers and sailors, besides their regular messes, had their Red Cross and United Service Organization canteens and "snack-bars" conveniently situated in some expropriated building, but the thousands of civilians in the streets, who had to trudge from one end of the city to the other on foot, had no place to turn to than these black-market establishments. The Army also contracted not only for the entire output of the Elizalde distilleries and the Soriano brewery, but the Soriano ice-plant. Throughout the whole hot season following the liberation, when the heavy army traffic threw up such clouds of dust that it looked from ships in the Bay as if the city was again afire, there was not a legitimate glass of beer or even of ice-water to be obtained by a civilian...

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*"Today, the Philippines and the United States are working together in a free partnership in order to promote and protect the interests common to both... Filipinos and Americans, by continuing to work together in mutual confidence and respect, can proudly show the whole world what cooperation among free democratic nations can achieve"*—Ambassador Myron M. Cowen.

## The Business View

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

### Office of the President of the Philippines

From an Official Source

**JUNE 1**—For the record, Malacañan issues the text of a concurrent resolution adopted by the Congress of the Philippines on August 10, 1950, expressing the sense of the Congress to "render every possible assistance" to the United Nations forces in the Korean conflict.

President Elpidio Quirino personally escorts former Governor-General Francis Burton Harrison and Mrs. Harrison from their residence in Quezon City, where they have been staying for several months, to the M.S. *Doña Aurora* which will take them to New York. Governor Harrison has been ill and his departure was kept quiet.

The President accepts with regret the resignation of Daniel Aguinaldo as Managing Director of the Price Stabilization Corporation and designates Under-Secretary of Commerce Saturnino Mendinueto as acting Chairman of the Board, lauding Aguinaldo's services during his incumbency of the office.

The Cabinet decides on the standardization of salaries of officials and employees of the government corporations, which entails radical slashes in the salaries of PRISCO and other officials.

The Cabinet approves Philippine participation in the 12th session of the Council of Food and Agriculture Organization, in Rome, June 11 to 25, Eutiquio Santa Romana, of the Philippine Legation there to act as observer, and in the International Sugar Council meeting, in London, June 25, which Minister Jose E. Romero will attend as the Philippine delegate.

The Cabinet approves the renaming of the Santa Cruz Bridge, Manila, soon to be opened, the General MacArthur Bridge.

Announced at Malacañan that the First National Management-Labor Conference is to be a feature of Philippine Achievement Week, July 4-10; Presiding Judge Arsenio Roldan of the Court of Industrial Relations was designated as chairman of the committee in charge, with J. T. Naylor and L. Siguion-Reyna representing management and Cipriano Cid and Emilio R. Severino, labor.

June 2—The President inducts Calixto Duque as interim Chief of Staff, with the rank of major-general.

Officials of the U. S. Economic Cooperation Administration leave Manila for Mindanao in company of the Land Settlement and Development Corporation officials, and also Administrator of Economic Coordination Salvador Araneta and the Reconstruction Finance Corporation Chairman Placido L. Mapa, to inspect the land-settlement projects there with a view to speeding the Government's land-for-the-landless program with ECA assistance.

June 4—The President orders the investigation of alleged police rackets in Manila and a number of provinces, involving the stopping of cargo trucks from these provinces entering the city to extort money from the drivers and operators.

In an interview with the President, Central Bank Governor Miguel Cuaderno and Administrator Araneta strongly recommend the approval of the Import Control Bill.

June 5—The President signs nine bills, including the bill creating a Bureau of Soil Conservation (Republic Act No. 622), that penalizing the use of duly marked containers by other than the registered manufacturer (No. 623), that creating a Philippine Tourist Bureau (No. 624) that appropriating \$4,000,000 for the expenses of the elections on November 13 (No. 626), that appropriating an additional \$13,235,850 for the expenses of the Government during the present fiscal year (No. 628), that providing for a concurrent Philippine consulate in Singapore, Federation of Malaya, British North Borneo, Sarawak, and Brunei, with a main office in Singapore (No. 629), and that appropriating \$350,000 for the operation of the Wage Administration Service in the Department of Labor (No. 630).

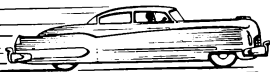
June 6—The President signs the bill creating a Philippine Sugar Institute, a semi-public corporation to conduct research work and to otherwise promote the sugar industry (Republic Act No. 632); the governing body will be a 7-member Board of Directors, to be appointed by the President of the Philippines with the consent of the Commission on Appointments, of which 3 shall be recommended by the National Federation of Sugar Cane Planters and 2 by the Philippine Sugar Association, the Chairman of the Board also to be designated by the President; operational funds will be obtained from a tax of 10 centavos per picul, to be collected for a period of 5 years, beginning with the 1950-51 crop year, on the annual sugar production.

The President signs an Administrative Order creating a Philippine Committee in connection with the Economic Commission for Asia

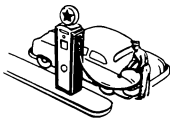
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and the Far East (ECAFE) which the Philippines is an active member, the Committee to be composed of the Under-Secretary of Commerce as Chairman, and representatives of the Department of Foreign Affairs, the Central Bank, the Office of Economic Coordination, and the Director of Commerce as members.

The President approves the sending of an observer to the meeting of the Council for Technical Cooperation in South and Southeast Asia, Colombo, June 25; Jose Alejandrino, of the Philippine Legation in Bangkok, will probably be assigned to the office. The President also approves Philippine participation in the 24th International Congress of Military Medicine and Pharmacy, Paris, June 17 to 23, in the person of Dr. Aristeo Ubaldo, who will defray his own expenses.

The President approves the release of ₱104,000 for the construction of a landing field at Oroquieta, Misamis Occidental, by the Civil Aeronautics Administration.

The President issues a statement expressing his grief over the sudden death from a heart attack of Senator Tomas Confesor,—"a great Filipino".

Secretary of Education Teodoro Evangelista appoints a committee composed of Dr. Gumersindo Garcia, Lino Castillejo, and Dr. Vidal Tan, to look into the conditions obtaining at the Philippine General Hospital which is a unit of the University of the Philippines.

June 7—The Department of Foreign Affairs announces that the entry of Chinese nationals has been practically suspended since October 31, 1950, in execution of a Cabinet policy, either as immigrants or non-immigrants, but that this does not apply to Chinese who hold valid re-entry permits.

June 8—The President signs a bill granting honorary Philippine citizenship to former Senator Millard E. Tydings and former Representative John McDuffie (Republic Act No. 634), authors of the Tydings-McDuffie Law providing for the 13th International Independence Act. He also signs Senate Bill No. 42 (now Republic Act No. 635) amending the Securities Act (Commonwealth Act No. 83).

The President expresses his approval of the punishment meted out by the Monetary Board to Ceferino Eugenio, Assistant Superintendent of Banks, as recommended by the investigator, Secretary of Justice Jose P. Bengzon, and expresses his satisfaction over the result of the investigation into the improper trafficking in dollars in the Central Bank. He asks Secretary of Defense Ramon Magsaysay to report immediately on the alleged anomalies in the Philippine Veterans Board involving the fraudulent cashing of veterans' warrants.

The President expresses his appreciation to Bureaucratic officials also concerning their acceptance of the resignation yesterday of Central Bank Deputy Governor Alfonso Calalang; Mr. Calalang has become President of the new Security Bank and Trust Company.

The President appoints Jose Imperial, Consul General in San Francisco, as Minister at Jakarta, to take the place of Ambassador Domingo Imperial, recently appointed Chairman of the Commission on Elections. He appoints Domingo Pidoaon as Consul General in San Francisco. He also appoints Yusup Abubakar as Consul in the new Singapore consulate.

June 9—The President signs House Bill No. 1143 amending certain sections of Republic Act No. 165 which created the Patent Office (Republic Act No. 637).

The President issues Executive Order No. 446 authorizing PRISCO to import certain essential commodities without quota allocation and in such quantities as may be found necessary, Executive Order No. 447, fixing new ceiling prices of imported foodstuffs, Executive Order No. 448, fixing new ceiling prices of various building materials, and Executive Order No. 449 fixing new ceiling prices of school supplies.

June 10—General Eduardo Gonzalez Gallarza, Spanish Minister of Air, on a goodwill mission, arrives in Manila on a Philippine Air Line plane.

June 11—At a Malacañan reception, General Gallarza presents the President with the *El Gran Collar de Isabel Catalica*, highest decoration conferred by Spain on the heads of other states, for which the President expresses his appreciation but explains the constitutional provision which requires congressional approval of the acceptance of foreign decorations. The General states he would have no objection to entrusting the decoration to the Department of Foreign Affairs until Congress acts.

The President receives Vincent Checchi, Manila representative of the U.S. Economic Cooperative Administration, who is leaving for the United States to report on the progress of the E.C.A. program here.

The President appoints Dr. Marcos M. Alicante Director of the new Bureau of Soil Conservation.

The President signs a number of bills including House Bill No. 1142 on trade-names and trade-marks (Republic Act No. 638).

June 13—The President orders the suspension of Col. Juan Benitez and Maj. Gervasio Francisco, Chairman and Administrative Officer, respectively, of the Philippine Veterans Board, authorizes Secretary Magsaysay to suspend nine other officials in the organization, and asks him, too, to request the Auditor General to take similar action with respect to two men in the Auditing Office, in connection with the investigation of the fraudulent cashing of veterans' warrants, believed to run into hundreds of thousands of pesos. The President designates Maj. Gen. Guillermo B. Francisco and Mr. Hilario Hilario to take the places of the two principal officials of the Board.

June 15—The President signs the new Import Control Bill (Republic Act No. 650).

June 16—The President receives a delegation of the Philippine

Flour Millers Association which urges him to veto Senate Bill No. 256 which would require importers to purchase cassava flour in the amount of 30% with every purchase of wheat flour.

The President signs House Bill No. 1348 (Republic Act No. 658) amending the Internal Revenue Code re books of accounts; it requires taxpayers whose gross quarterly sales or receipts exceed ₱25,000 to have their books audited by independent certified public accountants and their income tax returns accompanied by certified balance sheets and other statements. He also signs House Bill No. 771 (Republic Act No. 663) recreating the National Rice and Corn Corporation.

He also announced that the Department of Foreign Affairs has requested Philippine Ambassador Josquin Elizalde, in Washington, to make strong representations for a more liberal interpretation of that institution provision (Par. 1, Art. 6) in the Philippine Trades Act of 1946 so as to permit the entry of Philippine non-quota immigrants into the United States after July 3, 1951.

June 17—The President hails the offer of the United States Government to make available the lending facilities of the Export-Import Bank to establish credit for Philippine productive projects, stating that this will "go a long way in helping the Administration's program of economic development...and reflects the strong confidence of the United States Government in our ability to carry out our economic development program."

June 18—The President at Fort McKinley addresses a complement of some 200 officers and men of the 10th Battalion Combat Team which has just returned from Korea and other officers and soldiers of the 20th BCT who are leaving shortly to replace them, taking advantage of the occasion to say that he will restore the enforcement of the writ of habeas corpus as soon as possible as he does "not want to go down in history as having curtailed this right for an indefinite period."

June 19—The President issues Executive Order No. 453 implementing Republic Act No. 613, and regulating the exportation and re-exportation of certain (strategic) materials and articles.

June 20—In ceremonies held in Malacañan, the President receives the credentials of Mons. Egidio Vagnozzi as the first Apostolic Nuncio of the Holy See.

The President on behalf of the Philippine Government receives a check for ₱500,000 from Philippine Alien Property Administrator James McI. Henderson, representing the final turnover under his Office which will be deactivated as of June 30. Future transfers will be effected by the Office of Alien Property under the U. S. Department of Justice.

Announced at Malacañan that the President on the 16th signed Senate Bill No. 256 (Republic Act No. 657),—"to promote the production of cassava flour and to regulate the importation of wheat flour", Section 2 of the Act reads:

"For the purpose of carrying out the policy set forth in section one of this Act, the President is authorized to issue orders, to be directed to prescribe as a condition for the issuance of any license to import wheat flour from abroad that the importer shall buy cassava flour in such proportions, not to exceed thirty per cent of the amount of wheat flour, as may be prescribed by the Administrator of Economic Coordination, and shall sell cassava flour and wheat flour in the same proportion."

The Cabinet approves the renewal for another year of the trade agreement between the Philippines and Occupied Japan through SCAF; the present agreement sets a maximum of ₱50,000,000 and expires June 30.

June 21—The President at a breakfast conference with Representative Cipriano Aillas, Chairman of the House committee investigating cases of tax evasion, states that he will give him full support and to spare no executive department official who may be involved.

June 26—The Cabinet reaffirms the policy of permitting free traffic in gold in the domestic market after the mining companies have sold 25% of their production to the Central Bank. While the smuggling out of gold is prohibited under heavy penalty, gold may be exported under government license.

The Cabinet accepts the offer of the United States Government to abandon in favor of the Philippines three sunken U. S. Maritime Commission vessels on condition that the United States Government will be released of any liability; the ships are the *Glenn's Ferry*, *Charles C. Randalman*, and *Fairfield*.

The President directs the Commissioner of the Budget to release ₱100,000 as the Government's contribution to the United Nations International Emergency Fund (UNICEF) to be paid in copra with the amount authorized by a resolution of the Cabinet a few days ago. The Cabinet also authorized a nation-wide collection for the benefit of children in connection with the observance of United Nations Day, October 24, a committee in charge to be headed by the Social Welfare Administrator. Under present arrangements, the United States matches 72 cents for every 28 cents contributed by UNICEF's 26 member nations.

The President receives a group of some 250 Bureau of Posts telegraph service employees who staged a walk-out in protest against an salary increase under the new Civil Service Commission law effective as little as ₱6 a month, and expresses his surprise and sympathy; he confers with Secretary of Public Works Sotero Baluyut, Secretary of Justice Jose P. Bengzon (in his capacity as acting Secretary of Labor), and Secretary of Defense Ramon Magsaysay in connection with the matter, and instructs Budget Commissioner Pio Joven to scan the old and new budgets for any funds that may be available to raise the salaries of the underpaid men.

(Continued on page 246)



# Banking and Finance

By G. A. BENSON

Sub-Manager, Port Area Branch  
National City Bank of New York

## COMPARATIVE statement of condition of the Central Bank:

ASSETS	As of	As of	As of	As of
	Dec. 31 1949	March 31 1951	April 27 1951	May 31 1951
	in thousand of Pesos			
International Reserve..	₱460,689	₱579,119	₱583,098	₱ 561,326
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	55,863	47,338	18,645
Domestic Securities.....	92,197	163,088	163,197	234,959
Trust Account — Securities Stabilization Fund.....	—	6,848	6,848	6,848
Other Assets.....	20,390	56,562	61,208	59,982
	<u>₱793,629</u>	<u>₱999,050</u>	<u>₱999,258</u>	<u>₱1,019,330</u>
<b>LIABILITIES</b>				
Currency—Notes.....	₱555,576	₱664,360	₱671,052	₱ 656,523
Coins.....	74,384	92,680	93,735	93,722
Demand Deposits — Pesos.....	117,682	194,213	173,224	203,478
Securities Stabilization.....	2,000	6,848	6,848	6,848
Due to International Monetary Fund.....	22,498	497	499	496
Due to International Bank for Reconstruction and Development.....	2,389	2,383	2,383	2,383
Other Liabilities.....	2,636	21,275	33,671	36,966
Capital.....	10,000	10,000	10,000	10,000
Undivided Profits.....	6,464	3,105	4,157	5,225
Surplus.....	—	3,689	3,689	3,689
	<u>₱793,629</u>	<u>₱999,050</u>	<u>₱999,258</u>	<u>₱1,019,330</u>

## CONTINGENT ACCOUNT

Forward Exchange Sold. ₱ 6,460 — — —

INTERNATIONAL reserves held by the Central Bank decreased by ₱21,772,000 during the month. However, the foreign exchange holdings by other banks increased sufficiently in the same period so that total dollar international reserves at end of May were ₱393,000,000 as compared to ₱382,000,000 at end of April. This compares with a total dollar position of ₱260,000,000 when the Central Bank instituted exchange control in December, 1949.

Loans and advances were down ₱28,693,000 due to the repayment of loans by Philippine banks and the reduction in the Treasury's overdraft.

Domestic securities are up ₱71,762,000 because of further advances of ₱73,000,000 to the Philippine Government secured by Rehabilitation and Development Bonds. Total advances to the Government are now said to be around ₱187,000,000 secured by Rehabilitation and Development Bonds and ₱47,000,000 secured by Rehabilitation Finance Corporation Bonds.

The past few weeks have witnessed a sharp reversal of the easy money conditions which have prevailed the past year, this having been caused by the comparative flood of import licenses released to merchants in recent weeks. Interest rates are firm but have not yet been revised upward. Demand for credit is keen and it is reported that banks are pretty well loaned up.

The issuance of subsidiary paper notes has alleviated the severe coin shortage that has existed for some time. One- and five-centavo pieces (coins) are coming back to

the banks for the first time in months. Silver coins are still difficult to get and have been practically replaced by paper notes.

The Security Bank and Trust Company, the latest addition to Manila's banking institutions, opened for business on June 18. It occupies the ground floor of the Consolidated Investment Building on Plaza Gotti. The President of the bank is Mr. Alfonso Calalang, well known banker, who was until recently Deputy Governor of the Central Bank.

The Central Bank has announced that the Saturday closing of Manila banks, which originally extended from April 1 to June 15, will be continued until further notice.

## Manila Stock Market

By A. C. HALL

Hall, Picornell, Ortigas & Company

May 19 to June 15

THERE has been an accentuation of disinflationary factors during the past month. The continuing overall improvement in the country's economy has permitted a liberalization in the Government's import policy and local merchants are now engaged in a large restocking program. Following as it does upon the first installment of income-tax payments, this will absorb additional large amounts of idle funds in banks and further assist in removing inflationary pressures.

In sympathy with the foregoing, there has been a substantial decline in the local market price for gold which is quoted today at approximately ₱111 per fine ounce compared to ₱145 nominal four weeks ago. At today's price level, indications are that demand for the metal is considerable.

Apart from Surigao Consolidated which has moved against the trend as a result of its high production for May, also good mine-development results, other gold and base metal mining issues have followed the deflationary tendency referred to.

Unlike the mining shares, however, prices of leading commercial and industrial securities have ruled firm during the month. This largely reflects genuine investment funds, partly from institutional sources, seeking employment for income purposes.

## MINING SHARES

1950-51 High	Range Low	M. S. E. Mining Share Average	High				Total Sales
			High	Low	Close	Change	
126.83	61.71	100.68	91.73	91.99	6.13	5,855,709	
.295	.09	24	.19	.20b	Off	.05	120,000
.06	.012	.06	.05	.0525	Up	.0025	334,100
.68	.25	.285	.25	.25	Off	.04	211,600
.13	.04	.1125	.1025	.1025	Off	.0175	240,000
3.50	1.78	—	—	—	2.00b	—	—
.0051	.0027	.0031	.003	.003	Off	.0005	254,000
5.30	2.50	4.50	4.30	4.30	Off	.20	22,310
.085	.012	.07	.06	.06	Off	.01	40,000
.017	.0078	.017	.0135	.0135	Off	.0005	2,720,000
.25	.08	.175	.16	.16	Off	.035	30,000
.135	.042	.115	.1025	.1025	Off	.0075	285,000
.08	.025	.042	.035	.042	Up	.02	33,333
.90	.17	.67	.62	.62	Off	.02	336,000
.05	.016	.032	.03	.03	Off	.001	85,000
.455	.205	.35	.315	.315	Off	.03	486,000
.20	.01	.014	.014	.014	—	—	55,000
.09	.06	—	—	—	.09b	—	—
.27	.14	.17	.17	.17	Off	.035	17,000
.345	.12	.295	.26	.28	Up	.025	304,500
.038	.01	—	—	—	.03a	—	—
.10	.045	.0725	.07	.07	Off	.0025	100,000

1950-51 Range		COMMERCIAL SHARES				Change	Total Sales
High	Low	High	Low	Close			
712.00	78.00	Bank of the Philippine Islands	122.00	122.00	123.00 <sup>b</sup>	Up 3.00	42
—	—	Bago-Medellin Milling Co.	—	—	7.00b	—	—
90.00	55.00	Central Azucarera de Basa	90.00	90.00	90.00	—	1,240
209.00	118.00	Central Azucarera de la Carlota	170.00	170.00	170.00	Up 5.00	250
135.00	90.00	Central Azucarera del Pilar	—	—	100.00b	—	—
40.00	20.00	Central Azucarera de Tarlac	—	—	28.00b	—	—
235.00	189.00	China Banking Corporation	—	—	230.00b	—	—
27.00	27.00	Filipinas Cie. de Seguros	—	—	28.00a	—	—
—	—	Insular Life Assurance Co.	—	—	5.50b	—	—
1.00	.35	Manila Broadcasting Co.	—	—	.32a	—	—
3.80	2.00	Manila Wine Merchants, Inc.	—	—	.20a	—	—
.18	.18	Marsman & Co. Inc.	—	—	3.40b	—	—
.40	.25	Marsman & Co. Inc. Pfd.	—	—	.25a	—	—
.10	.085	Mayon Metal	.10	.10	.10	Up .015	20,000
.14	.085	Mayon Metal 7% Preferred	.10	.10	.10	Up .015	30,000
103.00	100.00	Meralco 6-1/2%	—	—	103.00b	—	—
150.00	135.00	Metropolitan Insurance Co.	—	—	150.00b	—	—
.75	.30	Pampanga Bus Company	.50	.50	.50	Off .05	3,117
—	—	Peoples Bank & Trust Co.	—	—	65.00b	—	—
27.50	25.00	Philippine Guaranty Co. Inc.	—	—	26.50b	—	—
.1075	.012	Philippine Oil Dev. Co. Inc.	.012	.012	.012	—	100,000
1.46	1.20	Philippine Racine Club, Inc.	1.46	1.44	1.44	—	15,000
38.00	25.50	San Miguel Brewery Common	35.00	33.50	35.00	Up 1.50	9,138
100.00	94.00	San Miguel Brewery 7% Pfd.	100.00	100.00	100.00	—	250
105.00	100.00	San Miguel Brewery 8% Pfd.	105.00	103.00	105.00	Up 2.00	285
16.00	16.00	Universal Insurance & Indemnity	—	—	16.00b	—	—
8.50	6.00	Williams Equipment Co. Common	7.00	7.00	7.00	—	544

#### OVER THE COUNTER

	High	Low	Close	Total Sales
Amalgamated Minerals	P. 04	P. 04	P. 04	15,000
Demonstration Gold Mines	.01	.01	.01	15,000
Jai Alai Corp. of the Phil.	4.00	4.00	4.00	527
Nielson & Co., Inc.	.01	.01	.01	60,000
Philippine Air Lines	7.50	7.50	7.50	125
Philippine American Drug Co.	165.00	165.00	165.00	71
Philippine Iron Mines, Inc. Common	65.00	65.00	65.00	9
Victoria Milling Co. Inc.	190.00	178.00 <sup>(*)</sup>	178.00 <sup>(*)</sup>	169

(\*) Ex-Dividend

## Electric Power Production

(Manila Electric Company System)

By J. F. COTTON

Treasurer, Manila Electric Company

1941 Average—15,316,000 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	40,810,000**	37,529,000
July	—	38,774,000
August	—	39,872,000
September	—	38,791,000
October	—	40,657,000
November	—	39,268,000
December	—	41,099,000
Total	—	458,576,000

\*Revised

\*\*Partially estimated

Output in June increased substantially. Despite one less day June exceeded the May output and was the highest month this year. The increase over June, 1950, was 3,281,000 kwh, or 8.7%.

It seems probable that a new output record will be set in July.

## 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 June numbered 651, with a total value of ₱6,601,585, as compared with 688, with a total value of ₱6,306,233, registered during the preceding month of May.

Of the June total, 172, with a total value of ₱2,793,341, represented deals within Manila proper, while 479 sales, with a total value of ₱3,808,244, were sales within the cities of Quezon and Pasay, and in the suburban towns of Caloocan, Makati, Malabon-Navotas, Mandaluyon, Parañaque, and San Juan.

Among the bigger sales registered during the month in the cities of Manila, Quezon, and Pasay and in the suburban towns were:

The transfer, at a consideration of ₱381,600, by Alfonso Tusson to the corporate name of Alfonso Tusson & Sons, Inc., of his properties in San Miguel and Sampaloc.

A property comprising several parcels of land on España Street, Sampaloc, sold by Rafael Rocas to United Realty Corporation for the sum of ₱281,297.88;

The Marsman residence at Robert and William Streets, Pasay City, with a lot of 4,851 square meters, sold by Mary A. Marsman to Metropolitan Enterprises, Inc. for ₱255,000;

A property with a lot of 26,651 square meters on Shaw Boulevard, Mandaluyong, sold by Julia Vargas Vda. de Ortigas to Maria Suarez for ₱210,000, or nearly ₱8 per square meter;

A property with a lot of 12,446 square meters on F. B. Harrison Street, Pasay City, sold by Simon R. Paterno to the Intestate Estate of S. de Madrigal for ₱186,700, or about ₱15 per square meter;

A parcel of 3,695 square meters on Isaac Peral Street, Paco, sold by Cia. General de Tabacos to Philippine Guaranty Co., Inc., for ₱166,275, or ₱45 per square meter;

A property with a lot of 3,070 square meters in San Felipe Neri sold by George Edward Koster, Inc. to San Miguel Brewery, Inc. for ₱156,900;

A property with a lot of 3,691.2 square meters on Inverness Street, Sta. Ana, sold by Stewart Tait to Rattan Arts and Decorations, Inc., for ₱104,400.

A property with a lot of 885 square meters at Donada, corner Menlo Streets, Pasay City, sold by Vicenta A. Garcia to Guia S. Jose de Bayer for ₱100,000; and

A tract of 499,600 square meters in Caloocan sold by Oscar L. Uy to Aurora Aquino for ₱100,000.

Real estate mortgages registered in the Greater Manila area during the month of June, 1951, numbered 409, with a total value of ₱11,800,888, as compared with 405, with a total value of ₱6,508,347, registered during the month of May.

Of the June total, 151, with a total value of ₱4,215,944, represented deals within Manila proper, and 258, with a total value of ₱7,584,944, represented deals within the cities of Quezon, Pasay, and in the suburban towns above mentioned.

Of the June mortgages, the biggest transaction was that executed by Peoples Homesite and Housing Corporation in favor of the Government Service Insurance System for ₱4,000,000.

#### REAL ESTATE SALES

(January to June, 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

#### REAL ESTATE MORTGAGES

(From January to June, 1951)

January	₱2,105,660	₱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	1,584,350	869,144	1,531,450	11,800,888

# Building Construction

By JUAN J. CARLOS

President, United Construction Co., Inc.

**D**URING the month of May, the approximate cost of new construction work applied for in the City of Manila amounted to ₱5,101,580, in comparison with ₱4,387,600 for the same month in 1950, ₱5,118,200 in 1949, and ₱9,357,710 in 1948. Several big projects which were started during the month of May, namely the 5-story reinforced concrete building for Go Soc Sons & Sy Gui Huat, Inc., on Rizal Avenue, near the corner of Doroteo Jose; the 3-story Martinez-Leyba office building at the corner of Rizal Avenue and Raon; the Philippine Women's University Annex; and the 3-story residence for Ang Beng on Dewey Boulevard, which all together are estimated to cost around ₱3,000,000, account for a part of the costs of the construction applied for during May.

The recent arrival of big shipments of construction materials considerably eased the tight supply situation in building items which has gripped the local market during past months. These shipments correspond to the first batch of licenses approved by the PRISCO after the licensing of construction materials was transferred to this entity on May 1, 1951. As expected, the prices of essential items have decreased considerably, due not only to the new supplies but to the fact that new importers, who either have no bodega facilities or lack sufficient capital, have to dispose of their stocks hurriedly and even at a loss. Galvanized-iron roofing-sheets, reinforcing steel bars, paint, and other important building items are now selling at below government ceiling-prices. It is expected that a further decrease in price will be registered as more shipments arrive.

## Port of Manila

By R. L. MOORE

Vice-President, Luzon Brokerage Company

**A**S a result of various protests, Customs has finally let an invitation for bid to be opened on July 5 for the in-transit bond storage presently operated by the Esguerra & Company, in the Port Terminal Building. The terms are so tight however that none of the regular warehouse people can participate. For example, it is stipulated in the contract any such warehouse space furnished must be within the Customs Zone or the immediate vicinity. The only space answering this description is that in the Port Terminal Building. It is also stipulated that the Customs will regulate the policies, rates, etc. This is now under protest by the Warehousemen Association. We doubt, however, that much will come of this. The only good that has developed so far is that Esguerra has offered to reduce the rate from ₱0.80 a ton per day to ₱0.40. Need we say more?

The short shipping strike in the United States, now over, will do little or no harm in the big picture and in fact, will probably in a measure stimulate the local market. This together with the large release of import licenses for essential items during the past two months points to a very large influx of merchandise during at least the months of July and August.

We do not understand exactly what is happening in the case of the various E.C.A. shipments and, specifically, in the case of the fertilizer coming to the Philippine Government, the first shipment of which will be on the S.S. Socrates arriving early July. There are all kinds of rumors and this writer attempted to get the straight of the story from Mr. Stanley Allen of E.C.A. We understand that PHILCUSA has delegated, with E.C.A. approval, to Customs, complete charge of handling the shipments,

including receiving, storing, and delivery. We are told that in the matter of the handling and delivery, Customs is turning this over to the Delgado Brothers. We would think that this would be the type of shipment that would be let out for invitation to bid by all parties, in the interest of the Government getting the most economical rates. Apparently this will not be the case. As usual we have protested and as usual ours is the voice of one crying in the wilderness.

## Ocean Shipping and Exports

By B. B. TUNLOD

Secretary-Manager

Associated Steamship Lines

**T**OTAL exports for the month of May of this year showed an increase of more than 62% over exports during May of last year.

110 vessels lifted 362,634 tons of exports during the month, as compared to 225,594 tons lifted by 94 vessels during the same month of last year.

Commodities which have registered sharp increases over last year's figures for the same month are: junk metals from 377 to 6,351 tons; logs from 2,770,659 to 17,198,531 bd. ft.; sawn lumber from 3,970,945 to 6,400,354 bd. ft., molasses from 2,799 to 13,933 tons; iron ore from 36,678 to 88,863 tons; manganese from nil to 7,152 tons; tobacco from 6 to 586 tons.

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

Commodity	May	
	1951	1950
Alcohol	134 tons	27 tons
Beer	155 "	12 "
Coconut, desiccated	7,088 "	11,794 "
Coconut oil	4,117 "	3,256 "
Concentrates, gold	312 "	393 "
Copra	48,278 "	35,713 "
Copra cake/meal	4,781 "	4,724 "
Embroideries	284 "	171 "
Empty cylinders	343 "	498 "
Fish, salted	16 "	16 "
Fruit, fresh	146 "	264 "
Furniture, rattan	910 "	796 "
Glycerine	134 "	136 "
Gums, copal	114 "	56 "
Hemp	100,593 bales	62,835 bales
Household goods	482 tons	809 tons
Junk metals	6,351 "	377 "
Kapok	77 "	79 "
Logs	17,198,531 bd. ft.	2,770,659 bd. ft.
Lumber, sawn	6,400,354 "	3,970,945 "
Molasses	13,933 tons	2,799 tons
Plywood and plywood products	18,708 sq. ft.	58,755 sq. ft.
Ores, chrome	8,506 tons	29,618 tons
Ores, iron	88,863 "	36,678 "
Ores, manganese	7,152 "	—
Pineapples, canned	3,201 "	5,593 "
Rattan, palasan	466 "	166 "
Rope	537 "	252 "
Rubber	67 "	111 "
Shells, shell waste	96 "	29 "
Skins, hides	116 "	249 "
Sugar cent./raw	101,959 "	65,502 "
Tobacco	586 "	6 "
Vegetable oil	17 "	67 "
Transit cargo	1,019 "	514 "
Merchandise, general	621 "	393 "

## Lumber

By LUIS J. REYES

Philippine Representative, Penrod, Jurden & Clark Company

**T**HE volume of timber exported during the month of May according to the Bureau of Forestry was one of the biggest, consisting of 6,245,829 board feet of

lumber and 26,965,718 board feet in round logs. Most of the logs went to Japan and consisted largely of saw logs and a small percentage of peelers for veneer and plywood. Late reports from Japan, however, are to the effect that there are about 45,000,000 bd. ft. of saw logs in Japan that can not be readily absorbed by the market. The low quality logs, according to these reports, were sawn into lumber and sold to the occupation army in Japan and Korea. But lately SCAP appears to have discontinued this method of purchasing and has called for tenders from lumber producers in the Philippines. There are many more saw logs that remain to be shipped to Japan, but the buyers have not sent the boats to pick them up. This has caused logs producers to feel that Japanese buyers deliberately allow letters of credit to expire by not sending boats on time. Several logging contractors have lost money in this way. The demand for peeler logs in Japan, however, remains firm and they continue to command a satisfactory price.

In the United States the demand for logs and lumber has gone down slightly because of the government restrictions on steel and other strategic materials supplied for civilian needs. These have curtailed the production of television and radio-cabinet and furniture manufacture which consumes a big volume of cabinet timbers. Manufacturers, however, are hopeful that the furniture market will improve after the shows take place this summer.

The Bureau of Forestry released the following report on logs and lumber inspected for export during the month of May, 1951:

Destination	Lumber (Bd.Ft.)	Value	Logs (Bd.Ft.)	Value
United States	5,202,693	¥1,173,948.46	5,385,352	¥ 738,559.83
Japan	498,736	¥4,445.00	21,480,382	2,298,728.37
Okinawa	245,666	70,461.83		
Hawaii	101,740	18,272.36		
Erie	80,611	24,528.17	99,984	22,568.92
Canada	116,383	29,029.06		
South Africa				
<b>Total</b>	<b>6,245,829</b>	<b>¥1,400,685.78</b>	<b>26,965,718</b>	<b>¥3,059,857.12</b>

In the local market, prices weakened slightly during the early part of May as a result of the rejection by SCAP of a tenders for about 20,000,000 bd. ft., but during the latter part of the month, when it was known that SCAP was calling for another bid, wholesale prices steadied, thus tangle and red lauan sold for ₱200, apitong ₱190, and white lauan from ₱180 to ₱185. Philippine producers are hopeful that the tenders in Japan will go through for the reason that this would enable them to saw a large percentage of merchantable logs for Japan which would have a stabilizing effect on prices.

#### EXPORT OF LOGS AND LUMBER FOR THE MONTH OF MAY

Shipper	Destination	Lumber Board Feet	Logs
Abarro & Sons	Japan		920,311
Agusan	U.S.A.		644,896
Timber Corporation	Japan		349,555
	Canada		49,989
Anakan	U.S.A.	6,001	199,996
Lumber Company, Inc.	Japan		1,850,165
	Canada		49,995
Associated Lumber Manufacturing Co.	U.S.A.	170,002	
Basilan Lumber Company, Inc.	U.S.A.	2,255,233	1,271,662
	Japan		939,152
Dahican Lumber Company, Inc.	U.S.A.	123,275	
Findlay Millar Timber Co.	U.S.A.	88,090	
Francisco Roix	Japan		438,151
Getz Bros & Company	U.S.A.	180,002	
Golden Ribbon Lumber Co., Inc.	Japan		398,446
Gulf Lumber Company, Inc.	Japan		499,995
Insular	U.S.A.	744,519	
Lumber Company	Hawaii	245,666	
	Erie	101,740	
	Canada	30,363	
	S. Africa	116,383	

Johnston Lumber Co., Inc.	Japan	2,477,350
Luna, Cipriano & Company	Japan	665,876
Marman Development Company	Japan	500,000
Martha	U.S.A.	452,959
Lumber Mill	Japan	1,000,000
Nasipit	U.S.A.	1,411,375
Lumber Company	Canada	50,248
North Camarines	Japan	1,298,372
Lumber Company	Okinawa	380,730
Pan Asiatic Commercial Company	Japan	1,860,364
Pan Philippine Commercial Corporation	Japan	397,267
Philippine	Japan	127,903
Merchant Corp	Okinawa	60,808
Ralph L. Stover	Okinawa	57,198
Reynaldo Lumber Company, Inc.	U.S.A.	88,196
Robert Freider	Japan	653,369
Sta. Clara	Japan	249,681
Lumber Company	U.S.A.	136,000
Surigao Timber Co., Inc.	Japan	2,711,246
Tirador, Jorge	U.S.A.	508,628
Western Mindanao Lumber Co.	Japan	825,635
Woodworks, Inc.	U.S.A.	2,057,096
	Japan	3,017,612
	Japan	299,932
<b>Total</b>		<b>6,245,829</b>
		<b>26,965,718</b>

## Mining

By NESTORIO N. LIM

Secretary, Chamber of Mines of the Philippines

**G**OLD was and is the major product of the Philippine mining industry before and since the war. Its production dates back to the early history of the country, and in 1940, there were 57 gold-producing mines. At present, only 8 of the pre-war producers are in active production. No new mines have augmented this list of producers. Gold mining has suffered a set-back since the liberation due to the fact that though the cost of production rose to more than twice the pre-war figure, the official price of gold remains the same. From 1948 to the early part of 1950, the gold-mining companies sold their output to local buyers who bought at higher prices than the official rate of ₱70 per ounce.

After the establishment of the Central Bank, the Bank officials wanted all the gold produced to be sold to the Central Bank at ₱70 per ounce. The officials of the gold mines concerned naturally protested, and after several conferences it was finally agreed that 25% of the gold produced would be turned over to the Government at ₱70 per ounce, while the rest would be permitted to be sold in the free market within the Philippines. The agreement went into effect early in 1950 and everybody was content; the free market price of gold rose from ₱85 per ounce in 1948 to ₱168 in March, 1951.

In the meantime, the Import Control Office was created and there was a time when none of the mining companies could get licenses to import absolutely necessary machinery and supplies. Mining men again complained to the authorities and pointed out, that the industry, a major industry of the country, employing 50,000 people, paying the Government over ₱3,000,000 annually in taxes, was on the verge of closing down due to inability to secure such licenses. The officials concerned lent a sympathetic ear and the situation was eased a little, but still action on mining applications remained far from satisfactory. The companies got a break, however, when PRISCO was organized. Thanks to Mr. Daniel Aguinado, who ran the PRISCO with the efficiency of a business establishment, PRISCO helped the country by helping the dollar-producing industries. The mining industry resumed operations at full blast. The price of gold was rising and all was going well.

Then came word from the Central Bank that the officials wanted to hold a meeting with the officials of the Chamber of Mines to talk about increasing the percentage of gold to be turned over to the Central Bank. The Chamber officials explained their side to the Governor of the Central Bank and he finally agreed that the percentage of bullion to be turned over to the Bank would remain as it was because of the increases in taxes and in the cost of machinery and supplies and labor, and because of the uncertain world situation.

However, local gold buyers now began to complain to the mining companies that they were frequently being investigated by government law-enforcing agencies for alleged illegal possession of gold, possession of fire-arms, and many other reasons. The raiding parties, on finding gold bullion, often took it to their headquarters; the owners would usually get it back, though not without great inconvenience. The writer was called upon twice by gold buyers whose premises had thus been invaded, but in both cases the investigators left after due explanation had been made.

Subsequently, however, government agencies intensified the raids on the gold buyers' establishments, and the buyers, intimidated by the threats of confiscation, and imprisonment or deportation, suspended all buying.

During the month of May and the first week of June, there was not a single sale of gold bullion. The gold-mining companies whose existence depends upon the sale of bullion in the free market, were again greatly worried, and company officials called on the various heads of the government agencies concerned,—the Central Bank officials, the Chief of Staff of the Philippine Army, the Chief of Police of the Manila Police Department, the Director of the National Bureau of Investigation, the Secretary of Justice, and the Secretary of the Department of Finance.

Everyone of these officials expressed his concern and sympathy with the plight of the industry, and promised cooperation in remedying the situation. They were supplied the names and addresses of the legitimate gold buyers whose activities were wholly within the law so long as they did not smuggle gold out of the country.

The gold buyers, assured that they would not be further molested, have now resumed buying gold. After six weeks of stagnancy, the first sale of gold was registered on June 10, at ₱108 per ounce. Buying has continued, although timidly. Secretary Pedrosa on June 26 instructed Department of Finance agents not to interfere with gold-buying and selling within the Philippines, and explained that mere possession of gold is perfectly legal and that its exportation in accordance with the export control law is not prohibited. "What is prohibited is the smuggling of the same," he said.

Secretary of Justice Jose P. Bengzon, in a letter dated June 22, addressed to Mr. V. E. Lednický, President of the Chamber of Mines of the Philippines, said:

"For your information, express instructions were given to the N.B.I. not to hinder the free flow of gold in accordance with the law and the rules and regulations established by the Central Bank. What they should only prevent is the smuggling of the gold out of the country in violation of our laws, and it was made plain that mere possession of gold in good faith is an act of commerce and not penalized by our statutes."

In Press Release No. 2-26-5, dated June 26, Office of the President, it was announced that the Cabinet approved of the free traffic in gold in the domestic market. This means that there is a free market for gold within the country. Gold may also be sent out of the country provided that an export permit is secured. Smuggling gold, however, is prohibited under heavy penalty.

This clarification by the Cabinet of the free movement

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of gold within the country is for the benefit of those agents of the Government who had been making arrests for buying or selling gold.

The foregoing is a recital of the various problems of the mining industry which altogether have prevented

any extensive development of the industry. They have definitely discouraged the entry of foreign venture capital. It is hoped that the Government's clarification of the legality of gold trading will remove the fears entertained by our gold buyers and give new impetus to our industry.

GOLD AND SILVER PRODUCTION IN THE PHILIPPINES  
*Chamber of Mines of the Philippines*

NAME		APRIL		MAY	
		Quantity	Value in Pesos	Quantity	Value in Pesos
Atok-Big Wedge Mining Co., Inc.	Au.	3,840 oz.	P 268,828	4,985 oz.	P 348,972
	Ag.	2,389 "	3,392	2,958 "	4,200
	M.O.	13,170 S.T.	272,220	13,237 S.T.	353,172
Balatoc Mining Company	Au.	7,768 oz.	543,740	8,352 oz.	584,640
	Ag.	5,035 "	8,056	5,361 "	5,790
	M.O.	39,486 S.T.	551,795	38,751 S.T.	590,430
Benguet Consolidated Mining Co.	Au.	1,119 oz.	568,337	8,260 oz.	578,200
	Ag.	5,263 "	8,420	5,302 "	9,544
	M.O.	32,684 S.T.	576,757	35,932 S.T.	587,744
Lepanto Consolidated Mining Co.	Au.	3,525 oz.	246,757	3,186 oz.	222,992
	M.O.	28,013 S.T.	246,757	27,300 S.T.	222,992
	Au.	4,771 oz.	331,806	4,065 oz.	282,240
Mindanao Mother Lode Mines, Inc.	Ag.	4,737 "	6,933	4,527 "	7,017
	M.O.	10,000 S.T.	338,739	10,000 S.T.	289,257
	Au.	3,600 oz.	252,000	4,500 oz.	315,000
Surigao Consolidated Mining Co.	Ag.	2,421 "	3,874	2,046 "	3,683
	M.O.	8,577 S.T.	255,874	9,248 S.T.	318,683
	Au.	None	None	None	None
Looe-Lead-Silver Mines	M.O.	None	None	None	None
	Au.	101 oz.	6,000	100 oz.	6,000
	Du.Yd.	20,000	6,000	20,000	6,000
Tambis Gold Dredging Co., Inc.	Au.	None	None	315 oz.	22,071
	Ag.	None	None	50,000	22,071
	M.O.	None	None	None	None
Surigao Placer Syndicate	Au.	None	None	None	None
	M.O.	None	None	None	None
	Ag.	None	None	None	None
Nor-Min Venture	M.O.	None	None	None	None
	Au.	31,724 oz.	P 2,217,468	33,763 oz.	P 2,360,115
	Ag.	19,845 "	30,675	20,194 "	30,234
Total	M.O.	131,930 S.T.)		134,468 S.T.)	
	Cu.Yd.	20,000 )	2,248,143	70,000 )	2,390,349



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## BASE METAL PRODUCTION IN THE PHILIPPINES

Chamber of Mines of the Philippines

NAME	APRIL		MAY	
	Quantity M.T.	Value in Pesos	Quantity M.T.	Value in Pesos
Consolidated Mines, Inc.....	20,000	P484,800	17,800	P427,200
Lepanto Consolidated Mining Co.....	969	926,248	903	851,776
Mindanao Mother Lode Mines, Inc.....	26	23,845	24	20,913
Philippine Iron Mines, Inc.....	43,703	546,288	54,495	874,171
Samar Mining Co., Inc.....	20,223	370,099	28,239	516,774
Marinduque Iron Mines.....	3,853	73,207	3,354	63,726
Acocje Mining Company.....	None	None	5,000	194,650
Misamis Chromite Mining Co.....	None	None	1,209	72,540
Luzon Stevedoring (Chromite) Co.....	None	None	1,800	72,000
Surigao Consolidated Mining Co.....	None	None	None	None
Luzon Stevedoring (Manga- nese).....	34	25,327	38	34,865
General Base Metals.....	None	None	3,200	128,000
Palawan Manganese Mines.....	None	None	4,368	218,400
Amalgamated Minerals, Inc.....	None	None	1,100	88,943
Badillo Mining Co.....	None	None	1,418	81,677
	None	None	None	None

## Copra and Coconut Oil

By K. B. DAY AND D. C. KELLER  
Philippine Refining Company, Inc.

May 16—June 15

**B**OTH the copra and coconut oil markets continued to fall sharply during the period under review and comparatively little business, apart from German purchases, has been reported.

On the Pacific Coast, copra prices fell from \$205 per ton c.i.f. to \$175 without attracting any real buying in-

terest. A similar indifference to the market was displayed by Europe where the price also fell by \$30, i.e., from \$250 per ton c.i.f. at the beginning of the period to \$220 c.i.f. on June 15. The one bright spot during the period was the purchase by Germany of some 6,300 tons of Philippine copra at a price equivalent to around \$227.50 c.i.f. Hamburg. The local market kept in line with the general decline; prices were quoted on May 16 of P38 per 100 kilos and had fallen to P33 on June 15. Local dealers were very uneasy and over-cautious in their trading, feeling that with every new decline the market had at last reached "bottom"; indications, however, are that prices may continue to fall.

Oil prices in the United States experienced similar downward trends; opening offers of 16 cents f.o.b. Pacific Coast which went unaccepted had fallen to 13-1/4 cents f.o.b. at the end of the period and apart from a few small resales of tank-cars we have heard of no other trading having taken place. There was no interest in bulk oil. In Europe, Germany once again stepped into the picture with purchases of 4,500 tons of oil at a price equivalent to \$324.50 per ton c.i.f. Hamburg, this time partly from Philippine sources and partly from Coast mills which sold at 13-1/2 cents f.o.b. Pacific Coast.

Aside from this business, however, there was a complete lack of interest and the market continued weak, and sellers who were holding for \$375 per ton c.i.f. Europe on May 15, were offering freely at \$330 on June 15 without eliciting interest.

There is little doubt that one of the chief causes of the weak market, both in America and Europe, can be attributed to the new "peace in Korea" possibilities which have grown steadily stronger during recent weeks and have led to a general slow-down in business and a reduction in inventories.

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Once again the copra-meal market brings a happy note to a dismal report, and we are pleased to say that prices continued to rise with an increasing demand from buyers on the Pacific Coast. Prices quoted May 16 were \$61 per short ton c.i.f. and rose to \$64 on June 15, and although this is probably due to a seasonal demand we feel that the market can still rise a little further because supplies are limited. We learn also that Denmark is expecting an allocation of E.C.A. dollars for Philippine copra meal and will soon be interested in buying.

The situation regarding shipping space remains the same, i.e., no difficulty in obtaining space to the United States, but a shortage of both copra space and deep tanks to Europe. With the present lack of buying interest, however, this is not as serious as in previous months.

Figures submitted for May shipments are as follows:

Copra		Coconut Oil	
Pacific.....	16,349 long tons	Atlantic.....	3,092 long tons
Atlantic.....	5,164 " "	Belgium.....	412 " "
Canada.....	2,900 " "	Union of South	
Belgium.....	4,450 " "	Africa.....	613 " "
Holland.....	7,750 " "		
France.....	954 " "	Total.....	4,117 long tons
Italy.....	1,700 " "		
Denmark.....	1,500 " "		
Sweden.....	1,000 " "		
Germany.....	500 " "		
Morocco.....	631 " "	Honolulu.....	495 long tons
Columbia.....	5,380 " "	Pacific Coast..	3,536 " "
		Europe.....	750 " "
Total.....	48,278 long tons	Total.....	4,781 long tons

ON May 11, Republic Act 613 came into effect. This Act, known as the Export Control Law, is designed to control exports in the interests of national security and

economic rehabilitation. Under its provisions, as implemented by Executive Order, all exports are carefully considered, classified, and if necessary screened. While coconut products to friendly destinations are not generally questioned, the mechanics of clearing exports through the Export Committee results in additional red tape for exporters. We believe, however, that as the Committee gathers experience, such difficulties will be minimized, for there is every evidence of desire to cooperate insofar as the law permits.

The decline in copra and coconut oil prices has been paralleled in competing products, notably cottonseed oil, soya bean oil, and tallow. The new lower levels should point to better business later in the year, for coconut oil is becoming very reasonably priced. But the Philippine economy is being hurt, because the Government has been counting on higher prices than those now pertaining.

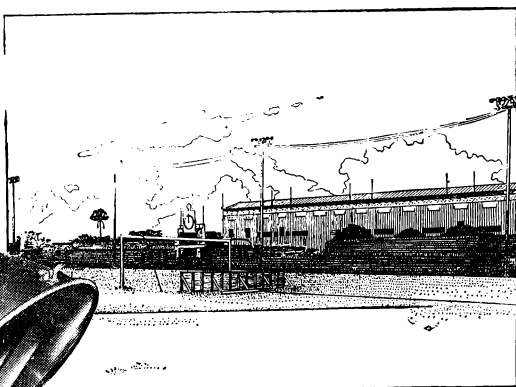
It is interesting to compare the price of 13-1/4 cents f.o.b. Pacific Coast which was offered unsuccessfully on June 15 with the price of 14 cents which was ruling just before the Korean crisis a year ago. We believe that this is the only oil which is back to pre-Korean levels.

With copra production normal, and with another year of bumper crops in prospect in the United States, with consumption and supplies of fats for European requirements nearly in balance, there is no economic justification for expecting sharp price increases, although our markets will undoubtedly continue to fluctuate. The big question marks are political and military developments, and it would require a brave man to take much of a trading position with everything so uncertain. It is a distressing paradox that while the "threat of war" results in our Export prosperity, the "fear of peace" has exactly the opposite effect. These are trying times indeed, through which we are passing.

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## Desiccated Coconut

By HOWARD H. CURRAN  
Assistant General Manager  
Peter Paul Philippine Corporation

**T**HIS report covers the period from May 15 to June 15. During this period all the desiccated coconut factories continued on the basis of reduced production or not at all. Sales in the United States are very low even with the drop in the sales price of two cents per pound.

Relief has been granted desiccated coconut producers with respect to the ceiling price placed on desiccated coconut some time ago in the United States. Under the new regulation, No. 31, dated May 4, 1951, the ceiling price is fixed at the landed cost of the commodity plus a mark-up based on the sale of the commodity during the base period from July 1, 1949, to June 30, 1950. The old regulation fixed the price at the highest price at which the product was delivered during the base period from December 19, 1950, to January 25, 1951. With the new regulation permitting the landed cost to fluctuate and the control being imposed on importers mark-up, desiccators can compete for raw material.

### SHIPPING STATISTICS FOR MAY

Shippers	Pounds
Franklin Baker Co.....	2,572,100
Blue Bar Coconut Co.....	818,810
Peter Paul Philippine Corp.....	2,950,000
Red-V Coconut Products.....	1,808,600
Sun-Ripe Coconut Products.....	—
Standard Coconut Products.....	193,100
Cooperative Coconut Inc.....	244,700
Tabacalera.....	—
Coconut Products, Inc.....	241,875
<b>Total.....</b>	<b>8,829,185</b>

## Manila Hemp

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

**T**HIS review covers the period from May 16 to June 15, during which time the weakness of the previous month continued. In New York prices registered further declines in a quiet market of from 1-1/4 to 2 cents per lb. Business to Europe was very slow, largely due to scarcity of dollars. A recent London report indicated that the decline in the grades from G down has now gone far enough to make them better value than sisal, the price difference being attributed to the fact that dollars are still less freely available than sterling and escudos. Sales to Japan were scattered. Philippine provincial prices declined from P5 to P6 per picul.

May pressings were 89,116 bales, the lowest this year. As compared with the corresponding month last year, balings increased 25,073 bales but were down 12,561 bales from the previous month. The decrease is in the non-Davao grades and is seasonal. Production in Camarines, Albay, and Sorsogon is down 10,308 bales; Leyte and Samar, 4,474 bales; and all other non-Davao areas, 1,950 bales. Davao May pressings at 46,434 bales were the highest yet since the war; up 4,171 bales from the previous month and up 13,278 bales from May, 1950.

Total pressings for the first 5 months were 477,025 bales, against 297,992 bales last year, an increase of 60%.

The following are the comparative figures for balings for the first 5 months of 1947 through 1951:

### BALINGS — JANUARY-MAY INCLUSIVE

	1951	1950	1949	1948	1947
Davao.....	211,143	135,474	91,421	99,079	153,547

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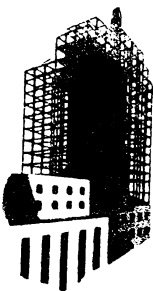
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Albay, Camarines, and Sorsogon....	132,798	78,932	55,528	99,302	98,541
Leyte and Samar....	84,781	50,907	51,669	57,204	32,048
All Other Non-Davao.....	48,303	32,679	37,176	57,054	22,771
Total Bales.....	<u>477,025</u>	<u>297,992</u>	<u>235,794</u>	<u>312,639</u>	<u>306,907</u>

Exports during May were 91,438 bales, slightly exceeding pressings. Approximately 48% of these shipments went to the United States.

The following are the comparative figures for exports for the 5 five months of 1947 through 1951:

	EXPORTS.— JANUARY-MAY INCLUSIVE				
	1951	1950	1949	1948	1947
United States and Canada.....	283,060	126,257	81,584	157,121	220,453
Continental					
Europe.....	81,618	45,312	48,532	46,493	56,530
United Kingdom.....	81,334	33,144	13,635	44,780	13,645
Japan.....	61,619	42,989	67,256	68,636	—
South Africa.....	6,990	1,325	2,516	1,460	2,000
China.....	2,145	7,580	5,861	4,318	1,006
India.....	3,342	3,450	1,151	—	1,800
Korea.....	—	3,100	—	—	—
Australia and New Zealand.....	1,050	625	350	42	—
All Other Countries	—	—	80	2,853	560
Total Bales.....	<u>521,158</u>	<u>263,782</u>	<u>220,965</u>	<u>325,703</u>	<u>295,994</u>

## Sugar

By S. JAMIESON  
Secretary-Treasurer  
Philippine Sugar Association

THIS review covers the period from June 1 to June 30, inclusive.

**New York Market.** Up to the time news was received on June 25 of probable "cease fire" negotiations in the Korean situation, the New York market during the month was firm and the trend was toward higher prices. Dominating the market was Cuba's strong statistical position as sales to countries other than the United States, at higher prices than those prevailing for United States quota sugar, steadily reduced Cuba's available stocks. Cuban holders in general sat on the sidelines, evidently believing that sooner or later United States refiners would have to look to them for needed supplies. The increase in the United States consumption quota from 8,000,000 short tons to 8,250,000 short tons, announced on June 8, brought no change in the situation. However, immediately the news about Korea became known, the market registered a sharp decline in both spot and future positions and closed at the end of the month in an atmosphere of unsettlement and uncertainty, and both sellers and buyers withdrew to await developments.

On June 1 the market opened steady. 25,000 tons of Philippines were on offer for July/August arrival at 6.60¢, but there were no offerings of Cubas and Porto Ricos. Spot was 6.55¢. On June 4 refiners bought 11,000 tons Philippines for July arrival at 6.60¢, and a large quantity of Philippines and Porto Ricos for June/July/August shipment was on offer at 6.60¢. Next day, in a quiet market, a further 6,500 tons Philippines for June/July/August arrival were sold at 6.50¢. The announcement of the United States consumption-quota increase failed to shake holders. In fact, the market became firmer, and on June 12 refiners bought all the sugar on offer—some 45,000 tons—at 6.60¢. On June 15, 2,000 tons of Philippines for July/August shipment were sold at 6.65¢. Spot was quoted at the same price. On June 18 refiners announced an increase from 8.50¢ to 8.75¢ in the price of refined, and the following day entered the market and bought 4,500 tons raws at

6.75¢. Holders again raised their price, first to 6.80¢ and later to 6.85¢, and spot advanced to 6.80¢. Refiners were indicating 6.75¢ and operators 6.80¢ prior to the announcement on June 25 of peace talks on Korea. This news caused a sharp break in spot and futures, and business came to a standstill. At the close spot was quoted at 6.40¢.

We give below the quotations on the New York Sugar Exchange as of June 29, and for comparison the peak quotations during the month:

	Closing quotations	Peak quotations
September.....	5 87¢	6 31½ June 21
November.....	5 81	6 31 June 21
March, 1952.....	5 36	5 87 June 22
May.....	5 37	5 87 June 22

The world market Contract No. 4 quotations closed on June 29 as follows:

September.....	6 88¢
January, 1952.....	6 21
March.....	5 47
May.....	5 46
July.....	5 47

The world spot market price on June 29, was 6.95¢ as compared with 7.00¢ on May 31. Cuban sales in the world market included the following:

June 13—25,500 metric tons to Germany at from 7.475¢ to 7.484¢ f.a.s. Cuba

June 22—69,200 metric tons to Japan at approximately 9.10¢ c. & f.

June 29—10,000 metric tons to the United Kingdom at 7.00¢ f.o.b. Cuba

**Local Market.** (a) Domestic Sugar. The market was quiet but steady, with prices for ordinary centrifugal sugar advancing about 45 centavos a picul. We give below the Bureau of Commerce quotations as of June 27:

Centrifugal 97" —	₱15.75 to ₱15.85 per picul
98" —	₱16.20 to ₱16.30 " "
Washed (99) —	₱17.40 to ₱17.50 " "

(b) Export Sugar. Fairly large parcels were sold during the first week of the month at prices ranging from ₱14.75 to ₱15.15 per picul ex mill warehouses. It is believed that practically all of the sugar produced by the mills which have finished grinding has already been contracted and that from now on only limited quantities will be available from the few mills still grinding. Prices continued to advance, and before the Korean announcement had reached ₱15.30. Thereafter buyers withdrew and the market closed on a nominal quotation of ₱14.75.

**General.** Cuba. The 1950/51 Cuban crop will exceed the previous one by over 200,000 short tons.

Of the United States consumption-quota increase of 250,000 short tons, Cuba was allocated 246,000 tons, making its 1951 United States quota allotment 3,149,200 short tons.

United States beet 1951 plantings did not reach expectations, and this, together with the possibility that yields are not likely to reach the unusually high level of 1950, may lead to a 30% decrease in the crop this year, according to a New York trade report.

**World Production.** The U. S. Department of Agriculture has issued a report estimating 1950/51 production at 36,560,000 short tons, against 31,927,000 short tons in 1949/50. A preliminary estimate of 1951/52 production made by Dyer, a well-known New York Sugar House, is 37,764,000 short tons.

**Extension of the Sugar Act.** It is reported that bills have been introduced in both the U. S. Senate and House extending the Sugar Act of 1948 to 1956. The Philippine sugar quota of 952,000 short tons will most likely remain unchanged. There is a possibility that the Porto Rican quota will be increased by 170,000 short tons.

1950/51 Philippine Crop. Twenty-three centrals have already finished milling with a total production of 953,347 short tons, which is approximately 45,414 short tons less than their estimated production. Four centrals are still grinding.

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## Tobacco

By LUIS A. PUJALTE  
Secretary-Treasurer

Manila Tobacco Association, Inc.

**B**UYING of the new crop started during late April in Pangasinan; May in La Union, Ilocos, and Visayas; and is starting now in Isabela and Cagayan. But buyers are cautious because the crop is larger than last year and there is no such crazy demand as during the first semester of 1950 which was due to then stricter import and exchange controls.

Existing stocks and new imports of Virginia leaf are sufficient to cover the needs of manufacturers for at least 6 months, and, while there are sufficient stocks of yellow leaf on hand, the demand for local leaf will be normal and in proportion to the real needs for the manufacture of local cigars and cigarettes. The market will be much steadier and exporters will have a better chance to offer and sell Philippine leaf tobacco to the different anxious markets of Europe. Exports are dollar-producing and if more leaf is not exported this will be due to the fact that our main European markets are by far shorter of dollar reserves than we are, and therefore will buy inferior leaf from South America, West Indies, Central Europe, etc. under the trade agreements with these countries.

Our exports of leaf tobacco since liberation are as follows:

### EXPORTS OF LEAF TOBACCO 1945-1950

(Based on the records of the Bureau of Internal Revenue)

Fiscal	Kilos
1945-1946.....	92,175
1946-1947.....	2,900,895
1947-1948.....	3,655,995
1948-1949.....	3,334,971
1949-1950.....	2,534,918

Bureau of Internal Revenue records regarding the annual exportations of leaf tobacco are on the fiscal-year basis and not the calendar year.

It is expected that at the 1949-level of export prices, more leaf will be exported of the 1951 crop than of the 1950 crop and perhaps of the 1949 crop, as the desire to buy is very great and finances seem to have improved slightly in Europe with E.C.A. aid.



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# Imports

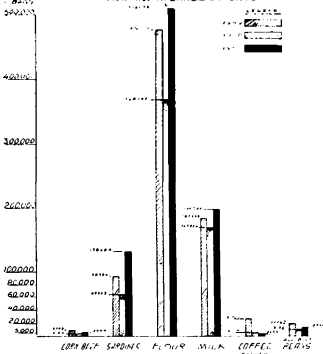
By S. SCHMELKES  
Mercantile, Inc.

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

Commodities	May, 1951	May, 1950
Automotive (Total).....	921,163	1,248,200
Automobiles.....	172,576	182,091
Auto Accessories.....	1,126	398
Auto Parts.....	121,890	235,738
Bicycles.....	602	383
Trucks.....	22,845	—
Truck Chassis.....	183,650	192,668
Truck Parts.....	11,065	21,393
Building Materials (Total).....	3,986,642	5,050,839
Board, Fibre.....	1,996	196,820
Cement.....	517,886	177,000
Glass, Window.....	752,823	573,177
Gypsum.....	78,631	136,002
Chemicals (Total).....	6,623,531	6,076,440
Caustic Soda.....	80,116	1,153,181
Explosives (Total).....	—	—
Firearms (Total).....	—	22
Ammunition.....	4,869	—
Hardware (Total).....	9,561,926	5,720,283
Household (Total).....	705,234	774,847
Machinery (Total).....	2,157,416	2,168,862
Metals (Total).....	8,885,025	9,427,208
Petroleum Products (Total).....	94,992,768	65,463,334
Radio (Total).....	12,159	30,870
Rubber Goods (Total).....	958,291	758,078
Beverages, Misc. Alcoholic.....	8,478	15,767
Foodstuffs, (Total Kilos).....	44,569,060	22,396,317
Foodstuffs, Fresh (Total).....	38,668	84,165
Apples.....	9,641	8,129
Oranges.....	9,841	19,769
Onions.....	5,000	8,260
Potatoes.....	4,861	10,154
Foodstuffs, Dry Packaged (Total).....	30,924	13,942
Foodstuffs, Canned (Total).....	782,191	249,689
Sardines.....	204,346	67,141
Milk, Evaporated.....	332,473	88,931
Milk, Condensed.....	61,800	33,953
Foodstuffs, Bulk (Total).....	804,264	445,433

Rice.....	45,000	—
Wheat Flour.....	675,352	376,299
Foodstuffs, Preserved (Total).....	280	136
Bottling, Misc. (Total).....	1,120,054	1,513,508
Cleaning and Laundry (Total).....	29,490	1,079,640
Entertainment Equipment (Total).....	1,491	10,774
Livestock-bulbs-seeds (Total).....	5,465	17,630
Medical (Total).....	478,596	599,356
Musical (Total).....	23,131	30,960
Office Equipment (Total).....	45,360	81,427
Office Supplies (Total).....	25,089	28,408
Paper (Total).....	5,754,701	6,786,785
Photographic (Total).....	21,301	69,969
Raw Materials (Total).....	319,212	312,432
Sporting Goods (Total).....	22,735	10,556
Stationery (Total).....	306,451	408,359
Tobacco (Total).....	1,355,486	1,550,374
Chucheria (Total).....	58,063	83,173
Clothing and Apparel (Total).....	147,593	183,041
Cosmetics (Total).....	107,373	25,322
Fabrics (Total).....	613,637	608,969
Jewelry (Total).....	—	1,133
Leather (Total).....	45,464	214,801
Textiles (Total).....	1,591,132	1,644,667
Twine (Total).....	129,328	57,536
Toys (Total).....	6,732	3,058
General Merchandise (Total).....	323,893	324,939
Non-Commercial Shipments (Total).....	41,215	30,517
Advertising Materials, Etc. (Total).....	11,984	6,686

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This graph is based on figures of the Robot Statistics for the total years 1949 and 1950 and for the first four months of 1951.

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## Food Products

By G. L. MAGEE  
Trading Division

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ACCORDING to reliable estimates, between \$30,000,000 and \$40,000,000 were made available for the importation of foodstuffs during the second quarter of 1951, licenses for which were approved. Approximately 40% of the total provided for evaporated, condensed, natural, and powdered milk, 10% for rice, 7% for wheat flour, 13% for canned fish, 12% for canned meat products, 11% for coffee beans, all of which come under the commodities which have been decontrolled, while licenses for controlled commodities amounted to less than 5% of the total.

A considerable portion of this merchandise has already arrived and is rapidly moving into consumption. This applies especially to canned fish, milk, tinned meat, and coffee beans. There will be further heavy arrivals during July, with most of the rest due during August.

Beginning July 1, import licensing will be under the direction of a new Import Control Administration, provided for in legislation passed at the last session of the Philippine Congress. The new import control body is now in process of being organized; but until rules and regulations have been definitely promulgated, importers are not in a position to make commitments.

Milk products, both evaporated and condensed, are now in plentiful supply in the market, with most brands being offered at prices below PRISCO ceilings. Consumer demand, however, continues firm with indication that the country's total consumption will be above average. Retail milk prices have also declined, with the result that milk has become one of the best food values available to the general public.

Due to shortage of California supplies, importation of canned fish, especially sardines and pilchards, was in considerable lower volume than in previous months. Fairly adequate importations of Alaskan salmon arrived during the month, along with nominal quantities of squid, abalone, and other fish products. With the rainy season approaching, market stocks of all kinds of canned fish will be in more active demand with the prospect that wholesalers' prices will be firm.

Good quantities of canned meats, especially corned beef, Vienna sausage, and potted meats, arrived during the past month, and further stocks are on the way. Since the market has been bare of this merchandise for some time, demand is brisk; retailers have been short of these foods which are very salable during the rainy months.

PRISCO'S flour stocks acquired at International Wheat Agreement prices appear to be on the long side, with further arrivals due early July. In addition, purchases made by private importers at higher prices outside of IWA are also due in July and August. To facilitate the movement of flour more rapidly to consumers and bakers, PRISCO closed an arrangement with a group of Filipino businessmen to handle the flour sales on a commission basis. Similar methods are also being perfected in Cebu and Iloilo.

Flour importers who will now have flour purchased at the higher non-IWA prices are concerned over PRISCO'S failure thus far to permit higher ceiling prices. As far as American brands are concerned, the present ceiling will not permit a profit on these higher-priced importations.

Beginning August 1, it will again be possible to buy flour under the terms of the International Wheat Agreement. While it is likely that business will be channeled through private importers, probably on a quota basis, no procedure for licensing has yet been announced.

It is estimated that flour supplies on hand or to arrive will amply take care of the country's requirements for 8 to 10 weeks. Consequently, buying under new IWA prices may be deferred.

Since the country's rice production will be insufficient for normal needs, importation of this cereal will shortly be arranged. PRISCO will complete contracts soon, involving an expenditure of more than \$3,000,000.

The country's requirements for foodstuffs, both locally produced and imported, are at present more adequately covered than has been the case for some months. While many luxury items may be lacking, the prime necessities will be available throughout the country at reasonable prices to the consumer.

## Textiles

By W. V. SAUSSOTTE  
General Manager  
Neuss, Hesselein Co., Inc.

**T**HE new import control law, Republic Act No. 650, became effective on July 1 and in accordance with certain provisions thereof, PRISCO and the old Import Control Administration were divested of their licensing authority as of the 30th of June.

Republic Act No. 650 provides that all imports which previously were decontrolled by Executive Orders will continue to be decontrolled. All other imports are considered as "controlled" and are divided into essential and non-essential imports. Essential imports are those which appear in Appendix A of Republic Act No. 650, whereas non-essential imports are those which do not appear in Appendix A or which are not decontrolled. On July 2 the Monetary Board of the Central Bank allocated to the new Import Control Commission \$94,000,000 for essential imports and \$43,000,000 for non-essential imports to cover the period from July 1 to December 31 of this year. The status of most textile items under the new import control regulations is at present uncertain because the contents of Appendix A, in its final form, still have not been determined by the import control authorities. Clarification is expected sometime during the middle of July.

Due to the liberal licensing of decontrolled textile items by PRISCO during the month of June, local prices have dropped on an average of about 40% from their previous highs and in some instances the drop has been as much as 50%.

During June arrivals from the United States total 6,110 packages, including 1,430 packages of cotton piece goods and 440 packages of rayon piece goods. Included also were 1,470 packages of cotton seine twine and wrapping twine, and 198 packages of cotton sewing thread. Arrivals of all textiles from other countries, including made-up-goods, consisted of 1,485 packages from Japan, 137 from China, 162 from Europe, and 814 from India, the latter consisting entirely of Hessian cloth and Fiji cloth.

June's total arrivals from all sources amounted to 8,708 packages, representing approximately half of May's arrivals. This reduction in comparison with May's arrivals, is normal in that June and July are "off-season" as far as the local textile market is concerned and importers generally do not buy for arrival during these months excepting for staple items.



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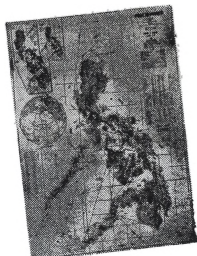
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## Legislation, Executive Orders, and Court Decisions

By ROBERT JANDA

Ross, Selph, Carrascoso & Janda

THERE was no new legislation enacted during June. Congress not being in session. The measures referred to in the article prepared for the June *Juornal* were approved by the President. Omitted from the June article, however, because of the difficulty of securing in time a full report as to what action had been taken by Congress were the following:

Republic Act No. 658, amending the provisions of the National Internal Revenue Code relating to the requirement of keeping books of account. Of importance to the business community is the new provision requiring businesses whose gross receipts exceed ₱25,000 per quarter to have their books of account examined and audited yearly by independent certified public accountants and to accompany their income tax returns with certified balance sheets, profit and loss statements, and schedules listing income-producing properties and the corresponding incomes therefrom.

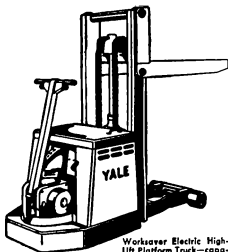
Republic Act No. 637, amending the Patent Law to provide that no patent should be granted for an invention which had been patented or described in a printed publication in this or any foreign country more than a year before the date of the actual filing of the application, or which had been in public use or sale in the Philippines for more than a year before such filing.

A new section, 27(a), is added to the Act authorizing the cancellation of a patent and the re-issuance of a new one to correct defects in the specifications of the patent originally issued. Another new section, 41(a), authorizes foreign corporations to which patents have been issued to sue in the Philippine courts for infringement of patent even though they may not have been duly licensed to do business in accordance with the provisions of the Corporation Law. Section 78 is amended to authorize the Director to prescribe rules and regulations for practice before the Patent Office. There are various other amendments mostly of a technical nature which were proposed by the Director in order to bring the law in accordance with the experience which the Patent Office had had during the past two years.

Republic Act No. 638 amends the law relating to trade-marks and trade names. Among the changes made is the establishment of a supplemental register permitting registration of trade-marks and names including slogans, geographical names, packaging, etc., which were not eligible for registration in the principal register under the prior law. No publication is required before registration of the

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mark but publication is made in the *Official Gazette* on registration. Anyone who believes he will be damaged by the registration may apply for its cancellation. Section 37(e) now provides for Philippine registration in either the principal or supplementary register of any mark registered abroad when such registration may be authorized by treaty, and Section 21(a) permits a foreign corporation which is the owner or assignee of a trade-mark or name to sue for infringement and unfair competition in the Philippine courts without first registering as a foreign corporation under the Corporation Law.

OF interest to the business community is the decision of the Supreme Court in the case of *Nichols vs. Matias*, G. R. No. L-1743, wherein the Court held valid as made for the benefit of both parties a stipulation in a loan contract that the loan would not be paid for a designated number of years and held that a consignment in court of the full amount of the loan with interest for the full period did not operate to discharge the obligation. The original loan was made in Japanese military currency and the consignment in court was made during the occupation. The Court, however, refused to enter judgment on the note on the ground that collection was suspended by the moratorium and that the same was not yet due.

In the case of *People of the Philippine Islands vs. Murillo*, G. R. No. L-3489, the Supreme Court sustained the conviction under Art. 315, paragraph 4, subsection 2(a) of the Penal Code in relation to Sections 1 and 4 of Commonwealth Act No. 303 of an employer who failed without legal cause to pay the salary due his employee. The Court held that the provision of Commonwealth Act No. 303 declaring that a failure of an employer to pay the salaries and wages of its employees is *prima facie* considered a fraud committed by the employer against his employees was constitutional, though the Court indicated the *prima facie* presumption could be overcome by evidence to the contrary.

In the case of *Estate of McDonough vs. Philippine National Bank*, G. R. No. L-3405, the Supreme Court held that an American citizen interned by the Japanese and whose property had been sequestered was not prevented from paying his obligations to the Philippine National Bank and was consequently liable for interest on such obligations during the period of the occupation.

In the case of *Lapuos & Sons vs. Manila Terminal*, CA-G. R. No. 5153-R, the Court of Appeals held that the owner of cargo delivered in good condition to the Manila Terminal Company and which cargo was lost due to the presumed negligence of the Terminal Company could recover not only the value of the cargo lost but, in addition, the amount of profits which the owner of the cargo could reasonably have anticipated making on its sale.

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## Philippine Safety Council

By FRANK S. TENNY  
Executive Director

**A**CTIVITIES of the Philippine Safety Council and other organizations affiliated with the national safety movement have been intensive in recent weeks. Efforts have touched the fire, traffic, industrial, security, and home safety fields.

The Fire Prevention Board has begun a definite project of defining standing-room areas in local theaters so as to prevent blocking of aisles and exits. Theater personnel are also being trained in fire-prevention and emergency duties. Cooperation has been obtained from the theater operators and film distributors. Steps have also been taken to curtail looting at fire scenes and to define police responsibility in these instances. The writer was dispatched on June 29-30 to Tacloban, Leyte, to conduct a preliminary investigation into the fire department situation there on behalf of the Board.

The Provincial Bus Terminals Board, after much consideration, has obtained approval of the South Terminals project, and construction should begin soon on the one to be located at Mabini and Cortabitarte streets, Manila. Location surveys are already underway for a terminal site in north Manila.

The Council has offered free driver-safety and courtesy lectures to non-profit, civic organizations of professional drivers in an effort to stem prevalent unsafe and illegal driving habits. Unorganized groups of drivers may also apply. The latest techniques will be employed.

Seven new company members have joined the Council recently. They are: Acoje Mining Co., Vasquez Clinic, Pacific Airways Corp., Enriquez Private Detective Bureau, Philippine Packing Corp., Goodyear Tire & Rubber Co., and the Botica Boie (Philippine American Drug Co.) Considerable work is also being done for Grove, Shepherd, Wilson & Kruge, United States Government contractors.

A concerted nationwide home-safety campaign has been undertaken by the Council through the Philippine National Red Cross, the Boy Scouts of the Philippines, and the Girl Scouts. All three organizations, totalling over 200,000 members, have been enlisted in a drive to inspect homes for safety and fire hazards and to correct unsafe conditions. Check lists and guidance is being furnished by the Council, with the inspection teams being composed of representatives of the three groups.

Much interest has been evinced by both members and non-members in the Council's security services recently. This includes training of security personnel, anti-subversive activity, and allied work. Several programs are now underway.

First aid lectures are now being given to employees of Council members each Wednesday and Saturday morning, in cooperation with the P. N. R. C. A class in basic first aid procedures graduates the middle of July.

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## The

# "LET YOUR HAIR DOWN"

## Column

MRS. Willimont, Executive Vice-President of our Chamber, recently received a letter from Mr. Richard A. May, President of the American Chamber of Commerce in Japan (Tokyo), informing her that Mr. Robert C. Story, of Seattle, had been appointed Executive Secretary of the Chamber. Manila businessmen will recall that Mr. Story was a member of the delegation from the Seattle Chamber of Commerce which visited the Philippines last year. The letter follows:

Dear Mrs. Willimont:

"The American Chamber of Commerce in Japan is pleased to advise you that Mr. Robert C. Story has become our Executive Secretary.

"Mr. Story has come to Tokyo from Seattle where, for over six years, he was an executive in several departments of the Seattle Chamber of Commerce, more recently serving as manager of the World Trade Department. His varied experience in the chamber of commerce field, coupled with his years in the business world, admirably qualify Mr. Story for his key position in post-war Japan.

"Under Mr. Story's guidance we look forward to the continuance of our cordial relations with your organization."

We have received a number of appreciative, and appreciated, letters from *Journal* advertisers recently. One of them, from Mr. R. S. Davis, Resident Manager of the Goodyear Tire and Rubber Company of the Philippines, Ltd. stated in part:

"We have always considered the *Journal* one of the best of all the media in the country..."

Mr. George H. Fairchild, one time President of the Chamber, writing to the editor on a personal matter, said in part:

"I have read every issue of the *Journal* since my return to Manila. Your editorials in particular have been most interesting and instructive to an old-timer who hopes to avoid 'fading away' until the Republican Party takes over again and who hopes also that the leaders of that Party have not deviated from the Alexander Hamilton conceptions of republican government..."

Having received a "second follow up" order for a renewal subscription to the *Journal* from the "Four Continent Book Corporation" of New York City, acting for a library in Moscow, which order ended with the sentence, "If this order was not accepted by you for any reason, please advise", we replied as follows:

"We regret that we can not accept any new or renewal subscriptions from you for the U.S.S.R. for the American Chamber of Commerce *Journal* (Manila).

"You may take our decision as in line with the general embargo policies of the United States and the United Nations.

"Very truly yours, etc."

"This deliberate restriction of the circulation of the *Journal* anywhere", said the editor, "certainly goes against the grain, for we feel very deeply that the primary function of the press is to disseminate information. But the Kremlin has been so clearly demonstrating its implacable hostility to the United States and the Philippines that we feel that to send any information to Russia today would be to aid an enemy. We have no way of knowing just how valuable the *Journal* might be to the Kremlin, but obviously the *Journal* is wanted and that is enough reason not to oblige. We have quite a large

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exchange list with publications from other countries, but subscriptions sent to us for Russian government offices are always paid for in cash; there is never any suggestion of any exchange of information.

"I recall," continued the editor, "that before the war we sent the *Philippine Magazine*, of which I was the editor and publisher, to a number of Russian libraries and other government institutions. This monthly publication always contained quite a full summary of current world news. Later I learned from an American friend who held a scientific position in Leningrad for some years that he always read the *Magazine* while there, but that many sections were regularly blacked out by some Russian censor, including all references in the news summary to Russia itself, favorable or unfavorable!"

### THREE FINGERS

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This was the typewritten label on a bottle which had just been delivered to the editor, and he looked at it dubiously as he unfolded a note that had been wrapped around the bottle and affixed by a rubber band. The note read:

"In response to your appeal in the June issue of the *Journal*, I hasten to make a modest contribution to your drive for Fuel for Thirsty Editors, trusting that it will help replenish your stock of adjectives in your usually very adequate comments on Governmental Controls.

"In spite of its label, this will do you no more harm than any other whisky. The only dangerous ingredient is about 50% water.

"An Ardent Reader  
(for security reasons unsigned)"

The editor grinned, but he well knew that not everybody likes editors, and, despite that apparently friendly, but anonymous note, it might still have been sent to him by some one, perhaps even a control official, who wished him no good. The bottle was unsealed and he unscrewed the cap. He sniffed. There was no odor of bitter almonds.

He glanced up and saw that the young man who had delivered the bottle was still there. "Who", he demanded sternly, "has sent me this?" The boy looked uncomfortable but as the editor continued to stare at him as if he could look him through and through, he finally whispered a name, Mrs....., one well known to all of us. Smiling a winning smile, he then asked the boy to wait as he wrote the following note of thanks:

"Dear Mrs. ....

"I think I have found out who you are, although perhaps I should not have. However, I am thus pretty sure the bottle does not contain poison. You see, I have to be rather careful. If it is as I think, I am very grateful for your kindness, and I promise to give you an expert opinion on the contents soon.

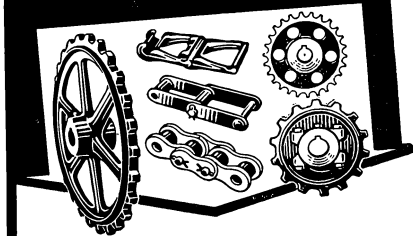
"With regards,

"H."

"You see," said the editor to us, "there are women and women. The one last month [referred to this column] was seemingly only curious as to whether I was a drunkard or not, but here is a fine woman who, somehow, senses a need (that reference of hers to to 'drive' surely was a

slip of the tongue), and supplies it, although, obviously, she has no "cellar" or any large supply for if she had, she would have sent me a sealed bottle with the original label, or perhaps even a case. No, she got herself a nice, clean bottle, and filled it by decanting from some other bottle or bottles, producing what is probably a blend of blends. Then she went to the further trouble of typing a nice label for it and on top of that she writes me an appreciative and encouraging note. Her sympathy and concern, you see, do not take a merely mental, emotional, or verbal

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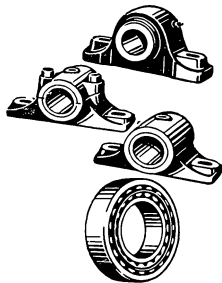
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form, but are expressed in direct and practical action from which, I am sure, directly and indirectly, we shall all benefit. Cheerio!"

Those interested in English idiom, or in the development of language ability in children, will like this: A little girl asked her father for a treat of some kind, and he said he'd see about it, meaning, of course, that he would take it under consideration. But the little girl took it more literally. A while later she asked him, "Have you looked already?"

## Office of the President . . .

(Continued from page 224)

June 27—The President gives a luncheon at Malacañan in honor of Rear Admiral Francis P. Old and of his successor, Rear Admiral Einar H. Cruzen, as commander of the United States naval forces in the Philippines; Admiral Old is scheduled to leave the country June 30.

The President confirms the sentence of life imprisonment imposed by the Military Commission on Lt. Gen. Shigenori Kuroda, former commander of the Japanese army of occupation and head of the military administration, for atrocities committed by men under his command.

The President receives Francisco Dalupan on his return from a trip aboard and urges

him to continue his studies on taxation and to assist the Government in finding means to avoid the overlapping of taxes on the country's industries.

The President issues Proclamation No. 262 designating the period August 19-September 19 as "Anti-Tuberculosis Month" and authorizing the Philippine Tuberculosis Society to conduct a national fund and educational drive during the month.

Announced by the Philippine Council for U. S. Aid that an ECA grant of \$603,000, and an approximately equal amount contributed by the Philippines will provide for a low-cost housing project in Kamias, Quezon City, for some 1,112 families or around 7,500 people; the duplex (two-family) houses will cost around ₱7,600 and rents will range from ₱3 to ₱41 for the residences and from ₱90 to ₱115 for commercial buildings; work will be begun before the end of the year.

June 28—The President approves the General Appropriations Bill with the exception of a few items, the amount of ₱386,171,490 remaining almost the same with a reduction of only ₱7,200.

PHILCUSA announces that the Bureau of Mines with ECA assistance will shortly begin a survey of strategic mineral deposits.

Announced that in accordance with a Presidential directive, Secretary of Education Teodoro Evangelista ordered the stop of the use of Gregorio Zaide's "Philippine History for Catholic Elementary Schools" as it allegedly contains inaccuracies and was neither submitted to nor approved by the Board on Textbooks.

June 29—Announced by the Department of Foreign Affairs that 135 sunken Japanese vessels in Philippine waters have been transferred to the Government by James McI. Henderson, Philippine Alien Property Administrator. Of the approximately 400 vessels sunk, beached, or damaged during the war, the ownership of 207 was vested in the United States Government, while the rest could not be identified and automatically became the property of the Philippine Government. Of the 207, some were sold to private individuals, leaving a remainder of 135. Proceeds from salvage will go to the Philippine Government except those from vessels in the San Fernando Bay area which will be turned over to the PAPA for the satisfaction of pending claims against the former enemy owners.

June 30—The President issues a statement expressing his great sorrow over the death, from a heart-attack, of Dean Francisco Benitez of the College of Education, University of the Philippines.

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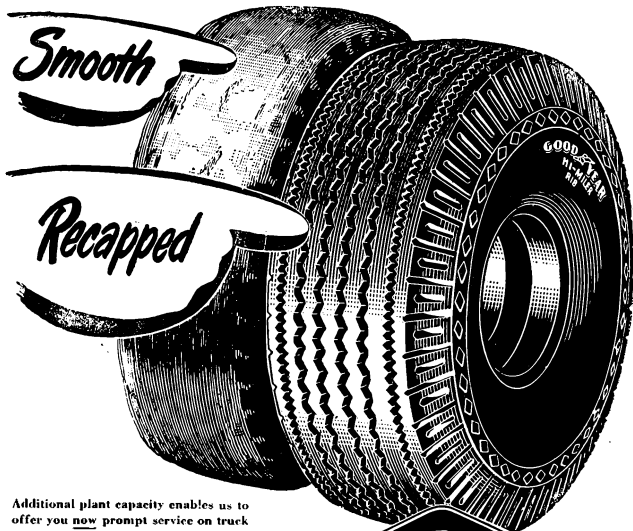
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