

• Forestry in the News •

LOG BARTER CURBS SEEN
*Central Bank mission winds up;
efforts to depress prices noted*

By MAXIMO SOLIVEN

Tightening of supervision over log barter exports from the Philippines by the no-dollar import office will be proposed by R. Marino Corpus, head of the Central Bank survey mission upon his return to Manila this week.

This was disclosed following a two-week spot inspection of the Japanese lumber industry and a series of conferences with lumber officials conducted here by CB export department chief Corpuz.

He said today that his findings supported the contention of Commerce Secretary Pedro Hernaez that restrictions on log barter should be studied and implemented.

It was disclosed that Japanese lumbermen tried to blame barter trade for extensive overbuying of Philippine logs in 1956 and early this year which resulted in a serious drop in importation due to overstocking.

Corpus pointed out that no barter permits were approved by the no-dollar screening board of which he is a member without the opening of a letter of credit by the Japanese buyer.

He reported that there was evidence that the Japanese lumber groups are launching "united" efforts to force down prices of Philippine logs.

The drive is headed by the Japan Southsea Lumber Conference based at Osaka which was formed by importers, manufacturers, wholesalers, and retailers July 18.

The CB mission found that this body was primarily concerned with "selective buying" of the best lauan and other Philippine logs but was also importing low quality sawlogs to maintain their import figures which is the basis on which the ministry of international trade and industry awards producers and importers dollar allocations.

Visiting log ponds in Tokyo, Nagoya, and Osaka, the mission discovered many sawlogs and rejected logs—rotting unused. Because of this policy, Nasao Ichikawa, chairman of the Japan Lumber Importers Association and Southsea Conference vice chairman, revealed that there is an existing stock of 121,738,000 board feet logs in these areas.

Japan annually consumes 16.8 billion board

feet of which 1.1 board feet are imported. Local logs are used for domestic purposes while imported logs are farmed out to over 400 plywood factories mainly for reexportation.

It was learned that by far the greatest percentage, 698 million feet, comes from the Philippines and only 144 million bd.ft. from Borneo, 8 million from Indonesia, 150 million from Canada and the United States, 60 million from Russia and 40 million from other countries.

Corpus noted a continuing supply of Philippine logs essential to survival and expansion of lumber industries here although dollar paring by MITI has reduced the quotas.

Importation from the Philippines has sunk from original highs of \$37 million in 1955 to \$26 million in 1956 to about \$15 million from April to December this year.

He warned that this reduced budget would compel Japanese buyers to demand lower prices from Filipino loggers and care should be taken not to strip Philippine forests of choicest trees to underwrite the trend.

There are now 14 plywood factories in the Philippines with expansion plans foreseeing 28 in the next year, and these should be supplied, he added.—*Manila Times*, November 18, 1957

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LUMBER PRODUCERS ASK SHIP COMBINE TO CUT FREIGHT ON LOGS FROM PI TO US

The Associated Steamship Lines has been requested by the Philippine Lumber Producers association to consider the possibility of reducing freight rates on logs and lumber from the Philippines to the United States.

Antonio de las Alas, association president, told the shipping combine that there has been a consistent downward trend in freight rates all over the world owing to the slackening of business.

He said the United Kingdom was the latest country to experience a further reduction in freight rates.

A more recent local indication and acknowledgment of this tendency, he said, is the gradual reduction of freight rates for copra from the Philippines to the Pacific coast of the United States. As of last May 14, the contract rate of \$30 per long ton was gradually reduced to \$27 per long ton, and later to \$23.50. As of August 12, the rate was reduced further to \$21 and although this has been granted in the form

of "emergency rates", the concession has been extended to next Oct. 21.

This tendency, according to Alas, shows a preferential treatment for copra by the shipping combine, and under the same pattern, it is hard to explain why it cannot afford the same consideration to lumber exporters. He added:

"The question of freight rate has always been a serious obstacle to the rapid and extensive expansion of the lumber industry, particularly the maintenance and increase of Philippine mahogany trade in the United States. Notwithstanding insistent demands from the United States market for Philippine mahogany, present supplies could hardly meet the demands of the United States market owing to the high freight level, which make our woods incompetent in that country. Whatever local benefits and advantages might have been obtained by the lumber industry are invariably nullified and counteracted by the arbitrary maintenance and increase of ocean freight rates."—*Manila Bulletin*, September 17, 1957

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LUMBER TRADE BOOST HAILED

Local lumbermen hailed the move of the Central Bank and the Philippine Producers' association to save the lumber industry from a total collapse.

Log producers here partly blamed the government for the decrease in the exportation of logs because of the stringent policy in the exportation of logs.

They claimed that Agusan, being the biggest lumber producing province in the Philippines today, is the most adversely affected by the present unsteady market of logs in foreign markets. At present, only regular exporters who still have unexpired contracts with foreign markets are shipping logs to Japan.

As a result of the cancellation of the letters of credit of special exporters, thousands of workers have been laid off. In some logging areas, few are still working on a rotation basis.

Millions of board feet of exportable logs which could not be shipped abroad are now fast deteriorating. Local sawmills, veneer and plywood factories cannot absorb all the logs which were not sold to Japan during the past two months due to lack of bottoms.—*Manila Bulletin*, Aug. 17, 1957

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LITERATURE ON LUMBER INDUSTRY DONATED TO UP

Upon the request of the University of the Philippines Library, the following publications on lumber which will be of considerable help

and informative value to the UP student body as reference materials were donated by the Philippine Lumber Producers' Association.

1. The International Aspect of Philippine Wood Industry by A. de las Alas (2 copies);
2. Memorandum for the Honorable Chairman and Members of the Federal Trade Commission, Washington, D.C. (2 copies);
3. Testing and Evaluation of Apitong from the Philippines by Timber Engineering Company, Washington, D.C. (2 copies);
4. Restriction on Log Exports by A. de las Alas (8 copies);
5. The Philippine Lumberman (Back issues, 9 copies);
6. Philippine Lumber Producers' Association—1956 Annual Report (8 copies);
7. The Philippine Lumber Industry and its Problems (10 copies), by A. de las Alas.

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TIMBER REVENUE LOSSES

Aranas says poor tax assessment, evasion by concessionaries cost government millions

Jose Aranas, collector of internal revenue, yesterday said that the government was losing several million pesos yearly in non-collected revenue from the lumber industry because of poor tax assessment.

The national government collects from the timber industry an annual income of ₱5 million representing forest charges alone, excluding income taxes paid by timber concessionaires and lumber men.

Aranas said, that through "tax avoidance" and underdeclaration of income, the government has not been able to collect the correct taxes due from the industry.

In a letter to the director of forestry, Aranas pleaded for cooperation in the collection of forest charges. He asked the director to cooperate by withholding the renewal of timber licenses until all the outstanding tax obligations of the concessionaires have been fully paid.

Aranas said BIR examiners have been instructed to "carefully but correctly" determine assessments.

Aranas has sent out a team of examiners.

The BIR team fanned out, for a start, to Mindanao, where a large number of timber and logging concessions are in active operation.

From the BIR specific tax division headed by Gaudioso Abesames, Aranas bared the increase of ₱16 million in collections from cigars and cigarettes taxes for the fiscal year which ended last June 30, as compared to those of the previous fiscal period.

HARDBOARD

Newest industry to invade the Philippine market is the Philippine Wallboard Corporation, an affiliate of Nasipit Lumber Company, which introduced to the public a "hardboard" made of residual material left over from sawmill operations.

Carlos Fernandez, vice president of the firm, in a press conference yesterday at the Philippine Columbian, did not fail to emphasize the importance of the product from the standpoint of the national economy as well as of the lumber industry. Henceforth, he said, not only will Filipino construction men have readily available a superior building material but it will also enable the country to utilize fully forest products that used to go to waste.

The locally produced hardboard is similar in appearance and texture to imported "Masonite." Sawable and any-proof, the product has over a thousand uses in practically all kinds of industries. The "Lawanit" as it is called, is being turned 4,000 pieces (8 ft. x 4 ft.) daily from the Nasipit plant in Agusan, Mindanao. The machineries that produce them were imported directly from Sweden to meet local specifications.

Fernandez paid his compliments to RFC Chairman Eduardo Z. Romualdez for the financial assistance lent by the RFC in making possible the establishment of the hardwood factory. Romualdez, in return, said his organization is always willing to lend a hand to industries designed to enrich the national wealth.

Antonio de las Alas, president of the Philippine Lumber Producers' Association, welcomed the new industry and said that the country should be grateful to Carlos Fernandez and his associates for their courage and foresight in blazing a new path toward healthy industrialization.—*The Manila Times, August 17, 1957*

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CB REQUESTS LOG EXPORTERS

Corpus' request made during dinner given by lumber shippers

PLPA head De las Alas contends that while CB must enforce rules, it is nevertheless true that best gov't is less government.

Central Bank export department head, R. Marino Corpus the other day called on the Philippine Lumber Producers Association to list down mal-practices allegedly being committed by local log exporters and propose tangible solutions to the industry's export problems.

The CB official aired the challenge at a dinner given in his honor Wednesday evening by officers and members of the lumber group, head-

ed by PLPA President Antonio de las Alas, at the Swiss Inn.

At the same time, Corpus sought the association's views on export department regulation, seeking to standardize procedures largely involving supporting documents to negotiated copies of export licenses, accounting for undrawn proceeds, miscellaneous provisions and deductions without authorization.

De las Alas pointed out that while he realized that the CB must enforce regulations to avoid circumvention of the country's export laws and Bank rules, "the best government is the least government."

The PLPA head stressed that the lumber industry could be the bulwark of Philippine economic progress, citing the example of Finland, in which 60 per cent of the economy is founded on the log, timber and lumber trade.

At the conference, Corpus defended his department's recently issued requirement that the log exporter submit a copy of a re-measurement list reportedly being made of log arrivals in Japan by the Japanese importers through an independent surveyor.

Although some of the lumbermen denied the existence of such a practice in Japan. Florencio Tamesis, PLPA director admitted that there was a Japanese "inspection service" measuring log shipments but added that the re-measurement concerned was merely for the purpose of informing prospective buyers and end-users of logs of the availability of stock.

Tamesis said that he was not acquainted with the basis on which the re-measurement was calculated.

It was disclosed yesterday that the PLPA board of directors would meet tomorrow morning to determine the association's recommendations to the CB on the existing regulations and the proposed standardization plans.

Corpus further asked the body to present his department on a regular basis, with a one sheet schedule of log prices by class grade, region and a price scale giving the Bank a "definite leeway" by which to determine whether price offers submitted by individual exporters were "reasonable".

Gaudencio E. Antonino, president of the Producers and Exporters Association of the Philippines and head of the Western Mindanao Lumber Company, charged at the meeting that the check prices imposed by the CB were higher than his customers "were willing to pay."

He maintained that the Bank's policy not only accomplished its purpose of protecting the international reserve but succeeded "in denying actual exports."

Antonino proposed that the sales report of the log exporter could be "notarized" to insure its reliability, since falsification would be a criminal offense.

He stated that the so-called "re-measurement" list was not an actual practice in Japan and had "never been adopted" by his buyers. De las Alas supported this allegation with the report that he had asked members of the association whether such a requirement is imposed by Japanese importers and had been assured that it was not done.

Corpus, however, said that he could produce actual documents showing the existence of the method.

He asserted that a single Japanese claim for rebate based on the re-measurement survey of a surveyor in that country had called for a refund of as high \$189,000.00.

The CB export department chief declared that the CB investigation of about 20 local log exporting firms dealing with Japan which he initiated on April 15 had uncovered evidence in several instances of "secret contracts" made between buyer and exporter, pre-arranged "de-goku" discounts, falsified invoicing of peeler and veneer logs as "sawlogs" to clear excessively low prices through the Central Bank.

De las Alas said in response that he would "fight for the recognition by the Japanese and other foreign buyers of the Bureau of Forestry certification as the basis for measurement of log shipments abroad."

He agreed with Corpus that a re-measurement of logs by a foreign importer would constitute "mistrust" of the certified report made by a Philippine government agency.

As the offshoot of the session, it was expected that the PLPA may press the Central Bank to send a fact-finding mission to Japan to determine the actual market status for logs there.—*Manila Times, October 14, 1957*

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FORESTER CRUZ APPOINTED DIRECTOR

Sr. Forester Eugenio de la Cruz took his oath of office recently before UP acting President Enrique T. Virata as director of the newly created Forest Products Research Institute.

The appointment was made by the Forest Products Research Board and approved by the UP President. Constituted as the governing body of the Institute, the board is composed of forestry director Felipe R. Amos as chairman ex-officio, UP College of Forestry Dean Calixto Mabesa as member ex-officio, Jose G. Sanvictores representing the lumber industry, Florencio Tamesis representing other forest products industries, and Dominador Cepeda representing con-

sumers. The last three were appointed by the President of the UP with the consent of the Secretary of Agriculture and Natural Resources. Tamesis and Sanvictores will serve for 3 years, while Cepeda, one year.

The Institute was created by Reorganization Plan No. 77 which was implemented by Executive Order 257, to answer the need for a semi-autonomous entity charged with the prosecution of extensive research and development programs designed to improve techniques and methods in wood production and utilization and develop new forest products industries. Located at Los Baños, Laguna, the institute is under the general supervision of the UP.—aje

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₱103 MILLION FOR FOREST MANAGEMENT AND REFORESTATION

The bureau of forestry has started drawing plans for the expansion of scientific forest management and reforestation program following the approval of the initial allotment of ₱3,557,825.00 out of the authorized appropriation of ₱10.3 million from Bond and Loan Issues to be amortized by the Reforestation Fund collections, director Felipe R. Amos revealed.

The additional fund, Amos said, will enable his bureau to intensify scientific management of commercial forest areas through the adoption of selective logging which is a natural means of reforestation. Also to be undertaken with greater impetus is the present program of artificial reforestation done by systematic and efficient actual planting of denuded watersheds, grasslands and other forest lands.

Steps have already been taken to organize 45 timber management stations each to cover at least one or more license areas and to be charged with the responsibility of implementing selective logging and timber stand improvement. The 39 reforestation units will be increased by 55 new projects.

The grant of additional fund for reforestation purposes was facilitated by the desire to forestall the recurrence of destructive floods caused by illegal kaingin and indiscriminate timber cutting as well as to insure abundant supply of forest products.—aje

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FORESTER TAGUDAR LEAVES FOR U.S.

Forester Eulogio Tagudar of the bureau of forestry left yesterday for the United States as an ICA grantee to study and observe forest management in that country.

He will visit the United States Department of Agriculture and Forest Service, Washington International Center and the School of Forestry of Yale University. He will also observe log-

ging operations in leading American lumber firms.

A graduate of U.P. College of Forestry, Taguig was in charge of the implementation of selective logging and timber management in Agusan.—aje.

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OUR FORESTRY LAWS

I sincerely wonder how Senator Fernando Lopez, Rep. Eulogio Rodriguez, Jr., and Rep. Guillermo Sanchez have taken the recent Pan-gasinan disaster.

As early as January this year, the agriculture secretary invited the three so-called public officials to mull the problem of forest protection. But Messrs. Lopez, chairman of the Senate committee on agriculture Rodriguez, Jr., the lower house counterpart of Lopez: and Sanchez, chairman of the lower house committee on forests, chose to snub the proposed parley.—*The Herald*

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JAPANESE LUMBER IMPORTERS WROTE ALAS THAT MOVE 'IS UNREALISTIC'

Head of PI lumber exporters say measure casts unfavorable reflection on our forestry people.

A recently established Central Bank requirement that the CB be furnished a re-measurement list of all Philippine log shipment arrivals in Japan certified by an independent Japanese surveyor was defended yesterday by CB export department head R. Marino Corpus, as necessary to curb "dishonest practices."

In a memorandum to Antonio de las Alas, president of the Philippine Lumber Producers' Association, Corpus replied to objections raised by the PLPA and the Japan Lumber Importers' Association that it would be "difficult" for Filipino loggers and Japanese importers to submit such a list.

Masao Ichikawa, chairman of the Japan lumber importers group, had written De las Alas that the association's board of directors at a meeting on August 30 had condemned the CB move as "hardly realistic."

Supporting Ichikawa's contentions, the PLPA head wrote Corpus on September 14, pointing out that the regulation "implies in effect a mistrust of our government agencies officially undertaking the measurement and scalling of our logs before shipments are allowed."

De las Alas maintained that the measure constituted "an unfavorable reflection on the reliability of our own Bureau of Forestry officials specifically in charge of such functions."

The CB requirement provides that in connection with approvals of sales reports on shipments of logs to Japan, the applicant should submit within 15 days after discharge a re-

measurement list certified by an independent surveyor at the port of destination.

Corpus, in a sternly worded rejoinder, reminded the PLPA president that he personally had pointed out the existence of "dishonest" practices in the trading of logs and lumber and had professed a strong desire to see that such questionable practices and trade procedures should immediately be corrected.

The CB official denied that the practice should be construed as a "sign of mistrust" of the Bureau of Forestry officials who pass judgment on the logs before shipment but asserted that the two checks were "complementary or supplementary" to one another.

He furthermore cited that Japanese log buyers had themselves instituted the practice of re-measurement, adding that while this in essence was "mistrust" by the Japanese buyer of the Philippine log exporters none of the lumber producers or Philippine loggers who were forced by this Japanese imposition to foot the re-measurement bill had "ever raised the anguished cry of protest and mistrust."

Corpus declared that the "re-measurement" list is not a new institution but an "already established practice in Japan."

Referring to the CB investigation launched on April 15 by his department of 159 Filipino log exporters, in connection with their dealings with Japanese importers, he averred that examination of the records and books of log and lumber exporters "confirmed the existence of such re-scaling lists which we found is being furnished by the Japanese buyers themselves to the Philippine exporters as a matter of general practice."

He said that he could produce statements and communications of Japanese importing firms confirming this practice.

Corpus stated that with respect to differences that may exist between the certification of the Bureau of Forestry made "prior" to the loading of logs and the re-measurement made "after" arrival in Japan, these would "be resolved on their individual merits."

The CB export department chief categorically denied Ichikawa's assertion that the Bank requirement is "exceptional and unusual" and said that it is not difficult to secure since the CB was only asking for "a copy of the re-measurement list furnished the Philippine log exporter by the Japanese buyer."—*Sunday Times, September 22, 1957*

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PLYWOOD

Norman Davidson, Jr., president of the Pacific Wood Products Co. of Los Angeles and Jay

Wallenstrom, vice president of the Rodis Plywood Corporation of Marshfield, Wisconsin, both asserted that American importers of Japanese-processed Philippine Mahogany have taken up steps to procure their requirements directly from Philippine processors.—*The Manila Times*, Aug. 15, 1957

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NEW INDUSTRY ESTABLISHED IN AGUSAN, USES WASTE TIMBER

A new enterprise utilizing the waste product from sawmill operation into the manufacture of "hardboard" has been established in Nasipit, Agusan, center of the lumber industry in the south.

After 32 months of construction, the modern plant of the Philippine Wallboard corporation, an affiliate of the Nasipit Lumber Co., was placed in commercial operation earlier this month. It is now turning out 50 tons of hardboard which will eventually be raised to 80 tons daily.

Yesterday, Carlos Fernandez, head of the new organization, announced introduction into the market of its product known here as the "lawanit."

"The aim of the plant," Fernandez told a press conference at the Columbian club, "is to convert the residual material left over from the sawmill operation into a building board panel of great utility."

The raw material for this new industry does not cost the company anything. "As a matter of fact," the company executive said "it might even be said that the raw material has a negative value in that it costs money to burn and destroy it."

Only around four per cent of the raw materials, consisting mainly of chemicals, is imported. The main raw material is said to be abundant and will require a three-fold expansion in present facilities of the wallboard plant to enable full utilization of existing supplies.

Although marketing of the product for the present will be confined locally, it is the company's objective to export it eventually and contribute to earning dollars for the economy.

In brief, the process involved in the new enterprise consist in reducing the residual material into uniform size chips, converting the chips into ground pulp through the combined application of steam and attrition, forming the pulp into a continuous wet mat and finally pressing the mat in a high pressure, hydraulic press.

Equipment for the plant was purchased from Sweden with Central Bank dollars and installation was handled by Swedish engineers. Fi-

ancing was arranged through the Rehabilitation Finance corporation.

The Nasipit plant is the first of its kind in the Far East. A sister plant is now being built in Nagoya, Japan. The only other hardboard plants near this area are in Tasmania and Auckland, New Zealand.

Mr. Fernandez thinks this new industry is a distinct contribution to the economy. He explains: ". . . this new concept of utilizing wood material is applicable to the enormous amount of vegetable material left in our forest, unutilized because it is considered non-merchantable. When this large amount of forest material is given value through the establishment of proper conversion plants, the value of our forests will increase many fold. That change might be the key to the effective conservation of our forest lands and will prevent their denuding—a measure considered by everybody of the utmost importance and yet hardly ever put into effect."

Viewed from a larger aspect, he adds, this new plant creates wealth not obtained through more extensive use of local resources. "Rather, it is achieved through a higher and more intensive utilization of our raw materials. I believe this is most important because in the Philippines we might say that we have no frontiers left; all the good lands have been practically occupied, and our only hope is through wiser exploitation of our resources . . ."—*The Manila Bulletin*, Aug. 17, 1957

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5-YEAR FORESTRY GOAL EXCELLED

The Bureau of forestry, at the termination of its five-year land classification counterpart project, has delimited a total of 4,298,304 hectares of forest land exceeding its goal of 2,000,000 hectares by 2,298,018 hectares. Forestry Director Felipe Amos has reported to Agriculture Secretary Juan de G. Rodriguez.

The I.C.A.-N.E.C. project, which started Feb. 1, 1952, reached its fifth year Jan. 31 this year. Of the over-all area, 2,000,286 hectares were classified as agricultural land while 2,298,018 hectares remain permanent forests.

In addition, for the fourth quarter of the last fiscal year, a total of 242,452 hectares of forest land was reported classified by the bureau of forestry. This over-all area is embraced in 64 projects of which 83,244 hectares are alienable as agricultural lands and 159,208 hectares as permanent timberlands.

According to Director Amos, classification of erstwhile forest lands into agricultural lands must meet five conditions: 1. open, cogonland or brush land with inclination from zero to 10 degrees; 2. soil must at least have one foot deep

of alluvial or loamy clay sold; 3. forest areas with timber stand of not more 400 cubic meters of timber each hectare; 4. favorable climatic and other conditions; 5. considerations like economic and social factors.

Secretary Rodriguez pointed out that areas needed for forest purposes, if established as permanent timberlands, could be closely supervised in the utilization of forest products and prevention of soil erosion and climatic extremes and protection of watersheds.

Meanwhile other reports received by Secretary Rodriguez indicated that persons claiming to have influence with bureau of lands officials have been swindling public land applicant.

He asked that any person, even lands bureau inspectors or other personnel, who asks for fees or "expense money" for pushing through their applications, getting their cases settled on their land patents issued, should immediately be reported to Lands Director Zoilo Castrillo.—*The Manila Daily Bulletin*, August 15, 1957

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DRIVE AGAINST DELINQUENT HOLDERS OF TREE FARM LEASES LAUNCHED

District Forester Rafael L. Quidilla of the local forestry office launched the other day a drive against delinquent holders of tree farm leases for coffee planting within this city.

Quidilla requested city treasurer Domingo Cabali to prepare a list of the payment of rentals made by the holders of tree farm leases within the City of Baguio so that the former may be able to determine who are the delinquent leaseholders.

The forestry official warned leaseholders that failure to pay the required rentals one year after they are due, without justifiable reason, is sufficient reason to cancel the lease without prejudice to the city government in collecting the unpaid rental.

Parallel with his drive against delinquent leasees is another drive against tree farm lease "speculators" outside of Baguio. Quidilla said he will soon direct an on-the-spot inspection of the areas covered by tree farm leases to determine those which are not being developed.

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BOOKS ON LUMBER

Among the new publications received from U.S. Products Laboratory by the Philippine Lumber Producers' Association for reference use by lumber producers, forestry students and forestry technicians are the following:

How Can Sticker Stain in Hardwood Be Prevented?

Chemical composition and use of Bark Board Materials from Wood Waste
Wood Residues in Compression and Extended Products

Resume of Some of the Newer Products of Wood Utilization

Hardboard: Processes, Properties and Potentials

Fabrication of Small Clear Specimens of Timber

Effect of Particles Size and Shape of Resin Bonded Panels

Coating for the Preservation of end checks in Logs

Settlement to Deflection and Stresses

Elastic Buckling of Sandwich Panel

Supplement to Mechanical Properties of Plastic Laminates

List of Publications on glue, Glued Products, Veneer.

Packaging Research (U.S. Wood Products Laboratory)

Factors Affecting Strength

Durability of Water-Resistant Woodworking Glues

Bending strength and stiffness of plywood

List of Publications Relating to Fungus in Woods

Comparison of Wood Preservatives.—*Manila Times*, August 7, 1957

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OPEN UP MORE TIMBER LANDS

Land classification work reached its peak during the fiscal year 1956-57 as an aggregate area of 1,299,146 hectares was classified by the bureau of forestry's 45 field teams deployed in strategic points of the country.

Director Felipe R. Amos said the 1956-57 accomplishment topped all previous years. Of the total area classified last fiscal year, 501,474 hectares were delimited alienable and disposable and 797,672 hectares as timberland.

The forestry director revealed that as of last June 30, the bureau has already certified 11,696,237 hectares as alienable and disposable and established 3,223,210 hectares as timberlands, leaving 14,821,525 hectares still unclassified. Only last month, 103,897 hectares of new land were classified of which 22,047 hectares were to be released from public ownership.

Amos recommended that areas needed for forest purposes should be established under a congressional act as permanent forests and placed under scientific management for the perpetuation of forest crops as well as the forest value and influences.—*Manila Bulletin*, August 10, 1957

veneer, plywood industries to receive big assistance

Domestic plywood and veneer manufacturing is expected to receive a big boost with the recent arrival in the country of Dawson Zaug, who has joined the Industrial Development Center on the 18-month contract as plywood and veneer consultant.

Zaug, who has had 20 years experience in the manufacture of plywood and veneer and was vice president in-charge of manufacturing of the American Plywood Corporation, will serve under the economic and technical cooperation agreement entered into between the Philippines and United States governments.

He will assist IDC with the development of the domestic plywood and veneer manufacturing industry, particularly in advising and assisting new and existing plants on their production problems.

In consultation with IDC specialists, Zaug is entrusted with developing a working plan for concrete advice and assistance to the industry within the framework of the NEC economic development program.—*Manila Times*, July 28, 1957

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taiwan plans to purchase philippine 'lauan' logs

Formosa's foreign exchange and trade control commission has authorized the Taiwan supply bureau to purchase Philippine lauan logs in the total amount of 2,400,000 thousand board feet, the department of commerce and industry reported yesterday.

The department stated that the Taiwan supply bureau will import lauan logs to keep in stock raw materials for the manufacture of export grade plywood, for six months' use and for a more efficient programming of production.

Domingo T. Reyes, commercial attache at the Philippine embassy in Taipei, informed the department of commerce and industry that "although plywood manufacturing is an infant industry in Taiwan, it is developing markets in the United States, Hongkong, United Kingdom, Malaya and Ryukyus."

He stated that increasing export of Philippine lauan logs to Taiwan redounds to the exclusive advantage of the Philippines. However, he expressed the fear that once the Taiwan plywood industry is fully developed, the Philippines might find itself in a disadvantageous position similar to that in the case of Japan's plywood industry.—*Manila Times*, July 28, 1957

notes on plant introduction

The S. S. "Golden Bear" one of the finest, biggest and most modern freighters afloat, sailing from San Francisco, California, in its maiden voyage to the Far East docked at Manila on February 28, 1955. On board were ten (10) California redwood (*Sequoia sempervirens*) saplings consigned to the Government of the Philippines from the people of California, thru State Governor Goodwin J. Knight. The seedlings were presented by the Master of the vessel, Captain S. M. Rogenes, to the Honorable Salvador Araneta, then Secretary of Agriculture and Natural Resources, who represented President Magsaysay in the presentation ceremony held on board the boat on March 1, 1955. Captain Rogenes read the following message from Governor Knight:

"To the President of the Philippine Republic, the Honorable Ramon Magsaysay, and to the People of the Philippines:

On behalf of the people of California, it is a pleasure to present to you these redwood trees as a living token of our abiding friendship for the men and women of the Republic of the Philippines.

May these trees thrive in the fertile soil of your great country, and remind all who look upon their towering splendor in the years to come, of the devotion of our two peoples to the enduring principles of liberty, justice and human dignity.

(Sgd.) GOODWIN J. KNIGHT
Governor of California"

Secretary Salvador Araneta, after receiving the saplings, made the following remarks:

"I have been asked by President Magsaysay to accept in behalf of the Filipino people the redwood saplings which the people of California thru Governor Goodwin J. Knight have presented as a living token of their friendship for this country and the Filipino people.

I am not sure whether these saplings will thrive in our soil. We hope, however, that these trees coming as they do from a friendly people will thrive in our friendly soil. And the fact that the giver and the receiver are both known for their unshakeable devotion to the principles of democracy, these saplings should grow to big trees.

In the best traditions of friendship and democracy which bind the peoples of the Philippines and California, these historic redwood trees, said to be the oldest, tallest and largest in the world, will rise to the sky to ask our Almighty God to keep forever our peoples together in the side of freedom, justice and human dignity.

In behalf of the Filipino people, President Magsaysay wishes to thank the Governor and the people of California in particular and the whole American nation in general."

Immediately after the turning ceremonies, the saplings were brought to Baguio and placed in the green house of the Pacdal Forest Nursery for observation and care. It was observed that when the saplings were received the leaves and stems were turning brownish and were all smeared with engine oil. Apparently, the saplings were placed near the engine room of the boat and the heat greatly affected them. The oil were wiped off carefully from the stems and leaves. In spite of diligent care all the saplings died.

The Governor of the state of California, upon learning of the death of the saplings previously shipped, sent another ten (10) redwood saplings via the same boat. They were received in the Philippines on March 3, 1956. Secretary Juan de G. Rodriguez received the shipment during a short but impressive ceremony.

The saplings were also sent to Baguio for trial planting. To this date three (3) of the saplings are living. Two (2) saplings planted in the Pacdal Forest Nursery at an elevation of about 4,600 feet above sea level, have attained the height of 106 and 96 centimeters, respectively. Another one planted in the Forest Experiment Station ground in Atok, Benguet, at an elevation of about 6,000 feet above sea level has also attained a height of 155 centimeters. To all appearances, the three saplings may survive and grow side by side with our endemic trees, in all their "towering splendor", ever reminding us of the bond of friendship between the Americans and the Filipinos and the "devotion of these two peoples to the enduring principles of liberty, justice and human dignity."

(*Research Notes*—Forest Research Division, B.F. October 18, 1957).

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Director Eugenio de la Cruz of the Forest Products Research Institute enplaned for Rome this morning to join the eight-man Philippine delegation, headed by Agriculture Secretary Juan de G. Rodriguez, to the Ninth FAO Conference to be held at the FAO Headquarters there from November 2 to November 22.

Director E. de la Cruz is a member of the FAO committee of the Philippines representing the Forest Products Research Institute.

On his return from Rome, the Director will participate also in the Ninth Pacific Science Congress which by the time shall have been in session at Bangkok, Thailand.—*Evening News*, October 30, 1957

* * *

You are indeed doing an extremely successful job, George Mulgrue remarked in amazement

before Forest Products Research Institute officials after a four-hour tour yesterday to the different laboratories and offices of the FPRI, College, Laguna.

Mr. Mulgrue, Regional Information Adviser of the FAO detailed in Bangkok, Thailand, arrived in Manila last August 28, to make observation in different government offices, especially on the development and utilization of our agriculture and natural resources.

Asked what prompted him to visit the FPRI, Mulgrue said, before coming to the Philippines I heard that this Institute has been making remarkable success, so I made it a point to see for myself how far you've gone in your work, he added.

Accompanied by Assistant Director Juan B. Cabanos of the Agricultural Extension Bureau and Dr. Valente Villegas of the College of Agriculture, University of the Philippines, Mulgrue arrived here at 11:30 a.m. Through previous instructions of Director Eugenio de la Cruz who, at the time was in Manila, he was shown around by Technical Adviser George M. Hunt, together with the chiefs of the different divisions of the Institute. Mr. Mulgrue is leaving for Tokyo today.—*Manila Daily Bulletin*, September 4, 1957

* * *

Miss Ester Vergara, the first woman from the Philippine Islands to be granted a research fellowship in Wood Chemistry, completed today a year's research at Forest Products Laboratory here, and will return to the Philippines.

This was a news carried in the Aug. 16, 1957 issue of the "Capitol Times" and in the Aug. 17, 1957 issue of the "Wisconsin State Journal."

Meanwhile, Director Eugenio de la Cruz of the FPRI stated that upon her arrival, Miss Vergara would be assigned to work on wood extractives at the Forest Products Research Institute wherein a newly installed Llyod Extractor is provided for this particular work.

A trainee-grantee under the ICA Technical Assistance Program, Miss Vergara, an Analytical Chemist of the Philippines Forest Products Laboratory (now Forest Products Research Institute) left for the U.S. last September 28, 1956.

While in Madison, she worked with Dr. Ralph Scott in Wood Chemistry on the chemical analysis of the bark of the loblolly pine. She also attended courses at the University of Wisconsin.

A Bachelor of Science in Chemistry graduate of the state university, Miss Vergara joined service in the F.P.L. in 1955, and having shown exceptional talent in her assigned job, she was granted this research fellowship.—*Manila Daily Bulletin*, September 4, 1957

Another step toward facilitating the extensive research and development program to improve techniques and methods in the production and utilization of forest products was taken by the Forest Products Research Institute with the recent appointment of six key officials by Director Eugenio de la Cruz.

The officials who recently took oath of office before Director E. de la Cruz were For-ester Luis Aguilar, Assistant Director; Atty. Eloy Velasco, Administrative Officer; Simplicio Bellosillo, Industrial Investigation Chief; Rosario T. Cortes, Wood Preservation Chief; Francisco N. Tamolang, Wood Technology Division Chief; and Manuel R. Monsalud, Chief, Chemical Investigations Divisions.—*Manila Daily Bulletin*, September.

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TAIWAN ALLOCATES SUM FOR P.I. LOGS

The department of commerce and industry reported yesterday that Taiwan has allocated \$400,000 for the 1958 importation of lauan logs from the Philippines for the use of plywood manufacturers.

Domingo T. Reyes, commercial attache at the Philippine embassy in Taipei, informed the department that the allocated amount is part of the \$35 million allocation for Taiwan's commercial procurement for 1958 under the United States Aid Program.

Reyes also reported that a total of 28 consular invoices were issued by the embassy for the period from January to September 1957. These invoices showed that Philippine imports from Taiwan during the 9-month period aggregated \$74.495.

Principal imports consisted of industrial salt valued at \$37,800; citronella oil, \$13,390; fruits and preparations, \$10,594; tea, \$4,789; and camphor resin, powder and tables, \$3,384, he said.

At the same time, the trade official pointed out indications that Taiwan may revise its overseas investment policy. The proposed revision, which was agitated by local businessmen, seeks to disallow overseas investors to import commodities into Taiwan for sale, he said.

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However, the contemplated revision was strongly opposed by the Chinese overseas affairs commission which claimed that the rapid expansion of overseas investments totalling \$17.66 million, NK\$19.6 million and £26,000 from 1951 to June, 1957, were due to relaxation of

regulations, Reyes said.—*Philippines Herald*, Nov. 9, 1957

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JAPAN NEEDS LUMBER

Central Bank mission finds Japanese plywood firms dependent on PI logs

By MAXIMO V. SOLIVEN

Japanese lumber and plywood manufacturers are "absolutely dependent" on Philippine lauan logs, a Central Bank survey mission here stated today.

R. Marino Corpus, head of the mission, pointed out that the survival and expansion of these dollar-earning Japanese industries are contingent on the assurances of continued stable supply of lauan from the Philippines.

The mission disclosed that there appears to be a move among Japanese buyers to force the lowering of lauan log prices to salvage manufacturers from losses incurred by previous buying at high costs and freight rates and tight credit policies imposed by the Bank of Japan.

The Corpus group which returned yesterday from a week-long on-the spot inspection of plywood and lumber mills and log ponds in Nagoya and Osaka, indicated that the current slump in Japanese export and government trade restrictions have forced importers into "selective buying."

Figures submitted by the Southeast Asia Lumber Conference here showed approximately 50 million board feet of overstocked logs here the bulk of which deteriorated from long storage in log ponds.

Masao Ichikawa, chairman of the conference, said there is an existing stock of 120 million board feet while the monthly consumption is 70 million board feet. Eighty per cent of this comes from the Philippines, he added.

Of the 960 million board feet imported annually by the conference 720 million board feet is from the Philippines.

* * *

TIMBER

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

From August 1 imports of hardwoods into the United Kingdom from countries in the dollar area will be under Open General Licence; the dollar quota for such imports has been abolished from that date and importers will then be free to purchase as much dollar hardwood as the British market can absorb. But this decision, though welcome to both supplying countries and importers, is likely to cause any radical change in the pattern of United Kingdom hardwood imports for the present.

It will take a long time to reestablish the
(Continued on page 62)

FORESTRY LEAVES

FORESTRY IN THE . . .

(Continued from page 60)

close links which existed between the dollar areas supplying countries and the British timber trade before the war. It is felt by many sections of the trade that the American missed their opportunity in 1955 when the quota system was first introduced, American producers were then content to concentrate on their buoyant home market and showed themselves unwilling to cater for the needs of the U. K. market.

The position has altered appreciably since then; the American home market is no longer such an attractive proposition to producers; prices and profits have fallen. American producers are now certainly keener to renew the British connection. They appear willing even to adjust their specifications to suit British users. But shippers will first have to overcome a barrier on the British side caused by ignorance of the qualities of American woods and long familiarity with timbers from other parts of the world.

Even so, there is no reason why such a connection should not eventually be renewed on a larger scale than at present. British hardwood importers are complaining of difficulties in connection with supplies from Far Eastern sources, especially from Japan, where prices are rising and shipping delays are common. American shippers certainly have the advantage of speedy shipment in competition with Japanese timbers. Moreover, prices elsewhere have also been rising of late and this should increase importers' interest in dollar hardwoods, if shippers' prices there are keen enough.

However, there will be noticeable resurgence in buying of dollar hardwoods in the immediate future. In the past two years the quota of L3 million has proved ample for the needs of the market and trade opinion is that the demands for oak, maple and birch, the main dollar hardwoods used in the United Kingdom, should remain within the limit of the formerly existing allocations. Indeed, this would seem to be the Government's reason for this unexpected move towards freedom. It had been anticipated that the quota would gradually be raised, but complete freedom was not expected for some years yet.

Meanwhile, consumption of timber in Europe is slowly recovering, country to expectations at the start of the year. Softwood consumption in the United Kingdom is a full 4 per cent up on last year's figures. Imports of sawn hardwoods up to the end of May amounted to 9.9 million cubic feet more than during the same period of 1956; roundwood imports, however, are lower

than in 1956.

Building output remains at a high level and furniture production has also emerged from the doldrums. Stocks with importers are now low enough to permit more forward buying. It seems probable, therefore, that in the second half of the year imports of hardwood should continue to exceed 1956 levels. But it will be too early for dollar hardwoods to reap any significant gains; in the longer run such woods should increase their share of the market although it still remains conjectural whether they can ever regain their pre-war position. Hardwood suppliers everywhere will watch with great interest future developments in Britain's hardwood market.—*Manila Times, August 10, 1957*

Availabilities of Hardwood in the U.K.

Monthly averages in cubic feet.

	Total	Imported	Home prod.
1954	5.42	3.32	2.10
1955	5.57	3.61	1.96
1956	5.14	3.39	1.75
1957 Jan.		3.53	
Feb.	4.79	2.46	1.74
Mar.		3.17	
Apr.	—	3.92	—
May	—	3.70	—

F.P.R.I. NEWS . . .

(Continued from page 49)

"T'WAS THE NIGHT BEFORE CHRISTMAS . . ."

The cool breeze in the mornings, the very short days and the fast approaching darkness in the evenings and the occasional yuletide chants coming from your neighbor's radio are all symptoms of just one thing — it's Christmas again.

And with the coming of Christmas, some of the FPRI staff have already begun cleaning the cobweb and the dust that have settled all year long on their yuletide trimmings and decorations. Some have also started thinking of what things to do and how to do them, what gifts to give and to whom to give them, and a host of other little things that help make Christmas just what it is for.

Of course, there is the usual Christmas program at the FPRI, the presentation that usually turns out to be a talent show; probably the Choir, if the choirmaster and members will have the extra energy to devote to the practice of the carols; and the usual pleasant greetings that is saved and said only on that particular time of the year — "MERRY CHRISTMAS AND A HAPPY NEW YEAR TO ALL FROM THE FPRI STAFF AND PERSONNEL."