

The large arrivals caused a softening in local prices and while sales volume was generally satisfactory, prices were in some cases below replacement. Some importers with connections in nearby countries wanted to re-export at prices higher than obtainable locally, but were not successful in obtaining export licenses.

The New York market continued firm and in many cases rises were noted.

New bookings for the month were well below those of October.

## Automobiles and Trucks

By G. E. SHINGLEDECKER

Assistant Manager, Ford Motor Company,  
Manila Branch

**A**UTOMOTIVE production in the United States for the first two weeks of November, 1947, averaged over 102,000 passenger cars and trucks. If this production rate continues through the end of 1947, the industry as a whole will have produced 5,000,000 new units. If the 5,000,000 mark is reached this year, it will be the fifth time in the history of the industry and the first since 1941.

Steel-shortages continue to slow all manufacturers' operations and vital parts are now transported by air express in order to prevent the stopping of assembly lines.

With the increased cost of production due to shortages of material, and increased labor and distribution costs, the industry at this time cannot foresee any decrease in retail prices.

The "Big Three" (Ford, General Motors, and Chrysler) are expected to announce several post-war models during the late spring and summer of 1948. Most of the new models will feature streamlined, pontoon-sided bodies, with maximum interior room.

The industry as a whole is pointed to greater production in 1948, and if the steel situation improves, as it is hoped, total production should be in excess of 5,500,000 units for the next year.

## Legislation, Executive Orders, and Court Decisions

By ROBERT JANDA

Ross, Selph, Carrascoso & Janda

**T**HE Congress of the Philippines will go into session during January of next year and already there are indications of certain legislative trends. According to newspaper reports, the President announced from Baguio the intention of the Administration to introduce legislation substantially raising tax-rates and, particularly sales-tax rates on so-called "luxury" goods. It appears from the statement that the Administration would adopt the tax program outlined in the report of the Joint Philippine American Finance Commission. While the greatly increased rates are of vital interest to the business community, of even greater importance are the indications that the Administration was adopting a tax program designed for economic rather than revenue purposes.

There have been reports that legislation proposing much-needed changes in the Securities Act, the Corporation Law, and the Mining Law, would be introduced in the coming session of Congress.

**I**n the cases of Henares v. Cordova and Ma-ao Sugar Central Co. Inc. v. Barrios, the Supreme Court held that the debt moratorium proclaimed in Executive Order No. 25, as amended by Executive Order No. 32, did not have the effect of divesting the courts of jurisdiction to try and to hear claims covered by the orders. The moratorium conferred a personal right upon the debtors which

the debtors could waive. However, the Court held that if the defense of the moratorium is raised by the debtor, the effect of such defense is not merely to suspend execution of a judgment which might be recovered but to completely bar action on the obligation; the Court held that when this defense is raised the trial court must dismiss the case.

**I**n the case of Tiacho v. Tan Si Kok et al., the Supreme Court held that Emergency Civilian Administration Order No. 12, prohibiting the increase of the rental of houses and buildings in the City of Greater Manila to more than 25% over the rental prevailing as of the last semester of the year 1941, conferred a right upon the lessee which he could waive. The Court held that the finding of the trial court,—that the rental agreed upon between the parties was reasonable, which was sustained by the Court of Appeals, could no longer be passed upon by the Supreme Court, and that since the parties had agreed upon the same, the fact that it was in excess of the rental allowed by Order No. 12 did not invalidate the agreement. Mr. Justice Perfecto, in a concurring opinion, stated that in his opinion Order No. 12 is unconstitutional and void.

**D**uring the past two months, the Director of the Bureau of Commerce has been circulating the Manila representatives of foreign steamship-lines advising them that foreign lines owning vessels calling at Manila ports were engaged in business in the Philippines and must register in accordance with Section 69 of the Corporation Law. Several of the lines have referred the matter to their diplomatic representatives for discussion with the Philippine Government, contending that international law and usage sanctions the allowance of free access to the ports of a country by vessels registered under the laws of a friendly nation subject only to customs, revenue, and police regulations, and that the requirement being imposed by the Director of Commerce is contrary to such international law and usage. The matter is still pending between the various governments concerned. It is understood that the Office of the American Ambassador has referred the question to Washington for instructions.

**T**he President, by Executive Order No. 105, authorized the acting airport administrator at Nichols Field, to sign all contracts of lease involving real properties within the airport on behalf of the Philippine Government.

Executive Order No. 106 extended until February 28, 1948, the period within which treasury certificates without the official seal of the Republic stamped, printed, or superimposed thereon may be circulated.

Executive Order No. 107 prohibits advance payments on government contracts for services or supplies.

Executive Order No. 112 permits the export of sawn lumber on the same terms as the export of logs is now permitted.

## Other Chambers of Commerce

### Chamber of Commerce of the Philippines

**A**FTER listening to the speech of Ambassador Emmet O'Neal of the United States of America, delivered at the luncheon tendered in his honor by the Chamber of Commerce of the Philippines, the members who crowded the elegant Champagne Room of the Manila Hotel, where the gathering was held on November 4, 1947, felt a close attachment to him and to the American Embassy. Whoever is privileged to meet Ambassador O'Neal is instantly attracted to him, because of his simple and unassuming manners and the depth of his cordiality and understanding. Devoid of any vestige of arrogance, his personality, radiating sympathy, has endeared him to the Filipinos since his assumption of the important post of American Ambassador.

Closing his speech, couched in simple language, with an invitation to come to see him as "the Ambassador will be glad at all times to see each and everyone of you", he said that he was sent here—

"of course, to represent my country and its best interest. But I was also charged with the duty of doing all I can to promote the best interests of the Philippines. I am happy to have that as a part of my duty, for like other Americans, I cannot feel, though I know you are, that you are a foreign country. We were a long time together, we were comrades-in-arms, and we put everything we had into the fight that we might be free. With all that in mind you can understand why I, as Ambassador, and the American Embassy are ever ready to serve you."

President Gil Puyat responded, thanking Ambassador O'Neal and stating that, availing themselves of his invitation, groups from the Chamber would from time to time call on him at the Embassy to present some of the problems confronting the Philippines which may be solved with the aid or sympathy of the United States.

Before the war, specific economic problems, affecting the conduct and development of business, called for concerted action by the business community, particularly after the establishment of the Commonwealth. At the initiative of the Chamber of Commerce of the Philippines, a Joint Committee of Chambers of Commerce, integrated by their Presidents and Vice-Presidents, was organized. Meetings were frequently held, either on the premises of our Chamber, on Magallanes Drive, or at the offices of the American Chamber in the old Heacock Building. In addition to these two Chambers, the Chinese, the Spanish, the British (Manila), the Japanese, and the German Chambers of Commerce held memberships in the Joint Committee. Many joint representations were made and some of them resulted in positive accomplishments.

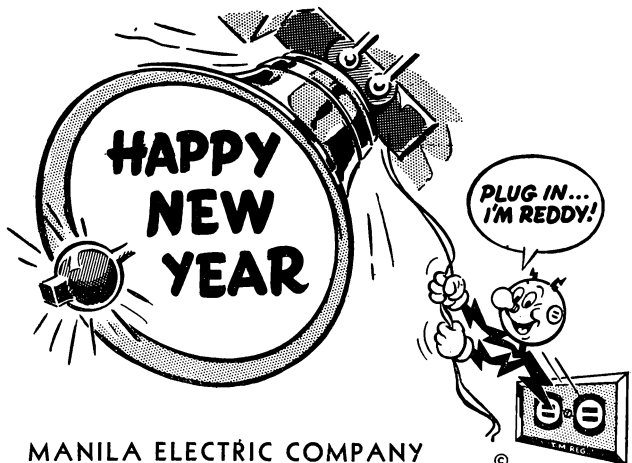
War came, and with the paralyzation of our economic life, Chambers of Commerce were closed.

After liberation, President Sergio Osmeña called a conference of the Chambers of Commerce, following which mea-

sures were taken toward our rehabilitation. When Mayor Valeriano Fugoso called on the Chambers of Commerce for assistance in starting a fund for the families of members of the City Police force killed in line of duty, the American, Chinese, Spanish, and Manila Chambers and this Chamber of Commerce donated the initial funds. Later, the movement was taken over by the community in general, spearheaded by the ex-Police Chief, Col. Angel M. Tuason, and ample funds are now assured.

Recently, on the 18th of November, in the Champagne Room of the Manila Hotel, the American Chamber of Commerce, upon the initiative of President F. H. Stevens, the "simpatico" oldtimer, played host to the Chamber of Commerce of the Philippines. It was a get-together between the officers and directors of the ACC and those of the CCP. Both Presidents Stevens and Puyat pledged mutual close cooperation in matters of common objective. Already, concerted action was agreed upon to petition for the lifting of the Moratorium, and most likely before this issue of the *Journal* comes out, it will have been forwarded.

A friendly voice was heard on Capitol Hill, when Representative Fred Crawford (R. Michigan) delivered a short speech in Congress urging that an "extremely sympathetic view" be taken of efforts to help rehabilitate the Philippines. Enlarging on his thoughts in a statement to the United Press, Representative Crawford said the United States has "a moral obligation to get the Philippines back in operating condition." Asserting that though "we need all the Philippines can produce and need it badly", despite more than two years since V-J day "we have not yet seen fit to put the Islands back to business." This attitude is "awfully cheap" when "we apparently are so willing to get rid of \$20,000,000,000 for Europe".



MANILA ELECTRIC COMPANY

134 San Marcelino, Manila

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Commenting on the limitations of our shipments to the United States of hemp and copra, Representative Crawford suggested that "perhaps the United States has been too negligent in making war-damage payments to the Islands." He emphasized that the Filipinos are not begging, and stated that the United States has "a specific obligation" to the Philippines entirely dissociated from the over-all Far Eastern problem, adding that "we had a moral obligation to the Philippines far before we had anything to do with China and Japan."

George C. Dankwerth, former old-timer here, and now an investment-broker in San Francisco, who recently returned from a three-months business trip to the Philippines, spoke of his disappointment with the delay in the rehabilitation of Manila and the Philippines. "It seems to me", he said, "that we are treating our former enemies, the Japanese, better than we are treating the Filipinos." Criticizing the \$500 limitation on individual war-damage payments, he said, "that little amount won't bring adequate employment and won't even start to rebuild industry."

It is comforting to know that we, the Filipinos, have good friends in the United States such as Representative Crawford and Mr. Dankwerth, and this Department records their heart-warming views on the Philippines and its problems with extreme satisfaction.

On November 22, 1946, President Puyat was received by Chairman Commissioner Waring and Commissioner Delgado of the War Damage Commission at its Office, then located in the Aguinaldo Building, in the presence of other key-men of the Commission. One of the points made by Mr. Puyat was that the basis for payment of damages should be in proportion to the amount submitted as damages incurred. If the purpose is to rehabilitate the economic life of the country, claims filed for damages should be classified, and the money available for payment should be distributed proportionately among the different groups. Chairman Waring expressed himself as fully in favor of the proposal, but he, as well as Commissioner Delgado and members of his staff, were one in the opinion that the law does not permit the adoption of this suggestion of Mr. Puyat. However he said that if Congress decided later on to increase the amount of money for payment of war damages, that would open an avenue. Commissioner Delgado stated that the members of the Commission had already discussed this plan among themselves, but had been unable to find a way. He said that it might be possible to amend the law after the Commission had ascertained the facts and placed them before Congress.

After more than a year of operation, the members of the Commission know the facts, and it is hoped that they will press for an increased appropriation to assure that war-damage payments will actually help in the reconstruction and economic rehabilitation of the war-torn Philippines.

PEDRO J. OCAMPO, *Secretary.*

## Philippine Chinese General Chamber of Commerce

**I**N retrospect, the Chinese businessman may look back on the year 1947 glad not only because he has survived it, but also because he has shared with his fellow businessman, be he Filipino, American, Indian, or any other, the benefits as well as the reverses brought about by the prosperity and the depressions which characterized the past twelve months. For although business was not actually at its best at one time or at its worst at another, the ups and the downs were noticeable enough to be graphically presented. Yet no serious consequences followed the "poor" business during some months of 1947.

Judged from the analysis made of the businesses in which most members of the Chinese Chamber of Commerce have

been engaged, the trends as reviewed in accordance with the different items of business they handled, to wit:

**Textiles:** From January to March, the business was generally fair. A big slump occurred in April and May, particularly during the latter, and most importers lost money. In June and July, the textile business picked up a bit; in August, September and October, the market greatly improved. As generally in the past, the months of November and December were quite all right. All in all, the volume of the 1947 textile trade was six to seven times that of any pre-war year.

**Hardware:** Contrary to general belief, the hardware business was not the best business, although a few items, especially galvanized iron, gave considerable profit. The first half of the year was very good, but the market weakened due to shortage of supply. The United States was the only source of galvanized-iron sheets, although stocks came later from Belgium.

**Groceries and Canned Goods:** Business was at its worst from January to April, due to oversupply of imports and the Army surplus. During the following two months, these commodities began to pick up until at the end of the year they were in brisk trading. Philippine consumption was about thrice that of any pre-war year.

**Tobacco and Cigarettes:** The first half of the year business was good, but the second half was not profitable to dealers and operators. Expenses were just recovered as manufacturers broke even. Locally manufactured cigarettes found no market, while the business in imported cigarettes ran to about twenty times the pre-war volume. Importers of American cigarettes had fairly good business throughout the year.

**Lumber:** During the early part of the year, business was good, due to active reconstruction. When the Government assumed control of prices during July, August, and September, there was a slump, and the retailers (not the concessionaires) had only a very small margin of profit. Although trade was active, the lumber dealers made no profit in December.

**Glassware and Chinaware:** Good during the early part of year, but from May to October, the business was very slow. Recovery was made in November and December as the volume of buying increased with the approach of the holidays. The volume of trade was five times that of any pre-war year.

**Bakeries:** Good from January to middle of the year. The increase in prices of flour from Canada and the United States beginning in June, and the government specifications on the weight of bread made bakeries struggle to merely remain in business. Brisk trading before the holiday season relieved the bakeries a bit.

**Restaurants:** Business during the first half of the year was fair, but during the last six months it was so bad some of them went out of business.

**Chucheries:** From January to the middle of the year, business was rather stable and then gradually increased until it reached its peak in November and December.

YANG SEPENG, *Executive Secretary.*

## Spanish Chamber of Commerce of the Philippines

**A**MONG our activities during November and December, there was, in the first place, the definitive reorganization of our *Camara* under the laws of the Philippines.

A legislative mandate after the war required this, and on November 28 our Corporation was newly registered under the name of "*Camara Oficial Española de Comercio de Filipinas.*"

Our Chamber was maintained during the war under great difficulties, but also with great integrity on the part of those who were acting during those painful times.