

Building Construction

By JUAN J. CARLOS

President, United Construction Co., Inc.

DURING 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

AS 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

TOTAL 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

THE 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 | | | | |
| Total | 6,245,829 | ¥1,400,685.78 | 26,965,718 | ¥3,059,857.12 |

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 |
| Total | | 6,245,829 |
| | | 26,965,718 |

Mining

By NESTORIO N. LIM

Secretary, Chamber of Mines of the Philippines

GOLD 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.