

11 and 12 of the Ambuklao Hydro-electric project in Baguio, for which about 360,000 bags will be needed in these two projects alone, the PRISCO has placed an order for Japanese cement to alleviate the situation. Galvanized-iron sheets and pipes are difficult to get in the market. The effect of the steel strike in the United States, recently settled, was being felt. Japanese sheets are also in short supply.

Plans and specifications are now being issued for the bidding on the Ambuklao Dam scheduled for October 1, 1952. The project is estimated to cost about ₱35,000,000. The dam will be 430 feet high and 500 meters wide at the base. When completed, it will be the second highest of its kind in the world and will only be about 10 feet lower than the Mud Mountain Dam in the United States.

Port of Manila

By L. R. WENTHOLT

Vice-President, Luzon Brokerage Company

DURING the month of July approximately 65,000 tons of general cargo were discharged on the Piers in Manila. Besides during this month a considerable quantity of rice was imported which arrived here on five different vessels from Burma as well as Bangkok.

The number of American ships calling at Manila was far below the average due to the continuation of the strike on the West Coast. According to latest information, the chances for settlement have improved suddenly and an agreement is hoped to be reached in the very near future. In view of the fact that foreign-flag vessels are allowed to load on the West Coast, the effects of the strike have not been greatly felt here because the carriage of cargo was shifted from American-flag to foreign-flag vessels.

The work in the Harbor is going on smoothly and the terminal company shows signs of greater efficiency.

The Portuguese steamer *Timor* made her first call at Manila this month and started a regular passenger-freight service between the Philippines and Portugal.

There was no congestion on any of the piers this month, and pilferage has decreased.

Ocean Shipping and Exports

By B. B. TUNOLD

Secretary-Manager

Associated Steamship Lines

TOOTAL exports for the first half of 1952 amounted to 2,275,417 tons, as against 2,022,947 tons for the first half of 1951, or approximately 253,000 tons more this year than last year.

This increase is mainly attributed to an increase of molasses, chrome and iron ores, and sugar (cent./raw) exports.

Total exports for the first 6 months of 1952, as compared with the first 6 months of 1951, were as follows:

Commodity	1952	1951
Alcohol.....	498 tons	574 tons
Beer.....	1,619 "	825 "
Cigars and cigarettes.....	78 "	63 "
Coconut, desiccated.....	25,490 "	35,067 "
Coconut oil.....	40,119 "	34,002 "
Concentrates, copper.....	31,227 "	25,518 "
Concentrates, gold.....	3,588 "	2,845 "
Copra.....	296,731 "	346,953 "
Copra cake and meal.....	36,965 "	29,920 "
Embroideries.....	1,186 "	1,498 "
Empty cylinders.....	2,610 "	2,773 "
Fish, salted.....	115 "	83 "
Foodstuffs.....	68 "	11 "
Fruits, fresh.....	667 "	1,207 "
Furniture, rattan.....	6,496 "	4,622 "

Glycerine.....	1,064 "	884 "
Guns, copal.....	121 "	554 "
Guns, elemi.....	32 "	40 "
Hemp.....	460,880 bales	560,698 bales
Household goods and personal effects.....	1,579 tons	2,396 tons
Junk metals.....	8,800 "	31,742 "
Kapak.....	61 "	100 "
Logs.....	75,718,503 bft.	86,020,654 bft.
Lumber.....	28,644,504 "	30,384,313 "
Molasses.....	119,143 tons	78,955 tons
Ores, copper.....	452 "	—
Ores, chrome.....	187,095 "	123,288 "
Ores, lead.....	179 "	159 "
Ores, iron.....	596,577 "	404,556 "
Ores, manganese.....	14,157 "	15,716 "
Pineapples, canned.....	26,067 "	39,78 "
Plywood and plywood products.....	159,872 sq.ft.	504,030 sq.ft.
Rattan, round (palasan).....	1,433 tons	2,313 tons
Rope.....	2,371 "	3,141 "
Rubber.....	639 "	562 "
Shell, shell waste.....	275 "	325 "
Shell buttons.....	40 "	26 "
Skins, hides.....	221 "	1,015 "
Sugar, cent./raw.....	569,636 "	495,728 "
Sugar, refined.....	27 "	—
Sugar, muscovado.....	6,547 "	—
Tobacco leaf.....	7,384 "	3,834 "
Vegetable oil.....	332 "	124 "
Wines and liquors.....	27 "	—
Transit cargo.....	1,919 "	6,176 "
Merchandise, general.....	4,585 "	12,501 "

Mining

By NESTORIO N. LIM

Secretary, Chamber of Mines of the Philippines

MEMORANDUM TO THE WAGE BOARD FOR THE MINING INDUSTRY (METALLIC GROUP)

THE mining industry is faced by the most critical period in its history by the imposition of the P4 a day minimum wage on August 4, 1952, the extension of which the Chamber has petitioned for in order to enable the industry to survive.

The mining companies have shown facts and figures to prove that they have been losing money on their last 6 months' operations, or if they have profited, that these profits will surely be lost after the application of the P4 minimum wage.

The application of the minimum wage will force the mines to dismiss a portion of their personnel gradually until such time that they can no longer operate. The mining industry now actually employs 20,281 workers. Workers connected with the mining industry, such as farmers, timber operators, machinery operators, barbers, teachers, restaurant men, bartenders, soldiers, and many others will bring the total to 40,562. If each employee has an average of 5 dependents, the total number depending on the mining industry would be 202,810. This number of people is supported daily by the mining industry. If the mines stop operations, what can the Government offer to these people? Can the Government afford to see these numbers go hungry? The Government, instead, should help the industry to explore, develop, and operate more mines in order to absorb the increasing number of unemployed and at the same time help check robbery, banditry, and starvation, rather than increase the hardships attendant on mining enterprise.

Mining is a risky venture in which capital, once expended, may never be recovered again. A large number of mining companies spent millions of pesos before any dividend was realized. This kind of risk needs higher returns on investment, and the payment of a dividend of from 5% to 10% is not proportionate to the risk. Once in a while a company may pay a 20% to 25% dividend and at once the impression is that all the mining companies are making big profits....

By enforcing the effectivity of the P4 minimum wage on August 4, the Government would stand to lose millions and millions of pesos not only in the form of taxes but also in the value of natural resources unmined and left underground... If the P4 minimum wage is put into effect, the cost of production will increase and only high-grade ore will be mined. Take for example a company mining an average-grade ore of P18 per ton. This mine will mine X tons of P10-ore, Y tons of P15-ore, and Z tons of P12-ore. If the P4.00 wage is put into effect, this mine will mine only tons of Z P25-ore, and the low-grade P10 and P15 ore will be left wasted. The investor will mine in the quickest possible time all the high-grade ore to recover his capital or part of it, and will abandon all low- or medium-grade ore which can not be mined at a profit. The Government should rather see that the mining companies mine all the low-and medium-grade ore by cutting down taxes...

The present trend of gold prices is downward. The last price is ₱103.60 in the free market for 75% of the output and ₱70 for 25% at the Central Bank, or an average of ₱95.20 per ounce. While at the present scale of wages of a ₱3 minimum, the average cost of production is ₱96.00, and a loss already of ₱.80 per ounce is now sustained, how much greater will be the loss when the wage is raised to ₱4 a day! This would raise the cost of production per ounce to ₱101, entailing a loss of ₱5 per ounce. The abolition of the requirement that 25% of the gold produced must be sold to the Central Bank at ₱70, of the 17% dollar tax, and of the 2% fee charged by the Import Control could not wipe out the losses incurred due to the big drop in the price of gold in the free market. Remember that when the Minimum Wage Law was being enacted in April, 1951, the price of gold was ₱136 per ounce, going as high as ₱160. But, unfortunately, from May of 1951 to December of the same year, the price has continually dropped and now it is only ₱103.60 (as of July 15, 1952)...

The mining companies now are providing all possible incentives to the laborers to increase their earnings. It has been shown that most of the laborers have increased their earnings by an average of ₱.52 per day over their minimum cash-pay...

The houses, the schools, the hospitals, the recreation facilities, the vacation and sick leaves, the Christmas bonuses, the rice rations, etc., which the mining companies give to their employees for their comfort and happiness... all necessitate large capital outlays by mining companies which in some cases may never be recovered. Some companies cannot, all at once, provide the ideal living conditions many labor leaders want... but I say that the mining companies have done their best for their employees and will always do so, provided they can get a proper return for their investments.

From 1946 to 1952 many mines have sought financial aid and tax relief from the Government, but under the rigid bank regulations, aid came in some cases only after all a company's assets had been mortgaged to the bank... The mines got a little tax relief in the condonation of assessments and occupation taxes. But, actually, the Government collects tremendous revenues from the production tax, the 17% dollar exchange tax, the 2% fee, the 6% surcharge, the B-Tax, the real estate taxes, the 29% corporation income tax and the stockholder income tax, besides numerous other indirect taxes for gasoline, diesel fuel oil, timber license, transportation, etc. If the Government wants the elevation of the mine workers, why should it not forego some of the taxes enumerated to cover the differential of ₱1.00 called for by the Minimum Wage Law? By doing this the Government could make the workers happy and at the same time lessen the burden of the mining companies,

thereby increasing the mining incentive. Many more mines would open and more employment throughout the country would result.

Mine workers know the effect of the Minimum Wage Law on the mines in that it will shorten their employment, as capital will mine only the rich ore and leave the low- and medium-grade ore in the ground. They know that the price of gold has gone down since April, 1951. They know that the cost of machinery, supplies, spare parts, and explosives has gone up. They know that heavy taxes of all kinds are being collected from the mines. They know the difficulties that the mines are undergoing in getting their licenses for the export of their ore, licenses for the use of explosives, licenses for importing machinery and supplies; they know the difficulty of getting licenses for the dollars to pay for their mine-machinery, spare parts, and supplies. I, therefore, hope that labor will take all these difficulties into consideration and show its cooperation by favoring the postponement of the effectivity of the ₱4 minimum wage.

Respectfully submitted,

NESTORIO N. LIM
Secretary

July 22, 1952
Manila.

Lumber

BY PACIFICO DE OCAMPO
Secretary-Treasurer

Philippine Lumber Producers' Association, Inc.

DURING the month under review, June, 1952, the Philippines exported a total of 22,631,474 bd. ft. of logs and lumber, which, compared with the export of 19,597,870 bd. ft. during the preceding month, was an increase of 3,033,604 bd. ft., but was a decrease of 3,944,542 bd. ft. compared with the export of 26,576,016 bd. ft. during the same month of June last year. Like the month last reviewed, this increase was mainly due to further improved Japanese demand for logs—from 12,603,322 bd. ft. in May to 18,174,183 bd. ft. in June, an increase of 5,570,861 bd. ft. Shipments to the United States and Ca-



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